

FOUNDATION COURSE EXAMINATION

June 2016

P-3(FLE)
Syllabus 2012

Fundamentals of Laws and Ethics

Time Allowed: 3 Hours

Full Marks: 100

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

This paper contains six questions. All questions are compulsory, subject to instruction provided against each question.

Where necessary, suitable assumptions may be made and disclosed by way of a Note.

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

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

1. In each of the cases given below, one out of four alternatives is correct. Choose the most appropriate one from the stated options and write it down (only indicate (A) or (B) or (C) or (D) as you think correct).

1×10=10

(i) A contract which has been completely completed by both the parties is called

- (A) Executory contract
- (B) Formal contract
- (C) Executed contract
- (D) Bilateral contract

(ii) ANU agreed to marry BITHI only and no one else provided Bithi's father transfers his entire property in favour of Anu. This agreement is

- (A) void
- (B) voidable
- (C) valid
- (D) unenforceable

(iii) The term consensus ad-idem means

- (A) general consensus
- (B) reaching an agreement
- (C) meeting of minds upon the same thing in the same sense
- (D) all the above

(iv) Sale of Goods Act, 1930 deals with the

- (A) movable goods only
- (B) immovable goods only
- (C) both movable and immovable goods
- (D) tangible goods only

Please Turn Over

- (v) M. gave a piece of suit length to Z a leading tailor of his area to be returned to him on payment of his charges after making a party dress for him. This is a case of
- (A) Sale
 - (B) Bailment
 - (C) Barter
 - (D) Agreement of sale
- (vi) A bill dated 6th Feb, 2016 is made payable 90 days after date. It's due date is
- (A) 6th May, 2016
 - (B) 9th May, 2016
 - (C) 5th May, 2016
 - (D) 4th May, 2016
- (vii) When a cheque is payable across the counter of a bank it is called
- (A) OTC Cheque
 - (B) Open Cheque
 - (C) Crossed Cheque
 - (D) Restricted Cheque
- (viii) A and M formed a partnership to undertake construction of a shopping complex in Patna. On completion of shopping complex
- (A) The firm stands dissolved
 - (B) The firm is reconstituted
 - (C) Partnership is renewed
 - (D) The firm continues
- (ix) Wages as per the Payment of Wages Act, 1936 cannot be paid in
- (A) Currency notes
 - (B) Coins
 - (C) Kinds
 - (D) Cheques
- (x) Ethics is involved with evolution of
- (A) Culture
 - (B) Value
 - (C) Moral
 - (D) Society

2. Fill in the blanks in the following sentences by using appropriate word(s)/phrase(s)/number(s):

2×10=20

- (a) Inadequacy of consideration is relevant in determining the question of _____.
- (b) Behani contracts to pay Amun ₹ 25,000 if Amun's house is burnt. This is a _____ contract.

- (c) Where the buyer has examined the goods, there is _____ as to merchantability as regards defects which such examination ought to have revealed.
- (d) The undertaking contained in a promissory note, to pay a certain sum of money is _____.
- (e) If the words 'not negotiable' are used with special crossing in a cheque, the cheque is _____.
- (f) When a partnership firm is continued even after the expiry of fixed term it is called _____.
- (g) The limitation period for a suit for accounts of dissolution of a firm is _____.
- (h) Adolescent means a person who has completed his /her fourteenth year of age but has not completed his /her _____ year as per the Minimum Wages Act, 1948.
- (i) Business ethics calls for avoidance of _____.
- (j) As per the Child Labour (Prohibition & Regulation) Act, 1986, No child shall be permitted or required to work between _____ P.M. and _____ A.M.

3. Match Column I with Column II:

1×5=5

	Column I		Column II
(i)	Coercion	(A)	It is paid at the rate of 70% of wages.
(ii)	Void Contract	(B)	A partner who lends his name to the firm.
(iii)	Sickness Benefit	(C)	It is collateral to the main purpose of the contract.
(iv)	Nominal Partner	(D)	Not enforceable in the Court of Law.
(v)	Warranty	(E)	Involves the physical force or threat.

4. State whether the following statements given below are TRUE or FALSE:

1×10=10

- (i) A threat to commit suicide is deemed as coercion.
- (ii) A husband promising his wife to buy her a 'necklace' on account of her birthday is a contract.
- (iii) The term Actionable claim is defined in the Transfer of Property Act, 1882.
- (iv) Cheque is a negotiable instrument as per custom and usage.
- (v) Person of unsound mind cannot be admitted as a partner.
- (vi) Occupier of a factory means the person who has ultimate control over the affairs of the factory.
- (vii) The term 'wages' under the Minimum Wage Act, 1948 excludes house rent allowance.
- (viii) The Child Labour (Prohibition and Regulation) Act, 1986 repealed the Employment of Children Act, 1938.
- (ix) Sickness Benefit under the ESI Act, 1948 is paid for a maximum of 75 days in a year.
- (x) Law is Visualisation of ethics.

5. Define any five of the following:

3×5=15

- (a) Quasi-Contract
- (b) Price Under the Sales of Goods Act, 1930
- (c) Negotiable Instrument
- (d) Sleeping Partner
- (e) Worker under the Factories Act, 1948
- (f) Employment injury
- (g) Cost of Living Index Number
- (h) Ethics

6. Answer any four of the following questions:

10×4=40

- (a) Explain what are the essential elements of a Valid Contract. 10
 - (b) State the points of difference between Sale and Agreement to Sale. 10
 - (c) (i) Who cannot enter into Partnership Contract?—Discuss.
(ii) Who can cross a cheque? 7+3=10
 - (d) (i) What are the provisions in the Factories Act, 1948 regarding Intervals for rest to the employees?
(ii) Enumerate what are the permissible deductions from the wages of employed person under the Payment of Wages Act, 1936. 3+7=10
 - (e) Briefly state the Seven Principles of Public Life. 10
 - (f) (i) Who is an Insurable Employee under the Employees' State Insurance Act, 1948?
(ii) State the procedure to be followed for fixing and revising Minimum Wages in respect of the scheduled employment under the Minimum Wages Act, 1948. 4+6=10
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