

MAY 2015

**P/ID 77605/PBE1E/
PBEXE**

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions.

1. State and explain the legal rules as to consideration.
2. How does cheque differ from a bill of exchange?
3. What are the different kinds of resolutions?
4. State the law relating to prohibition of strikes and lock-outs.
5. What are the rules regarding determination and recovery of gratuity?
6. What are the types of endorsements? Explain.
7. State the provisions of the Factories Act with regard to the health of the workers.
8. Explain the purposes for which ESI fund may be expended.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

9. State the provisions of the Factories Act with regard to the approval licensing and registration of factories.
10. What are negotiable instruments? Explain each of them in detail.
11. What is a foreign company? What are the provisions of the Companies Act relating to foreign companies?
12. Describe the procedure for fixation and revision of Minimum Wages.
13. What are the important provisions of Employees Family Pension Scheme?
14. Describe how the contract is discharged by way of agreement and impossibility of performance.
15. Briefly explain the provisions of Companies act with regard to winding up subject to the supervision of the court.
16. Discuss the method of computation of gross profits and what are the proper charges which are deductible from gross profits to arrive at the available surplus.

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PART C — (1 × 20 = 20 marks)

(Compulsory)

17. (a) Hotel Keerthi is managed by a firm, employing more than 100 employees and covered under the provisions of the EPF Act, 1952. Some of its partners started a new restaurant in the premises registering the restaurant as a new unit as per the applicable State enactment. The restaurant employed 15 employees and the management of restaurant took a stand that the restaurant is a different establishment and is not under the EPF Act, 1952. Will it succeed?
- (b) Keerthi electronics is a SSI employing 15 workmen. Due to a fall in demand for its products, the management decided to lay-off its workmen. The workmen contended that they cannot be laid off as there is no provision to lay off in the terms and conditions of appointment. Examine the legality of the action of the management.
- (c) A was appointed in 2003 as the sole distributor for the products of B who was a manufacture of certain drugs. In 2004, private manufacture distribution and sale of some of those drugs were declared unlawful by a Government order. How does the order affects A's appointment? Cite the relevant provisions of the Indian Contract Act.

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- (d) The Board of directors of A & Co. Ltd., appointed Rajan the managing director and gave him full powers of management of the company's affairs and authorised him to sign all papers. Rajan borrowed money on a promissory note. Is the company bound by this transaction?
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