

MANAGERIAL LEVEL-2
M6 – CORPORATE GOVERNANCE. BUSINESS LAWS & ETHICS
INTRODUCTION

This course deals with the theoretical and practical approach to the Companies Act, 2017, Companies (Incorporation) Regulations, 2017, Securities Act 2015, Listed Companies (Code of Corporate Governance) Regulations, 2019, Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Non-Banking Finance Companies, The Companies (further issue of shares) Regulations, 2020, Listed Companies (Buy-Back of Shares) Regulations, 2019, Public Offering Regulations, 2017, Anti-money Laundering Act, 2010, Professional Ethics and secretarial practices.

OBJECTIVE

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.

LEARNING OUTCOMES

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

- Identify, evaluate and analyze different situations arising in performing the professional duties with reference to applicable corporate laws
- Get acquainted with the code of corporate governance;
- Understand the rules and regulations related to Modaraba and non-banking finance companies.
- Understand the other relevant rules and regulations regarding anti-money laundering, companies shares capital, public offering regulations etc.
- Comprehend the rules given in Pakistan Stock Exchange rule books
- Comprehend the importance of personal and professional ethics in business environment and explicate the need for ICMA Pakistan members to adopt the highest standard of professional ethics
- Perform secretarial practices

INDICATIVE GRID

PART	SYLLABUS CONTENT AREA	WEIGHTAGE
A	Companies Act, 2017, Relevant Rules And Regulations : 1. Companies Act, 2017 2. Companies (Incorporation) Regulations, 2017 3. Securities Act 2015 4. Listed Companies (Code of Corporate Governance) Regulations, 2019	60%
B	Special Companies 5. Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 6. Non Banking Finance Companies	10%
C	Other Laws, Regulations and Professional Ethics 7. The Companies (further issue of shares) Regulations, 2020 8. Listed Companies (Buy-Back of Shares) Regulations, 2019 9. Public Offering Regulations, 2017 10. Pakistan Stock Exchange Rule Book 11. Anti-money Laundering Act, 2010 12. Professional Ethics	15%
D	Secretarial Practices 13. Company Secretary, Functions and Responsibilities 14. Meetings, Resolutions and E-filing	15%
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.

DETAILED CONTENTS
PART – A
COMPANIES ACT, 2017, RELEVANT RULES AND REGULATIONS
1. Companies Act, 2017

- Definition, Court Sections 2, 4-8
- Pre Incorporation Stage Sections 9-18
- Post Incorporation Stage Sections 19-51
- Service of Documents on Company, Prospectus, Classes/Kinds of Share Capital, Shares, Debentures Sections 52-68
- Allotment, Issuance, Transfer of Shares Sections 69-80
- Premium, Discount, Further issue of Share Capital, Deposits, Alteration in Capital etc. Sections 81-88
- Reduction of Share Capital Sections 89-99
- Mortgages & Charges Sections 100-117
- Members Registers etc. Sections 118-129, 197
- Annual Return, Statutory Meeting 130-131
- Annual General Meeting Sections 132-148
- Resolutions Sections 149-152
- Directors Sections 153-183, 197-198

- Chief Executive Sections 192
 - Investments, Contracts Sections 199-203, 217-218
 - Interests of Directors etc, Disclosures etc. Sections 204-214
 - Dividends Sections 241-245
 - Reports & Financial Statements Sections 223-223-239
 - Auditors Sections 246-253
 - Investigations Sections 254-262, 270-275
 - Prosecution Sections 263-269
 - Winding Up Sections 293 to 321
 - Shariah Compliance, Global Register of Beneficial Ownership, Money Laundering etc. Sections 451 to 453
 - Relevant Schedules, Tables, Forms and General Rules Section 506 to 516
- 2. Companies (Incorporation) Regulations, 2017**
- All Chapters
- 3. Securities Act, 2015**
- Section 2, 6, 7, 19, 77, 87 to 96
- 4. Listed Companies (Code of Corporate Governance) Regulations, 2019**
- All Chapters

**PART - B
SPECIAL COMPANIES**

- 5. Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980**
- Section 1 to 26, 33 and related Modarba Rules, 1981
- 6. Non Banking Finance Companies**
- Non- banking Finance Companies (Companies Ordinance , 1984 Section 282A to 282M)
 - NBFC (Establishment and Regulation) Rules 2003- Rules 1 to 7
 - The Non-banking Finance Companies and Notified Entities Regulations, 2008

Recommended Books:

CORE READINGS		
Title	Author	Publisher
The Companies Act, 2017	Naved Mukhtar	Pakistan Law House
SECP Website	SECP	www.secp.gov.pk
Code of Ethics	Issued by IFAC & SAFA	IFAC & SAFA

(Regulation 2, 3, 9, 10, 15B, 16-18, and 25)

**PART - C
OTHER LAWS, REGULATIONS AND PROFESSIONAL ETHICS**

- 7. The Companies (further issue of shares) Regulations, 2020**
- All Chapters with Schedules
- 8. Listed Companies (Buy-Back of Shares) Regulations, 2019"**
- Complete rules with latest amendments
- 9. Public Offering Regulations, 2017**
- Chapter 1 to 5 and First Schedule
- 10. Pakistan Stock Exchange Rule Book**
- Chapter 5, 5A and 5B
- 11. Anti-money Laundering Act, 2010**
- Section 2 to 20 & 30 with relevant Anti-money Laundering Regulations, 2015
- 12. Professional Ethics**
- Importance of Ethics
 - Personal Ethics
 - Professional Ethics
 - Ethical Guidelines by ICMA Pakistan
 - Ethical Conflict

**PART - D
SECRETARIAL PRACTICES**

- 13. Company Secretary, Functions and Responsibilities**
- Appointment, removal, terms and condition, function, legal obligations, role and responsibilities of company secretary.
 - All relevant secretarial practices with reference to the provisions of the Companies Act, 2017
- 14. Meetings, Resolutions and E-filing**
- Notice of Annual General Meetings/ Extra Ordinary General Meetings/ Board Meetings and Resolutions
 - Responsibilities and Duties of Company Secretary regarding arranging of Annual General Meetings/EOGM/ Board Meetings
 - Understanding and other relevant requirements of a company secretary regarding eServices and e-filing of relevant returns and form under the Companies Act, 2017