

STAGE-4

S-403 - CORPORATE LAWS AND SECRETARIAL PRACTICES

i. Introduction:

This course deals with the theoretical and practical approach to the Companies Ordinance 1984, the Securities and Exchange Commission of Pakistan Act 1997, Securities and Exchange Commission of Pakistan Regulations 2000 and secretarial practices.

ii. Objectives:

To provide the students with a thorough knowledge of Corporate Laws and Secretarial Practices to enable them to:

- advise and assist the management for taking appropriate and prompt decision, and
- carry out secretarial work more effectively.

iii. Outcomes:

On completion of this course, students should be able to:

- describe obligation to register certain associations and partnerships all as companies,
- differentiate between public, private and single-member companies,
- describe procedures relating to incorporation of companies and other matters incidental thereto,
- describe general procedures relating to registration and alteration, of articles and memorandum of association,
- describe provision relating to conversion of public company into private company and vice versa and other matters,
- describe provisions relating to allotment, issue and transfer of shares, debentures and deposits etc.
- describe regulations regarding issuance of shares certificates and debentures,
- explain procedures and regulations regarding transfer of shares,
- explain procedures for conversion of limited company into unlimited company and vice versa,

- describe procedures for registration of mortgage and charges,
- describe management, administration, registered office, publication of name of the company etc.
- explain procedure for commencement of business by a public company,
- describe procedure of holding statutory meeting and AGM of company and related matters,
- discuss procedure for appointment and removal of directors,
- discuss procedures for appointment of first and subsequent chief executive,
- describe miscellaneous provisions regarding investments, contracts, officers shareholding, trading and interests,
- discuss procedures for declaration of dividend, issuance of dividend warrants and payment of dividends,
- describe provisions regarding issue of bonus and rights shares,
- describe procedure for books of accounts and financial reports,
- describe procedures for winding up of companies,
- describe the qualifications, functions and legal obligations of a company secretary,
- explain various matters relating to the Securities and Exchange Commission of Pakistan Act 1997, and the Securities and Exchange Commission of Pakistan Regulations 2000,
- explain jurisdiction and procedures of the court,
- describe procedures and application of company (court) rules 1997, and
- explain powers and functions of the commission.
- explain the rules relating to non-banking finance companies.

INDICATIVE GRID:

SYLLABUS CONTENT AREA	WEIGHTAGE
SECTION-A Corporate Laws: 1. The Companies Ordinance 1984	50%
SECTION-B 2. The Securities and Exchange Commission of Pakistan Act, 1997, and the Securities and Exchange Commission of Pakistan Regulations 2000 3. Non-Banking Finance Companies (Establishment & Regulation) Rules	15% 10%
SECTION-C 4. Secretarial Practices	25%
TOTAL	100%

Note: The weightage shown against each section indicates, study time required for the topics in that section. This weightage does not necessarily specify the number of marks to be allocated to that section in the examination.

CORPORATE LAWS

1. The Companies Ordinance 1984

The Companies Ordinance 1984 with latest amendments.

SECTION-B

2. The Securities and Exchange Commission of Pakistan Act 1997, and the Securities and Exchange Commission of Pakistan Regulation 2000

The Securities and Exchange Ordinance 1969, as amended up-to-date with the Securities and Exchange Rules 1971. The Securities and Exchange Commission of Pakistan Act 1997 with latest amendments, Securities and Exchange Commission of Pakistan Regulations 2000. Single-Member Companies Rules 2003.

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

SECTION-C

4. Secretarial Practices

Incorporation of company, memorandum and articles of 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, 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.

Recommended Books

CORE READINGS		
TITLE	AUTHOR	PUBLISHER
Company Law & Secretarial Practice in Pakistan	Prof. Dr. Khawaja Amjad Saeed	Institute of Business Management, G.P.O. Box No. 1164, Lahore.
Practical Approach to Companies Ordinance 1984	Nazir Ahmed Shaheen	Federal Law House, H/136 Muree Road, Committee Chowk, Rawalpindi.
Company Secretarial Practice	Q. A. Wadud	Royal Book Company, 232, Saddar Cooperative Market, Abdullah Haroon Road, P.O. Box No. 7737, Karachi-74400.
Secretarial Practice	D. P. Jain	Konark Publishers Pvt. Ltd.
Bare Acts	—	Govt. of Pakistan Publishers, Karachi
ADDITIONAL READING		
Manual of Corporate Governance	SECP	SECP, Islamabad.

