

STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI – 600 086

B.COM DEGREE

SYLLABUS

(Effective from the academic year 2019 – 2020)

COMPANY LAW

CODE: 19CM/MC/CL44

CREDITS: 4

L T P: 4 1 0

TOTAL TEACHING HOURS: 65

OBJECTIVES OF THE COURSE

- To acquaint students with the provisions of Companies Act relating to formation of company
- To expose students to statutory provisions relating to the management of a company
- To enable students to understand and interpret the provisions of company relating to raising of finance and distribution of surplus

COURSE LEARNING OUTCOMES

On successful completion of this course, students will be able to

- Identify legal issues relevant to the formation and management of the company
- Comprehend the legal and procedural aspects relating to raising and distribution of funds
- Understand the provisions relating to the concepts and modes of winding- up

Unit 1 (10 Hours)

Formation of company

- 1.1 Characteristics of a Company, Lifting of Corporate Veil
- 1.2 Types of Company – Private and Public
- 1.3 Legal Requirement for Formation of Company – Public, Private and One Person Company – Commencement of Business
- 1.4 Process of Incorporation of Company
- 1.5 Important Definitions- Member, Promoter, Financial Year, Free Reserves, Associate Company

Unit 2 (15 Hours)

Documents

- 2.1 Memorandum of Association and its Alteration – Entrenchment Provision
- 2.2 Articles of Association and its Alteration
- 2.3 Prospectus and Letter of Offer
- 2.4 Share Certificate - Demat system
- 2.5 Recent Developments relating to Unlisted Company

Unit 3 (12 Hours)

Raising of Finance

- 3.1 Concept of Capital –Kinds of Share Capital and Nature of Shares
- 3.2 Financing of Companies- Issue, Allotment and Forfeiture of Share, Calls on Shares, Issue of Sweat Equity Capital, ESOP, ESPP, RSU and Bonus Shares
- 3.2 Application, Allotment, Transfer and Transmission of Shares
- 3.3 Debenture –Nature and Classes of Debenture
- 3.4 Deposits- Meaning, Exempted Deposit, Return of Deposit and Allied Regulatory Deposit

Unit 4 (15 Hours)

Management

- 4.1 Directors–Appointment and Removal, Roles and Responsibility, Classification of Directors - Women Director, Independent Director, Additional Director- Number of Directorship and DIN (Director Identity Number), KYC
- 4.2 Key Managerial Personnel – Appointment, Removal, Roles and Responsibility
- 4.3 Secretarial Standard - Section 118

Unit 5 (13 Hours)

Meetings and Resolution

- 5.1 Types and Requisites - Importance of Secretarial Standards
- 5.2 Board and Committee meeting
- 5.3 Shareholders Meeting
- 5.4 Registers and Returns

BOOKS FOR STUDY

Avatar Singh , A., *Company Law*, Eastern Book Company, 2018

Kapoor, N.D. *Company Law*. New Delhi: Sultan Chand, 30th Edition, 2016

BOOKS FOR REFERENCE

Majumdar, A. K., Kapoor, G.K. *Company Law and Practice*, Taxman Publication, 2014

Chandrate, K.R. *Company Secretarial Practice Manual*: Lexis Nexis, 2016

Shah, S.M. *Lecture of Company Law*. Mumbai: Tripathi M.N, 2006.

Sherlekar, S.A. *Company Secretarial Practice*. New Delhi: Kitab Mahal, 2006.

Ravi, B, *Company Law made Simple*, B.Ravi and Associates, Chennai

JOURNALS

Company and Security Law Journal

Company Law Journal

PATTERN OF ASSESSMENT

Continuous Assessment Test: Total Marks: 50 Duration: 90 minutes

Section A - $7 \times 2 = 14$ (no choice)

Section B - $2 \times 8 = 16$ (from a choice of three questions)

Section C - $1 \times 20 = 20$ (from a choice of two questions)

Other Components: Total Marks: 50

Assignments/Seminars/Case Study

End Semester Examination: Total Marks:100 Duration: 3 hours

Section A – $10 \times 2 = 20$ Marks (no choice – Max 30 words)

Section B – $5 \times 8 = 40$ Marks (From a choice of seven questions – Max 500 words)

Section C – $2 \times 20 = 40$ Marks (From a choice of four questions – Max 1200 words)