

## S3 - CORPORATE LAWS, GOVERNANCE & ETHICS (Strategic Level-1)

### 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, Nonbanking Finance Companies, The Companies (further issue of shares) Regulations, 2018, Listed Companies (Buy-Back of Shares) Regulations, 2019, Public Offering Regulations, 2017, Anti-money Laundering Act, 2010, and other relevant laws and regulations.

### 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

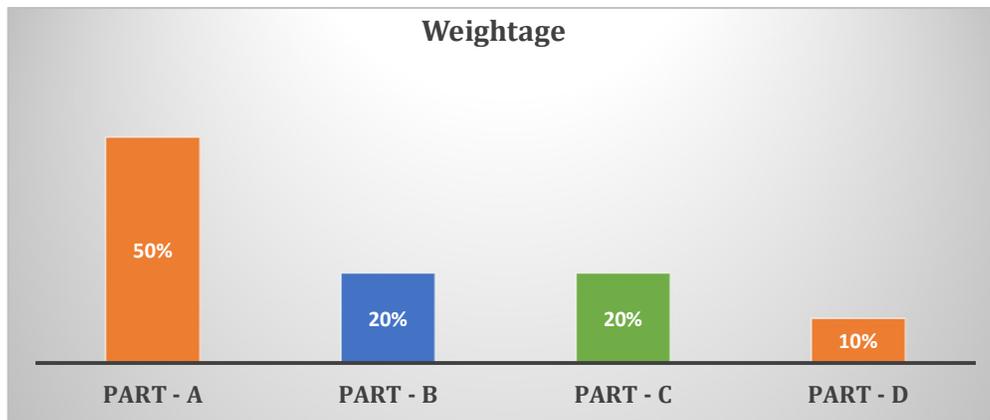
- Carry out secretarial work more effectively.

### 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 d non-banking finance companies.
- Understand the rules and regulations regarding anti-money laundering, companies' shares capital, public offering regulations etc.
- Comprehend the rules given in Pakistan Stock Exchange rule books
- Understand other relevant laws and regulations necessary to understand corporate laws

### SYLLABUS CONTENTS



### PART - A COMPANIES ACT, 2017, RELEVANT RULES AND REGULATIONS

#### 1. Companies Act, 2017

- Companies Act, 2017 (Sections: 1 to 302, 304 to 306, 312 to 396, 406 to 468, 471 to 473, 498, 500, 505)
- Companies (General Provisions & Forms) Regulations, 2018 - Regulations: 8 to 30
- Companies (Manner and Selection of Independent Directors) Regulations, 2018)

#### 2. Companies (Incorporation) Regulations, 2017

- Regulations: 2 to 10 & 15

#### 3. Securities Act, 2015

- Sections: 2, 63 to 65, and 87 to 131 with relevant rules and regulations

#### 4. Code of Corporate Governance

- Listed Companies (Code of Corporate Governance) Regulations, 2019
- Public Sector Companies (Corporate Governance) Rules, 2013

### PART - B SPECIAL COMPANIES

#### 5. 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 (Regulation 2, 3, 9, 10, 15B, 16-18, and 25

#### 6. Insurance Ordinance, 2000

- Sections (1 to 14, 28, 35, 36, 45 to 48)

**7. Banking Companies**

- The Banking Companies Ordinance, 1962 sections (1,2,5,6,9,11,13 to 24, 29 34 to 38)
- Foreign Exchange Manual of State Bank of Pakistan (Chapter 19 and 20)

**PART – C**
**OTHER LAWS AND REGULATIONS**
**8. Companies (further issue of shares) Regulations, 2020**

- All Chapters with Schedules

**9. Listed Companies (Buy-Back of Shares) Regulations, 2019"**

- Complete rules with latest amendments

**10. Public Offering Regulations, 2017**

- Chapter 1 to 5 and First Schedule

**11. Pakistan Stock Exchange Rule Book**

- Chapter 5, 5A and 5B

**12. Anti-money Laundering Act, 2010**

- Section 2 to 20 & 30 with relevant Anti-money Laundering Regulations, 2015
- Payment Systems and Electronic Fund Transfers Act, 2007 Sections 2, 4, 5, 8, 14, 18

**13. Others Laws:**

- Companies (Postal Ballot) Regulations, 2018
- Companies (Distribution of Dividends) Regulations, 2017
- Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017
- Employees Contributory Fund (Investment in Listed Securities) Regulations 2018
- Competition Act, 2010 (Chapter I and II)
- Companies (Related Party Transactions & Maintenance of Related Records) Regulations, 2018 – (Regulations: 3 to 6)
- Private Placement of Securities Rules, 2017 – (Rules 4 to 6)
- Listed Companies (Substantial Acquisition of voting shares and Takeovers) Regulations, 2017
- Corporate Restructuring Companies Act, 2016 (Sections: 1 to 6)

- Corporate Rehabilitation Act, 2018 (Chapter: I and II)
- Corporate Restructuring Companies Rules, 2019
- Corporate Rehabilitation Regulations, 2019

**PART D**
**CORPORATE ETHICS**
**14. Foundations of Corporate Ethics**

- Definition and importance of corporate ethics in modern business
- Ethical theories: Utilitarianism, Deontology, Virtue Ethics
- Role of ethics in corporate governance and decision-making

**15. Ethical Frameworks and Compliance**

- Developing a corporate code of ethics
- Key components of effective ethics programs
- Compliance vs. ethical culture: Balancing rules and values

**16. Ethical Challenges in Business**

- Conflicts of interest and fiduciary duties
- Whistleblowing: Protections and ethical dilemmas
- Cybersecurity ethics: Data privacy, AI bias, and digital accountability

**17. Sustainability and Ethical Responsibility**

- ESG (Environmental, Social, Governance) integration in corporate strategy
- Ethical supply chain management
- Stakeholder theory vs. shareholder primacy

**18. Case Studies and Contemporary Issues**

- Analysis of real-world ethical failures (e.g., Enron, Volkswagen)
- Emerging trends: Ethical AI, blockchain transparency, climate accountability
- Role of boards in ethical oversight

**19. Implementing Ethical Practices**

- Ethics training and awareness programs
- Monitoring and auditing ethical performance
- Global standards (e.g., UN Global Compact, OECD Guidelines)