

Paper 6 – Laws and Ethics

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Full Marks: 100

Time allowed: 3 hours

Section – A

1. Answer all questions. [25 marks]

(a) Multiple Choice Questions [10 Marks]

- (i) In case of contractual obligations where the promisor dies before performance:
- (a) The legal representatives of the promisor must perform the promise
 - (b) The legal representatives of the promisor must perform the promise provided it is not one dependent on the personal qualifications of the promisor
 - (c) The legal representatives may not perform the promise
 - (d) The legal representatives are not liable to pay damages for non-performance of the promise.
- (ii) An anticipatory repudiation has the effect of:
- (a) An automatic putting an end to the contract
 - (b) Putting an end to the contract only on acceptance of the repudiation by the other party
 - (c) Putting an end to the contract only on failure to perform when performance is due.
 - (d) No putting an end to the contract.
- (iii) In pretended bidding, sale is _____.
- (a) Sale is voidable at the option of the seller
 - (b) Sale is voidable at the option of the buyer
 - (c) Valid
 - (d) Illegal
- (iv) According to Minimum Wages Act, 1948 wage slip shall be issued by every employer to his employees
- (a) One day prior to disbursement of wages
 - (b) On the date of disbursement of wages
 - (c) One day later to the disbursement of wages
 - (d) Anytime during the month
- (v) All monies received on application shall be kept in a separate bank account in a _____ bank.
- (a) Nationalised
 - (b) Scheduled
 - (c) Government
 - (d) Any of the above

- (vi) Where a company issues shares with differential right, the _____ should be maintained under Section 88 of Companies Act, 2013.
- (a) List of share-holders
 - (b) Register of shares
 - (c) Register of Members
 - (d) List of shares
- (vii) Rule 34 provides that where the Tribunal has made winding up order of a LLP, the liquidator shall submit a report containing which of the following particulars:
- (a) Debts due to the LLP
 - (b) Guarantees given by the LLP
 - (c) Existing and contingent liabilities of the LLP
 - (d) All of the above
- (viii) At every AGM, not less than _____ of the total number of directors shall retire by rotation.
- (a) One third
 - (b) Two third
 - (c) Three fourths
 - (d) Half
- (ix) Every member of a company listed by shares and holding equity share capital shall have the right to _____ on every _____ placed before the company.
- (a) vote; resolution
 - (b) Speak; agenda
 - (c) Speak; resolution
 - (d) Any of the above.
- (x) This is not one of the 7 principles of public life.
- (a) Integrity
 - (b) Honesty
 - (c) Content
 - (d) Accountability

(b) Fill in the Blanks

[5 Marks]

- (i) Share capital of the company includes _____.
- (ii) Maximum number of partners in Banking Business is _____.
- (iii) A warranty is a stipulation _____ to the main purpose of the contract.
- (iv) After buyback a company shall not make a further issue of share within a period of _____.
- (v) The wage limit contribution under EPFMP Act, 1952 ha been fixed at _____ with effect from 01.09.2014.

(c) True or False

[5 Marks]

- (i) Cheque is a promissory note.
- (ii) Where the transfer of property in goods is to take place at a future date or subject to some conditions thereafter to be fulfilled, the contract is called sale.
- (iii) Bonus is a lump sum payable on consideration of the past services rendered by the employee.
- (iv) In case of alteration of memorandum, the Registrar of the State where the registered office is being shifted to shall issue a fresh certificate of incorporation.
- (v) Additional director shall hold office upto the date of next AGM.

(d) Match and Pair

[5 Marks]

	Column I		Column II
1	Debtor and creditor	A	Personal attribute
2	Employers contribution	B	Designated Partner Identification Number
3	Morals	C	4.75%
4	DPIN	D	No presumption of undue Influence
5	Honesty	E	General Principles

Section – B

2. Answer any 5 questions:

[5×15 = 75]

- (A)** (i) Discuss the position of a minor, as per Indian Contract Act, 1872.
(ii) What are the rights of a finder of goods under the Indian Contract Act, 1872?
[10+5 = 15]
- (B)** (i) Explain in details the term 'designated partners' under LLP Act, 2008.
(ii) X, Y and Z were joint owners of a bus and possession of the said bus was with Y. P purchased the bus from Y without knowing that X and Z were also owners of the bus. Decide in the light of provisions of the Sale of Goods Act, 1930, whether the sale between Y and P is valid or not?
[10 + 5 = 15]
- (C)** (i) On whom does the responsibility for payment of wages lie under the Payment of Wages Act, 1936?
(ii) How is overtime Wages fixed as per Minimum Wages Act, 1948.
[8+7 = 15]
- (D)** (i) State the contents of Memorandum of Association.
(ii) What are the requirements for public placement?
[10+5 = 15]

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- (E)** (i) Mr. X has fraudulently made mis-statements in the prospectus. What liability does arise on behalf of Mr. X in this context?
(ii) State the disqualifications for a person to be appointed as a director. **[7+8 = 15]**
- (F)** (i) Discuss about the seven principles of public life in details.
(ii) Narrate the circumstances which disqualify an employee to receive bonus. **[10+5 = 15]**
- (G) Write a note on: (Any Three) **[5 × 3 = 15]****
- (i) Pension Funds [Section 23 of PFRDA Act, 2013]
 - (ii) Alteration of share capital
 - (iii) Rights of an indemnity holder when sued
 - (iv) Importance of ethics