
SHIKHAR
REGULAR BATCH
CA INTER MAY 2025
CORPORATE & OTHER LAWS
TOTAL HOURS
170
NO. OF LECTURES
85
₹10,000
₹8,000
CA INDRESH GANDHI
OPTION 1 LIVE STREAMING
OPTION 2 PRE RECORDED
BOOKS
Law – Volume 1, Law - Volume 2
Law Section-wise Question Bank (incl. Ans & MCQs)
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Chapter 5 : Acceptance of Deposit

₹

loan

18% / 15% /
16%

Company

Deposit

Bank

10%

FD

₹

$$₹ \rightarrow \begin{array}{r} 100 \\ -\ 50 \\ \hline 50 \end{array}$$

Fixed Return — (7% - 8%)

CO ← Deposit

CG → Restriction + compliance

RBI + SEBI

Deposit : Any Receipt of money by way of deposit / loan / any other Form by a co. but it does not include such category of amt as may be prescribed

↓

$\boxed{\text{RBI}}$

Features

- Repayment : Time Bound (36 month) Max
- Secured / Unsecured
  ↓
  - 100%
  - Tangible Asset

Deposit - 10cr

CO
↓
Asset 9cr

Patent 11cr

charge → unsecured

charge

- Depositor $\xrightarrow{\text{Nominee}}$ Any person
  ↓
  Any time

- **Repay** along with **Int**

- Premature Repayment
  - CO ✓
  - Depositor ✓

- Pvt CO ← Deposit — member
  Public CO ← " — member / Public → Parameter (Criteria)

- Depositor → CO (₹)
  ↓
  Joint holder
  (max – 3)

company ← ₹
- Deposits
- Deposit ⊗ — RBI
  Rule 2

Amt Not considered as Deposits (RBI) Rule 2

CO ← ₹ Deposit ✗

① ← ₹

- CG
- SG
- Source $\xleftarrow{\text{guarantee}}$ CG / SG
- local authority
- Statutory Authority

② ← ₹

Subject to FEMA

- Foreign govt [FG]
- F. / International Bank
- Multilateral FI
- FG $\xrightarrow{\text{owned}}$ Development FI
- Foreign Export cr Agency
- F. collaborators
- F. B/C & citizens
- F. Authority / PROI

③ ← ₹ loan / Facility

Banking co.
SBI
Notified Banking Institution
New Bank (Acquisition)
Coop. Bank

4. ₹ ← loan / F. Assistance

- PFI → IRDA, LIC
- Regional FI
- Insurance co.
- Sch Bank

5. CO ← ₹ → Commercial Paper

↳ As per RBI

(short term obligation)

6. ← ₹ Any other co

(Inter co Deposit)

Imp

7. CO ← ₹ (1000 ₹)

Application money + Appropriate → only Allotment

Appln — Allot → 60D — Refund — 15D (Deposit)

↓

Adjustment ₹

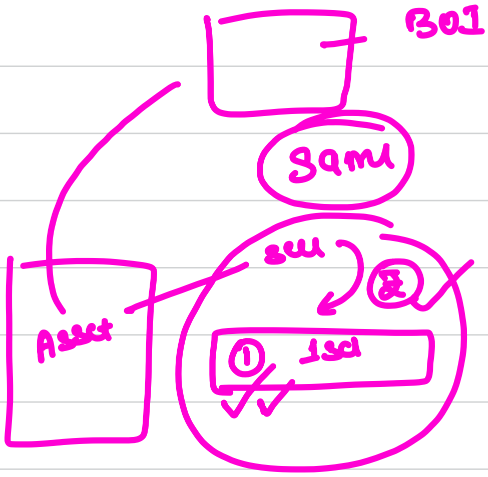
Imp

⑧ co ← ₹ Person ← Dir / Dir - Relative → Pvt co.

+ Declaration (writing)

Own Funds ⊕ (Disclose in Board Report)

- Borrowed ⊗



⑨. co ← ₹ — → Issue

↳ ① Bond / Debenture - Secure

1st charge

Pari passu with 1st charge holders

Asset charge → value RV $\nless$ $\geq$ Amt of Bond / Deb

(Intangible ×)

② Bond / Deb

↓

compulsory convert share

(within 10 yrs)

9(a) ← Amt — → NCD → charge ⊗

(Non convertible Debenture)

\+ listed - RSE ✓

(SEBI)

Day02

10. CO ← ₹ — Employee (Sec 2)

→ ₹ > Annual salary

→ Non Int Bearing

11. ← ₹ —

↓

held in Trust

(Non- Int Bearing)

12. CO ← Amt — Imp

↓

OCB - (Ordinary course of Business)

a) Advance — supply of goods / services

↓

Appropriate →

haldiram

Advance — Adjust — 365

legal Dispute — 365 Days criteria ⊗

Ambani - MVSIR Antilla

(b) Advance → IP consideration

Immovable Property

↓

under Agreement

↓

Adjust : In accordance with Agreement

aimtu

(c) Security Deposit

(d) Advance } (long term Project)

↓

supply of capital goods

L & T

(E) Advance

↓

Tata ↓ JM →

• For Providing Future services warranty / maintenance

[written Agreement]

• Period ⊁ common Practise 4/6

or

5 years

↓

Dt of Acceptance

4

5

(F) • Advance

Sectoral Regulator

Direction

CG SG

(G) • Advance

↓

Subscription

< Print / Exe } Adjust ↪ Receipt

Advance of goods / services

A B D

Advance of IP

Advance of long term Project

Refundable

Date payment 15 D

Pay x → Deposit ✓

(13)

CO ← ₹ ← Promoter / Promoter Relative

Unsecured loan

↑ condition

loan → condition

Bank / FI (SBI)

Unsec loan

loan Repaid (Bank)

Deposit ✓

(14)

Nidhi CO ← ₹

Rule : $\boxed{406}$ of Act

(15) ₹

chit
[chit Fund Act]

(16) ₹

(collective Invt scheme)

→ SEBI Rules

(17) Start up co

(pvt co DPIIT)

25 L or more

single tranche

Person

convertible Note

Shares

Repayable within 10 yr.

(18) ₹

- Alternate Invt Fund
- Domestic venture capital Fund
- Infra Invt trust
- Real Estate Invt trust
- Mutual Funds

SEBI Registered

Depositor

Public CO

Member

Public

Pvt CO

Member

Eligible CO

Public CO. + [N/W ≥ 100 cr or T/O ≥ 500 cr] + GM - SR File to ROC Before Inviting Public to Accept Deposit

Total Asset (–) O/s liabilities

or

SC + Reserve

Eligible CO

↓

Deposit ≤ 180(1)(c)

100% (PUSC + FR + SPA)

∃ OR

Existing + New

Prohibitive Provision & Exempted companies

sec 73

① Prohibition → Co ← Public
Accept ×
Renew ×
Deposits
} unless they comply with chp V of Act

Exemption

②

Exemptions

① Banking co
② NBFC
③ HFC
④ Others - CG
} Exemption

Deposit Rules : Non Banking &
Non Financial Co.

Accepting of Deposits from members

① GM - OR

② Co --Circular--> members

- RPAD
- Speed Post
- Elc mode

73 (2) (a)

① Statement
- Fin Position
- Cr Rating Obtained
- Total No. of Depositors
- Amt Due
  ↳ Previous Deposit Due

② Circular - Publish
NP
English | Verna

③ Certificate : Stat auditor

No Default

(Repayment of principal & Int)

Default

good

5yrs ✓

④ Circular validity

$\boxed{\text{Earliest of}}$

FY

6m

AGM / AGM - DD

Fresh circular shall be issued in each succeeding FY for inviting deposits of that year

③

73(2)(b)

30 — Circular Issue

↓

ROC ✓

④. Deposit Repayment Reserve (DRR)

73(2)(c)

CFY — Following FY

30 April

A/c sch Bank

Deposit mature

20%

↳ utilise : only for Repayment of Deposit

min Balance : 20% × Amt maturing in CFY

⑤. Certification as to No Default by company

73(2)(e)

No Default

Default

good —— 5y ✓

Exemption to Private co

Sec 73 (2) (a) — (e)

- circular
- copy → ROC
- DRR
- certification

Pvt co

Accept - Deposit ≤ 180 (1) (c)

OR

Startup → 5 yrs

OR

Fulfill 3 condition

1. Sub ×
   Asso ×
   any co

   +

2. Borrowing < 2× PUSC $\boxed{\text{OR}}$ 50cr — lower

   +

3. No Default on Repayment at time of Accepting Deposits

CO $\xrightarrow{\text{DPT-3}}$ ROC

(Acceptance of Deposit)

(6). Deposits

Secured → create charge

120 cr

?

Unsecured → Quoted in Every circular / Form / Ad

(7) Repayment → As per terms

(P + Int)

(100cr + 20cr)

(8) Co. Fails to Repay < P, I

Depositor —Application→ NCLT → order

Pay → Sum Due, Damages, Other

9 DRR - Utilise? : Only for Repayment of Deposit

10 Tenure of Deposit

✓

Accept ×× | 3m (1) | 6m | 36m | ×××

Deposit Amt (2) ≯ 10% [PUSC + FR + SPA]

11. Maximum amt of Deposit

Amt
Accept Renew
+ OIS

$\boxed{\times \times\times\times}$

≤ 35% [PUSC + FR + SPA]

35% → 100%

35% → No limit → Pvt co

→ IFSC Public CO

→ Pvt CO.
(members)

① startup
↳ 10 yrs

(OR)

② Pvt CO

Asso x
Sub x

Borrowing
<
2x PUSC
↓ 50cr

NO
Existing
Default

⑫ Appoint - Trustee

⑬ $\frac{1}{10}$ value of Depositor → Trustee → call meeting Depositor

suo moto → Trustee

Affect Int of Depositor

⑭ Ceiling on Rate of Int / Brokerage Payable on Deposit

- Rate ≯ Rate - RBI
|
NBFC

- **Brokerage** : Payable only to Person who is authorise in writing to solicit deposits on co. Behalf. — Actually Procure

(15). Intending Depositor $\xrightarrow{\text{Application}}$ co

Declaration

own mony

$\boxed{\text{Borrowed} \otimes}$

(16) Joint Name $\ngtr$ 3

(17) Nomination

Depositor — Death — Person Entitle to Receive mony

18. Deposit Receipt

CO

Proof

100 P 112

CO

21 Days

- Date of Receipt of money
- Cheq - Realise
- Renewal

DR → sign

1. Autho Officer
2. State
   - Date
   - Name & Address
   - Amt
   - Maturity
   - Rate of Int

Depositor / Agent

19. Register of Deposits

20. Premature Repayment of Deposit

(21) Filing of Return with ROC of Deposits

FY

31 march

$\boxed{30\ June}$

Particulars

DPT - 3 → File to ROC

Auditor Return of Deposit

+ Declaration by auditor

(22)

Circular Issue

Co. cannot Alter

- T&C
- Trust Deed
- Insurance contract

23 Disclose in $\boxed{FS}$

company

Public

- Director

Pvt

- Dir
- Relative of Dir

24 Deposit

Due

Int - 18% pa

25 Punishment

↓

Co + OID

5000

500 / Day

↓

contravention continue

ACCECPTING DEPOSITS FROM PUBLIC

① Eligible co

Public co

NW ≥ 100cr
or
T/O ≥ 500cr
↓
✓
EPC – Public

EPC ✗
↳ members only

② GM – SR + File with ROC before Inviting Public

Amt ≤ 180(1)(c) → OR

③ Obtain credit Rating

Recognised cr Rating Agency

Rating → CO

+ copy of Return of Deposit (DPT-3) → ROC

① Net worth
② liquidity
③ Ability to Repay Deposits on DD

- Obtain Every year during Tenure
- min Invest grading

④ charge creation

create charge → Depositor/Trustee

Amt — 30D

Amt ≥ amt of Deposit
Asset — P, I

⑤ Tenure - same

6m - 36m

✓ 3m
✓ 10% [- - -]

⑥ Appointment of Trustee

1. CO $\xrightarrow{\text{Appoint}}$ Trustee

   Trustee $\xrightarrow{\text{consent}}$ CO

2. Statement → Ads

   ↓

   consent obtain

3. Deposit Trust Deed

   7D |————| circular

   → Ads

4. Eligibility

   Person $\xrightarrow{\text{Appoint}}$ Trustee

   xxx

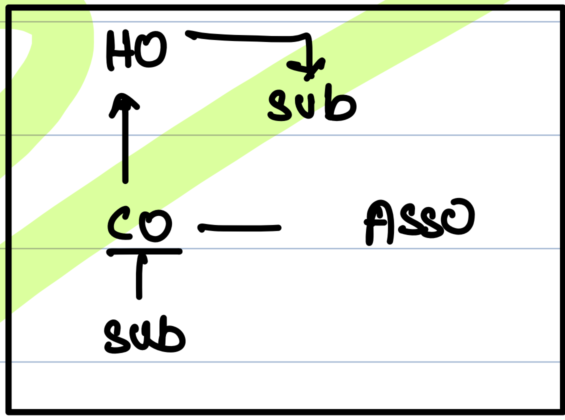
→ Dir
KMP
Officer
Employee

HO
CO → ASSO
sub

→ Depositor

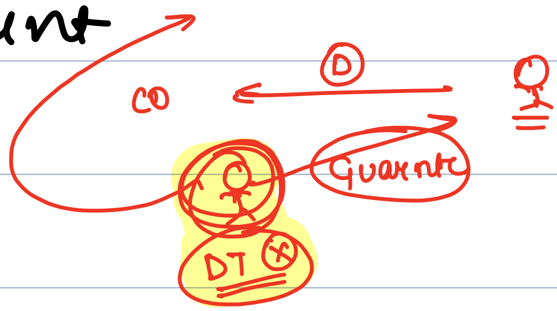
→ Relative

→ Indebted



→ Material Pecuniary Relationship → $\boxed{CO}$

→ Guarantee Arrangement



Trustee Remove

consent - All BOD
Present meeting

CO
IDV
Min 1 ID
Permission

6
?

10 D14

10/6

7 meeting by D. Trustee - same

8 + 9 Max Amt of Deposit
(Existing + New)

Non govt co
members — 10%
other than member — 25%

govt co — 35%

[PUSC + FR + SPA]

10. Issuance of circular in Form of Advertisement

- Eligible co – Ads – DPT - 1
- NIP
  - Eng
  - verna
- website ✓
- File with ROC

File → sign → majority of DIR + Autho Agent → sign, SEI

30D — Issue of Ads } circular

Date → $\boxed{\text{NIP Ads}}$

Validity → same

FY — CM

or

FY — AGM | DDAGM

- Each year – during Tenure
  Ads Issue

- Issue & Effective Date

Dt on which ad appear on Newspaper → Dt of Issue of Ad

Effective date on which circular Issue → NIP ✓

11. maintaince and using of DRR
    same

12. ROI / Brokerage – same

13. Depositor $\xrightarrow[\text{own money}]{\text{Declaration}}$ CO

14. Joint Name ≯ 3

(15) Nomination - same

(16) Deposit Receipt - same

(17) Registeer of Deposits

CO → maintain ROD → $\boxed{R10}$

Details

1. Name Address PAN
2. Guardian - minor
3. Nominee
4. Deposit Receipt No.
5. Date + Amt - Each Deposit
6. Duration + Date on which Deposit Payable
7. ROI
8. DD for Payment of Int
9. mandate and Instruction for payment of Int + Non

Deduction TDS

(10) Date - Payment of Int shall be made

(11) Particulars of charge

Receipt Issue

Entry
+
Authenticate

7D

DIN
CS
any other officer

MCQ

maintain

FY

latest Entry

8yrs

(19). Premature Repayment of Deposit

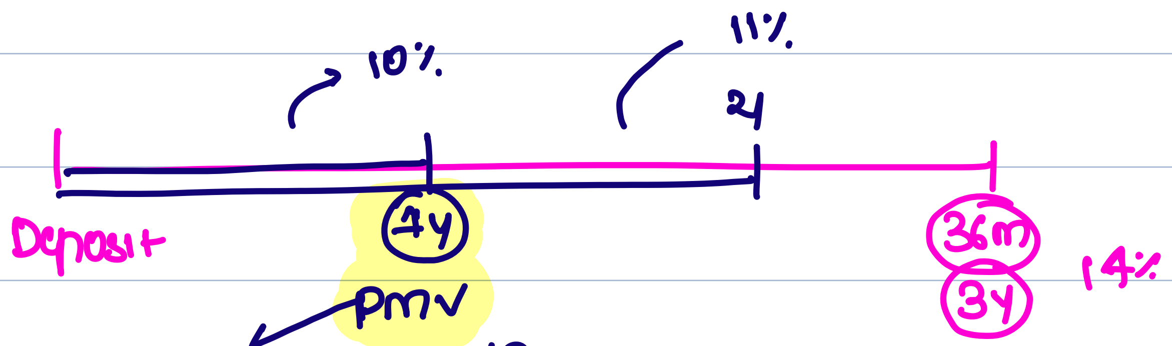
(samay se phle Deposit ko wapas mangna)

Depositor --> Request – Premature Repayment

$\boxed{\text{Rate}}$ → Rate which would be payable for period for which Deposit actually run

(−) 1%

Rate Payable



$$\text{Rate?} = \begin{array}{r} 10 \\ -\ 1\% \\ \hline 9\% \end{array}$$

• 6 months + more - upper rounder
066

14m ~ 12m - 1Y

18m ~ 24m - 2Y

19m ~ 2Y

16m ~ 1Y

6m ~ 1Y

Rate - Reduction

↓

Not Applicable

↓

Pemmature Repay by CO

↓

comply Rule 3

|

limits ✓

Risk - war

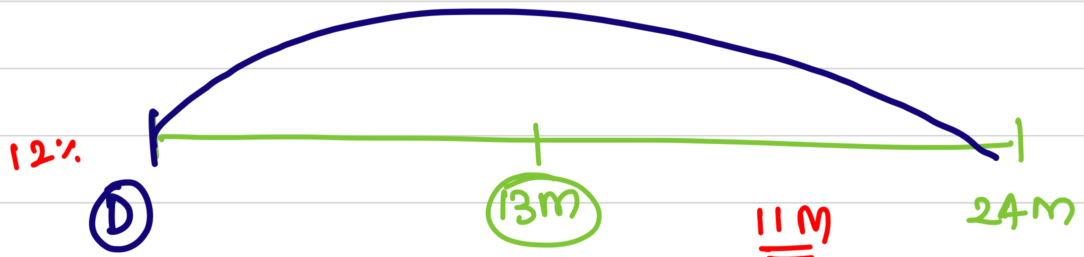
Relate Personnel

Navy, Militay

air Force

(19) Premature closure of Deposit to Earn higher ROI

Co - Pay only if Deposit renewed for longer period than unexpired period



Return
↓
(14%) Renew — min 11+ months

(20) Filing of Return of Deposit

— same

(21) Disclosure in FS

Public Co ← Dir (≠)
↓
FS - Note

(22) Penal Rate - 18%

(23) Terms - After (8)

(24) Penalty - (CO + OID)

5000 — 5001 day

76A : Punishment for contravention of sec 73 and sec 76

Company - Refund of Deposit + Int + Penalty - 1cr or 2x Deposit

5cr + Int

(5cr) ↑

10cr

1cr

10cr

1cr

govt

and

OID - Imprisonment upto 7 yrs
+
Fine - 25L - 2 cr
+
wilful Default - sec 447