

Activity 3.3

Under Section 62 of the Act, a company can do the following:

1. *Increase* its share capital by the creation of new shares.
2. *Consolidate* and divide all or any of its share capital into shares of larger amount than its existing shares.
3. *Convert* all or any of its paid-up shares into stock and re-convert that stock into paid-up shares.
4. *Subdivide* its shares or any of them into shares of smaller amount than that is fixed by the memorandum.
5. *Cancel* shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares cancelled.