**Course Title: COMPANY LAWS AND PRACTICE -INTRODUCTION**

**Course Category**: [Minor]  **Schedule of Offering:** [Odd/Even Semester]

**Course Code:**  [XXX]  **Course Credits**: [3]

**Contact Hours per week**: [5 Hours per week]

* **Lecture**: [3 Hours per week]
* **Tutorial**: [2 Hours per week]
* **Practical**: [0 Hours per week]

**Course Co-ordinator**: Nithin V Kumar **Maximum Intake**: 20

1. **Introduction**

The significance of Corporate laws can hardly be over-emphasized. Business entities including companies are in the forefront of providing necessary economic stability to the society at large. Companies are by far the most used vehicle for doing business and a comprehensive understanding of the laws governing them is essential for everyone involved in commerce and industry. This course is intended to assist the students to formulate and understand legal strategies employed by corporate structures to take advantage of corporate structure and avoid the pitfalls and legal liabilities that may arise out of such entities.

1. **Course Objectives**

This course seeks:

* 1. To build conceptual understanding about the key ideas, tools, and models involved in structuring business entities.
	2. To make students capable of analysing and evaluating complex corporate laws and develop the ability to interpret statutory provisions and regulations.
	3. To give an introduction to the regulatory actions involved in day to day operations of companies.
1. **Course Outcomes**
	1. Develop conceptual understanding about certain key concepts and principles of Company Law.
	2. The ability to research, learn, understand, evaluate and interpret complex corporate laws, rules and regulations both independently and co-operatively in a professional environment.
	3. The ability to apply the laws to resolve basic legal issues of corporate laws using the knowledge and skills developed in this course.
	4. The ability to understand, structure and draft basic legal instruments related to companies.
2. **Pre-requisites**

There are no pre-requisites for this course as it is both introductory in nature.

1. **Readings**

There shall be no prescribed single text-book for this course. However, a set of relevant readings including articles and case laws as required will be provided to the students during the course.

1. **Module-wise topics**
2. **MODULE 1- INTRODUCTION TO BUSINESS STRUCTURES AND ENTITIES**
	1. Introduction and development of corporate laws
	2. **Types of Business Structures:** Company, Partnership, Limited Liability Partnership, Sole Proprietorship.
		1. **Company:** Nature of company, Independent legal personality, Limited Liability
		2. **Types of Company:** Private Limited Company, Public Limited Company, One Person Company, Company Limited by Shares, Company Limited by Guarantee, Unlimited Company, Holding and Subsidiary Company, Government Company, Foreign Company.
		3. **Choosing Business Structures:** Factors to consider while selecting a business structure.
3. **MODULE 2- INCORPORATION AND SHARES**
	1. **Legal instruments to establish/create corporate entity:** Understanding Founder Agreement and Shareholder Agreement.
	2. **Promoters:** Meaning and role, Fiduciary duties of promoters, Pre-incorporation contracts.
	3. **Company Name:** Criteria for selection of a company name, Undesirable Names, brand names vs company names, alteration of name, legal effect of change of name.
	4. **Memorandum of Association:** Meaning of Memorandum of Association, Provisions of Memorandum of Association, Doctrine of Ultra vires, special provision of OPC, Alteration of MOA.
	5. **Articles of Association:** Meaning of Articles of association, Doctrine of Constructive Notice and Indoor Management, Alteration of AOA.
	6. **Setting up of Company:** Meaning and significance of incorporation, Companies (Incorporation) Rules 2014, Procedure for incorporation of a Company, Simplified Process for Incorporating Company Electronically (SPICE).
	7. **Shares and Share Capital:** Meaning of Share and Share capital, Types of shares and share capital, Issue of shares at a premium, Issue of shares at a discount, Employees Stock Option Scheme, Sweat Equity.
	8. **Alternation of Share Capital:** Modes of alteration of share capital, reduction of share capital, buy back of shares.
4. **MODULE 3- BORROWING POWERS OF COMPANIES**
	1. **Borrowing:** Powers of company to Borrow, Types of Borrowing.
	2. **Charge:** Meaning, Types of Charges.
	3. **Debentures:** Meaning, nature and scope, Kinds of Debentures, Debenture Trust Deed
	4. **Deposits:** Meaning, nature and scope.
5. **MODULE 4- ACCOUNTS, AUDIT AND AUDITORS**
	1. **Accounts of Companies:** Books of Account, Financial Statement, Revision of Accounts, National Financial Reporting Authority.
	2. **Audit and Auditors:** Audit, Appointment and removal of Auditors, Qualifications and Disqualification of Auditors, Remuneration of Auditors, Powers and Duties, Auditor’s services.
	3. **Inspection, Inquiry and Investigation:** Power to conduct inspection and investigation.
6. **MODULE-5 CORPORATE DECISION MAKING PROCESS**
	1. **Directors:** Position of Director, Appointment of Directors, Independent Directors, Election of Independent Directors, Directors elected by minority shareholders, Tenure of Directors, Additional Directors, Director Identification Number, Disqualifications, Removal of Directors, Powers and duties of Directors.
	2. **Board:** Board of Directors, Meetings of the Board of Directors, Powers and Duties of the Board.
	3. **Meetings:** Annual General Meeting, Extra Ordinary General Meeting, Requisites for a valid meeting, Kinds of board resolutions, Drafting of Board Resolutions.

***Suggested Readings- Books***

* Avatar Singh, Company Law, Eastern Book Publishers
* A Ramaiya, Guide to the Companies Act, Lexis Nexis, Butterworths, Wadhwa, Nagpur
* Amitava Banerjee, Company Meetings & Resolutions, - A comprehensive commentary on Law relating to Company meetings with Veritable collection of specimen resolutions, Taxmann
* A K Majumdar, Company Law and Practice, Taxmann
* C R Datta, Datta on the Company Law, Lexis Nexis, Butterworths, Wadhwa, Nagpur
* Dr. G K Kapoor, and Dr. Sanjay Dhamija, Company Law- A Comprehensive Text Book on Companies Act, 2013, Taxmann
* Dr. S R Myneni, Company Law, Asia Law House
* L C B Gower, Principles of Modern Company Law, Stevens & sons Ltd, London
* M C Kuchhal, Modern Indian Company Law
* Palmer, Company Law, Stevens & Sons Ltd, London
* Rabi Narayan Kar, Minakshi, Mergers, Acquisitions & Corporate Restructuring- Strategies and Practices, Taxmann
* R K Bangia, Company Law, Allahabad Law Agency
* Rajinder S Aurora, Kavita Shetty, Sharad Kale, Mergers and Acquisitions, Oxford University Press
* R K Bangia, The Indian Partnership Act, 1932 with Limited Liability Partnership Act, 2008, Allahabad Law Agency

***Suggested Readings- Articles***

* Arthur W Machen, Corporate Personality, Harvard Law Review, Vol 24 No 4 Feb 1911, pp253-267
* H R Saviprasad, Pre-Incorporation Contracts, A Comparative Analysis of Indian and English Laws, Journal of the Indian Law Institute, Vol 44. No 1 (Jan- March 2002) pp.117-131
* John D Turner, The development of English Company law before 1900, Chapter prepared for Wells, Harwell (ed.), Research Handbook on the History of Corporate and Company Law (Edward Elgar Press)
* John Armour, Henry Hansmann, Reinier Kraakman, The Essential Elements of Corporate Law, available at [http://papers.ssrn.com/abstract\_id=#######](http://papers.ssrn.com/abstract_id%3D####), First chapter of The Anatomy of Corporate Law: A Comparative and Functional Approach, Oxford University Press, 2009
* Manfred W Ehrich and Lucille C Bunzl, Promoter’s Contracts, The Yale Law Journal, Vol 38, No 8 (June 1929) PP 1011-1046
* Y Subrahmanyam, Role of Preference Shares in Indian Corporate Sector, EPW Vol 12, No 48, Nov 26,1977
1. **Pedagogy**

The sessions will be executed primarily on a lecture mode. Readings and Samples of research works applicable shall be distributed as reading materials during the coursework period. Students will also have to undertake negotiation exercises as part of the classes.

1. **Evaluation Pattern**

Evaluation will follow a continuous evaluation pattern, on a multiple component basis. There will be no end semester examination for this course, and the students will be evaluated based on The evaluation shall be based on the idea that a student should be able to display either a persistent commitment or a steady growth.

1. Classroom Participation : 10%
2. Module Evaluation Quiz/Exam/Viva : 10% for each module (Total 50%)
3. Assignments : 20%
4. Presentation : 20%

Assignments shall be scanned for plagiarism and if found to be copied in full or part will be rejected.