

# GUJARAT TECHNOLOGICAL UNIVERSITY

## MAM (MASTERS IN APPLIED MANAGEMENT) DUAL DEGREE PROGRAMME

Year – III (Semester – VI) (W.E.F. January 2015)

**Subject Name: Company Law**

**Subject Code: 4160503**

### 1. Objectives:

The objective of this course is to impart the students with working knowledge of the provisions and procedures of company law which company needs to observe while functioning business operations to provide insight to students of its implication on business.

### 2. Course Duration:

The course duration is 36 sessions of 60 minutes each. i.e. 36 hours.

### 3. Course Contents:

Module No:	Module Content	No. of Sessions	70 Marks (External Evaluation)
1	<b>Joint Stock Companies:</b> Meaning, Nature, Definition and Characteristics of Company, Kinds of Companies, Advantages & Disadvantages of Joint Stock Company, Conversion of Public Company into a Private Company & vice versa, Lifting of Corporate veil, Limited Liability Partnership, Overview of Companies Act 2013 <b>Formation of Companies :</b> Steps of Formation of Company, meaning, duties & liabilities of promoters,	8	18
2	<b>Memorandum of Association and Articles of Association :</b> Meaning, Contents of Memorandum of Association , Articles of Association, Doctrine of Ultra virus, Doctrine of Constructive Notice, Doctrine of Indoor Management, Alteration in Memorandum of Association, Distinction between Memorandum and Article of Association <b>Prospectus:</b> Definition, Objective, Conditions for the issue of Prospectus, Statement in Lieu of	8	18

	Prospectus, Misrepresentation and Penalties in Prospectus.		
3	<p><b>Share Capital:</b> Shares: Definition, Classification, Kinds of Share Capital, Alteration of Share Capital, Reduction of Share Capital, Guidelines for issue of fresh capital, Public Issue, Private Placement, Underwriting of Shares, Capital, Bonus issues, Right issues, Employee Stock Option Plan, Buyback, Public shares at par, premium and discount, Forfeiture, Rules for valid Forfeiture, Transfer &amp; Transmission, Buy back,</p> <p><b>Share Allotment &amp; Share Certificate :</b> Share Allotment : meaning, statutory provisions, irregular allotment, Consequences of irregular allotment, Rules regarding issue of share certificates, Distinction between share certificate and Share Warrants</p>	8	18
4	<p><b>Directors:</b> Directors: Meaning, Position, Qualification &amp; Disqualification, Appointment of Directors, Rights, Powers, Duties and Liabilities of a Director Number of Director &amp; Directorship, Vacation of office of Director, Removal of a director, Resignation of a Director, Interested Director, Office or place of Profit, Remuneration of Directors, Managing Director -</p>	8	16
5	<p><b>Practical:</b> Students should select real life case from Government/Public sector and corporate world, study the same and make presentation in class.</p>	4	<b>Internal Evaluation – CEC (20 Marks)</b>

#### 4. Teaching Method:

The following pedagogical tools will be used to teach this course:

- Lectures
- Case Discussions
- Audio – visual Material
- Assignments and Presentations

#### 5. Evaluation:

A	Projects/Assignments/Quiz/Class participation	Weightage (50%) (Internal Assessment)
B	Mid – Semester Examination	Weightage (30%) (Internal Assessment)

C	End – Semester Examination ( 40% Practical & 60% Theory )	Weightage (70%) (External Assessment)
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### 6. Basic Textbooks:

Sr.No	Author	Name of the Book	Publisher	Edition
T1.	N.D.Kapoor	Elements of Company Law	Sultan Chand & Sons	Latest
T2.	Balchandran	Company Law & Secretarial Practice	Sultan Chand & Sons	Latest
T3.	Avtar Singh	Company Law & Secretarial Practice	Sultan Chand & Sons	Latest

### 7. Reference Books:

Sr.No	Author	Name of the Book	Publisher	Edition
R1.	A.K.Majmudar & Dr. G. K. Kapoor	Company Law & Practice	Taxmann	Latest
R2.	M.C.Kuchhal	Modern Indian Company Law	Shree Mahavir Publisher	Latest
R3	A. Ramaiya	Guide to Companies Act	Wadhwa & Company	Latest
R4	Bare Act	Company Law	Taxmann	Latest

### 8. List of Journals/Periodicals/Magazines/Newspapers, etc.

It is requested that students are taught to understand and appreciate the applications of various provisions of company law in various business functions. This may be ensured by asking them to study and prepare assignments on application of different provisions of company law.

### 9. Session Plan:

Session No.	Topics to be Covered
1-8	<ul style="list-style-type: none"> <li>• Meaning,Nature,Definition and Characteristics of Company,</li> <li>• Kinds of Companies,</li> <li>• Advantages &amp; Disadvantages of Joint Stock Company,</li> <li>• Conversion of Public Company into a Private Company &amp; vice versa,</li> <li>• Lifting of Corporate veil,</li> <li>• Limited Liability Partnership,</li> <li>• Overview of Companies Act 2013</li> <li>• Steps of Formation of Company,</li> <li>• meaning, duties &amp; liabilities of promoters,</li> </ul>
9-16	<ul style="list-style-type: none"> <li>• Meaning, Contents of Memorandum of Association ,</li> <li>• Articles of Association,</li> <li>• Doctrine of Ultra virus,</li> </ul>

	<ul style="list-style-type: none"> <li>• Doctrine of Constructive Notice,</li> <li>• Doctrine of Indoor Management,</li> <li>• Alteration in Memorandum of Association,</li> <li>• Distinction between Memorandum and Article of Association</li> <li>• Definition, Objective, Conditions for the issue of Prospectus,</li> <li>• Statement in Lieu of Prospectus,</li> <li>• Misrepresentation and Penalties in Prospectus.</li> </ul>
17-24	<ul style="list-style-type: none"> <li>• Shares: Definition, Classification,</li> <li>• Kinds of Share Capital,</li> <li>• Alteration of Share Capital,</li> <li>• Reduction of Share Capital,</li> <li>• Guideline for issue of fresh capital,</li> <li>• Public Issue, Private Placement,</li> <li>• Underwriting of Shares,</li> <li>• Capital, Bonus issues, Right issues, Employee Stock Option Plan, Buyback, Public shares at par, premium and discount,</li> <li>• Forfeiture, Rules for valid Forfeiture,</li> <li>• Transfer &amp; Transmission,</li> <li>• Buy back,</li> <li>• Share Allotment : meaning, statutory provisions, irregular allotment, Consequences of irregular allotment,</li> <li>• Rules regarding issue of share certificates,</li> <li>• Distinction between share certificate and Share Warrants</li> </ul>
25 - 32	<ul style="list-style-type: none"> <li>• Directors: Meaning, Position, Qualification &amp; Disqualification,</li> <li>• Appointment of Directors, Rights, Powers,</li> <li>• Duties and Liabilities of a Director</li> <li>• Number of Director &amp; Directorship,</li> <li>• Vacation of office of Director, Removal of a director,</li> <li>• Resignation of a Director, Interested Director,</li> <li>• Office or place of Profit, Remuneration of Directors,</li> <li>• Managing Director -</li> </ul>
33-36	<b>Practical:</b> Students should select real life case from Government/Public sector and corporate world, study the same and make presentation in class.

**ACTIVE LEARNING ASSIGNMENTS:** Preparation of power-point slides, which include videos, animations, pictures, graphics for better understanding theory and practical work – The faculty will allocate chapters/ parts of chapters to groups of students so that the entire syllabus to be covered. The power-point slides should be put up on the web-site of the College/ Institute, along with the names of the students of the group, the name of the faculty, Department and College on the first slide. The best three works should submit to GTU.