

Subject – Secretarial Practices
Subject code- BBA603 / BCH603
Lecture 16

overview:

The price of a share may be payable at a time of making the application of purchase or in installments, as the company desires.

The installments are payable in the following manner:

- (i) One part at the time of making the application;
- (ii) One part at the time of allotment;
- (iii) The balance may be payable part by part as and when the company calls upon the shareholders to make the payment.

The demands for making installment payments are known as Calls. If any shareholder fails to pay any call money, then the company may forfeit his shares. It means that the defaulter shareholder is no longer recognized by the company as its shareholder. There are distinct procedures for making calls and for forfeiture. Since all these are connected with shares, the Company secretary has the duty to handle them.