

- **Functions of a Promoter**

The Promoter performs the following main functions:

1. To conceive an idea of forming a company and explore its possibilities.
2. To decide about the following:
 - The name of the Company,
 - The location of its registered office,
 - The amount and form of its share capital,
 - The brokers or underwriters for capital issue, if necessary,
 - The bankers,
 - The auditors,
 - The legal advisers.
2. To conduct the necessary negotiation for the purchase of business in case it is intended to purchase as existing business. In this context, the help of experts may be taken, if considered necessary.
3. To collect the requisite number of persons i.e. seven in case of a public company and two in case of a private company. Who can sign the Memorandum of Association and Articles of Association of the company and also agree to act as the first directors of the company.
5. To get the Memorandum of Association and Articles of Association drafted and printed.
6. To make preliminary contracts with vendors, underwriters, etc.

7. To make arrangement for the preparation of prospectus, its filing, advertisement and issue of capital.
8. To arrange for the registration of company and obtain the certificate of incorporation.
9. To defray preliminary expenses.
10. To arrange the minimum subscription.