

Paper 3 - Fundamentals of Laws and Ethics

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Full Marks :100

Time allowed: 3 hours

1. Choose the correct answer from the given four alternatives: [10 ×1 = 10]
- 'X' threaten to kidnap Y's son if he does not sell his flat worth ` 50 lakh to him for ` 5 lakh. This contract is void due to -
 - Inadequacy of consideration
 - Absence of free consent
 - Incompetence of parties
 - All the three
 - The Rule laid down in Clayton's case is applied in England for ____
 - Appropriation of payment.
 - Discharge of contract
 - Determination of damages.
 - Goodwill valuation
 - Section 2(7) of the Sale of Goods Act, 1930 the term 'goods' does not include -
 - Stock and Share
 - Growing crops
 - Grass
 - neither (a) nor (b) nor (c)
 - The milk sold by 'X' contained germs of typhoid, this is a breach of -
 - Condition as to wholesomeness
 - Condition as to fit for a particular purpose
 - Condition as to merchantability
 - Free from encumbrance
 - When an instrument is drawn conditionally or for a special purpose as a collateral security and not for the purpose of transferring property therein it is called a ____
 - Escrow instrument
 - Inchoate instrument
 - Ambiguous instrument
 - None of these
 - In case of dissolution of firm, the available assets are distributed as per ____
 - Garner V Murry decision
 - Profit Sharing ratio
 - as per fixed capital ratio
 - as per paying capacity of the partners
 - Shyam was doing overtime in a factory, he is entitled to ` 5,000 as basic wages, how much he will get for overtime work:
 - ` 10,000
 - ` 5,000
 - ` 15,000
 - ` 7,000
 - No fine can be imposed on any employed person who is under the age of -
 - 14
 - 15
 - 18
 - 12
 - The Employee's Share of contribution to ESI Fund is -
 - 1.75% of wages
 - 4.75% of wages
 - 10% of wages
 - 11% of wages
 - This is not of the 7 principles of public life.
 - Integrity

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- (b) Honesty
- (c) Content
- (d) Accountability

II. Fill in the blanks: [10 × 2 = 20]

1. The term consideration is defined in Section ____ of the Indian Contract Act, 1872
2. The term Actionable Claim is defined in ____ Act.
3. Hundi's are Indigenous Instrument written in ____ language.
4. The Partnership Act, 1932 came into force with effect from ____
5. Factory is included in List III entry No. ____
6. Wages as per the Payment of Wages Act cannot be paid in ____
7. As per Minimum Wages Act, adolescent means a person who has completed the age of 14 years but not completed the age of ____
8. Maternity benefit is payable for a period of ____ months.
9. Child Labour Technical Advisory Committee is appointed by ____
10. The study of Ethics is divided into ____ operational areas.

III. Match the following [5 × 1 = 5]

	Column 'A'		Column 'B'
1.	Consensus ad idem	A	Section 45
2.	Test of Partnership	B	Transferring the title of the instrument.
3.	Unpaid Seller	C	Identity of Minds
4.	Negotiation	D	Sec. 64
5.	Rules regarding Auction Sale	E	Cox v Hickman

IV. State whether the following statement is True (or) False. [10 × 1 = 10]

1. The word Ethics is derived from the latin word 'Ethike'.
2. The period of work of a child labor cannot spread over more than six hours.
3. The sickness benefit in the form of cash compensation is paid at the rate of 50% of wages during the period of certified sickness.
4. XYZ is a factory to which Payment of Wages Act is applicable and employing 700 employees. The factory has the practice of paying wages only after 15th of the following month.
5. Adolescent means a person who has completed his fourteenth year of age but has not completed his eighteenth year.
6. No fine shall be imposed on an employed person who is under the age of eighteen years according to Payment of Wages Act, 1936.
7. In every factory wherein five hundred or more workers are ordinarily employed the occupier shall employ in the factory such number of welfare officers.
8. Dissolution of Partnership between all the partners of the firm is called Dissolution of the firm.
9. Writing of a persons name on the face or back of an instrument or on a slip of paper attached to it is known as negotiation.
10. An agreement and contract are one and the same thing.

V. Define any Five of the following: [5 × 3 = 15]

1. Valid Contract.
2. 'Price' under Sale of Goods Act, 1930.
3. Cheque
4. Adult
5. Free Consent
6. 'Week' under Child Labor (Prohibition and Regulation) Act, 1986.
7. Morals
8. Sleeping Partner

- VI. Answer any four of the following questions. [4 × 10 = 40]
1. Define Quasi Contract. Explain the different types of Quasi Contracts. 10
 2. Who is an Unpaid Seller? Explain the rights of an unpaid seller. 10
 3. (a) What is meant by Crossing of Cheque? Explain the different types of crossing. 7
(b) Who cannot enter into partnership contract? 3
 4. (a) Who is an Occupier under the Factories Act, 1948. 4
(b) Explain the permissible deductions under the Payment of Wages Act? 6
 5. (a) What is the punishment for false statement under the Employees State Insurance Act.5 5
(b) State the penalties for contravention of provisions under Child Labor (Prohibition and Regulation) Act, 1986. 5
 6. Explain the need for business ethics. 10