



Paper 6- Laws and Ethics

Paper-6: - Laws and Ethics

Full Marks: 100

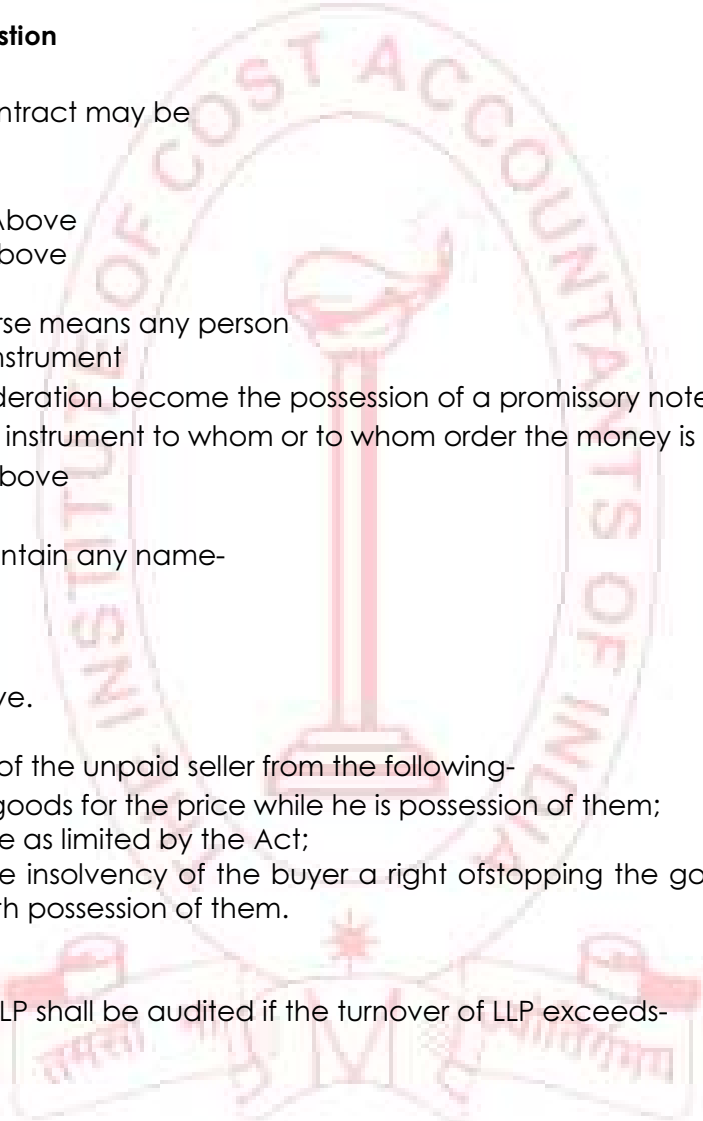
Time allowed:3 hours

Section A

1. Answer all questions mentioned below.

a) Multiple choice question

[1 × 10 = 10]

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- (i) The Breach of Contract may be
(A) Actual
(B) Anticipatory
(C) None of the Above
(D) Either of the above
- (ii) Holder in due course means any person
(A) Drawing the instrument
(B) Who for consideration become 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
- (iii) A firm shall not contain any name-
(A) King;
(B) Queen;
(C) Empire;
(D) All of the above.
- (iv) Find out the right of the unpaid seller from the following-
(A) A lien on the goods for the price while he is 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 possession of them.
(D) All the above
- (v) The accounts of LLP shall be audited if the turnover of LLP exceeds-
(A) Rs 10,00,000
(B) Rs 20,00,000
(C) Rs 40,00,000
(D) Rs 1,00,00,000
- (vi) White wash or color wash should be carried out at least once in every period of
(A) 14 months
(B) 24 months
(C) 48 months
(D) 60 months

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- (vii) An appeal shall lie to high Court from the order of ESI within ____ days from the date of order of the ESI court.
- (A) 30
(B) 60
(C) 90
(D) None of the above
- (viii) The Central Government proposes the minimum rate of wages at
- (A) Rs 5,000
(B) Rs 7,500
(C) Rs 10,000
(D) RS 15,000
- (ix) Minimum paid up equity capital for any Health Insurance company to register in India is :
- (A) Rs 100 Crore
(B) Rs 200 Crore
(C) Rs 300 Crore
(D) Rs 500 Crore
- (x) Cost Records are to be maintained as per companies Act,2013
- (A) U/s 146 (1)
(B) U/s 147(1)
(C) U/s 148 (1)
(D) None of the above

b) Match and Pair

[1 X 5 = 5]

	Column I		Column II
1	Hybrid Between a company and a partnership	a	Need for business ethics
2	Smooth functioning	b	Powers of the controlling authority
3	Red herring prospectus	c	Existence from the time of incorporation to winding up
4	Perpetual succession	d	Does not include complete particulars of the quantum or price of securities
5	Requiring the discovery and production of documents	e	A limited liability partnership

c) State where the following statements are True or False:

[1 X 5 = 5]

- (i) A company may appoint more than 15 directors after passing a resolution.
- (ii) The e-voting shall remain open for not less than 3 days and shall close at 5:00 P.M on the date preceding the date of general meeting.
- (iii) No recovery shall be made of advances given before employment against the advance given for travelling expenses.
- (iv) The members of Indian Naval, Military or Air force is coming under the definition of 'employee under ESI Act.

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- (v) The wage limit Rs 15,000/- is applicable for the contribution to the fund in respect of international workers.

(d) Fill in the blanks:

[1 X 5 = 5]

- (i) 'Goods' under Sale of Goods Act is _____ property.
(ii) Clearing house is managed by _____.
(iii) Maximum no. of partners in banking is _____.
(iv) The gratuity is payable to an employee after he has rendered continuous service for not less than _____ years.
(v) EPF Act is applicable to every establishment employing _____ or more persons.

Section B

Answer any Five Question [15 X 5 =75]

2. (a) What are the position of Minor's agreement and effect thereof? **[10]**
(b) Mr.P and Mr.Q bet as to whether there would be rain on a particular day of December .Mr P promises to pay Rs 5,000 to Mr.Q if there is rain on that day and Mr.Q promises an equal amount to Mr.P if there is no rain on the day. Suppose, there is no rain on that Specific day of December and Mr.Q filed a suit for recovery of Rs5,000 from Mr.P .Can Mr.Q recover the amount under Indian Contract Act, 1872? **[5]**
- 3(a) What are the rights of outgoing partners? **[8].**
(b) What are difference between Promissory Note and Cheque? **[7]**
- 4(a) What are the responsibilities of an occupier in a factory? **[8]**
(b) Explain the provisions relating to exemption given to the employer from the liability in certain cases from payment of gratuity. **[7]**
- 5(a) Discuss the procedure for Conversion from private limited company into LLP **[9]**
(b) What are the prohibitions of buy back spelt out in Section 70 of the Act? **[6]**
- 6(a) Enumerate the provisions relating to provisions relating to Restrictions on powers of Board **[8]**
(b) Describe the term 'Independent Director' as per companies Act,2013 **[7]**
- 7(a) What are the standards of ethical conduct for practitioners fixed by the ICAI? **[10]**
(b) Kelson Limited has two separate units at Delhi and Mumbai in India. Every unit of the said company prepares and maintains separate Balance Sheet and Profit and Loss Account. Delhi unit is incurring continuous losses and hence bonus is not paid to the employees of this unit.
Decide, under the Payment of Bonus Act, 1965 whether the employees of the said unit can claim bonus on the ground that the unit incurring loss is a part of one single establishment? **[5]**

8. Write short notes any three of the following :

5X3=15

- (a) E contract
(b) Director Identification Number

- (c) Advantages of Business ethics
- (d) Cleanliness Factory

