

## Course Outline

Subject: **Corporate & Business Law**  
Class: M.Com Part-II (Annual System)

### **Course Objectives:**

Corporate sector is a potential and purposeful monetary-based media that nourishes and streamlines the socio-economic growth of a developing country. The role it plays in the sectoral growth in all the industry undoubtedly constitutes an integral organ of the overall development. The corporate sector is apt to have its own peculiar legal and operational problems. Thus the subject of corporate Law inevitably demands a systematic and comprehensive study of the laws and regulations governing the functions of corporate entities. In this course we seek to:

1. Develop in students a sound knowledge about the nature and utility of corporate law....
2. Acquaint students with a fair range of regulations and legal practices affecting the corporate governance.
3. To furnish students with an extensive and up-to-date coverage on issues relating to corporate law and allied practices prevalent in Pakistan
4. To enable students to develop necessary insight into, and identify potential problems relating to the implementation of the legal framework for corporate sector

### **CORPORATE LAWS**

#### **1. The companies Ordinance 1984:-**

Incorporation of company, Memorandum and articles of the association, Prospectus, Officers of the company; directors, chief executive, secretary and auditors. Offer of shares, underwriting, brokerage discount and premium on shares, listing with stock exchanges, listing rules of stock exchanges, applications and allotment of shares, issuance of shares, letters of regret, share certificates, transfer and transmission of shares, flotation of corporate securities, issuance and redemption of debentures. Types of meetings, company and directors meetings, annual general meeting, notice of meetings, agenda of meetings, minutes of the meetings, quorum of meetings, voting, proxies, resolutions, declaration of dividend, dividend warrants, bonus and rights issue.

#### **2. The securities and exchange commission of Pakistan Act 1997, and the Securities and exchange Commission of Pakistan Regulation 2000:-**

filing of returns with SECP and other agencies, maintenance of statutory books, register of shareholders, registration of mortgages and charges, books of accounts and financial reports, service of documents, receiving of deposits by company, Central Depository Company and its regulations (Stock Exchange Regulations and CDC Act-1997); Secretarial organisation and management; appointment of secretary, qualifications of secretary; functions and legal obligations of secretary. Working procedure of Securities and Exchange Commission of Pakistan (SECP), audit and investigation.

#### **3. Non-Banking Finance Companies (Establishment & Regulation) Rules 2003 (Introduction only).**

#### **4. Secretarial Practices:-**

Secretarial organisation and management; appointment of secretary, qualifications of secretary; functions and legal obligations of secretary. Working procedure of Securities and Exchange Commission of Pakistan (SECP), audit and investigation.

## **BUSINESS LAWS**

### **1. The Contract Act, 1872:-**

Difference between Contract and agreement; Void, voidable and enforceable agreements; Elements/ingredients of a contract; proposal; acceptance and revocation; void agreements; Free consent, Coercion, Undue Influence, Fraud, Mistake, Misrepresentation; flaws in capacity; quasi contracts; contingent contracts; contracts which must be performed; time and place for performance; performance of reciprocal promises, appropriation of payments; contracts which need not be performed; anticipatory breach of contract; actual breach of contract; remedies of breach of contract; doctrine of frustration; various discharges of contracts; Bailment; contract of indemnity and guarantee; Principal and agent; creation of agency; kinds of agents; duties and rights of an agent; duties and rights of principal scope, extent and kinds of agents authority; liabilities of principal to third party; personal liability of agent to third party; termination of agency.

### **2. Sale of Goods Act, 1930**

Contract of sale and its kinds; formalities of the contract of sale; subject matter of contract of sale; the price, conditions and warranties; transfer of property as between seller & buyer; the Doctrine of caveat emptor, performance of the contract of the sale; rights of un-paid seller; suits for breach of the contract of sale; auction sale.

### **3. Partnership Act, 1932:-**

Essential and the nature of partnership; kinds of partnership; general duties of partners; qualified duties of partners; right of partners; liabilities of partners; the doctrine of implied authority; the Doctrine of holding out; admission of a minor to the benefit of partnership; reconstitution of a firm (incoming & outgoing partners); modes of dissolution of a firm; registration of firm; effect of non-registration.

### **4. Negotiable Instrument Act, 1881:-**

Promissory note; bill of exchange; cheques; inland instruments; foreign instruments; ambiguous instruments; inchoate stamped instruments; parties to negotiable instruments; liabilities of parties; negotiation of instruments and its kinds; presentment of instruments; discharge from liabilities on negotiable instruments; presumptions as to negotiable instruments.

### **5. Factories Act 1934/Workmen's Compensation Act 1923:-**

Provisions regarding health and safety, working hours including rest intervals, working holidays and overtime, employment of women and children etc. Workman Compensation Act 1923, provisions regarding definitions, employers. liability for compensation, amount of compensation, methods of calculating wages, review,

commutation and distribution of compensation, report of fatal accidents, and medical examination etc.

**6. Social Security Ordinance, 1965:-**

Provincial Social Security Ordinance 1965: provisions, regarding definitions, amount and payment of contributions records and returns.

**Recommended Books:**

1. Nazir Ahmad Shaheen Corporate Laws & Secretarial Practices, Petiwala Book Depot Karachi.
2. Bare Acts, Govt. of Pakistan Publisher, Karachi
3. Manual of Corporate Governance, SECP Islamabad
4. Companies Ordinance, 1984 (as amended) with Matters and Commentary.
5. Mercantile Law Khalid Mahmood Cheema, Petiwala Book Depot Karachi
6. Provincial Social Security Ordinance 1965