Skillshort

Self-Study Preparation Pack

CS EXECUTIVE

Paper 3: Setting up of Business, Industrial and Labour Laws (SBILL)

Last-Week Plan & Exam-Hall Strategy

Exam: Saturday 26 December 2026, 2:00–5:15 pm (includes 15 minutes' reading time) · Comes after P2 (Wed 23 Dec), P6 (Thu 24 Dec) and the 25 December holiday · Laws as amended up to 31 May 2026

Pre-exam block 1–6 Dec | Gap days 24–25 Dec | Exam-day timeline | Answer format | Mistakes to avoid

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This subject pack has 6 parts

1 Chapter-wise notes
2 Important topics & weightage
3 Past papers: trends & links
4 Mock tests + solutions
5 Chapter practice questions
6 Last-week plan & strategy

Prepared by Skillshort for self-study. Original explanations and questions; not an official ICSI publication. Items marked VERIFY should be checked against the latest official material.

1. December 2026 timetable – where P3 sits

Date	Day	Paper
21 Dec 2026	Monday	P1 Jurisprudence, Interpretation and General Laws (Group 1)
22 Dec 2026	Tuesday	P5 Capital Market and Securities Laws (Group 2)
23 Dec 2026	Wednesday	P2 Company Law and Practice (Group 1)
24 Dec 2026	Thursday	P6 Economic, Commercial and Intellectual Property Laws (Group 2)
26 Dec 2026	Saturday	**P3 Setting up of Business, Industrial and Labour Laws (Group 1)**
27 Dec 2026	Sunday	P7 Tax Laws and Practice (Group 2)
28 Dec 2026	Monday	P4 Corporate Accounting and Financial Management (Group 1)

All papers are from 2:00 pm to 5:15 pm; no exam on 25 December. Confirm with the admit card and the official timetable (linked in document 03) VERIFY.

NOTE **Group 1 students get two full days (24 and 25 December) after P2 for P3. Students writing both groups get only 25 December. So finish the main P3 revision in the 1–6 December block and use the gap days for revision and one mock.**

2. The plan

Day	Session 1 (3 h)	Session 2 (3 h)	Session 3 (2 h)
Tue 1 Dec	Ch. 1–2 Forms of business, companies (OPC, s.8, producer, conversion)	Ch. 3 LLP: incorporation, partners, liability, filings, conversion	Write 5 "differentiate" answers
Wed 2 Dec	Ch. 8 Financial services: NBFC (50-50 test, NOF), ARC, HFC, Nidhi, chit fund, MFI, payments and small finance banks	Ch. 10–11 Foreign company offices, Press Note 3, ODI	Practice set chapters 1–3, 8, 10
Thu 3 Dec	Ch. 4–7 Startups, MSME (Udyam, delayed payment), conversion, trusts, societies, co-operatives	Ch. 9, 12–13 Collaborations, SPV, licences (FSSAI, S&E, pollution, GST, trade licence)	**Mock Test 1 – 3 hours, timed**
Fri 4 Dec	Review Mock 1	Ch. 14–16 Constitution and labour, need for Codes, **OSH Code** (factory, contract labour, hazardous process, leave)	Ch. 17 **IR Code** (unions, standing orders, strikes, lay-off, retrenchment)
Sat 5 Dec	Ch. 18 **Code on Wages** (wages definition, payment, bonus) and Ch. 19 **Social Security** (EPF, ESI, gratuity, maternity, gig workers)	Ch. 20–23 Child labour, apprentices, simplification, **POSH**	Thresholds sheet (10 / 20 / 50 / 300)
Sun 6 Dec	**Mock Test 2 – 3 hours, timed**	Review Mock 2	Start the P2 / P1 cycle
Thu 24 Dec	Part I headings and all "differentiate" tables	Part II thresholds and computations (gratuity, bonus, retrenchment, wages)	Re-read both mock answer keys
Fri 25 Dec	Notes Quick Revision pages + December 2026 supplement	Past-paper question list (document 03) – answer orally	Light revision; sleep by 10:30 pm

PLAN **Daily non-negotiables**

1. Write **five 3-mark answers** every day – Part I is mostly short parts, and speed matters.
2. Practise one **computation** a day – gratuity (15/26), bonus (8.33%–20% on ₹7,000 or minimum wage), retrenchment (15 days per year), wages (50% rule).
3. Answer Part II **under the Codes** and mention the old Act in brackets.

3. Exam-day timeline

Time	What to do
12:30 pm	Reach the centre (gates close before 1:45 pm VERIFY)
2:00–2:15 pm	Reading time: read all six questions; choose Q4 or Q4A and Q6 or Q6A
2:15–2:40 pm	**Q1 case study** (5 × 3)
2:40–3:05 pm	Q2 (5 × 3)
3:05–3:30 pm	Q3 (5 × 3)
3:30–3:55 pm	Q4 or Q4A
3:55–4:30 pm	**Q5 case study** (labour)
4:30–5:05 pm	Q6 or Q6A (4 × 5)
5:05–5:15 pm	Check numbering and that every part is answered

Rule of thumb: about **5 minutes per 3-mark part** and **8–9 minutes per 5-mark part**.

4. How to write each answer

STRATEGY Part I (3-mark parts)

- **Facts-based:** law or regulation → key condition with the number → conclusion (e.g. "NOF ₹9.72 crore < ₹10 crore → not eligible").
- **Differentiate:** a 4-row table (basis, X, Y). Four sharp rows beat a page of text.
- **Explain:** definition + 3 features or steps + one example.

STRATEGY Part II (5-mark parts)

1. Name the **Code and section** ([old Act in brackets]). **2.** State the **coverage threshold** (10 / 20 / 50 / 300). **3.** Apply to the facts and **show any computation**. **4.** Conclude with the **benefit, authority or permission** and the time limit.

5. Mistakes that cost marks

COMMON MISTAKE Using old thresholds – contract labour **20** (now **50**), standing orders and lay-off **100** (now **300**), factory **10 / 20** (now **20 / 40**), annual leave eligibility **240** days (now **180**).

COMMON MISTAKE Forgetting that gratuity for **fixed-term employees** is payable after **one year**.

COMMON MISTAKE Applying the 50-50 NBFC test as "either" – **both** conditions must be met.

COMMON MISTAKE Old MSME limits (₹1 crore / ₹5 crore for micro) – now **₹2.5 crore / ₹10 crore**.

COMMON MISTAKE Old startup turnover cap (₹100 crore) – revised to **₹200 crore** by the February 2026 notification VERIFY.

COMMON MISTAKE Ignoring land-border country rules (China, Hong Kong) for foreign offices and investment.

6. Final-night checklist

- Admit card, ID, pens; thresholds sheet read twice.
- December 2026 supplement points: small company ₹10 crore / ₹100 crore; startup recognition revised (₹200 crore; deep-tech 20 years / ₹300 crore); RBI NBFC registration directions of 29 April 2026 (NOF ₹10 crore); FSSAI amendment of 10 March 2026; Labour Code Central Rules of 8 May 2026 VERIFY.
- Formula lines: gratuity = wages × 15/26 × years; bonus 8.33%–20%; retrenchment = 15 days × years + re-skilling 15 days.
- Sleep at least 7 hours.