National Management College-Perundurai

CMA-Intermediate Batch: 2021-2022 Gr-1 Paper 06: Laws and Ethics

Max. Marks: 100

Time allowed:3hrs

Date: 07-05-2022

Section-A

I. Choose the most suitable answer :(10*2)

1. Which of the following is not an essential element of a factory?

(A) There electronic data processing units are installed

(B) There must be ten or, more workers where the manufacturing process is being carried on with the aid of power

(C) There must be manufacturing process being carried on at the premises

(D) There must be a premises

2. Which of the following is not included under the definition of wages given under the Payment of Wages Act, 1936 ?

(A) Basic Wage

(B) Dearness Allowance

(C) Remuneration for overtime work

(D) Gratuity

3. The Minimum Wages Act, 1948 has

(A) One schedule covering different types

of industries

(B) One schedule covering different types

of industries, shops and establishments

(C) One schedule covering shops and

establishments

(D) Two schedule covering industries,

establishments and agriculture

4. Under Section 25 of the Employees State Insurance Act, 1948 Employees State Insurance Corporation is empowered to appoint authorities well equipped with powers and functions. Which of the following are such authorities?

(A) Regional Boards

(B) Local Committees

(C) Regional and Local Medical Benefit

Councils

(D) All of the above

5. Under Employees Provident Funds and Miscellaneous Provisions Act, 1952 "Insurance Fund" means

(A) Medical Insurance Fund

(B) Deposit Linked Insurance Scheme

(C) Unit Linked Insurance Plan

(D) Employees Group Accident Insurance

6. Which of the following is not an exception to the rule - No consideration, No Contract

- (A) Compensation for involuntary services
- (B) Love & Affection
- (C) Contract of Agency
- (D) Gift

7. Which of the following statements regarding Quasi-contracts is incorrect:

(A) It resembles a contract

(B) It is imposed by law

(C) It is based on the doctrine of unjust enrichment

(D) It is voluntarily created

8. M, a shopkeeper, sold a Television set to N, who purchased it in good faith. The set had some manufacturing defect and it did not work after a few days in spite of repairs. In this case, the television was not merchantable as it was not fit for ordinary purpose

(A) the buyer has no right to reject the television.

(B) the buyer has the right to reject the television and to have refund of the price.

(C) both of the above.

(D) none of the above [(a) & (b)]

9. Mr. A, partner of ABC Associates give notice in writing to all other partners i.e. Mr. B and Mr. C of his intention to dissolve the firm on 01.09.2020. Such notice was dated 30.08.2020. In the given case, the firm stands dissolved with effect from_____.

(A) 30.08.2020.

(B) 01.09.2020.

(C) Neither 30.08.2020 nor 01.09.2020 but as per the date mentioned in partnership deed as last date of existence of the firm.

(D) Either 30.08.2020 or 01.09.2020 as mutually agreed by all three partners.

10. Holder in due course means any person-

(A) Drawing the instrument;

(B) Who for consideration became 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.

Section-B

II.Fill in the blanks: 10*2

1. Name of the Limited Liability Partnership shall be ended by_____

2. The authority of a partner to bind the firm for his acts as contained in section 19 of the Partnership Act is known as_____

3. f the seller delivers to the buyer a quantity less than he contracted to sell, the buyer may_____

4. An agreement which is enforceable by law at the option of one or more of the parties thereon but not at the option of the other or others is a_____

5. f A says to B "I offer to sell my house to you for ` 10,00,000" and B accepts the offer by saying clearly "I accept your offer", it is a/an_____

6. Indorsement is of two types, namely,

7. Confinement is the labor resulting in the issue of living child or labor after_____ of pregnancy resulting in the issue of child, whether alive or dead.

8. Any person who is responsible to the owner for the supervision and control of the employee or for the payment of wages is an_____

9. No_____ shall, directly or indirectly invest outside India, the funds of subscribers

10. _____is not covered under the EPF Act

Section - C

You are required to answer any 4 out of 5 questions in this section.

1.(A) Describe the procedure to revoke an offer 6

(**B**) Differentiate between contract of indemnity and contract of guarantee. 6

2. (A) What are rights and liabilities of a minor in partnership? 6

(B) Discuss the powers of an Inspector as per the provisions of the Factories Act. 6

3.(A) G Limited is a company dealing in the manufacture of fine crockeries made of very good quality ceramic. Due to the pandemic the production has been reduced by 10%. Mr.Sugan (who has been working with the company since last 6 years) has to be retrenched.

Advise the company about the payment of gratuity to Mr. Sugan. Give your answer as per the provisions of the Payment of Gratuity Act, 1972. 4

(B) Write about National pension system and Point of presence.

4.(A) Explain the concept of caveat emptor 6

(B) Enumerate the circumstances in which LLP may be wound up by Tribunal.

6. You are required to write any Short Note on any 4 out of 5.

A.Distinguish between holder and holder-in-due course. 3

B. Mistake of fact. 3

C. Overtime' under the Minimum Wages Act, 1948.

3

D.Desingnated partners of LLP. 3

E. Right of stoppage in transit. 3

Section- D

You are required to answer all the questions in this section.

1. X consults Y, a motor-car dealer for a car suitable for touring purposes to promote the sale of his product. Y suggests 'Santro' and X accordingly buys it from Y. The car turns out to be unfit for touring purposes.

What remedy X is having now under the Sale of Goods Act, 1930? 4

2. Mr. Sohan sold 10 acres of his agricultural land to Mr. Mohan on 25th September 2020 for ` 25 Lakhs. The Property papers mentioned a condition, amongst other details, that whosoever purchases the land is free to use 9 acres as per his choice but the remaining 1 acre has to be allowed to be used by Mr. Cheran, son of the seller for carrying out farming or other activity of his choice. On 12th October,

2020, Mr. Sohan died leaving behind his son and life. On 15th October, 2020 purchaser started construction of an auditorium on the whole 10 acres of land and denied any land to the son.Now Mr. Cheran wants to file a case against the purchaser and get a suitable redressal.

Discuss the above in light of provisions of Indian Contract Act, 1872 and decide upon Mr. Cheran plan of action? 4

3.B and C are partners in a firm. As per terms of the partnership deed, A is entitled to 20 percent of the partnership property and profits. A retires from the firm and dies after 15 days. B and C continue business of the firm without settling accounts.

Explain the rights of A's legal representatives against the firm under the Indian Partnership Act, 1932? 4