

Paper 6- LAWS AND ETHICS

Paper 6- Laws and Ethics

Full Marks : 100

Time allowed: 3 hours

Section - A

1. Answer the following questions

(a) Multiple choice questions:

[10x1=10]

(i) Gratuity is payable to an employee-

- (a) Retrenchment
- (b) Retirement
- (c) **Both (a) & (b)**
- (d) None of the above

(ii) No adult worker shall be allowed to work in a factory for more than _____ hours in any day.

- (a) 6
- (b) 7
- (c) 8
- (d) **9**

(iii) Which of the one is not LLP?

- (a) **Corporate sole**
- (b) LLP registered under LLP ACT
- (c) LLP incorporated outside India
- (d) Company registered outside India

(iv) The liability of a partner in a firm is _____.

- (a) Limited
- (b) **Unlimited**
- (c) Both (a) & (b)
- (d) None of the above

(v) The liability on the instrument may be discharged.

- (a) by cancellation
- (b) by release
- (c) by payment
- (d) **by any one of the above methods**

(vi) Which one of the following is the subject matter of the contract

- (a) Existing or future goods
- (b) Goods perishing before making contract
- (c) Goods perishing before sale but after agreement to sell

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(d) **Any of the above**

(vii) The main feature of e-contract is

- (a) Cost and acceptability
- (b) Purity and clarity
- (c) **Speed, accurate and reliable**
- (d) Perfection and attractive

(viii) Holder in due course means any person

- (a) Drawing the instrument.
- (b) **Who for consideration become the possession of a promissory note.**
- (c) Named in the instrument to whom or to whom order the money is directed to be paid.
- (d) None of the above

(ix) If P makes an agreement with Q, an artist, to paint a portrait of P for Rs 2,000 and Q use his own canvas & paint. Here it is

- (a) Contract of Sale
- (b) **Contract of work and material.**
- (c) Sale on approval
- (d) Hire Purchase agreement.

(x) The maximum amount of gratuity payable is _____.

- (a) 10 lakhs
- (b) **20 lakhs**
- (c) 15 lakhs
- (d) 30 lakhs

(b) Match the following:

[5×1=5]

	Column 'A'		Column 'B'
1.	Breach of duty	A	Moral judgement
2.	Bill of exchange	B	Body corporate
3.	ESI Corporation	C	MGT-12
4.	Polling form	D	Cheque
5.	Meta ethics	E	Misrepresentations

Answer: 1(b)

	Column 'A'		Column 'B'
1.	Breach of duty	E	Misrepresentations
2.	Bill of exchange	D	Cheque
3.	ESI Corporation	B	Body corporate
4.	Polling form	C	MGT-12
5.	Meta ethics	A	Moral judgement

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(c) Fill in the blanks:

[5×1=5]

- (i) Partners in profits only share in the profits of the firm but not _____.**
- (ii) Every partner of LLP is the _____ of LLP.**
- (iii) The term 'employer' includes the _____ deceased employer.**
- (iv) Register of _____ workers is to be maintained in a factor.**
- (v) _____ ethics is the principles and standards that determine acceptable conduct in business organizations.**

Answer: 1(c)

- (i) Losses;
- (ii) Agent;
- (iii) Legal representation;
- (iv) Adult;
- (v) Business.

(d) State whether the following statements are true or false:

[5×1=5]

- (i) In Bill of Exchange Statutory protection is not available.**
- (ii) Partnership is a separate legal entity.**
- (iii) Employees represent the station commission of ESI Corporation.**
- (iv) Foreign company conducts any business activity in India in same manner.**
- (v) A director may resign from his office by giving a notice in writing to the company.**

Answer: 1(d)

- (i) True;
- (ii) False;
- (iii) True;
- (iv) False;
- (v) True.

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Section - B

Answer any five from the following. Each question carries 15 marks

(5×15=75)

2. (a) State the circumstances when an agent is personally liable for the contracts entered into by him on behalf of the principal? [10]

(b) How the agency can be terminated? [5]

Answer: 2(a)

The general rule of the Indian Contracts Act, 1872 states that:

- (i) Only the principal can enforce and can be held liable on a contract entered into by an agent.
- (ii) The agent is not personally liable on a contract entered into by him on behalf of the principal.

The following are the exceptions to the above rule:

1. Foreign Principal: When agent acts for sale or purchase of goods for a principal resident abroad i.e., foreign principal.

2. Personal liability by agreement: Where it is expressly provided in the contract that the agent shall be personally liable.

3. Undisclosed principal: Where agent does not disclose the name/identity of the principal.

4. Principal cannot be sued: Where the principal is disclosed but cannot be sued, e.g., foreign sovereigns, ambassadors etc.

5. Non-existence of Principal: When the principal is not in existence at the time when the act was done, i.e., the agent acted for a non-existent principal.

6. Agent's liability: When the agent exceeds his authority or commits a breach of warranty of authority.

7. Pretended Agent: When he acts as a pretended agent.

8. Mistake or Fraud: When he receives or pays money by mistake or fraud.

9. Agent sign an agreement without mentioning that he is an agent: Where an agent signs a negotiable instrument without mentioning that he is signing as an agent.

10. Trade or customs: Where the usage of trade or custom makes an agent personally liable.

Answer: 2(b)

Termination of Agency Section 201 provides for the termination of agency. An agency is terminated by the principal-

- revoking his authority; or
- by the agent renouncing the business of the agency; or
- by the business of the agency being completed; or
- by either the principal or agent dying or becoming of unsound mind; or
- by the principal being adjudicated an insolvent under the provisions of any Act for the time being in force for the relief of insolvent debtors.

Section 202 provides that where the agent has himself an interest in the property which forms the subject matter of the agency, the agency cannot, in the absence of an express contract, be terminated to the prejudice of such interest.

Section 208 provides as to the time at which the agent's authority is terminated as to agent and as to third persons. The termination of the authority of an agent does not, so far as regards the agent, take effect before it becomes known to him, or, so far as regards third persons, before it becomes known to them.

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3. (a) State the difference between a partnership and a company. [8]

(b) Who are the parties to the instruments? [7]

Answer: 3(a)

BASIS	PARTNERSHIP	COMPANY
Legal entity	It is not a separate legal entity.	A company is a separate legal entity.
Number of members	Minimum required is two. Maximum number can be 100 subject to some exceptions present Rules provide 50.	Minimum number of members for a private company is 2 and maximum 200. Minimum number of members for a public limited company is 7 and there is no limited for maximum.
Transfer of shares	A partner cannot transfer his share without the consent of other members	Transfer of shares in a public limited company is not a restricted one.
Management	The firm can be run by all or any of the partners.	The Board of Directors is having responsibility to run the management
Profit distribution	Profit is distributed according to the agreement entered between partners; if no agreement equal distribution.	No requirement of profit distribution to members. It is at the discretion of the management to declare dividend that too only out of profits.
Relationship	The relationship with partners is of that of agency.	No such relationship in the company.
Remedy to creditors	The creditors of a firm can proceed against the partners jointly and severally.	The creditors can proceed only against the company and not against shareholders.
Liability	The liability of the partners is unlimited.	The liability of the members of the company is limited.
Audit	Audit is not compulsory for the partnership firm.	Various types of audit are compulsory for the company
Dissolution	Firm can be dissolved on the eve of death of partner, retirement of partner etc., unless otherwise than agreed to in the agreement.	A company can be dissolved only by the winding up process as ordered by the Court.

Answer: 3(b)

PARTIES TO THE INSTRUMENTS

The transaction of the instrument requires at least two persons. One is the **drawer** and other is the **drawee**. The drawer of the instrument is the person who makes a bill of exchange or a cheque and the person thereby directed to pay is called the drawee. In 'Shivanth V. Bsihambar'- AIR 1935 Lah. 153 it was held that the definition of drawer is not exhaustive; the maker of the promissory note can also be called a drawer.

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Drawer in case of need – When in the bill or in any endorsement thereof the name of any person is given in addition to the drawee to be resorted to in case of need, such a person is called a 'drawee in case of need'.

Acceptor – After the drawee of a bill has signed his assent upon the bill, or, if there are more parts thereof than one, upon one such parts, and delivered the same, or given notice of such signing to the holder or to some person on his behalf, he is called the acceptor.

Acceptor for honor- When a bill of exchange has been noted or protested for non acceptance or for better security and any person accepts it supra protest for honor of the drawer or any one of the endorsers, such person is called an 'acceptor for honor'.

Payee – The person named in the instrument, to whom or to whose order the money is by the instrument directed to be paid, is called the 'payee'.

Holder – Section 8 defines the term 'holder'. The holder of a promissory note or a bill of exchange or cheque is any person entitled in his own name to the possession thereof and to receive or recover the amount due thereon from the parties thereto. Where the note, bill or cheque is lost or destroyed, its holder is the person so entitled at the time of such loss or destruction.

Holder in due course – Section 9 defines the term 'holder in due course. It means any person who for consideration became the possessor of a promissory note, bill of exchange or cheque if payable to bearer, or the payee or the endorsee thereof, if payable to order, before the amount mentioned in it became payable, and without having sufficient cause to believe that any defect existed in the title of the person from whom he derived his title.

- 4. (a) Critically examine the duties of certified surgeon. [5]**
- (b) Discuss the matter provided for the pension scheme under the schedule. [10]**

Answer: 4(a)

The duties of certified surgeons are as follows-

- the examination and certification of young persons;
- the examination of person engaged in factories in such dangerous occupations or processes as may be prescribed;
- the exercising of such medical supervision as may be prescribed for any factory or class or description of factories, where-
- cases of illness have occurred which it is reasonable to believe are due to the nature of the manufacturing process carried on, or other conditions of work prevailing, therein;
- by reason of any change in the manufacturing process carried on or in the substances used therein or by reason of the adoption of any new manufacturing process or of any new substance for use in a manufacturing process, there is a likelihood of injury to the health of workers employed in that manufacturing process;
- young persons are, or are about to be, employed in any work which is likely to cause injury to their health.

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Answer: 4(b)

A pension fund has been created for the purpose of this scheme. The Pension Fund shall vest in and administered by the Central Board. The pension scheme may provide for all or any of the matters in Schedule II, as detailed below-

- The employees or class of employees to whom the Pension scheme shall apply;
- The portion of employers' contribution to the Provident Fund which shall be entitled to the Pension Fund and the manner in which it is credited;
- The minimum qualifying service for being eligible for pension and the manner in which the employees may be granted the benefits of their past service;
- The regulation of the manner in which and the period of service, for which no contribution is received;
- The manner in which the employees' interest will be protected against default in payment of contribution by the employer;
- The manner in which the accounts of the Pension fund shall be kept and investment of moneys belonging to Pension Fund to be made subject to such pattern of investment as may be determined by Central Government;
- The form in which an employee shall furnish particulars about himself and the members of his family whenever required;
- The forms, registers and records to be maintained in respect of employees, required for the administration of the Pension Scheme;
- The scale of pension and pensionary benefits and the conditions relating to the grant of such benefits to the employees;
- The manner in which the exempted establishments have to pay contribution towards the pension scheme and the submission of returns relating thereto;
- The mode of disbursement of pension and arrangements to be entered into with such disbursing agencies as may be specified for the purpose;
- The manner in which the expenses for administering the Pension Scheme will be met from the income of the Pension Fund;
- Any other matter which is to be provided for in the Pension Scheme or which may be necessary for the purpose of implementation of the Pension Scheme.

5. (a) Explain transfer and transmission of shares. [5]

(b) Describe the procedure to be followed for the incorporations of a company. [10]

Answer: 5(a) Transfer and transmission of shares

Section 56 provides that a company may transfer the shares of a person to another person, provided he applies for the same to the company in the prescribed form duly stamped, dated and executed by or on behalf of the transferor and the transferee specifying the name, address and occupation, if any, of the transferee has been delivered to the company by the transferor or transferee within a period of 60 days from the date of execution. The certificate relating to the securities is also to be sent along with the application. If there is no such certificate, then the letter of allotment of securities is to be attached.

Where the instrument of transfer has been lost or the instrument of transfer has not been delivered within the prescribed time, the company may register the transfer on such terms as to indemnity as the Board may think fit. This shall not prejudice the

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power of the company to register, on receipt of an intimation of transmission of any right to securities by operation of law from any person to whom such right has been transmitted.

Where an application is made by the transferor alone and relates to partly paid shares, the transfer shall not be registered, unless the company gives notice of the application to the transferee and the transferee gives no objection to the transfer, within 2 weeks from the receipt of notice.

The transfer of any security or other interest of a deceased person in a company made by his legal representative shall, even if the legal representative is not a holder thereof, be valid as if he had been the holder at the time of the execution of the instrument of transfer.

Answer: 5(b)

Section 7 of the Companies Act, 2013 provides for the procedure to be followed for the incorporations of a company. The promotor of the company shall submit the following documents to the Registrar of companies within whose jurisdiction the registered office of the company is proposed to be situated for registration.

(a) Memorandum and articles of the company duly signed by all the subscribers to the memorandum in such manner as may be prescribed;

(b) A declaration in the prescribed form by an Advocate, a Chartered Accountant, Cost Accountant or Company Secretary in practice, who is engaged in the formation of the company and by a person named in the articles as a director, manager or secretary of the company, that all the requirements of the Act and rules made thereunder in respect of registration;

(c) A declaration from each of the subscribers to the memorandum and from persons named as the first directors, if any, in the articles stating that -(Form No. INC-9)

(1) he is not convicted of any offence in connection with the promotion, formation or management of any company, or

(2) he has not been found guilty of any fraud or misfeasance or of any breach of duty to any company under this Act or any previous company law during the last five years and

(3) that all the documents filed with the Registrar for registration of the company contain information that is correct and complete and true to the best of his knowledge and belief;

(d) The address for correspondence till registered office is established;

(e) All particulars of every subscriber to the memorandum along with the proof of identity;

(f) The particulars of the persons mentioned in the articles as the first directors of the company;

(g) The consent to act as directors of company in such form as may be prescribed.

The memorandum of association and articles of association are the basic essential documents of the company.

A new section (10A) has been introduced with the introduction of Companies Amendment Ordinance. It provides that every company, incorporated after the

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notification of the ordinance, shall not commence business, unless the directors file a declaration within 180 days of incorporation that every subscriber has paid for the shares as agreed and the registered office has been verified by filing necessary returns. Under 12A (new in section) the name of the company may be struck off if no office is found on physical verification.

6. (a) Discuss the procedure for Rotation of Directors and re-appointment of directors. [8]

(b) What are the prohibitions and restrictions regarding political contributions? [7]

Answer: 6(a)

Rotation of directors

Unless the articles provide for the retirement of all directors at every annual general meeting, not less than two thirds of the total number of directors of a public company shall-

- be persons whose period of office is liable to determination by retirement of directors by rotation; and
- save as otherwise expressly provided in the Act, be appointed by the company in general meeting.

At the first annual general meeting of a public company held next after the date of the general meeting at which the first directors are appointed at every subsequent annual general meeting, one third of such of the directors for the time being as are liable to retire by rotation, or if their number is neither three nor a multiple of three, then, the number nearest to one-third, shall retire from office.

The directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. The company may fill up the vacancy by appointing the retired director or some other person thereto.

Re-appointment of Director

A director liable to be retired may be re appointed in the general meeting. Section 164(2) provides that no person who is or has been a director of a company which-

- has not filed financial statements or annual returns for any continuous period of 3 financial years; or
 - has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more,
- shall be eligible to be re-appointed as a director of that company or appointed in other company for a period of 5 years from the date on which the said company fails to do so.

Answer: 6(b)

Section 182 : Prohibitions and Restrictions Regarding Political Contributions

According to Section 182 of the Act, a company, other than a Government company and a company which has been in existence for less than three financial years, may contribute any amount directly to any political party.

The contribution must be authorised by Board in its meeting by resolution and such resolution shall be deemed to be the justification in law for such contribution.

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The donation may be directly or indirectly. If the contribution so made is likely to affect the public support for a political party shall also be deemed to be the contribution for political purpose. The expenditure incurred on advertisement in any publication souvenir, brochure, tract, pamphlet or the like is also deemed as political contribution, if such publication is by or on behalf of political party or if not, then for the advantage to such political party for a political purpose.

Every company shall disclose in its profit and loss account the total amount contributed by it under this section during the financial year to which the account relates. The contribution under this section shall not be made except by an account payee cheque drawn on a bank or an account payee bank draft or use of electronic clearing system through a bank account.

7(a) State the needs for business ethics. [8]

(b) Explain the provisions relating to 'nomination'. [7]

Answer: 7(a) Need for business ethics

The following points discuss the need and importance of business ethics-

- **To stop business malpractice:** Some unscrupulous businessmen do business malpractices by indulging in unfair trade practices like black-marketing, artificial high pricing, adulteration, cheating in weights and measures, selling of duplicate and harmful products, hoarding, false claims of representations about their products etc., These business malpractices are harmful to the consumers. Business ethics help to stop these business malpractices

- **To improve customers' confidence:** Business ethics are needed to improve the customers' confidence about the quality, quantity, price etc., of the products. The customs have more trust and confidence in the businessmen who follow ethical rules. They feel that such businessmen will not cheat them.

- **For the survival of business:** Business ethics are mandatory for the survival of business. The businessmen who do not follow it will have short term success, but they will fail in the long run. This is because they can cheat a consumer only once. After that, the consumer will not buy goods from that businessman. He will also tell others not to buy from that businessman. So this will defame his image and provoke a negative publicity. This will result in failure of the business. Therefore, if the businessmen do not follow ethical rules, he will fail in the market. So, it is always better to follow appropriate code of conduct to survive in the market.

- **To safeguard consumers' rights:** Consumer sovereignty cannot be either ruled out or denied. Business can survive so long it enjoys the patronage of consumer. The consumer has many rights such as right to health and safety, right to be informed, right to choose, right to be heard, right to redress, etc., But many businessmen do not respect and protect these rights. Business ethics must safeguard these rights of the consumers.

- **To protect employees and shareholders:** Business ethics are required to protect the interest of employees, shareholders, competitors, dealers, suppliers etc., It protects them from exploitation through unfair trade practices.

- **To develop good relations:** Business ethics are important to develop good and friendly relations between business and society. This will result in a regular supply of good quality goods and services at low prices to the society. It will also result in profits for the businesses thereby resulting in growth of economy.

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- **For smooth functioning:** If the business follows all the business ethics, then the employees, shareholders, consumers, dealers and suppliers will all be happy. So they will give full cooperation to the business. This will result in smooth functioning of the business. So, the business will grow, expand and diversify easily and quickly. It will have more sales and more profits.
- **Consumer movement:** Business ethics are gaining importance because of the growth of the consumer movement. Gone are the days when the consumer can be taken for ride by the unscrupulous business by their false propaganda and false claims, unfair trade practices. Today, the consumers are aware of their rights and well informed as well as well organized. Now they are more organized and hence cannot be cheated easily. They take actions against those businessmen who indulge in bad business practices. They boycott poor quality, harmful, high priced and counterfeit goods. Therefore, the only way to survive in business is to be honest and fair. Consumer fora and consumer associations are more active and vocal now.
- **Consumer satisfaction:** Today the consumer is the king of the market. Any business simply cannot survive without the consumers. Therefore, the main aim or objective of business is consumer satisfaction. If the consumer is not satisfied, then there will be no sales and thus no profits too. Consumers will be satisfied only if the business follows all the business ethics and hence are highly needed.
- **Importance of labor:** Labor, i.e., employees or workers play a very crucial role in the success of a business. Therefore, business must use business ethics while dealing with the employees. The business must give them proper wages and salaries and provide them with better working conditions. There must be good relations between employer and employees. The employees must also be given proper welfare facilities.
- **Healthy competition:** The business must use business ethics while dealing with the competitors. They must have healthy competition with the competitors. Healthy competition brings about efficiency, breaks complacency and leads to optimal utilization of scarce resources, hence is always welcome. They must not do cutthroat competition. Similarly, they must give equal opportunities to small scale business. They must avoid monopoly. This is because a monopoly is harmful to the consumers.

Answer: 7(b)

Nomination Section 6 provides for filing nomination for receiving the gratuity after the death of the employee. The following are the points to be noted in respect of nomination-

- Each employee, who has completed one year of service, shall make nomination in Form – F;
- He may distribute the amount of gratuity payable to him under this Act amongst more than one nominee;
- If an employee has a family at the time of making a nomination, the nomination shall be made in favor of one or more members of his family, and any nomination made by such employee in favor of a person who is not a member of his family shall be void.;
- If at the time of making a nomination the employee has no family, the nomination may be made in favor of any person or persons but if the employee subsequently acquires a family, such nomination shall forthwith become invalid and the employee shall make, within such time as may be prescribed, a fresh nomination in favor of one or more members of his family;

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- A nomination may, subject to above, be modified by an employee at any time, after giving to his employer a written notice in such form and in such manner as may be prescribed, of his intention to do so;
- If a nominee predeceases the employee, the interest of the nominee shall revert to the employee who shall make a fresh nomination, in the prescribed form, in respect of such interest;
- Every nomination, fresh nomination or alteration of nomination, as the case may be, shall be sent by the employee to his employer, who shall keep the same in his safe custody.

8. Answer Any Three Question:

[5×3]= 15

(a) Short Note on 'Bailment'.

(b) write a note on 'Letter of offer'.

(c) Note on 'Consumer movement'.

(d) Describe the term 'Scheduled employment'.

Answer:

8.(a) Bailment

Section 148 defines the term 'bailment' as the delivery of goods by one person to another for some purpose, upon a contract that they shall, when the purpose is accomplished, be returned or otherwise disposed of according to the directions of the person delivering them. The bailment consists of-

- Bailor – the person delivering the goods is called the 'bailor'; and
- Bailee – the person to whom the goods are delivered is called the 'bailee'.

If a person, already in possession of the goods of other contracts to hold them as a bailee, he thereby becomes the bailee and the owner becomes the bailor of such goods, although they may not have been delivered by way of bailment.

The following are ingredients of the bailment-

- There must be a delivery of specific goods by one person to another;
- The delivery must be for some purpose;
- The delivery must be upon a contract that the goods shall, when the purpose is accomplished, be returned or otherwise disposed of according to the directions of the bailor.

Bailments may be classified into voluntary and involuntary. Voluntary bailments are the outcome of an express contract between the parties. Instances of involuntary bailments are found in cases of finders of good or of goods sent to a wrong place, or in excess of the quantity ordered, or in cases where the bailee dies and the subject of bailment comes into the hands of the bailee's heirs.

Where there is no obligation to return the identical article, either in its original or in an altered form, there is no contract of bailment.

8.(b) Letter of offer

Rule 17(2) provides that the company which has been authorized by a special resolution shall, before the buyback of shares, file with the Registrar of Companies a letter of offer in Form No. SH-8 along with the fee. Such letter of offer shall be dated and signed on behalf of the Board of directors of the company by not less than two directors, one of whom shall be the Managing Director, where there is one.

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The letter of offer shall be dispatched to the shareholders or security holders immediately after filing the same with the Registrar of Companies but not later than 20 days from its filing with the Registrar of Companies. Rule 17(5) provides that the offer for buy-back shall remain open for a period of not less than 15 days and not exceeding 30 days from the date of dispatch of offer letter provided that where all members of a company agree, the offer for buy-back may remain open for a period less than 15 days.

Rule 17(6) provides that in case the number of shares or other specified securities offered by the shareholders or security holders is more than the total number of shares or securities to be bought back by the company, the acceptance per shareholder shall be on proportionate basis out of the total shares offered for being bought back.

8. (c) Consumer movement

Business ethics are gaining importance because of the growth of the consumer movement. Gone are the days when the consumer can be taken for ride by the unscrupulous business by their false propaganda and false claims, unfair trade practices. Today, the consumers are aware of their rights and well informed as well as well organized. Now they are more organized and hence cannot be cheated easily. They take actions against those businessmen who indulge in bad business practices. They boycott poor quality, harmful, high priced and counterfeit goods. Therefore, the only way to survive in business is to be honest and fair. Consumer forum and consumer associations are more active and vocal now.

8.(d) Scheduled employment

Section 2(g) of the Act defines the terms 'scheduled employment' as an employment specified in the Schedule, or any process or branch of working forming part of such employment.

The Schedule is divided into two parts – Part I and Part II. Part I of the schedule has 18 entries. It was realized that it would be necessary to fix minimum wages in many more employments to be identified in course of time. Accordingly, powers were given to appropriate Government to add employments to the Schedule by following the procedure laid down in Section 21 of the Act. As a result the State Government and Central Government have made several additions to the Schedule and it differs from State to State.

Part II relates to employment in agriculture. Employment in agriculture, that is to say, in any form of farming, including the cultivation and tillage of the soil, dairy farming, the production, cultivation, growing and harvesting of any agricultural or horticultural commodity, the raising of live-stock, bees or poultry and any practice performed by a farmer on a farm as incidental to or in conjunction with farm operations (including any forestry or timbering operations and the preparation for market and delivery to storage or to market or to carriage for transportation to market from produce).