

**Subject – Secretarial Practices**  
**Subject code- BBA603 / BCH603**  
**Lecture 17**

***Calls:***

A company can make calls at any time as and when it thinks that there is necessity of funds. A call can be made even at the time of winding up to pay the creditors. Sometimes a company may not have to make any call at all during its existence.

**The Companies Act provides certain rules with regard to calls (Sees. 91 to 93 and Table A) which are as follows:**

- (1) Not more than  $\frac{1}{4}$ th of the total value of a share can be called for payment at any time.
- (2) No two calls can be made within one month's time.
- (3) All the shareholders belonging to one class of shares shall be asked to pay at the same rate.
- (4) If any shareholder fails to pay his call money, his voting rights are proportionately reduced.
- (5) If any shareholder pays call money in advance (i.e., when no call has been made) his proportionate voting rights do not increase but he may get dividend proportionately on the excess capital supplied by him if the Articles of Association of the company makes such provision. Regulations 13 to 18 of Table A provide the procedure for making calls.