



Corporate & Other Laws

(CA - Intermediate)

NEW SYLLABUS

COMPACT

KEEP
CALM
AND
COMPILE
CA-INTER
LAWS

with CA Harsh Gupta

B.Com (H), CA, CS



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PREFACE

I am glad to present the 2026 edition of this Book. This edition has been specifically prepared for the students appearing for the 'Corporate and Other Laws' examination under the *new syllabus* of *CA-Intermediate* for *January, May & September 2026 attempt*.

This book entails *all the amendments* notified up to *28th February 2025*. *Additional amendments, if any, upto 30th June 2025, will be applicable for Jan 2026 attempt* and then for the next 4 months i.e. up to *31st October 2025*, will be applicable for *May 2026 attempt*. The relevant amendment notes (along with the free amendment class) will be duly provided on our Telegram channel [t.me/CA_Law_HarshGupta] in due course of time. Students need to do a consolidated reading of this Book along with the relevant amendments, if any, for January, May & September 2026 attempt. Similar approach is to be applied in case a student is referring this book for any attempt post September 2026.

In this book, the author has tried to compile the *entire syllabus of CA Intermediate Corporate & Other Laws in 50 pages*. This book has been designed to help the students get a comprehensive coverage of the entire syllabus in minimal time. The author is sure that after covering our Main books (CA Inter Company Law + Other Laws + MCQ Booklet), if a student refers this compact book, he can swiftly handle the last day examination pressure and pass the exams with flying colours.

Wishing every success to the students.

1st March 2025

New Delhi

CA Harsh Gupta

The *journey* of a thousand miles
begins with a single step



- *Life would be tragic if it weren't funny.*
- *However difficult life may seem, there is always something you can do and succeed at. It matters that you don't just give up.*
- *Intelligence is the ability to adapt to change.*
- *Quiet people have the loudest minds.*
- *People won't have time for you if you are always angry or complaining.*

- *In a gentle way, you can shake the world.*
- *Live as if you were to die tomorrow. Learn as if you were to live forever.*
- *You must be the change you wish to see in the world.*
- *It's easy to stand in the crowd but it takes courage to stand alone.*
- *A man is but a product of his thoughts. What he thinks, he becomes.*
- *Earth provides enough to satisfy every man's needs, but not every man's greed.*



- *Your brand is what other people say about you when you are not in the room.*
- *Work hard, Have fun, Make history*
- *Entrepreneurs must be willing to be misunderstood for long period of time.*
- *If you never want to be criticized, for goodness sake don't do anything new.*
- *If you don't understand the details of your business, you are going to fail.*
- *What's dangerous is not to evolve.*

- *If you do not believe you are the best, then you will never achieve all that you are capable of.*
- *We don't want to tell our dreams. We want to show them.*
- *Your love makes me strong, your hate makes me unstoppable.*
- *Dream your dreams with your eyes closed. But live your dreams with your eyes open.*



- *A winner is a dreamer who never gives up.*
- *Education is the most powerful weapon which you can use to change the world.*
- *It always seems impossible until it's done.*
- *As we let our own light shine, we unconsciously give other people permission to do the same.*
- *I never lose. I either win or learn.*



CONTENTS AT A GLANCE

CHAPTERS	TOPIC	PAGES	
Chapter 1	Preliminary	1.1 – 1.3	70 marks
Chapter 2	Incorporation of Company & matters incidental thereto	2.1 – 2.4	
Chapter 3	Prospectus & allotment of securities	3.1 – 3.3	
Chapter 4	Share Capital & Debentures	4.1 – 4.5	
Chapter 5	Acceptance of Deposits by Companies	5.1 – 5.2	
Chapter 6	Registration of charges	6.1 – 6.2	
Chapter 7	Management & Administration	7.1 – 7.4	
Chapter 8	Declaration & Payment of Dividend	8.1 – 8.1	
Chapter 9	Accounts of Companies	9.1 – 9.4	
Chapter 10	Audit and Auditors	10.1 – 10.5	
Chapter 11	Companies incorporated outside India	11.1 – 11.3	
Chapter 12	The Limited Liability Partnership Act, 2008	12.1 – 12.8	
Chapter 13	The General Clauses Act, 1897	13.1 – 13.3	30 marks
Chapter 14	Interpretation of Statutes, Deeds and Documents	14.1 – 14.5	
Chapter 15	Foreign Exchange Management Act, 1999	15.1 – 15.4	





CORPORATE LAWS

70 MARKS



Section 1	<ul style="list-style-type: none"> Companies Act, 2013 extends to entire India Different provisions may be notified on different dates by CG 	<ul style="list-style-type: none"> Companies Act vs. special acts governing the companies like banking, insurance, electricity etc. – special acts will prevail CG can apply this Act to any Body Corporate by a notification 		
Meaning of Company	Company means a company incorporated under ⇒			
Features of company	Incorporated association	Artificial person	Separate Legal entity	Perpetual succession
	Limited liability of members	Common seal (voluntary)	Separate Management	Separate property
	Transferability of shares	<ul style="list-style-type: none"> Private Co. – restriction Public Co. – freely 	Capacity to sue or be sued	Limitation of action-MOA
Principle of Separate Legal Entity	Salomon vs. Salomon Co. Ltd.	→ Salomon formed a company & transferred his shoes business to Salomon Co. Ltd. for £ 38,782 → Co. gave him cash = £ 8,782; equity shares = £ 20,000; and secured debentures = £ 10,000 → Subsequently there were unsecured trade creditors of £ 8,000 and was left with assets worth only £ 6,050 → Court held that Salomon & Company being separate persons, Salomon will be entitled to those £ 6,050 being a secured debenture-holder		
	Mrs. Bacha F. Guzdar	→ Company was carrying agricultural business and was exempt from tax → A shareholder contended that dividend received by her was also exempt from tax → The court held that the dividend received by the shareholder is not an agricultural income as company is a separate legal entity		
Doctrine of Lifting of Corporate Veil	Meaning		Lifting of corporate veil under	
	<ul style="list-style-type: none"> Separate legal entity of company segregates insiders from the outsiders If someone misuses this, then corporate veil can be disregarded 		<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> Statutory Provisions ↓ Eg. Section 3A, 7(7) </div>	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> Judicial precedents ↓ Refer cases below </div>
	Protection of Revenue	Sir Dinshaw Manakjee Petit	→ Assessee made 4 private companies to split his income and save tax → Income was passed to him as a pretended loan → Held – Companies were formed to avoid tax and corporate veil was lifted	
Prevention of fraud or improper conduct	Gilford Motor Ltd. vs. Home	→ Employee entered into a contract for not soliciting away any clients of employer → After leaving employment, Employee formed a company to solicit away clients → Held that corporate veil will be lifted		
Important Definitions				
Associate Company	→ Company in which other company has significant influence [control of $\geq 20\%$ Total Voting Power (TVP) or business decisions] → Excludes a subsidiary company, but includes a Joint Venture company			
Body Corporate or Corporation	→ Includes a company incorporated outside India → does NOT include <ul style="list-style-type: none"> Co-operative society body corporate (other than company) as CG may prescribe 			
Company	It means a company incorporated under this Act or under any previous company law			
Company limited by guarantee	Liability of member is limited to such amount as members may undertake to contribute to the assets of the company in the event of winding up			
Company limited by shares	Liability of member is limited to the amount unpaid, if any, on the shares held by them			
Financial Year	→ Period ending on 31st March → But for a company incorporated on or after January 1 of a year, the period ending of 31st March of the following year	Exception		
		<ul style="list-style-type: none"> Co. which is Holding/ Subsidiary/ Associate of Co. incorporated outside India; and is required to follow a different financial year for consolidation outside India, such company may follow any period as its FY with approval of CG (power delegated to RD) 		
Free Reserves	Such reserves which are available for distribution of dividend	Note – Revaluation reserve is not a free reserve		

Government company	<p>≥ 51% of the paid-up capital (PSC)* is held by</p> <ul style="list-style-type: none"> CG State Govt(s) Partly by CG and partly by State Govt(s) Includes SUBSIDIARY of such company <p>*Note – In case Government company has issued DVR, then 51% of Total Voting Power must be seen</p>		<p>→ Employees of Govt companies are NOT Govt employees</p> <p>→ Within 3 months of AGM, CG must place an annual report of every Govt Company before both houses of Parliament</p> <p>→ Where State Govt is member, annual report is likewise placed before State Legislature</p>	
Holding company	In relation to other companies, means a company of which such companies are subsidiary			
KMP	CEO, MD or Manager	Company secretary		WTD
	CFO	Such officer, not more than one level below WTDs, designated as KMP by board		Other prescribed officers
Listed company	Any company which has any of its SECURITIES listed on a recognised stock exchange, EXCEPT the following			
	Public companies	Not listed their Equity shares	But listed their -	
			<ol style="list-style-type: none"> Non-convertible debt securities issued on Private Placement basis Non-convertible redeemable preference shares issued on Private Placement basis Both 1 and 2 	
	Private companies	Listed their non-convertible debt securities issued on Private Placement basis		
	Public companies	Not listed equity shares on a recognized stock exchange but listed in a jurisdiction specified u/s 23(3)		
Net Worth	Paid-up share capital	+	<ul style="list-style-type: none"> Reserves created out of profits Securities Premium Profit & loss account 	(-)
				<ul style="list-style-type: none"> Accumulated losses Deferred expenditure Miscellaneous expenses not written off
	Note – Does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation			
Officer in Default	<ul style="list-style-type: none"> WTD KMP If no KMP, such director(s) as specified by Board in this behalf + has given his consent and if no such directors are specified, then ALL the directors 	<ul style="list-style-type: none"> Any person under immediate authority of Board or KMP, is charged with any responsibility Any person as per whose direction Board is accustomed to act (other than advise given in professional capacity) Every director aware of the contravention In respect of issue or transfer of shares – the share transfer agents, registrars and merchant bankers to the issue or transfer 		
OPC	Company which has only one person as its member			
Private company	Means a company having minimum paid-up capital as may be prescribed & which by its AOA	R	Restricts the right to transfer its shares	
		L	(Other than OPC), limits the number of its members to 200 → Joint members are counted as ONE → Limit of 200 excludes – <ul style="list-style-type: none"> Present employees; and Former employees, who were members while in that employment and continued to remain members after the employment ceased 	
		P	Prohibits any invitation to the public to subscribe to any of its securities	
Public company	It means a company <ul style="list-style-type: none"> which is not a private company; and has minimum paid-up capital as may be prescribed 	Note – If a Private company is a subsidiary of a Public company, it is also deemed to be a Public company		
Public Financial Institution	<ul style="list-style-type: none"> LIC IDFC UTI 	<ul style="list-style-type: none"> Institutions notified by CG under Companies Act, 1956 Such institutions as may be notified by CG 	CG shall not notify an institution unless – <ul style="list-style-type: none"> it is a statutory corporation; or is a Govt. company 	

Relative	→ Members of HUF → Husband & wife → Such other relations as may be prescribed																		
Small company	Private company whose → PSC ≤ INR 4 crore; AND → Turnover of preceding year ≤ INR 40 crore	Following companies can never be small <ul style="list-style-type: none"> • <u>S</u>ubsidiary or Holding • <u>S</u>ection 8 • <u>S</u>pecial Act 																	
Subsidiary company	<p style="text-align: center;">2 ways to make subsidiary</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> Controlling composition of Board ↓ i.e. Power to appoint or remove majority directors </td> <td style="width: 50%; vertical-align: top;"> Controls > 50% of TVP ↓ • TVP means vote casted on POLL • TVP might include Preference share capital, subject to sec. 47 </td> </tr> </table> <p style="text-align: center;">This control can be exercised directly or through one or more subsidiary</p> <p>Note – TVP means Total Voting Power Note – The term company includes 'Body corporate'</p>	Controlling composition of Board ↓ i.e. Power to appoint or remove majority directors	Controls > 50% of TVP ↓ • TVP means vote casted on POLL • TVP might include Preference share capital, subject to sec. 47	<p style="text-align: center;">Layers of Subsidiary</p> <p>→ Prescribed companies cannot have more than 2 layers of subsidiaries</p> <p>→ However, if one layer is of WOS, such layer is not counted as layer</p> <p>Note – Provisions not applicable to Banks, NBFC, Insurance & Govt companies</p>															
Controlling composition of Board ↓ i.e. Power to appoint or remove majority directors	Controls > 50% of TVP ↓ • TVP means vote casted on POLL • TVP might include Preference share capital, subject to sec. 47																		
Total Voting Power	→ Total votes which may be casted on POLL at a general meeting																		
Unlimited company	→ Not having any limit on liability of members → But creditors of the company cannot directly sue the members, but can only do through company																		
Membership	Modes of becoming Member <table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">By subscribing to MOA</td> <td rowspan="2"> <ul style="list-style-type: none"> • Allotment • Transfer • Transmission </td> </tr> <tr> <td>By agreeing in writing</td> </tr> <tr> <td colspan="2">By becoming beneficial owner in records of depository</td> </tr> </table>	By subscribing to MOA	<ul style="list-style-type: none"> • Allotment • Transfer • Transmission 	By agreeing in writing	By becoming beneficial owner in records of depository		<table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: center;">Member</th> <th style="text-align: center;">Shareholder</th> </tr> </thead> <tbody> <tr> <td>Defined u/s 2(55)</td> <td>Not defined</td> </tr> <tr> <td>Means person whose name is entered in Register of members</td> <td>Means a person holding the share</td> </tr> <tr> <td>Company not having share capital can have only member</td> <td>Company not having share capital can't have shareholder</td> </tr> <tr> <td>Subscriber to MOA becomes member from date of incorporation</td> <td>Subscriber to MOA becomes shareholder from date of allotment</td> </tr> <tr> <td>Transferor remains member till name is not removed from register</td> <td>Transferor ceases to be shareholder when share is handed over to transferee</td> </tr> </tbody> </table>	Member	Shareholder	Defined u/s 2(55)	Not defined	Means person whose name is entered in Register of members	Means a person holding the share	Company not having share capital can have only member	Company not having share capital can't have shareholder	Subscriber to MOA becomes member from date of incorporation	Subscriber to MOA becomes shareholder from date of allotment	Transferor remains member till name is not removed from register	Transferor ceases to be shareholder when share is handed over to transferee
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