

Core Courses (CC)

Business Law-II

S.Y. B.Com. Semester-IV

Manohar R. Wadhvani

Dr. Sumathi Gopal

Business
Law

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DR. Sumathi Gopal

Prepared as per the Revised Syllabus of Courses of B.Com. Programme at Semester – IV with effect from the Academic year 2017–18.

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BUSINESS LAW – II

**S.Y. B.Com.
(Semester – IV)**

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PREFACE

It gives us great pleasure to present to the student community the revised syllabus in a very comprehensive & lucid manner & enabling the students to know the subject to the point. Mumbai University made an effort to update the syllabi & keeping in view with the changes brought about in law from time to time. Our main aim is to make student understand the subject without any difficulties. Efforts have been made to give adequate Self Study questions to solve & revise during the examination as suggestive measures. For any error or misprint our sincere & humble apology.

We request all the readers including the professor & students to give their valuable feedback which will be of great help to us. The readers may mail their feedback to adv.sumathigopal@gmail.com

With Best Wishes

Authors

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SYLLABUS...

Core Courses (CC)

Sr. No.	Modules	No. of Lectures
1.	Indian Companies Act - 2013, (Part - I)	12
2.	Indian Companies Act - 2013, (Part - II)	12
3.	Indian Partnership Act - 1932	12
4.	Consumer Protection Act, 1986 & Competition Act 2002	12
5.	Intellectual Property Rights	12
Total		60

Sr. No.	Modules
1.	<p>Indian Companies Act - 2013 (Part - I)</p> <p>Company - Concept, Features, Role of Promoters (S. 2 (69) S. 92), Duties and liabilities of the Promoter, Effects of Pre-Incorporation contracts, Consequences of non-registration, and Lifting of Corporate Veil.</p> <p>Classification of Companies Distinction between Private Company and Public Company, Advantages and Disadvantages of Private Company and Public Company. - Common Procedure for Incorporation of Company,</p> <p>Memorandum of Association (MOA) & Article of Association(AOA) - Concept, Clauses of MOA, AOA - Contents, Doctrine of constructive notice, Doctrine of Ultra Vires, Doctrine of Indoor Management.</p> <p>Prospectus - Concept, Kinds, Contents, Private Placement</p>
2.	<p>Indian Companies Act - 2013, (Part - II)</p> <p>Member of a Company - Concept, Who can become a member, Modes of acquiring membership, Cessation of membership, Right & Liabilities of Members.</p> <p>Director - Qualifications & Disqualification, Classification, Director Identification Number (DIN), Legal Position of Directors.</p> <p>Meetings - Types, Legal Provisions of Statutory Meeting, Annual General Meeting, Extra-Ordinary Meeting, Board Meeting.</p>
3.	<p>Indian Partnership Act - 1932</p> <p>Partnership - Concept, Essentials, True Test of Partnership, Partnership Deed, Types of Partnership, Rights and Duties of Partners, Distinguish between Partnership & Hindu Undivided Family (HUF).</p> <p>Dissolution - Concept, Modes of Dissolution, Consequences of Dissolution.</p> <p>Limited Liability Partnership (LLP) 2008 - Concept, Characteristics, Advantages & Disadvantages, Procedure for Incorporation.</p> <p>Extent of L.L.P. - Conversion of LLP, Mutual rights & duties of partners, Winding up of LLP, Distinction between LLP and Partnership.</p>

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No. of Lectures
12
12
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12
12
60

4.	Consumer Protection Act, 1986 & Competition Act 2002
	<p>Consumer Protection Act - Concept , Objects, Reasons for enacting the Consumer Protection Act, Definition of Consumer, Consumer Dispute, Complaint, Complainant, Defect, Deficiency, Consumer Dispute, Unfair Trade Practices, Goods and Services.</p> <p>Consumer Protection Councils & Redressal Agencies - District, State & National.</p> <p>Competition Act 2002 - Concept, Salient Features, Objectives & Advantages.</p> <p>Abuse of Dominant Position, Competition Commission of India, Anti-Competition Agreements,</p>
5.	Intellectual Property Rights
	<p>Intellectual Property Right (IPR) - Concept, Nature, Introduction & background of IPR in India.</p> <p>IPR relating to Patents - Concepts of Invention and discovery, Comparison (S2 (j)), Concept of Patents, General principles applicable to working of patented inventions, Term of Patent. Infringement of Patent Rights & Remedies. (Ss. 104-115)</p> <p>IPR relating to Copyrights - Concept of Copyright (Ss. 14, 16, 54,) Concept of author and authorised acts, (S.2) Ownership of Copy right (S.17) Duration or term of Copy right. (S. 22-27), Original work and fair use, Rights of Copyright holder, Infringement of Copyrights & Remedies. (Ss. 51, 52)</p> <p>IPR relating to Trademarks - Concept, Functions of Trade Mark, types, trademarks that cannot be registered, Registration of Trade Marks and rights of the proprietor of Trade Marks. Procedure for registration of Trade Marks., Infringement of Trademarks & Remedies.</p>

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(10 marks)

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(10 marks)

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Chapter

MODULE - I

INDIAN COMPANIES ACT - 2013 (PART - I)

DEFINITION AND NATURE (FEATURES) OF A COMPANY

Synopsis

- Introduction
- Definition of a Company (Sec. 3)
- Nature and Distinct Features of a Company
- Advantages and Disadvantages of a Company
- Lifting or Piercing the Corporate Veil

A. INTRODUCTION

The law governing companies in India is contained in the Companies Act, 1956, as amended by and under the Companies Act, 2013. The Companies Act, 1956, was enacted on the lines of the English Companies Act, 1948. It came into force on and with effect from April 1, 1956. It regulated the whole range of organisation and management of the companies in India. The Act suffered from innumerable weaknesses, inadequacies, and loopholes, which called for amendments from time to time till date. No Act in our country, excepting the Income Tax Act, has been amended as many times as the Companies Act, 1956, in response to the demanding needs, requirements, and challenges of the time. The first major amendments were introduced under the Companies (Amendment) Acts, 1960, and 1962, followed by the Companies (Amendment) Act, 1996, with effect from March 01, 1997. The introduction of the Depositories Act, 1996 and subsequent amendment thereto by the Amendment Act, 1997, necessitated introduction of consequential amendments, in the Companies Act, 1956, which were made by and under the Companies (Amendment) Act, 1999.

The Companies Act, 1956, as amended by the Companies Act 2013, does not apply to (1) companies, established under Special Acts of Parliament, such as Life Insurance Corporation of India; (2) partnership firms, which are governed by the Indian Partnership Act, 1932, except that the Companies Act, 1956 prescribes the maximum number of partners in a firm; (3) co-operative societies, which are governed by separate Co-operative Societies Acts; (4) societies like clubs and professional associations, which are governed by the Societies Registration Act, 1860; and (5) trusts, which are governed by the Indian Trusts Act, 1882, though the Companies Act, 2013, prescribes the voting rights in trusts having shareholdings therein.

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About the Authors

Prof. Manohar R. Wadhvani

A recipient of three outstanding achievement awards, viz., (1) A GOLD MEDAL as "2004 Meritorious Achievement Award for the Distinguished Services to Society" on 28th August 2004, (2) A SILVER PLAQUE as an "Outstanding Achievement Award" for his "Outstanding Contribution to Legal Literature Including the Human Rights Jurisprudence", Instituted by International Human Rights Foundation, Mumbai, and presented by his Excellency the Vice President of India, Shri Bhairon Singh Shekhawat, on 17th September, 2004 at Sahyadri, Mumbai, and (3) A SILVER PLAQUE on 17th June, 2004 for "Being An Exceptional teacher, Legal Luminary, Author Extraordinary, Consumer Support Advocacy And Exceptional Social Worker", Prof. Manohar R. Wadhvani is an ex-visiting Postgraduate Prof of Law, Dept. of Law, University of Mumbai. He is the most prolific and versatile author of 59 books on diverse subjects in five different faculties of Arts, Science, Commerce, Management, and Law for University education. He has to his credit, as many as twelve books on Law, including his book, titled "The Philosophy And The Law Of Human Rights", with a 'Foreword' by Hon'ble Shri Justice S.P. Bharucha, former Chief Justice of India, and a 'Message' from Hon'ble Shri Justice Dalveer Bhandari, former chief Justice, High Court at Bombay, and then elevated to the Supreme Court of India. Prof Wadhvani's book titled "Business Law", reviewed by five Hon'ble Judges of the Supreme Court of India and Bombay High Court, runs into 46th edition. His book titled "The Philosophy and Practice of Human Rights", reviewed by as many as eight Judges of the Bombay High Court and the Allahabad High Court, runs into seven edition. His book, "The A,B,C of the Enlightened Leadership", is described as "an excellent book" by Hon'ble Shri. Justice M.H. Kania former Chief Justice of India. His book "Flowering of Enlightened Personality for Effective Management in three combined volumes is fore worded by Dr. Snehalata Deshmukh, Former Vice Chancellor, University of Mumbai. "Messages" from high dignitaries of India and 40 glowing tributed from Vice Chancellors of University of Rajasthan, National Law School of India, Bangalore, National Law University, Delhi, Pro-Voce Chancellor of Narsee Monjee Institute of Management (Deemed to be university), Director- General, Directors and Principals of Management Institutes, and Arts, Science and Commerce Colleges, Deans and Medical Directors of Hospitals and Medical Colleges, and Directors of Corporations.

Prof. Wadhvani's latest publications, "I can and I will make this Miracle Happen" based on Nobel Laureate Albert Einstein's observation on life, and forewarded by Hon'ble Shri Justice Ferdino I. Rebello, former chief Justice, Bombay Allahabad High Court, has won 58 glowing tributes from a galaxy of intellectual, bureaucratic, managerial and judicial stars, comprising of Vice Chancellors and a Pro Vice Chancellor of different Universities, Chief Justices of High Courts, Directors- General and Directors of B-Schools, deans and Medical Directors of Medical Colleges and Hospitals, IAS, IPS, and IRS high ranking bureaucrats and Principals of Arts, Science, Commerce, Law, Engineering and Medical Colleges in Maharashtra. His 60th Publication, titled as "50 Un.Common Habits, Traits, Visions and Mission of Effective And Enlightened Leaders", is under preparation.

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She is an Educationist, Legal Consultant & Practicing Advocate High Court at Mumbai. She has been practicing in Banking Laws, Civil laws, Insurance, Labour Laws for 30 years. She has 28 years teaching experience in Business Laws, Principles of Banking & Insurance, Industrial Law, Laws relating to Banking & Insurance, Labour laws & Legal aspects of Business. Her PhD research is a combination of Bank Management & Banking Laws. She has presented research papers in National & International Conference. She has published many articles & research papers in Law journal & other related books. She has published various law books not only for University of Mumbai programme but for other University as well.

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