

INTERMEDIATE EXAMINATION

December 2018

P-6(LNE)
Syllabus 2016

Laws and Ethics

Time Allowed: 3 Hours

Full Marks: 100

The figures in the margin on the right side indicate full marks.

This question paper has two sections, A and B.

Both the sections are to be answered subject to instructions given against each.

Wherever necessary, candidates may make appropriate assumptions and clearly state them.

SECTION – A

Section A contains Question No. 1. All parts of this questions are compulsory.

1. Answer all the following questions:

Choose the correct answer from the given alternatives (you may write only the Roman numeral and the alphabet chosen for your answer): 1×10=10

(a) Multiple Choice Questions:

- (i) A proposal may be revoked at any time before
- (A) the communication of acceptance
 - (B) the payment of consideration
 - (C) signing the agreement
 - (D) execution of the proposal
- (ii) Which of the following is not to be taken care while admitting a new partner?
- (A) Computation of new profit sharing ratio and sacrifice ratio
 - (B) Accounting treatment of goodwill
 - (C) Professional qualification of admitting partner
 - (D) Revaluation of assets and liabilities

Please Turn Over

- (iii) Where goods are delivered to the buyer and he refuses to accept them, the buyer is not bound to
- (A) retain them with him.
 - (B) look-after the goods.
 - (C) return them to the seller.
 - (D) store them in his godown.
- (iv) No child shall be allowed to work in a factory unless he has completed his
- (A) 12th year
 - (B) 14th year
 - (C) 16th year
 - (D) 18th year
- (v) Gratuity shall be payable to an employee on the termination of his employment after he has rendered continuous service for not less than
- (A) three years
 - (B) five years
 - (C) seven years
 - (D) ten years

- (vi) The Employees' State Insurance Corporation is
- (A) Hindu Undivided Family
 - (B) Local Authority
 - (C) Charitable Institution
 - (D) Body Corporate
- (vii) The annual return of an OPC shall be signed by the company secretary or where there is no company secretary, by the
- (A) Senior executive of the company
 - (B) Auditor of the company
 - (C) Director of the company
 - (D) Advocate of the company
- (viii) If there is any mis-statement in the prospectus then it would attract the liability on
- (A) The printer
 - (B) The issuer
 - (C) The publisher
 - (D) The proof-reader

Please Turn Over

(ix) Every company limited by shares shall keep and maintain the Register of Members in Form No.

- (A) MGT-1
- (B) MGT-3
- (C) MGT-7
- (D) MGT-12

(x) Ethics are the set of moral principles that guide a person's

- (A) Behaviour
- (B) Philosophy
- (C) Religion
- (D) Profession

(b) Match and Pair:

1×5=5

	Column I		Column II
(1)	Wagering contract	(A)	Voting through electronics means (4)
(2)	Coercion	(B)	War, animal rights and capital punishment (5)
(3)	Consensus ad-idem	(C)	Committing any act forbidden by the Indian Penal Code (7)
(4)	Section 108 of Companies Act, 2013	(D)	Identity of minds (5)
(5)	Applied ethics	(E)	Promise to pay ₹ 1,000 if it rains today (17)

(c) State whether the following statements are True or False:

- (i) Goods to be manufactured or produced or acquired by the seller after making of the contract of sale are called future goods. \checkmark
- (ii) The first endorsement of an instrument can be made by the Banker. \checkmark *may*
- (iii) Payment of Gratuity Act, 1972 applies to every shop and establishment employing seven or more persons. *have 20*
- (iv) In case of e-voting, notice shall be sent as attachment in word file. \checkmark
- (v) Ethics is a requirement for human life. \checkmark

(d) Fill in the blanks :

1×5=5

- (i) The dishonor of the instrument may be due to Non-acceptance and non part.
- (ii) The term of the office of the representative members of Medical Benefit Council shall be 3 years from the date on which the appointment is notified.
- (iii) The company shall have the _____ to specify the lock-in-period for the shares issued in pursuant to exercise such option.
- (iv) A director may resign from his office by giving a notice in writing to the company.
- (v) The Seven Principles of Public Life were set out by Lord Nolan for the first time in the year 1995.

SECTION - B

Answer any five questions from question numbers 2 to 8.

Each question carries 15 marks.

15×5=75

2. (a) Explain the meaning of 'Quasi-Contracts'. State the circumstances which are identified as quasi-contracts by the Indian Contract Act, 1872. *Folio, friend, genuine, practice*
- (b) C is the wife of A. She purchased some sarees on credit from B. B demanded the amount from A. A refused. B filed a suit against A for the said amount. Decide in the light of provisions of the Indian Contract Act, 1872, whether B would succeed. *10=2* 10+5=15

Please Turn Over

3. (a) A limited liability partnership wants to shift its registered office from Mumbai in the State of Maharashtra to Kolkata in the State of West Bengal. What procedure the corporate has to follow under Limited Liability Partnership Act, 2008?
- (b) Rahul draws a cheque payable to 'sell or order'. Before he could encash the cheque, one of his creditors, Samrat approaches him for payment. Rahul endorses the same cheque in Samrat's favour. The banker refuses payment to Samrat on account of insufficiency of funds in the account. Can Rahul be made liable to penalties for dishonor of cheque due to insufficiency of funds in the account under section 138 of Negotiable Instruments Act, 1881? 8+7=15
4. (a) Explain the procedure for fixing and revising minimum wages under Minimum Wages Act, 1948.
- (b) Mention the benefits that are entitled to the insured persons under the Employees' State Insurance Act, 1948. 9+6=15
5. (a) What are the features of companies registered under section 8 of the Companies Act, 2013?
- (b) Discuss the provisions of the Companies Act, 2013 regarding issue of bonus shares. 7+8=15
6. (a) Discuss the powers of the Board of Directors of a company as per the Companies Act, 2013. (63)
- (b) Enumerate the provisions of the Companies Act, 2013 relating to women director in a company. 100 2300 10+5=15
7. (a) Discuss the nature and relevance of Ethics to the Business.
- (b) Mr. Gill, an employee of M/s Sonabheel Tea Ltd., continued to occupy the quarter of the company for eight months after superannuation, company decided to forfeit the amount of gratuity of Mr. Gill. Examine the decision taken by the company to forfeit the amount of gratuity in the light of the Payment of Gratuity Act, 1972. (a) 10+5=15

(7)

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5×3=15

8. Write short notes on *any three* of the following terms:

- (a) E-Contracts
- (b) Small Companies
- (c) Improving ethical behaviour in business
- (d) 'Overtime' under Minimum Wages Act, 1948

* What is BE
* Why BE
* Importance
* Need