

MAY 2012

P/ID 77605/PBE1E

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions.

All questions carry equal marks.

1. What are the legal rules as to offer?
2. Explain noting and protesting.
3. Briefly explain liability for misstatement in prospectus.
4. Briefly explain the rules regarding payment of bonus.
5. What are the offences and penalties under the ESI Act?
6. Explain discharge of contract by supervening impossibility.
7. Who is Holder in due course as define under Negotiable Instrument Act? What are his rights and privileges?
8. What are the prescribed rules for the working hours of adults in the factories?

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

All questions carry equal marks.

9. What do you understand by time and place of performance of a contract? Are they always mentioned in the contract?
10. What are negotiable instruments? Explain each of them in detail.
11. Describe the duties and liabilities of directors.
12. When an employer is liable to pay compensation? Illustrate your answer with decided cases.
13. Write down the constitution, powers and functions of ESIC, Medical Benefit Council and Standing Committee.
14. What are the provisions applicable to members' voluntary winding up?
15. What are the safety provisions under the Factories Act?
16. Describe the settlement of disputes through conciliation and adjudication.

PART C — (1 × 20 = 20 marks)

(Compulsory)

17. (a) Keerthi absented himself from duty without applying for leave and left the job. When he claimed gratuity, the company refused to pay gratuity quoting his absence from duty without proper leave resulted in break in service. Will he get gratuity?
- (b) A government enterprise issue raw materials to the weavers registered under it to manufacture handloom cloth as per the specifications given. The weavers take raw material and manufacture cloth in the looms installed by them. The government enterprise procures the finished goods from the weavers. State whether weavers are workers of the government enterprise under the provisions of the Factories Act, 1948.
- (c) Ramu, a minor borrows Rs. 10,000 and executes a pro-note for the amount in favour of Somu. After attaining the majority Ramu executes another pro-note in settlement of the first pro-note. Will Somu succeed in recovering money from Ramu? Give reasons in support of your answer.

- (d) The articles of a company provided for the reference of disputes between the members and the company to arbitration. If a member brought an action against the company which applied to the court for a stay of the proceedings, will the company succeed?
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