

# **Intermediate Course**

## **Study Material**

### **(Modules 1 to 3)**

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## **Paper 2**

# **Corporate and Other Laws**

**(Relevant for May, 2025 and  
onward Examinations)**

## **Module – 1**



**BOARD OF STUDIES**  
**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**

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Basic draft of this publication was prepared by CA. (Dr.) Rashmi Goel

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## BEFORE WE BEGIN ...

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### **Evolving role of a CA - Shift towards strategic decision making**

The traditional role of a Chartered Accountant restricted to accounting and auditing, has now changed substantially and there has been a marked shift towards strategic decision making and entrepreneurial roles that add value beyond traditional financial reporting. The primary factors responsible for the change are the increasing business complexities on account of plethora of laws, borderless economies consequent to giant leap in e-commerce, emergence of new financial instruments, emphasis on Corporate Social Responsibility, significant developments in information technology, to name a few. These factors necessitate an increase in the competence level of Chartered Accountants to take up the role of not merely an accountant or auditor, but a global solution provider. Towards this end, the scheme of education and training is being continuously reviewed so that it is in sync with the requisites of the dynamic global business environment. The competence requirements are being continuously reviewed to enable aspiring Chartered Accountants to acquire the requisite professional competence to take on new roles.

### **Skill requirements at Intermediate Level**

At the Intermediate Level, you are expected to not only acquire professional knowledge but also the ability to apply such knowledge in problem solving. The process of learning should also help you to inculcate the requisite professional skills, i.e., the intellectual skills and communication skills, necessary for achieving the desired level of professional competence.

### **Corporate and Other Laws: Dynamic & Interesting**

Laws and rules, in general, regulate the relationship between business and profession. In specific, a student should have knowledge of the legal framework, which influences business transactions. This paper intends to make the students aware of legal provisions of the selected laws and to analyse and apply the related provisions addressing issues in moderately complex scenarios.

Paper 2 on Corporate and Other Laws is comprising of Company Law and Other Laws. The syllabus of Corporate and Other Laws has been segregated into two parts covering the following topics:

<b>Part I: Company Law (70 Marks)</b>	<b>Part II: Other Laws (30 Marks)</b>
<b>I. The Companies Act, 2013</b> <b>II. The Limited Liability Partnership Act, 2008</b>	<b>1. The General Clauses Act, 1897</b> <b>2. Interpretation of Statutes</b> <b>3. The Foreign Exchange Management Act, 1999</b>

These laws of the country undergo significant changes through amendments/ notifications /circulars which are issued from time to time by their respective governing authorities. Owing to the dynamic nature of the specified Acts especially the Companies Act, 2013, the Limited Liability Partnership Act, 2008 and the Foreign Exchange Management Act, 1999, learning, understanding and applying the provisions of law in problem solving is very interesting and challenging.

The study material has been revised on the basis of the legislative developments made up till 30<sup>th</sup> June, 2024.

Further, the legislative amendments (if any) which will be notified after 30<sup>th</sup> June, 2024 and which are relevant for a particular attempt, would be informed to the students separately. Students are advised to check the Board of Studies Knowledge Portal regularly for further development.

### **BoS – Value added study materials**

The Board of Studies is the department which serves as the Institute's interface with its students. BoS leaves no stone unturned to provide the best-in-class services to you in terms of value-added study materials wherein the concepts and provisions are explained in lucid language with illustrations, diagrams, and examples to aid understanding the application of concepts and provisions. Also, the representation of provisions has been changed, wherever required, to bring more clarity and understanding of the concepts. Test Your Knowledge Questions at the end of each chapter contain a rich bank of questions which will hone your analytical skills.

### **Framework of Chapters– Uniform Structure comprising of specific components**

Efforts have been made to present the complex laws in a lucid manner. Care has been taken to present the chapters in a logical sequence to facilitate easy understanding by the students. The Study Material has been divided into three modules for ease of handling by students.

The various chapters/units of each subject at the Intermediate level have been structured uniformly and comprises of the following components:

	<b>Components of each Chapter</b>	<b>About the component</b>
1.	<b>Learning Outcomes</b>	Learning outcomes which you need to demonstrate after learning each topic have been given in the first page of each chapter.
2.	<b>Chapter Overview</b>	As the name suggests, the flow chart/ table/ diagram given at the beginning of each chapter would give a broad outline of the contents covered in the chapter
3.	<b>Introduction</b>	A brief introduction is given at the beginning of each chapter which would help you get a feel of the topic.
4.	<b>Content</b>	The concepts and provisions of specified Acts are explained in student-friendly manner with the aid of examples/ diagrams/ flow charts. Diagrams and Flow charts would help you understand and retain the concept/ provision learnt in a better manner. Examples would help you understand the application of provisions. These value additions would, thus, help you develop conceptual clarity and get a good grasp of the topic.
5.	<b>Summary</b>	A summary of the chapter is given at the end to help you revise what you have learnt.
6.	<b>Test Your Knowledge</b>	<b>MCQ based questions:</b> Solving MCQs will enhance your conceptual clarity and sharpen your analytical skills. <b>Descriptive Questions:</b> The exercise questions and answers would help you to apply what you have learnt in problem solving. In effect, it would sharpen your application skills and test your understanding as well as your application of concepts/provisions.

We hope that these student-friendly features in the Study Material makes your learning process more enjoyable, enriches your knowledge and sharpens your application skills.

***Happy Reading and Best Wishes!***

# SYLLABUS

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## PAPER – 2: CORPORATE AND OTHER LAWS

*(100 Marks)*

### PART I – COMPANY LAW AND LIMITED LIABILITY PARTNERSHIP LAW (70 MARKS)

#### **Objective:**

To develop an understanding of the legal provisions and acquire the ability to analyse and apply the laws in practical situations.

#### **Contents:**

- I. The Companies Act, 2013** – including important rules and drafting of notices, resolutions etc.–
  1. Preliminary
  2. Incorporation of Company and Matters Incidental thereto
  3. Prospectus and Allotment of Securities
  4. Share Capital and Debentures
  5. Acceptance of Deposits by Companies
  6. Registration of Charges
  7. Management and Administration
  8. Declaration and Payment of Dividend
  9. Accounts of Companies
  10. Audit and Auditors
  11. Companies Incorporated Outside India
- II. The Limited Liability Partnership Act, 2008 including important Rules**

## PART II- OTHER LAWS (30 MARKS)

### Objectives:

- (a) To develop an understanding of the General Clauses Act.
- (b) To develop an understanding of the rules for interpretation of statutes
- (c) To have basic understanding of the Foreign Exchange Management Act, 1999.

### Contents:

1. **The General Clauses Act, 1897:** Important Definitions, Extent and Applicability, General Rules of Construction, Powers and Functionaries, Provisions as to Orders, Rules, etc. made under Enactments and Miscellaneous Provisions.
2. **Interpretation of Statutes:** Rules of Interpretation of Statutes, Aids to Interpretation, Rules of Interpretation/ Construction of Deeds and Documents.
3. **The Foreign Exchange Management Act, 1999:** Significant definitions and concepts of Current and Capital Account Transactions.

**Note:** *If new legislations are enacted in place of the existing legislations, the syllabus would include the corresponding provisions of such new legislations with effect from a date notified by the Institute.*

*The specific inclusions/exclusions in the various topics covered in the syllabus will be effected every year by way of Study Guidelines, if required.*

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- CHAPTER-2: Incorporation of Company and Matters Incidental thereto
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- CHAPTER-4: Share Capital and Debentures
- CHAPTER-5: Acceptance of Deposits by companies
- CHAPTER-6: Registration of Charges

## MODULE 2

- CHAPTER-7: Management and Administration
- CHAPTER-8: Declaration and Payment of Dividend
- CHAPTER-9: Accounts of Companies
- CHAPTER-10: Audit and Auditors
- CHAPTER-11: Companies Incorporated Outside India

## MODULE 3

- CHAPTER-12: The Limited Liability Partnership Act, 2008

### **Other Laws**

- CHAPTER-1: The General Clauses Act, 1897
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