

# INTERMEDIATE EXAMINATION

June 2014

I-P6(CIA)

Syllabus 2008

## Commercial and Industrial Laws and Auditing

Time Allowed: 3 Hours

Full Marks: 100

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

- Please:* (i) Answer all bits of a question at one place.  
(ii) Open a new page for answer to a new question.  
(iii) Attempt the required number of questions only.

*Answer Question No. 1 and Question No. 5 which are compulsory and attempt any two from the rest in Section-I and any two from the rest in Section II.*

### SECTION I (50 Marks)

(Commercial and Industrial Laws)

1. Comment on the following based on legal provisions (No mark for wrong reasons or justification): 2×7=14
- (a) Mr. Ranabir was laid off for 12 days and worked for 21 days in an entire Accounting year. Hence he is eligible for bonus under Payment of Bonus Act, 1965.
  - (b) one packet of beauty soap was delivered "on sale or return" basis to Mr. Lala who delivered the same to Mr. Mohan, Mohan delivered to Mr. Nathan. Soaps got stolen from Nathan but before he signifies his acceptance. Hence, Nathan is to bear the loss. Answer based on legal provision.
  - (c) Every person is competent to enter into a contract. Offer your view (Contract Act, 1872).
  - (d) Mr. Kunal was employed in a seasonal establishment and he was not employed throughout the year claimed gratuity at the rate of 10 days wages for each year of service. His employer refused because he was in seasonal employment.
  - (e) A person who buys goods for a consideration for resale or for any commercial purpose is not a consumer. Hence, Mr. Saxena who buys goods and uses such exclusively for the purpose of earnings his livelihood by means of self employment is not a consumer.
  - (f) Limited liability partnership is liable to be wound up when number of partners is reduced below Two (2).
  - (g) Mr. Asim engages Mr. Barin to collect rent of Mr. Asim's House. Mr. Barin fails to account for some receipts. Mr. Asim, therefore calls upon Mr. Barin to furnish security for his duly accounting. Mr. Chandan gives guarantee for Barin. Asim does not acquaint Chandan about Barin's previous conduct. Barin afterwards makes default. Hence, Chandan being guarantor is responsible.
2. (a) Commercial impossibility is not a valid excuse for the non-performance of a contract, justify. 3
- (b) Mahindra owes money to Narendra under a contract. It is agreed between Mahindra, Narendra and Ramendra that Narendra shall henceforth accept Ramendra as its Debtor instead of Mahindra. Referring to the provisions of the Indian Contract Act, 1872, State whether Narendra can claim from Ramendra. 3

**Please Turn Over**

