

Registration of memorandum:

1. Memorandum must be register with the registrar of a province in which Head office of company is located:

Explanation

Mean agar kisi company ka head office punjab main hai tu wo isko punjab k registrar k paas register karwaye ga aur agar head office of company Sindh main hai tu wo isko sindh k registrar k paas register karwaye ga. Aur agar kisi company ka head office capital area main hoga tu wo isko capital area k registrar k paas register karwaye ga.

2. If registrar is satisfied that all objects stated in the memorandum is appropriate than registrar shall register the memorandum.

Explanation:

matlab agar registrar ko koi aitraaz nhi ha memorandum pe aur wo apni saari clauses law k according hain tu wo isko register karr ly ga warna aitraaz laga de ga. Agar aitraaz lag gaya tu jis clause main problem hai usko theek karr k 30 din k ander dobara registration k liye submit karwaye ga.

3. Registrar ne agar koi aitraaz laga dia tu usko kisi court main challenge nhi kia jaa skta.

Responsibilities of registrar:

Registrar ki kia zimmadari ha mean wo kin contents ko check karay when a company apply to register its memorandum.

1. Kia subscribers ki tadaad [number of subscribers] correct ha yaa nhi. As students you all know that there are limits on members in public and private company so according to the nature of company registrar will check the number of minimum subscribers.
2. 2ndly registrar will check the purpose of formation. That whether it is for lawful purpose or not. Suppose if someone ask registrar that I want to make a company for selling of alcohol, as our law not allow this object so registrar shall refuse to register the memorandum.
3. 3rd registrar ki duty ha k wo ye check karay k object properly define ha yaa confused statement ha mean agar koi kehta ha I want to make a company for any profitable activity, so ab ye confused statement ha. Aur is per registration nhi ki jaa skti, beshak ye statement ye show nhi karr rahi k subscribers koi illegal kaam karnay walay ha lakin ye statement ye bhi tu define nhi karti k ye koi legal kaam karnay walay hain, this is why confused statements are not allowed to express in memorandum of association.

4. Iskay ilawa baaki tmaam clauses ko analyze kia jaye ga k according to law ha yaa nahi.

5. Last but not least registrar shall check all the requirements regarding the name as we had learned in our previous session that there are some important considerations before selection of name for example it must not be undesired by the society, not similar to any other company etc. so registrar shall check all the requirements regarding name of the company.

Now students we shall learn what happens after memorandum get registered:

- Registrar certify that company has been registered. so aap ab legally company ka status haasil kar chukay hain after registration of memorandum.
- After the registration of memorandum all those persons who were subscribers now are legally called the members of the company.
- Company gets a name.
- Company gets its seal.
- Now company can enter into contracts
- And now legally the liability of members has been defined according to law, whether it is limited by shares, limited by guarantee or they all have unlimited liability.

Alteration of memorandum:

Many students want to know the alteration status of memorandum it is frequently asked question that a company can change its memorandum or not and I always reply that yes it can, but it is not a cake walk. After going through the difficult phases a company get able to alter its memorandum. So we are today about to learn what are those phases to change the memorandum.

Preliminary discussions:

First of all you need to present the matter of alteration in Annual General meeting and discuss the reason for company is need to change its memorandum. After discussion if majority opinion is in favor to change the memorandum. Now you are ready to enter into the next stage.

Stock exchange requirements:

If your company is listed on stock exchange you also need approval from the stock exchange:

Agar aap ki company stock exchange per register nahi ha aur aapka memorandum ye nahi btata k aap isko stock exchange pe listed karwaye ge. Tu jb tak memorandum main ye define nahi hoga ka company stock exchange per register karwani ha tb tk company stock exchange per register nahi ho sakti. Ab aap ne company agar stock exchange per register karwani ha tu aapko pehlay memorandum change karna hoga so after discussion in AGM [Annual General Meeting]. Ab aap 2nd stage per stock exchange per

register honay k liye jo jo conditions hoti ha wo sb poori karai ge phir aap next stage main jaye ge k ab memorandum change karnay k liye 3rd stage pe kia karna hoga:

Summary of discussion is

If you are register at stock exchange you can only change your memorandum after getting permission from Stock Exchange.

And

If you are not register and want to get register now you are required to fulfill the conditions of Stock exchange first.

Consultation with vested interest:

In this stage if you want to alter your memorandum you shall discuss it with all your major stakeholders like your lenders [Banks from where you got loan] , your major shareholders, your major suppliers etc etc and after considering the interest of all major stakeholders if no one of your stakeholders has any objection than you can go to the next stage of alteration. If someone of stakeholders objects that this change [Mean any change] can exploit my rights and raise his voice that this memorandum should not get alter. Memorandum shall not get alter until you address his or her objections.

Settlement with registrar:

Now you go to registrar and ask whatever change I want to change is it possible or not:

Ye bhi ho skta ha after passing all stages yaha per registrar apko karara sa jawaab de de k aap jo change karna chah rahay hain law isko allow hi nahi karta. Etc etc



Notice or Circular:

If registrar does not object, your memorandum shall get altered. But now you need to communicate it with all stakeholders through circulars: [official order ko circular kaha jata ha]

Press Release:

It is very much similar to when someone changes his or her name they are required by law to publish it in press, similarly when a company alter its memorandum it is required by law to inform general public through press.

Share certificates:

If alteration has caused some change in the Shares or Bonds of company now company is required to call for old certificates [Certificates =Shares and bonds]and issue new certificates.

Resolution:



Now after you have achieved your Goal now is the time to print a resolution about change and put it in your memorandum and submit the same copy with registrar

Alteration generally made in the following clauses of Memorandum

1. Name
2. Situation of registered office
3. Limitation of liability
4. Objects of company
5. Capital

Dear students now it is very and to the point that what can be change in the above mentioned clauses, so you are required to read from your book page number 63. I have pasted the page here but if there is problem of visibility open your books.

1. Alteration Of Name Clause-Section 38

The name of a company can be changed or altered in any of the situation specified in section 38, 39 and 41.

The change of name is not complete until it has been made upon the registrar, and a new certificate of incorporation issued. If a special resolution was not duly passed, the registration of the new name should be vacated.

2. Alteration Of Registered Office Clause-Section 21(1)

A company by special resolution can change the place of its registered office:

- (a) from one province to another, or
- (b) from one city or town in a province to another, or
- (c) from a part of Pakistan not forming part of a province to a province, or
- (d) from a province to a part of Pakistan not forming part of a province.

3. Alteration Of Objects Clause-Section-21(1)

A company may by special resolution, alter its memorandum so as to change its objects for the following purposes:

- (a) to carry on its business more economically or more efficiently, or
- (b) to attain its main purpose by new or improved means, or
- (c) to enlarge or change the local area of its operation, or
- (d) to carry on some business, which may advantageously be combined with its own,
- (e) to restrict or abandon any of the objects, or
- (f) to amalgamate with any other company or body or persons.

4. Alteration Of Capital Clause-Section 92

A company can alter the capital clause of its memorandum as under:

- (a) **Under section 92**, for the purpose of increasing, consolidating, subdividing or canceling the capital.
- (b) **Under section 96**, for the purpose of reducing share capital.
- (c) **Under section 108**, for the purpose of variation of shareholders rights.
- (d) **Under section 286**, for the purpose of compromises and arrangements with creditors and members.