

INTERMEDIATE EXAMINATION

June 2019

P 6(LNE)
Syllabus 2016

Laws & 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.

Please : (1) Answer all bits of a question at one place.

(2) Open a new page for Answer to a new question.

Section-A

Section A contains Question No. 1.

All parts of this questions are compulsory.

1. Answer *all* the following questions:

(a) 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

(i) Anu threaten to kidnap Binu's daughter if she does not sell her house worth ₹ 90 Lakh to her for ₹ 20 Lakh. This Contract is void due to—

- (A) inadequacy of Consideration.
- (B) absence of Free Consent.
- (C) incompetence of Parties.
- (D) None of the above

(ii) The Latin Maxim "Nemo Dat Quod non Habet" means

- (A) no man can pass a better title than he has.
- (B) let the Buyer beware.
- (C) no consideration—No contract.
- (D) ignorance of law is no excuse.

- (iii) As per the RBI Act, which of the following Negotiable Instruments can be payable to the bearer on demand?
- (A) Cheque
 - (B) Hundi
 - (C) Bank Draft
 - (D) Promissory Note
- (iv) When a partnership firm is continued even after the expiry of fixed term, it is called
- (A) Partnership at Will
 - (B) Perpetual Partnership
 - (C) Fixed Partnership
 - (D) Particular Partnership
- (v) The amount of gratuity payable to an employee shall not exceed
- (A) ten months' pay
 - (B) twelve months' pay
 - (C) twenty months' pay
 - (D) twenty-five months' pay
- (vi) No female child shall be allowed to work in any factory except between
- (A) 8 AM to 7 PM
 - (B) 6 PM to 6 AM
 - (C) 6 AM to 7 PM
 - (D) 10 PM to 5 AM

- (vii) In case of a private company, mention the number of members personally present to form the quorum of a meeting of the company.
- (A) One member
 - (B) Two members
 - (C) Three members
 - (D) Four members
- (viii) Which of the following *is not* a valid medium of sending notice to all shareholders?
- (A) By registered post or speed post
 - (B) Through public advertisement
 - (C) Through registered email-id
 - (D) Through courier service
- (ix) If any default is made in filing refund of money, the company and every officer, who is in default shall be liable to a penalty maximum up to
- (A) ₹ 50,000
 - (B) ₹ 75,000
 - (C) ₹ 1,00,000
 - (D) ₹ 1,25,000
- (x) Value chain as a strategic framework for analysis of competitive advantage was promoted by
- (A) Peter Drucker
 - (B) F. W. Taylor
 - (C) Michael Porter
 - (D) Tom Peters

(b) Match and Pair:

1×5=5

	Column I		Column II
1	Occupier	A	P purchases goods from S, he has no intention of paying for it.
2	Section 92 of the Companies Act, 2013	B	Annual Return.
3	Meta ethics	C	Person having ultimate control
4	Fraud	D	Control of at least 20 per cent of total share capital
5	Significant influence	E	Nature of moral judgement

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

1×5=5

- (i) An agreement which is impossible is void.
- (ii) In case of expulsion of a partner, the provisions of retired partners will be applicable to such expelled partner.
- (iii) Sickness benefit is paid up to a maximum day of 60 days in a year.
- (iv) A director in the whole time employment of the Company is called Whole Time Director.
- (v) Contribution to pension scheme is recoverable when employee crosses 58 year of age.

(d) Fill in the blanks:

1×5=5

- (i) When the consent is caused by _____, the agreement is voidable at the option of the party whose consent was so caused.
- (ii) All payments of wages shall be made on a _____ day.
- (iii) Whenever a company makes any allotment of securities, it shall file a return of allotment with the Registrar within _____ days of allotment.
- (iv) The application for the purpose of Alteration of Articles is to be filed in Form No. _____.
- (v) Business ethics must safeguard different rights of the _____.

Section-B

Answer any five questions from question numbers 2 to 8.

Each question carries 15 marks.

2. (a) Sunil, aged 16 years, was studying in a Medical College. On 1st March, 2017 he took a loan of ₹ 3 lakhs from Anil for the payment of his college fee and agreed to pay by 31st May, 2018. Sunil possesses assets worth ₹ 15 lakhs. On due date Sunil fails to pay back the loan to Anil. Anil now wants to recover the loan from Sunil out of his assets. Whether Anil would succeed? Decide, referring to the provisions of the Indian Contract Act, 1872.
- (b) State the essential elements of a contract of bailment. Distinguish between the contract of bailment and contract of pledge. 6+9=15
3. (a) Himadri sells 400 Kgs. of tea to Rahul and sends 200 Kgs. by lorry and 200 Kgs. by Railway. Rahul receives delivery of 200 Kgs. sent by lorry, but before he receives the delivery of the tea sent by railway, he becomes bankrupt. Himadri being still unpaid, stops the goods in transit. The official receiver, on Rahul's insolvency claims the goods. Decide the case with reference to the provisions of the Sale of Goods Act, 1930.
- (b) Ajay draws a bill on Anoop. Anoop accepts the bill without any consideration. The bill is transferred to Udit without consideration. Udit transferred it to Vicky for value.
- Decide—
- (i) Whether Vicky can sue the prior parties of the bill?
- (ii) Whether the prior parties other than Vicky have any right of action intense?

7+8=15

Please Turn Over

4. (a) Describe the procedures for an employee to claim the short payment of wages or non-payment of wages under Minimum Wages Act, 1948.
- (b) What are the basic features of the national pension system as contained in the Pension Fund Regulatory and Development Authority Act, 2013? 7+8=15
5. (a) What is meant by Lifting of Corporate Veil? In which circumstances the corporate veil can be lifted by court?
- (b) State the procedure for shifting of a registered office of the company from one state to another state under the provisions of the Companies Act, 2013. 8+7=15
6. (a) Describe the procedure for the resignation of Director under the Companies Act, 2013.
- (b) Discuss the rules of appointment of director elected by small shareholders in a company. 10+5=15
7. (a) "Ethics is the first line of defence against corruption, while law enforcement is remedial and reactive. However, both fail to achieve the desired aim in the Indian set-up." Do you agree? Give reasons in support of your answer.
- (b) Deepak is employed in Assam Coffee Estate Ltd., a seasonal establishment. The factory was in operation for four months only during the financial year 2018-19. Deepak was not in continuous service during this period. However, he has worked only 60 days. Referring to the provisions of The Payment of Gratuity Act, 1972, decide whether Deepak is entitled to gratuity payable under the Act. Would your answer be the same in case Deepak works for 100 days? 10+5=15

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

5×3=15

- (a) Agreement without consideration
 - (b) Red herring prospectus
 - (c) Importance of ethics
 - (d) Annual Leave under the Factories Act, 1948
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