

Paper 6- Laws, Ethics and Governance

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Full Marks:100

Time allowed: 3 hours

Section A

1. Answer all questions

(a) Multiple Choice Questions:

20 x 1 = 20

- (i) Which one of the following is not a contract?
- (a) A find B's purse and gives it to him. B promises to give him ₹ 1,000/-;
 - (b) A promises, for no consideration, to give ₹ 10,000/-;
 - (c) A agrees to sell a horse worth of ₹ 1,000/- for ₹ 10/-;
 - (d) A supports B's infant son. B promises to pay A's expenses in so doing.
- (ii) Which one of the following is not the feature of the contract of guarantee?
- (a) There are two parties in this contract;
 - (b) The liability of surety is secondary;
 - (c) There is an existing debt for which the surety gives guarantee to the creditor on behalf of the principal debtor;
 - (d) The surety gives contract at the request of the principal debtor.
- (iii) Find out the right of the unpaid seller from the following-
- (a) A lien on the goods for the price while he is in possession of them;
 - (b) A right of resale as limited by the Act;
 - (c) In case of the insolvency of the buyer a right of stopping the goods in transit after he has parted with the possession of them.
 - (d) All the above.
- (iv) Holder in due course means any person-
- (a) Drawing the instrument;
 - (b) Who for consideration became the possession of a promissory note;
 - (c) Named in the instrument to whom or to whom order the money is directed to be paid;
 - (d) None of the above.
- (v) Who may negotiate?
- (a) Drawer;
 - (b) Payee;
 - (c) All of the joint makers;
 - (d) Any of the above
- (vi) Intimation of the reconstitution of change in a registered partnership is to be given to the Registrar of firms-

- (a) No time limit;
 - (b) Within 30 days;
 - (c) Within 60 days;
 - (d) Within 90 days.
- (vii) A firm shall not contain any name-
- (a) King;
 - (b) Queen;
 - (c) Empire;
 - (d) All the above
- (viii) The fee payable for registration of LLP whose contribution exceeds ₹ 10 lakhs is-
- (a) ₹ 500/-
 - (b) ₹ 2000/-
 - (c) ₹ 4000/-
 - (d) ₹ 5000/-
- (ix) Identify from the following which is the power of Inspector of Factory.
- (a) Enter into any place of a factory;
 - (b) Make inquiry into any accident;
 - (c) Seize or take copies of any document;
 - (d) All the above.
- (x) The gratuity is payable to an employee shall not exceed-
- (a) 12 months pay;
 - (b) 16 months pay;
 - (c) 20 months pay;
 - (d) 24 months pay.
- (xi) Withdrawal from PF may be allowed for-
- (a) Marriage of the employer;
 - (b) Post matriculation education of children;
 - (c) For the purchase of a dwelling place;
 - (d) For illness in certain cases.
- (xii) ESI Corporation is a-
- (a) Partnership firm;
 - (b) Limited Liability Partnership;
 - (c) Body Corporate;
 - (d) Hindu Undivided Family.
- (xiii) Who is not eligible to get bonus?
- (a) A temporary workman;
 - (b) A dismissed employee;
 - (c) A piece rated employee;
 - (d) A retrenched employee.

- (xiv) The appropriate government may fix minimum rate of wages for-
- (a) Time work;
 - (b) Piece work;
 - (c) Guarantee time rate;
 - (d) All the above.
- (xv) The payment of wages Act applies to wages payable to an employed person in respect of wage period if such wages for that wage period do not exceed ____ per month.
- (a) ₹ 6500/-
 - (b) ₹ 10000/-
 - (c) ₹ 18,000/-
 - (d) ₹ 25,000/-
- (xvi) The quorum for a public company having the number of members more than 5000 is-
- (a) 2
 - (b) 5
 - (c) 15
 - (d) 30
- (xvii) An instrument of the proxy shall be deposited with the registered office of the company _____ before the conduct of the meeting.
- (a) 7 hours
 - (b) 21 hours
 - (c) 48 hours
 - (d) 60 hours.
- (xviii) In the case of an adjourned meeting the company shall give not less than ____ notice to the members.
- (a) 1 day
 - (b) 3 days
 - (c) 7 days
 - (d) None of the above.
- (xix) Ethics is a set of _____ of human conduct that govern the behavior of individuals or organizations.
- (a) Principles
 - (b) Standards
 - (c) Principles or standards
 - (d) None of the above
- (xx) The society for Business Ethics was started in
- (a) 1950
 - (b) 1960

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- (c) 1970
- (d) 1980

(b) Match the following:

5 x 1 = 5

	Column 'A'		Column 'B'
1.	Suit for Injunction	A	Not completed 15 th year of age
2.	Waiver	B	Seven principles of public life
3.	Child	C	Warner Bros V Nelson
4.	Permanent Disablement benefit	D	Foregoing or Giving up certain rights
5.	Leadership	E	90% of wages

Section B

2. Answer any Three questions:

3 x 15 = 45

- (a) (i) Define Contract. Explain the essential elements of a valid contract. **7**
(ii) What is Auction Sale? Discuss the rules regarding Sale by Auction. **8**

- (b) (i) State with reasons whether the following persons are entitled to receive bonus under the Payment of Bonus Act, 1965.
(a) An apprentice under the Apprentice Act
(b) A Probationer
(c) An employee employed through contractors on building operations.
(d) A retrenched employee.
(e) A dismissed employee reinstated with back wages. **10**

- (ii) Can a person apply for review of any order passed by the appropriate authority or any official under the Employees Provident Funds and Miscellaneous Provisions Act, 1952? If so, state the provisions. **5**

- (c) (i) Write down the main objectives of Industrial Dispute Act, 1947. **6**
(ii) State how contributions are made under Employees State Insurance Act, 1948. **9**

- (d) (i) Write the difference between holder and holder in due course. **10**
(ii) A worker whose monthly wage is ₹ 2,000 loses one hand as a result of injury caused to him on 14th September, 2015. On 1st August, 2013 he had completed 30 years of age. Calculate the amount of compensation payable to him. Relevant factor for age 30 is 207.98. **5**

- (e) (i) S induced R to buy his motorcycle saying that it was in a very good condition. After taking the motorcycle, R complained that there were many defects in the motor cycle. S proposed to get it repaired and promised to pay 40% cost of repairs. After

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- a few days, the motorcycle did not work at all. Now R wants to rescind the contract. Discuss. **5**
- (ii) Mr. Paul sold to Mr. Ray certain quantity of foreign refined palm oil warranted equal to sample. The samples consisted of palm oil mixed with vegetable oil. The oil tendered corresponds with the sample but it was not such as is known in market as foreign refined palm oil. Mr. Ray wants to reject the oil on the ground that the oil supplied was not in accordance with the foreign refined palm oil. Advise Mr. Ray. **5**
- (iii) A issues a open 'bearer' cheque for ₹ 10,000 in favour of B who strikes out the word 'bearer' and puts crossing across the cheque. The cheque is thereafter negotiated to C and D. When it is finally presented by D's banker, it is returned with remarks 'payment countermanded' by drawer. In response to this legal notice from D, A pleads that the cheque was altered after it had been issued and therefore he is not bound to pay the cheque. Referring to the provisions of the Negotiable Instruments Act, 1881, decide whether A's argument is valid or not? **5**

Section C

- 3. Answer any one question:** **1 x 15 = 15**
- (a) (i) Explain the duties and functions of a Company Secretary. **8**
(ii) Explain the provisions relating to appointment of Managing Director, Whole Time Director or Manager. **7**
- (b) (i) Explain the scope of Audit Committee. **8**
(ii) Who is a PIO and what is his duty? **7**

Section D

- 4. Answer any one question:** **1 x 15 = 15**
- (a) (i) Explain the difference between Ethics and Morals. **8**
(ii) Write a short note on Evolution of Ethics. **7**
- (b) (i) What is Ethical Conflict? What are the aspects to be considered to resolve the conflict? **8**
(ii) Write a short note on Ethical Conflict Resolution. **7**