

Company Law

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Company Law	4	3	1	0	Pass in Class XII	NIL

Learning Objectives

The course aims to develop and comprehend business and its processes in accordance with the provisions of the Companies Act, 2013 while analysing case laws.

Learning Outcomes

After completion of the course, learners will be able to:

1. Recognise the different types of companies.
2. Discuss the fundamentals of incorporating the company.
3. Make the memorandum and articles of association.
4. Discuss the difference between different types of prospectus.
5. Recognise the process of calling and conducting company meetings.

Course Contents:

Unit 1: Introduction and Formation of a Company (18 hours)

Characteristics of a company; Lifting of corporate veil; Types of companies including one person company, small company, associate company, dormant company, producer company; Association not for profit; Illegal association. Formation of company, promoters, functions and their legal position, pre- incorporation contracts, steps in incorporation, and process of on-line registration of a company.

Unit 2: Memorandum and Articles of Association (9 hours)

Memorandum of association definition, clauses and its alteration, doctrine of ultra vires, articles of association, contents and its alteration, doctrine of constructive notice and indoor management.

Unit 3: Share Capital (9 hours)

Prospectus, shelf and red herring prospectus, mis-statement in prospectus; issue, allotment and forfeiture of share, calls on shares; issue of sweat equity; employee stock option; issue of bonus shares; right shares, transfer and transmission of shares, buyback; demat system.

Unit 4: Company Meetings (9 hours)

Meetings of shareholders; types of meeting, convening and conduct of meetings, requisites of a valid meeting- notice, agenda, chairman, quorum, proxy, resolutions, minutes; postal ballot, e-voting.

Exercises

The learners are required to:

1. Identify and classify types of companies by taking real-life examples.
2. Fill dummy spice form for incorporation of a company.
3. Read the memorandum and articles of association of a particular company.
4. Enlist steps in the book-building process and examine a red herring prospectus of a latest IPO from SEBI website.
5. Prepare a list of businesses conducted by ordinary resolution.

Suggested Readings

- Chadha R. & Chadha, S. (2018). Company laws. Delhi, India: Scholar Tech Press.
- Gower, L. C. (1981). Principles of modern company law. (4th ed.). London, United Kingdom: Stevens & Sons.
- Kumar, A. (2022). Corporate laws. (11th ed., Vol. 1). Delhi, India: Taxmann Publications Private Limited.
- Sharma, J. P. (2020). Easy approach to corporate laws. (4th ed.). Delhi, India: Ane Books Pvt.

Additional Resources

- Hannigan, B. (2021). Company law. Oxford, United Kingdom: Oxford University Press.
- Kannal, S., & Sowrirajan, V.S. (2019). Company law Procedure. Delhi, India: Taxman's Allied Services (P) Ltd.

Note: Readings will be updated by the Department of Commerce and uploaded on Department's website.