

# Pennington's Company Law

Fourth edition

---

Butterworths

# Company Law

*by* Robert R. Pennington, LL.D

Solicitor, Professor of Commercial Law at the  
University of Birmingham, Adviser on  
Company Law to the Commission of the  
European Communities

Fourth edition

London · Butterworths · 1979

England	Butterworth & Co (Publishers) Ltd
London	88 Kingsway WC2B 6AB
Australia	Butterworths Pty Ltd
Sydney	586 Pacific Highway, Chatswood, NSW 2067
Melbourne	343 Little Collins Street, 3000
Brisbane	240 Queen Street, 4000
Canada	Butterworth & Co (Canada) Ltd
Toronto	2265 Midland Avenue, Scarborough, M1P 4S1
New Zealand	Butterworths of New Zealand Ltd
Wellington	77-85 Customhouse Quay
South Africa	Butterworth & Co (South Africa) (Pty) Ltd
Durban	152-154 Gale Street

© Butterworth & Co (Publishers) Ltd 1979

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, including photocopying and recording, without the written permission of the copyright holder, application for which should be addressed to the publisher. Such written permission must also be obtained before any part of this publication is stored in a retrieval system of any nature.

This book is sold subject to the Standard Conditions of Sale of Net Books and may not be re-sold in the UK below the net price fixed by Butterworths for the book in our current catalogue.

ISBN Casebound: 0 406 33678 4

Limp: 0 406 33679 2

First edition *June 1959*

Second edition *November 1967*

Reprinted *February 1969*

Third edition *June 1973*

Reprinted *January 1975*

Fourth edition *January 1979*

Printed by J. W. Arrowsmith Ltd  
Winterstoke Road, Bristol BS3 2NT

## Company Law

## Preface

The reform and development of company law proceeds apace. Since the third edition of this book was published in 1973 three important statutes affecting company law have been enacted, one of which, the Companies Act 1976, has made radical changes in the arrangements for the audit and publication of companies' annual accounts and reports. At the same time the volume of judicial decisions in the field of company law has expanded considerably, particularly in connection with winding up proceedings and receiverships initiated by debenture holders, a not surprising phenomenon in the context of the economic recession which began at the end of 1973 and still continues. Activity in the field of takeover bids has diminished during the last few years, but the City Code on Takeovers and Mergers has nevertheless received further important interpretations and applications by the City Panel which enforces it, and the Code was revised and re-issued in 1976. The impact of United Kingdom membership of the European Communities has been felt in the form of the many draft directives for the harmonisation of company legislation which the Commission of the Communities has published, and which will eventually result in important changes in United Kingdom company law. Up to the present only three of these directives have come into force, but at least three more of them are likely to do so in the course of the next twelve to eighteen months.

Until recently the choice of a time to publish a new edition of a book on company law was a fairly easy matter. One simply waited until extensive reform legislation was enacted or until the existing legislation was consolidated in a new Companies Act (which happened every twenty years or so) or until there was a sufficiently large and significant body of new case law. Nowadays company legislation is more frequent and piecemeal than formerly, and enactments which are not primarily concerned with company law, such as the Insolvency Act 1976, and the annual Finance Acts imposing taxation, often bring about important changes in the application of company law. Moreover judicial decisions in recent years have been more extensively concerned with basic principles than with merely interpreting the detailed provisions of the Companies Acts, and this calls for a more frequent reassessment of the way in which the basic rules of the subject should be presented. Probably the only area in which inventiveness has not recently been conspicuous is company practice. Apart from the highly specialised oil revenue participation certificates and oil production stock, which some of the oil companies have issued, no new forms of investments have been issued by companies since convertible debentures and debentures with subscription warrants attached became popular in the late 1960's. The only new investment transaction which has evolved recently is the traded option,

which was introduced on the Stock Exchange earlier this year. Management structures have on the whole undergone little change, apart from the continuing increase in the proportion of full-time to part-time directors which began more than twenty years ago, and employees' participation in management is still distinctly a matter for deliberation and experimentation before legislation is introduced.

The fourth edition of this book is therefore not published at the beginning or end of an epoch, and even when the next consolidating Companies Act is passed, which must inevitably be within the next few years, there is unlikely to be any pause in the enactment of amending and reforming legislation. Company law is inevitably coming to resemble fiscal law in that it is never static, and changes are both radical and frequent. The timing of a new edition of a book on the subject is therefore dictated by the volume and importance of legislation and case law since the previous edition, and in that connection the five years which have elapsed since the third edition of this book have truly been productive. The recently published White Paper 'Changes in Company Law' (Cmnd 7291) sets out some of the changes which will have to be made in company legislation in the near future to give effect to the second directive issued by the Council of Ministers of the European Communities to harmonise company legislation, and also to give effect to certain amendments to the existing law required to tighten up the duties of directors and to regulate insider trading. Although the White Paper consists mainly of a draft Companies Bill, it is made clear that such a bill will not be introduced in Parliament in the immediate future, and the bill which will eventually be presented to Parliament may undergo considerable changes as a result of consultation meanwhile. The White Paper and the draft Companies Bill are therefore not dealt with in this edition.

The form of the fourth edition of this book is much the same as the third. The only change in arrangement which has been made is that the contents of the former chapter which dealt with the rules and requirements of the Stock Exchange for obtaining and maintaining a listing for shares or debentures, have been distributed among the preceding chapters, so that the law and the relevant Stock Exchange rules are set out together. It is hoped that both students and practitioners will find it more convenient to have the whole of the law and the Stock Exchange rules on particular subjects, such as the marketing of securities and the publication of information by companies, in one place. The Stock Exchange has been most helpful in providing the author with information about the new TALISMAN system for clearing and settling bargains in listed securities which will take effect in 1979. Any defects in the presentation of the scheme in this book are, of course, exclusively for the account of the author.

The law is given in this edition as it stood on 1 August 1978.

Robert R. Pennington  
University of Birmingham  
*August 1978*

## Author's Note

Owing to changes which have recently been made in the TALISMAN Scheme for the settlement of bargains on the Stock Exchange, the following should be substituted for the account of the scheme on pages 334–336.

## The Stock Exchange and Talisman

During 1979 the Stock Exchange of the United Kingdom and Ireland will introduce a new system for checking and settling bargains in securities listed on it, and it is intended that the new system shall be fully operative and that the present system shall be terminated by the end of the year<sup>1</sup>. The new system is known as TALISMAN, which is a contraction of the words Transfer Accounting, Lodgement for Investors and Stock Management for Jobbers, the three services which the new system will provide.

The two keys to the system are that a company formed by The Stock Exchange, SEPON Limited (a contraction for Stock Exchange Pool Nominees), will act as a depository for securities in the course of settlement of bargains, and that a department of The Stock Exchange, the Settlement Centre, will keep accounts of acquisitions and disposals of securities on behalf of jobbers and brokers. The securities for the time being credited to such an account represent the beneficial entitlement of the account holder or, in the case of brokers, of the clients of the account holder, to securities of the relevant description. The system will apply only to registered securities listed on the Stock Exchange issued by companies incorporated in the United Kingdom or Ireland, and so it will not be employed in respect of shares and debentures represented by bearer certificates or by renounceable letters of allotment or acceptance, or in respect of securities of foreign companies<sup>2</sup>. It will, however, apply to securities registered in a register kept in the United Kingdom or Ireland, even though the issuing company keeps a duplicate register overseas.

The procedure on the sale of securities with TALISMAN by a broker acting for a client to a jobber and on a sale of securities by a jobber to a broker acting for a buyer will be as follows. The selling broker and the jobber will both report the bargain to the Stock Exchange Settlement Centre, where the reports will be checked, and if they match, a sale docket in respect of the bargain will be sent by the Centre to the selling broker<sup>3</sup>. The seller's broker must then deliver to the Centre a 'sold' transfer of the securities to

1. See *Talisman Service Description*, Vols 1 and 2 and *Talisman Registration Service Description* published by the Stock Exchange. The contents of these volumes are subject to revision in the light of experience, and the details in the account of the TALISMAN scheme given below may therefore change in the future.
2. Exceptionally, the securities of Australian and South African companies registered in United Kingdom registers are within the TALISMAN system. The securities of companies incorporated in certain other African countries will also be included if the securities are registered in the United Kingdom.
3. Sale dockets do not operate to transfer any title nor do they create any obligation; they are issued simply to record the sale of the securities and in anticipation of a transfer by the seller (*Talisman Service Description*, Vol. 1, para 6.11.1).

SEPON Ltd signed by the seller<sup>4</sup> together with the seller's certificate for the securities, or alternatively, if the seller is disposing of only part of a holding represented by a single certificate, a 'sold' transfer to SEPON Ltd accompanied by the certificate and a request to the issuing company for a certificate in the seller's name for the unsold balance of the securities. The Centre sends the 'sold' transfer and the seller's certificate for the securities to the issuing company, which registers SEPON Ltd as holder of the securities, but does not issue a new certificate to it<sup>5</sup>. Under the Rules of The Stock Exchange, the equitable beneficial interest of the seller in the securities he has sold will be replaced on deposit of those securities at the Settlement Centre by a proportionate beneficial interest as a co-owner in all the securities of the same description which are registered in the name of SEPON Ltd or which have been deposited at the Settlement Centre for registration in its name. Settlement will normally take place on Account Day. The Settlement Centre will effect delivery to buyers by debiting the accounts of sellers (whether brokers or jobbers) and crediting the accounts of the buyers (whether brokers or jobbers) before the commencement of business on Account Day in respect of bargains which can be settled on that day, and will inform sellers and buyers what is due to and from them, payment being made later in the day. Once securities have been credited to his account, a jobber who resells or has resold them is able to deliver the securities to his purchasers; delivery (called "apportionment") is effected by debiting the jobber's account and crediting the account of the buyer (if he is another jobber) or of the buyer's broker. Usually the jobber will have bought and sold the same securities during a single Account; in that case the securities will pass through his account on Account Day as a matter of book-keeping, and he will not receive stock transfers in respect of the securities. After apportionment has taken place, the Settlement Centre will produce 'bought' transfers to the buyer of securities in accordance with instructions given by his broker and will lodge such transfers with the issuing company at regular intervals; in the case of the more actively traded securities lodgement will be on a daily basis. The issuing company will then register the buyer as holder of the securities and issue a new certificate in his name, which will be returned to the Settlement Centre for collection by his broker. At the same time the issuing company will make an entry in its register that SEPON Ltd has ceased to be the holder of the securities transferred.

Securities cannot be apportioned to a broker representing a buyer unless sufficient securities stand to the credit of the selling jobber's account maintained by the Settlement Centre. Securities will be apportioned from the jobber's account according to an established order of priority. If there are only enough securities credited to the jobber's account to satisfy part of

4. A 'sold' transfer (known as a TALISMAN sold transfer) will be in a form adapted from the standard stock transfer form authorised by the Stock Transfer Act 1963; the provisions of that Act will nevertheless apply to it (Stock Exchange (Completion of Bargains) Act 1976, s. 6(1) (46 Halsbury's Statutes (3rd Edn.) 996) No stamp duty is chargeable on a sold transfer (Finance Act 1976, s. 127 (1) (46 Halsbury's Statutes (3rd Edn.) 1390)).

5. Stock Exchange (Completion of Bargains) Act 1976, s. 1.

6. A 'bought' transfer (known as a TALISMAN bought transfer) will be in a form adapted from the standard stock transfer form authorised by the Stock Transfer Act 1963, and the provisions of that Act will apply to it (Stock Exchange (Completion of bargains) Act 1976, s. 6(1)). Stamp duty is payable in respect of a bought transfer at the rate of 2 per cent of the price paid for the securities by the buying broker's client; the bought transfer will be stamped by the Stock Exchange on behalf of the Revenue authorities on payment of the appropriate amount of stamp duty by the buying broker; the Stock Exchange will then account for the duty received to the Revenue authorities (Finance Act 1970, s. 33(1) and (2) (32 Halsbury's Statutes (3rd Edn.) 343)).

the bargain, those securities will be apportioned, but the 'bought' transfer will not be lodged for seven days so as to allow time for the balance of the securities to be apportioned as they are delivered to the jobber by sellers. Normally, this will enable all the securities sold under any bargain to be comprised in a single bought transfer. Additionally, there may be a further slight delay in registration of a 'bought' transfer to a buyer because there may not be enough securities standing in the name of SEPON Ltd in the register kept by the issuing company. 'Bought' transfers lodged by the Settlement Centre will then be accumulated by the issuing company, and when new 'sold' transfers to SEPON Ltd are registered, the issuing company will register 'bought transfers' correspondingly. The only circumstance in which this situation can occur (apart from fraud) is where the original seller has not delivered a 'sold' transfer and accompanying documents which the issuing company is bound to accept. In that case the account of the jobber who bought from the original seller will be debited with the number of securities in question. If the issuing company rejects a 'bought' transfer outright, the apportionment of the securities comprised in the transfer will be cancelled, even if it was not from the account of the jobber who bought from the seller who delivered a defective 'sold' transfer or accompanying documents. In that case, if the seller does not make good delivery with a reasonable time, the jobber will buy the relevant securities in the market for delivery to the buyer and will claim any loss from the seller's broker.

At present certain investors (principally institutional investors) deal with their brokers on a cash-against-documents basis; this means that they do not settle with their brokers on a net basis in respect of all their dealings during an Account, but instead pay the whole purchase price on the receipt of transfers of securities to them, and similarly receive the whole of the sale price when they deliver to their broker transfers of securities which he has sold on their behalf. This procedure will be continued under TALISMAN, but with certain necessary variations; for example, since transfers will not be delivered to a buyer's brokers, but to the Settlement Centre, the Centre will issue documents called stock notes which will be evidence of the apportionment of the relevant securities to the buyer's broker, and the buyer will pay the purchase price to his broker in return to a stock note referring to the securities he has purchased. If an investor deals regularly in large amounts of securities on the basis of cash against documents, he will be encouraged to deposit securities at the Settlement Centre when he sells them and they will be held to the seller's order until they are paid for on Account Day. However, the investor will still pay the purchase price of securities and receive payment for sales of securities through his brokers.

The Stock Exchange will introduce rules which protect the interest of the investing public in the event of default by jobbers or brokers under the TALISMAN system; losses caused by jobbers or brokers failing to pay for purchases will be borne by other members of the Stock Exchange in defined proportions. In the case of a default by a jobber, sellers will in any event be paid by their own brokers, and buyers will either receive the securities they have bought or have their money returned. If a broker defaults, sellers who do not receive payment will be able to seek compensation from the Stock Exchange Compensation Fund, whilst buyers will receive their securities if they pay the selling jobber direct, or if they have already paid the purchase price to their broker and he has defaulted, they can seek compensation for the amount they have paid the broker from the Compensation Fund.

Incidental problems arising from TALISMAN are dealt with fully by the scheme for its implementation. Dividends declared and interest falling due on securities while they are registered in the name of SEPON Ltd will be paid to it by the issuing company, and it will be a simple matter for the Settlement Centre to trace the person entitled to receive the dividends or interest from the terms of bargains reported to it by brokers and jobbers and from its records of jobbers' holdings. If there are several successive bargains in the same securities during the same Account, they will all be matched together, and SEPON Ltd will lodge with the issuing company a bought transfer to the ultimate purchaser after an apportionment has been made in favour of his broker. SEPON Ltd cannot accept transfers of securities represented by renounceable letters of allotment or acceptance, whether issued on subscriptions or offers for sale of securities, or on rights or capitalisation issues; and bargains in securities in that form will be settled in the same way as hitherto. But letters of allotment will be issued to SEPON Ltd in connection with rights and capitalisation issues made while the underlying securities are registered in its name; SEPON Ltd and the Settlement Centre can then trace the jobbers or brokers (representing their clients) who are entitled to the new securities from its records of jobbers' holdings and from the reports of bargains made to it, and the Settlement Centre will issue claims lists accordingly. Conflicting claims to the new securities will then be settled, and SEPON Ltd will surrender the letters of allotment in its name to the issuing company in exchange for split letters of allotment in favour of the persons entitled. If such a person is a jobber and the new securities are to be added to the credit balance of his holdings with SEPON Ltd, he must procure the registration of SEPON Ltd as registered holder of the new securities by surrendering his split letter of allotment to the issuing company. Finally, since SEPON Ltd can discover from the records kept by the Settlement Centre the identity of the jobber or other person beneficially entitled to securities registered in the name of SEPON Ltd, or at least, the identity of his broker, it will accept instructions to vote on such securities from the beneficial owner, provided they are communicated to it through a jobber not later than four days before the meeting is to be held or the vote is to be taken.

The advantages of the TALISMAN system over the arrangements hitherto employed for the settlement of bargains on the Stock Exchange are: (a) the delivery of 'sold' transfers to SEPON Ltd can be spread over the period from the issue of the sale docket until Account Day instead of being concentrated in the short time between Ticket Day and Account Day; (b) brokers for sellers receive payment of the price due to them from the Settlement Centre and brokers for purchasers pay the price due from them to the Centre, which avoids the need for the brokers representing ultimate purchaser of securities which have been sold several times over during an Account to pay a marking up price<sup>7</sup> to the broker for the original seller, and for differences between the marking up price and the prices agreed on the successive sales to be settled personally between the brokers and jobbers involved; (c) 'sold' and 'bought' transfers under TALISMAN name the transferee of the securities, and the need for delivering transfers with the transferee's name left blank and the use of broker's transfers is avoided; (d)

7. The marking up price for bargains entered into during an Account is fixed by the Stock Exchange on the Wednesday preceding Account Day, and is approximately the average middle market price of the securities during the Account.

all bargains are recorded and all amounts payable and receivable are calculated by a computer in the Settlement Centre, and the recording and accounting work of brokers and jobbers is consequently reduced; (e) finally, the number of registrations of transfers of securities is reduced, since dealings in the same securities while registered in the name of SEPON Ltd call for only one initial transfer to SEPON Ltd and one transfer by it to the ultimate transferee.

# TABLE OF STATUTES

References in this Table to "*Statutes*" are to Halsbury's Statutes of England (Third Edn.) showing the volume and page at which the annotated text of the Act will be found.

	PAGE		PAGE
Administration of Estates Act 1925 (13 <i>Statutes</i> 38)—		Bankruptcy Act 1914— <i>cont.</i>	
s. 45 (1) (d) . . . . .	731	s. 48 (3) . . . . .	350
Administration of Justice Act 1956 (18 <i>Statutes</i> 20)—		54 . . . . .	731
s. 34 . . . . .	742	(1) . . . . .	350, 755
35 . . . . .	742	(5) . . . . .	756
(1), (3) . . . . .	387, 418	65 . . . . .	776
(3) . . . . .	388, 418	66 (1) . . . . .	774
Administration of Justice Act 1969 (40 <i>Statutes</i> 345)—		Sch. 2 . . . . .	762, 763, 781
s. 5 . . . . .	675	Bills of Exchange Act 1882 (3 <i>Statutes</i> 188)—	
Administration of Justice Act 1970 (40 <i>Statutes</i> 976)—		s. 3 (1) . . . . .	417
s. 44 (1) . . . . .	755, 774	8 (4) . . . . .	415
Administration of Justice Act 1977 (47 <i>Statutes</i> 80)—		20 . . . . .	306
s. 7 (1), (2) . . . . .	454	26 (2) . . . . .	110
"Anzac" (Restriction on Trade Use of Word) Act 1916 (37 <i>Statutes</i> 866)—		69 . . . . .	414
s. 1 . . . . .	15	73 . . . . .	417
Apportionment Act 1870 (18 <i>Statutes</i> 434)—		83 (1) . . . . .	414, 415
s. 2 . . . . .	515	(3) . . . . .	414
Arbitration Act 1950 (2 <i>Statutes</i> 433) .	57	Bills of Sale Act 1878 (3 <i>Statutes</i> 245)	
s. 12 (1), (4), (6) . . . . .	795	. . . . .	434, 438
31 (1) . . . . .	794	s. 4 . . . . .	419, 420, 438
32 . . . . .	57	Bills of Sale Act 1882 (3 <i>Statutes</i> 188)	
Bankruptcy Act 1869—		. . . . .	4, 378, 434
s. 23 . . . . .	731	s. 4, 8, 17 . . . . .	434
Bankruptcy Act 1883 (3 <i>Statutes</i> 14)		Bills of Sale Act 1891 (3 <i>Statutes</i> 271)—	
s. 48 . . . . .	747	s. 1 . . . . .	420
55 . . . . .	731	Bubble Act— <i>See</i> Royal Exchange and London Assurance Corporations (1719)	
Bankruptcy Act 1914 (3 <i>Statutes</i> 33)		Bubble Companies etc. (1825) . . . . .	7
. . . . .	762, 763, 851	s. 1 . . . . .	8
s. 1 (1) (g), (h) . . . . .	764	Building Societies Act 1874 (3 <i>Statutes</i> 307)	
15 . . . . .	727	. . . . .	16
16 (19) . . . . .	474	Building Societies Act 1962 (3 <i>Statutes</i> 312)	
28 (2) . . . . .	755	. . . . .	16
30 (1), (3), (4), (8) . . . . .	763	Charities Act 1960 (3 <i>Statutes</i> 589)—	
31 . . . . .	756, 763	s. 14 . . . . .	22
33 (6) . . . . .	3	30 (1) . . . . .	676, 687
(7) . . . . .	739, 773	(2) . . . . .	87
(8) . . . . .	774	38 (1) . . . . .	22, 842
38 (c) . . . . .	4, 762	(2) . . . . .	843
41 . . . . .	745	48 (2) . . . . .	22, 842
43 (1) . . . . .	422	Chartered Associations (Protection of Names and Uniforms) Act 1926 (37 <i>Statutes</i> 884)—	
44 (1) . . . . .	746	s. 1 . . . . .	15
		Chartered Companies Act 1837 (5 <i>Statutes</i> 7)	
		s. 2 . . . . .	840
		4 . . . . .	839, 840, 841

# xx Table of Statutes

	PAGE		PAGE
Chartered Companies Act 1837— <i>cont.</i>		Companies Act 1948— <i>cont.</i>	
s. 29, . . . . .	839	s. 5 (f), (g) . . . . .	66, 69, 792
Cinematograph Films Act 1938 . . . . .	50	(2), (3) . . . . .	70
Civil Aviation Act 1949 (2 <i>Statutes</i> 514)—		(4) . . . . .	71, 72
s. 8 (2) . . . . .	438	(5) . . . . .	70
Civil Aviation Act 1968 (40 <i>Statutes</i> 196)—		(7) . . . . .	63
s. 16 (1) . . . . .	419, 438	(9) . . . . .	71
Common Law Procedure Act 1854 (25 <i>Sta-</i>		6 . . . . .	30, 666, 668
<i>tutes</i> 701)—		7 (1) . . . . .	29, 668
s. 87 . . . . .	352, 414	(2) . . . . .	666
Companies Act 1862 . . . . .	10, 33, 683, 838	(3) . . . . .	666, 668
s. 16 . . . . .	60	8 (2) . . . . .	30, 32, 659
80 (4) . . . . .	690	9 . . . . .	30, 659
81 . . . . .	674	10 . . . . .	85, 199
145 . . . . .	716	(1) . . . . .	76, 199, 668
209, 210 . . . . .	840	11 . . . . .	14, 21, 30, 666, 668
Sch. 1 . . . . .	33	12 . . . . .	19
Companies Act 1867—		13 . . . . .	14
s. 9 . . . . .	10	(1) . . . . .	19, 35
25 . . . . .	144, 146, 147, 267	(2) . . . . .	35
38 . . . . .	227, 233	14 (1) . . . . .	22
Companies Act 1900 . . . . .	144, 261	15 (1) . . . . .	35, 66, 847
s. 3 . . . . .	499	(2) . . . . .	34
27 . . . . .	29	17 . . . . .	15
Companies Act 1907 . . . . .	399	18 . . . . .	64
s. 29 . . . . .	681	(1) . . . . .	64, 65
37 . . . . .	10	(2) . . . . .	16, 64, 65
Companies Act 1928—		(3) . . . . .	64
s. 67 . . . . .	716	(4) . . . . .	64
Companies Act 1929: . . . . .	10, 33, 71, 399,	19 . . . . .	847
569, 838, 840		(1) . . . . .	17, 779
s. 54 . . . . .	799	20 . . . . .	56, 59, 60
Sch. 1 . . . . .	196	(1) . . . . .	56, 95, 199, 248, 290, 300,
Companies Act 1947 (5 <i>Statutes</i> 104) . . . . .	10	368, 554, 587	
s. 25 (3) . . . . .	493	(2) . . . . .	57, 276
Companies Act 1948 (5 <i>Statutes</i> 110) . . . . .	10,	21 (1), (2) . . . . .	29
11, 12, 22, 30, 31, 33, 34, 35,		22 . . . . .	86, 161, 587, 790
36, 37, 38, 46, 56, 60, 61, 63,		23 (1) . . . . .	74, 669
64, 66, 70, 74, 75, 76, 86, 92,		(2) . . . . .	73, 75, 139
154, 157, 158, 197, 205, 219,		(3) . . . . .	63, 75, 669
224, 227, 231, 232, 251, 254,		24 (1) . . . . .	33
262, 263, 275, 317, 340, 355,		25 (1) . . . . .	75
383, 390, 433, 434, 435, 439,		26 (1) . . . . .	14, 243, 267, 268, 289, 500
457, 467, 470, 531, 548, 556,		26 (2) . . . . .	270, 289, 297, 667
577, 588, 616, 632, 636, 644,		27 (1)–(4) . . . . .	645
664, 674, 805, 811, 812, 838,		28 (1) . . . . .	30, 300, 371, 510,
843, 844, 846		652, 659, 825	
s. 1 . . . . .	95, 315	(a) . . . . .	652, 659
(1) . . . . .	14, 659	(c) . . . . .	235, 658
(2) . . . . .	666	(2) . . . . .	657, 658
2 (1) . . . . .	15, 19, 21, 65, 668	29 . . . . .	661
(2) . . . . .	27, 666	30 (1) . . . . .	235, 662
(3) . . . . .	27	(3) . . . . .	236, 662
(4) . . . . .	14, 27, 29, 139, 666	(4) . . . . .	662
3 . . . . .	14	31 . . . . .	46, 47, 660, 661, 683, 689
4 . . . . .	65, 95, 667	32 (1) . . . . .	109
5 . . . . .	68, 70, 74	33, 36 . . . . .	110
(1) . . . . .	66, 69, 70	37 . . . . .	222, 844
(a) . . . . .	66, 67	38 . . . . .	233, 844, 846
(b) . . . . .	66, 67	(1) . . . . .	225, 672
(c) . . . . .	69	(3) . . . . .	225, 229, 233, 337
(d) . . . . .	68, 69	(4) . . . . .	234
(e) . . . . .	69	(5) . . . . .	225
		39 . . . . .	844, 846

Companies Act 1948— <i>cont.</i>	PAGE
s. 39 (1) . . . . .	229
(2) . . . . .	230
40 . . . . .	844, 846
(1)–(3) . . . . .	223
41 . . . . .	844, 846
(1) . . . . .	222, 248, 672
(a) . . . . .	223
(b) . . . . .	229, 230
(2), (4) . . . . .	223
42 . . . . .	844
(1) . . . . .	558, 672
43 . . . . .	249, 844, 846
(1) . . . . .	250, 251, 252, 809
(2) . . . . .	247, 257
(a)–(c) . . . . .	252, 253
(d) . . . . .	252
(3) (e) . . . . .	257, 293, 809
(5) . . . . .	251, 485
44 . . . . .	844
(1), (2) . . . . .	255
45 . . . . .	288, 844, 846
(1) . . . . .	222, 235, 250, 262, 338, 658
(2) . . . . .	222
(3) . . . . .	228
(4) . . . . .	223
46 . . . . .	844
(a) . . . . .	251, 255
47 (1) . . . . .	260
(3) . . . . .	260, 274
(4) . . . . .	261
48 (1) . . . . .	234, 242, 672
(3) . . . . .	235, 660
(4) . . . . .	235
(5) . . . . .	242, 255
(6) . . . . .	255
49 . . . . .	662
(1) . . . . .	235, 236, 242, 261
(2) . . . . .	236, 261, 262
50 . . . . .	261, 844
(1) . . . . .	256
(2), (3) . . . . .	257
(5) . . . . .	257
51 (1) . . . . .	262, 844
(b), (d) . . . . .	161
(2) . . . . .	263
(3) . . . . .	263, 264
(5) . . . . .	264, 266
(6) . . . . .	264
(7) . . . . .	258, 266
52 (1) . . . . .	144, 370, 671
(a) . . . . .	268
(b) . . . . .	268
(2) . . . . .	144, 268
(3) . . . . .	144
53 (1) . . . . .	282, 283
(d) . . . . .	283
(2) . . . . .	282, 283
(3) . . . . .	283
(4) . . . . .	284
54 (1) . . . . .	329, 330, 543, 651
(a) . . . . .	521
(i) . . . . .	521
55 . . . . .	339, 844

Companies Act 1948— <i>cont.</i>	PAGE
s. 55 (1) . . . . .	219, 658
(2) . . . . .	219, 221, 659
56 (1) . . . . .	154, 155, 156, 175, 624, 649
(2) . . . . .	155, 178, 194, 283, 395
57 . . . . .	182
(1) . . . . .	158
58 . . . . .	669
(1) . . . . .	175, 192, 197, 472, 624, 671
(a), (c) . . . . .	193, 194
(d) . . . . .	194
(2) . . . . .	192
(3) . . . . .	194
(5) . . . . .	195
59 (a) . . . . .	276
(b) . . . . .	277
(c) . . . . .	369
60 . . . . .	140
61 (1) . . . . .	28, 160
(a) . . . . .	160
(c) . . . . .	161
(e) . . . . .	163, 165
62 (1) . . . . .	63, 669
(a) . . . . .	161
(b), (c) . . . . .	162
(d) . . . . .	161
(e) . . . . .	195
(f) . . . . .	163
63 (1) . . . . .	161, 669
(2) . . . . .	161
64 . . . . .	140
65 (1) . . . . .	354, 773
66 (1) . . . . .	166, 826
67 (1) . . . . .	176
(2) . . . . .	171, 172
(3) . . . . .	171
68 (1), (2) . . . . .	176
69 (1)–(3) . . . . .	176
(4) . . . . .	177
70 (1) . . . . .	173
72 . . . . .	71, 85, 483
(1) . . . . .	203
(2) . . . . .	203, 204
(3) . . . . .	203
73 . . . . .	60, 297, 299, 302
74 . . . . .	162, 286
75 . . . . .	298, 299, 411
76 . . . . .	350
77 . . . . .	325
78 (1) . . . . .	300, 315, 411, 653
79 . . . . .	411
(1) . . . . .	327
(2) . . . . .	328
(3) . . . . .	327, 328
80 (1) . . . . .	270, 298, 396, 411
(3) . . . . .	271, 273, 298
81 . . . . .	286, 351
82 . . . . .	349
83 (1) . . . . .	287, 368, 671
(3) . . . . .	288, 300
86 . . . . .	20
(2), (3) . . . . .	397
87 (1), (2) . . . . .	397
(3) . . . . .	397

xxii *Table of Statutes*

*Companies Act 1948—cont.*

	PAGE
s. 87 (6) . . . . .	397, 416
88 (1)–(4) . . . . .	468
89 . . . . .	393
90 (1) . . . . .	399, 400
(2) . . . . .	398
92 . . . . .	265, 396, 465
94 (1) . . . . .	382, 384
(3) . . . . .	383
95 . . . . .	417
(1) 425, 426, 428, 429, 430, 432	
	671, 846
(2) (a) . . . . .	423
(b) . . . . .	421
(c) . . . . .	419
(d) . . . . .	418
(e) . . . . .	421
(f) . . . . .	423
(g) . . . . .	421
(h) . . . . .	419, 438, 439
(i) . . . . .	421, 438
(3) . . . . .	418
(6) . . . . .	422
(8) . . . . .	426, 432
(9) . . . . .	285
96 (1) . . . . .	417, 425
(2) . . . . .	425
97 (1) . . . . .	432
98 . . . . .	125
(2) . . . . .	432
99 (1) . . . . .	433
100 . . . . .	433
101 . . . . .	427
102 (1) . . . . .	455, 456
(2) . . . . .	456
103 . . . . .	398
104 . . . . .	20
(1) . . . . .	397, 408, 417, 671
105 (1) . . . . .	397
106 . . . . .	845
106A (7) . . . . .	385
108 (1) . . . . .	18, 111, 717
(2), (3) . . . . .	18
(4) . . . . .	18, 111
109 (1) . . . . .	37, 671
(a), (b) . . . . .	92
(2) . . . . .	37, 38
(b) . . . . .	92
(3) . . . . .	37
(4) . . . . .	92
(5) . . . . .	38, 92
(7) . . . . .	37, 660
110 . . . . .	20
(1) . . . . .	286, 292, 311
(2), (3) . . . . .	20, 292
111 . . . . .	292
112 (1) . . . . .	288, 313
(2) . . . . .	288
(5) . . . . .	289
113 (1), (2) . . . . .	292, 571
(3) . . . . .	29
(4) . . . . .	293
115 . . . . .	292, 367
116 . . . . .	57, 449

*Companies Act 1948—cont.*

	PAGE
s.116 (1) 271, 273, 286, 294, 298, 325,	
	407, 412, 718
(2) . . . . .	294
(3) . . . . .	295
117 . . . . .	313, 317, 347, 352, 408, 500
119 (1), (2) . . . . .	293
120 (1)–(4) . . . . .	293
121 . . . . .	293
124 . . . . .	844
(1) . . . . .	125, 637, 638
(4) . . . . .	493, 646
125 . . . . .	844
(1) . . . . .	672, 673
126 . . . . .	844
(1) . . . . .	638
128 . . . . .	660, 844
129 . . . . .	628
130 (1) . . . . .	557, 671, 672, 688
(2)–(5) . . . . .	568
(6)–(8) . . . . .	558
(10) . . . . .	558, 660
131 (1) . . . . .	558, 566, 672
(2) . . . . .	561, 573
(3) . . . . .	561
132 . . . . .	558
(1) . . . . .	562, 631, 672
(2), (3), (5) . . . . .	562
133 (1), (2) . . . . .	564, 671
(3) . . . . .	582, 583, 672
(a), (b) . . . . .	565
134 (a) . . . . .	126, 563, 564
(b) . . . . .	560, 672
(c) . . . . .	572, 660
(d) . . . . .	573, 574
(e) . . . . .	270, 577, 672
135 (1) . . . . .	530, 561, 573
136 (1) 33, 477, 568, 575, 576, 578,	
	660, 672
(2) . . . . .	568
(3) . . . . .	569, 575
(4) . . . . .	569
(5) . . . . .	557, 568, 575, 576
137 (1), (2) . . . . .	576
138 . . . . .	578
139 (1), (2) . . . . .	579
140 (1) (a) . . . . .	563
(b) . . . . .	570
(2) . . . . .	563, 672
(3) . . . . .	563, 566
(4) . . . . .	563, 571
(5) . . . . .	571
141 (1) . . . . .	559, 566, 578, 582
(2) 64, 559, 564, 565, 566, 578,	
	582, 583
(3) . . . . .	579
142 . . . . .	498, 565, 566, 630
143 (1) . . . . .	63, 125, 584, 669
(2) . . . . .	584
(4) . . . . .	63, 125, 582, 584, 669
145 (1) . . . . .	527, 581
(2) . . . . .	527
(3) . . . . .	527, 581
146 (1) . . . . .	20, 126, 581

Companies Act 1948—cont.	PAGE
s. 146 (2), (4) . . . . .	581
149 . . . . .	844
(1), (2) . . . . .	622
(5) . . . . .	647
150 . . . . .	844
(1) . . . . .	646
(2) . . . . .	646, 648
151 . . . . .	844
(1) . . . . .	647
(2) . . . . .	648
152 . . . . .	844
(1) . . . . .	647
(3) . . . . .	647, 648
153 . . . . .	844
154 . . . . .	844
(1) . . . . .	640, 641, 642, 845
(2) . . . . .	642
(3) . . . . .	641, 642
(b) . . . . .	642
(c) . . . . .	641
(4) . . . . .	844
(5) . . . . .	640, 644, 844
155 . . . . .	844
(1) . . . . .	619
156 . . . . .	844
(2) . . . . .	619, 646
157 . . . . .	646, 844
(1) . . . . .	620
158 . . . . .	844
(1) 127, 619, 620, 633, 638, 646,	672
(2) . . . . .	620, 638, 672
159, 160, 161 . . . . .	844
(1) . . . . .	628
(2), (3) . . . . .	629
162, 163, 164 . . . . .	844
(1) . . . . .	610, 673
(2) . . . . .	610
165 . . . . .	844, 846
(a) . . . . .	611
(b) . . . . .	610
(i) . . . . .	36
(ii) . . . . .	728
(6) . . . . .	541
166 . . . . .	611, 844, 846
167 . . . . .	844, 846
(1) . . . . .	611, 724
(2), (3) . . . . .	612
(4) . . . . .	612
(5) . . . . .	611
168 . . . . .	844, 846
(2) . . . . .	613
169 . . . . .	844, 846
(3) . . . . .	686
(4) . . . . .	613
170 . . . . .	844, 846
(1), (3), (4) . . . . .	614
171 . . . . .	613, 844, 846
172 . . . . .	317, 413, 828, 844
(1)–(4) . . . . .	318
(5) . . . . .	318
173 . . . . .	413, 828, 844
(1), (2) . . . . .	318

Companies Act 1948—cont.	PAGE
s. 174 . . . . .	413, 844
(1) . . . . .	319, 831
(2)–(6) . . . . .	319
175 . . . . .	318, 413, 844, 846
176 . . . . .	493, 660
177 (1) . . . . .	555
178 . . . . .	555
179 . . . . .	556
180 . . . . .	118, 119, 275
181 (1) . . . . .	223, 234, 268, 500, 662
(2) . . . . .	268, 289, 500
(5) . . . . .	223, 662, 672
(d) . . . . .	223
182 (1) . . . . .	500
(2) . . . . .	500, 501
(3) . . . . .	499, 500, 502
(4) (5) . . . . .	499
183 (1) . . . . .	495, 660
(2) . . . . .	495
184 (1) . . . . .	504, 642, 660
(2) . . . . .	504, 505, 565
(3), (4), (6) . . . . .	505
185 (1) . . . . .	498
(2), (3) . . . . .	502
(5) . . . . .	498, 565
(7) . . . . .	498, 500
(8) . . . . .	660
186 (1) . . . . .	498
187 (1) . . . . .	497, 844
(3) . . . . .	844
188 (1) . . . . .	497, 498
(2), (4) . . . . .	498
(5) . . . . .	497
(6) . . . . .	498
189 (1), (2) . . . . .	517
190 (1) . . . . .	520, 651
(2) . . . . .	520
191 . . . . .	518
192 (1), (2) . . . . .	519
193 (1), (3) . . . . .	519
194 (1), (2) . . . . .	520
(3) . . . . .	519
196 . . . . .	844
(1)–(3) . . . . .	521
(4), (5) . . . . .	520
(6) . . . . .	521
197 . . . . .	844
(1) . . . . .	52
(2) . . . . .	523
199 (1)–(4) . . . . .	543
200 . . . . .	20, 844
(1) . . . . .	510
(2) . . . . .	510, 543
(3) . . . . .	555
(4) . . . . .	119, 510, 555
(5) . . . . .	119, 510
(6) . . . . .	511
(9) . . . . .	493, 646
201 (1), (2) . . . . .	511, 553, 846
(4) . . . . .	493, 646
204 . . . . .	496
205 . . . . .	548, 633, 636
(b) . . . . .	549

xxiv *Table of Statutes*

Companies Act 1948— <i>cont.</i>	PAGE
s. 206 . . . 167, 173, 480, 482, 729, 792, 797, 798, 825, 837	
(1) . . . . . 472, 475, 798, 845	
(2) . . . . . 472, 478, 798, 800, 826, 845	
(3) . . . . . 472, 478	
(6) . . . . . 845	
207 (1) . . . . . 476, 477, 567	
(2) . . . . . 476	
(3) . . . . . 477	
208 . . . . . 799, 833	
(1) . . . . . 791, 799, 800	
(2) . . . . . 801	
(3) . . . . . 800	
209 . . . . . 473	
(1) . . . . . 826, 827, 828, 845	
(2) . . . . . 832, 845	
(3), (4) . . . . . 831	
210 . . . . . 87, 685, 694, 695, 696, 699	
(1) . . . . . 601, 613	
(2) . . . . . 601, 605	
(3), (4) . . . . . 601	
(5) . . . . . 600	
211 (1) . . . . . 443, 674	
212 (1) . . . . . 61, 73, 235, 607, 670, 750	
(a) . . . . . 62, 73, 667, 751	
(b) . . . . . 667, 670, 752	
(c) . . . . . 667, 751, 754	
(d) . . . . . 146, 278, 750	
(e) . . . . . 750, 752	
(g) . . . . . 189, 190, 517, 773	
(2) . . . . . 681	
(3) . . . . . 666	
213 . . . . . 270, 553, 607, 681, 682	
214 . . . . . 402	
215 (1) . . . . . 682, 753, 787	
206 (a) . . . . . 683, 753	
(b) . . . . . 755	
218 (1), (3), (5) . . . . . 674	
(6) . . . . . 675	
(7) . . . . . 675	
(8) . . . . . 674	
219 (1)–(3) . . . . . 675	
222 . . . . . 688, 691	
(d) . . . . . 661	
(f) . . . . . 36, 193	
223 . . . . . 171, 678, 689, 851	
224 (1) . . . . . 442, 443, 676, 677	
(a) . . . . . 682, 683	
(i) . . . . . 661	
(b) . . . . . 687, 688	
(d) . . . . . 686, 715	
(2) . . . . . 714	
225 (1) . . . . . 681, 684, 685, 699	
(2) . . . . . 685	
(3) . . . . . 688	
226 . . . . . 701, 713, 723	
227 . . . . . 717, 720, 736, 743, 772	
228 . . . . . 386	
(1) . . . . . 740, 741	
229 (1), (2) . . . . . 717	
231 . . . . . 450, 610, 701, 715, 722, 763, 852	
233 (1) . . . . . 452, 697	

Companies Act 1948— <i>cont.</i>	PAGE
s. 235 (1)–(3) . . . . .	703
236 (1) . . . . .	704
(2) . . . . .	704
238 (1), (2) . . . . .	697
(4) . . . . .	699
239 (a), (b) . . . . .	704
(c) . . . . .	704
(d) . . . . .	705
(e) . . . . .	706
240 . . . . .	705
242 (1) . . . . .	705
(2) . . . . .	707
(4) . . . . .	705
243 (1) . . . . .	728
244 . . . . . 737, 852	
245 (1) . . . . . 610, 707, 729	
(a) . . . . .	735
(e), (f) . . . . . 480, 792, 798	
(2) . . . . .	728
(b) . . . . .	735
(h) . . . . . 792, 797	
(3) . . . . . 734, 797	
246 (1) . . . . . 707, 735	
(2) . . . . .	781
(3) . . . . .	734
(5) . . . . . 457, 610, 734	
248 (1) . . . . .	782
(2) . . . . .	782
249 (1), (3)–(5) . . . . .	783
251 (1)–(3) . . . . .	784
252 (1) . . . . . 704, 706	
253 (1) . . . . . 706	
(2) . . . . .	707
(3)–(6) . . . . .	706
254 . . . . . 707, 728	
256 (1) . . . . . 702, 709	
257 (1) . . . . . 273, 718, 728, 737, 753, 775	
(2) . . . . .	753
258 . . . . . 724, 728, 733	
259 (1) . . . . .	733
(2) . . . . . 734, 748, 756	
(3) . . . . .	756
262 (1) . . . . .	754
263 (1) . . . . .	704
(2) . . . . .	705
265 . . . . . 737, 777, 779	
266 (1) . . . . .	724
267 . . . . .	757
268 (1) . . . . .	724, 725
(2) . . . . . 724, 725, 726	
(3) . . . . . 724, 725	
270 (1) . . . . .	726
(2)–(7) . . . . .	727
(9) . . . . .	726
273 (b) . . . . .	775
274 (1) . . . . .	784
(2) . . . . .	785
278 (1) . . . . .	708
279 (1) . . . . .	711
280 . . . . .	717
282 . . . . .	717
283 (1)–(3) . . . . .	709
(4) . . . . .	709, 710