

Paper 3 - Fundamentals of Laws and Ethics

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Full Marks :100

Time allowed: 3 hours

I. Choose the correct answer from the given four alternatives:

[10 x 1 = 10]

1. Which is correct?
 - (a) Proposal + Acceptance = Promise
 - (b) Promise + Consideration = Agreement
 - (c) Agreement + Enforceability at law = Contract
 - (d) All of the above

2. A contract with or by a minor is a _____.
 - (a) Valid Contract
 - (b) Void Contract
 - (c) Voidable Contract
 - (d) Voidable at the option of either party.

3. The term price has been defined in Section _____ of the Sale of Goods Act.
 - (a) Section 2(12)
 - (b) Section 2(7)
 - (c) Section 2(10)
 - (d) Section 2(13)

4. _____ is not a negotiable instrument as per customs and usage.
 - (a) Delivery Note
 - (b) Railway Receipt
 - (c) Cheque
 - (d) Government Promissory Note

5. A partnership firm can be formed with a minimum share capital of _____.
 - (a) ₹ 50,000
 - (b) ₹ 5,00,000
 - (c) ₹ 1,00,000
 - (d) Not fixed

6. In case of dissolution of firm, the available assets are distributed as per _____.
 - (a) Garner V Murry decision
 - (b) Profit Sharing ratio
 - (c) as per fixed capital ratio
 - (d) as per paying capacity of the partners

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7. Shyam was doing overtime in a factory, he is entitled to ₹5,000 as basic wages, how much he will get for overtime work:
- (a) ₹10,000
 - (b) ₹5,000
 - (c) ₹15,000
 - (d) ₹7,000
8. No fine can be imposed on any employed person who is under the age of _____
- (a) 14
 - (b) 15
 - (c) 18
 - (d) 12
9. The Employer's Share of contribution to ESI Fund is _____
- (a) 1.75% of wages
 - (b) 4.75% of wages
 - (c) 10% of wages
 - (d) 11% of wages
10. This is not of the 7 principles of public life.
- (a) Integrity
 - (b) Honesty
 - (c) Content
 - (d) Accountability

II. Fill in the blanks:

[10 x 2 = 20]

1. Indian Contract Act, 1872 came into force with effect from _____
2. An agreement in restraint of marriage is _____
3. In case of _____ there is transfer of ownership of one thing in return for transfer of another thing.
4. When a cheque is payable across the counter of a bank it is called _____
5. _____ partner is known to the outsiders and does not share in the profits.
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. Sickness Benefit in the form of cash compensation at the rate of _____ % of wages is payable.
9. Child Labour Technical Advisory Committee is appointed by _____
10. The study of Ethics is divided into _____ operational areas.

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III. Match the following

[5 x 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 x 1 = 10]

1. The word Ethics is derived from the latin word 'Ethika'.
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. The Employee's State Insurance Act, 1948 is applicable to whole of India.
7. Appropriate Government in case of Railways is Central Government.
8. For every district, District Judge shall be an Inspector for the Factories Act, 1948.
9. ABC are three partners. On death of C, his son D is admitted into the partnership. This is a case of Dissolution of Partnership.
10. A set of formalized rules and standards that describe what a company expects of its employees is called a Code of Ethics.

V. Define any Five of the following:

[5 x 3 = 15]

1. Void Contract.
2. 'Goods' under Sale of Goods Act, 1930.
3. Bill of Exchange
4. Adolescent
5. Consideration
6. 'Week' under Child Labor (Prohibition and Regulation) Act, 1986.
7. Morals
8. Sleeping Partner

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- VI. Answer any four of the following questions. [4 x 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.
(b) Who cannot enter into partnership contract? [7+3 = 10]
 4. (a) Explain the provisions relating to drinking water according to the Factories Act, 1948.
(b) Who is responsible for Payment of Wages according to Payment of Wages Act, 1936. [5+5 =10]
 5. (a) Explain the procedure for fixing and revising minimum wages.
(b) Write about the hours and period of work of children according to Child Labor (Prohibition and Regulation) Act, 1986. [5+5 =10]
 6. Explain about the seven principles of public life. 10