

CWA Inter Stage I : Business Laws and Communication Skills - June 2009

1—7(BLC) Revised Syllabus

Time Allowed : 3 Hours

Full Marks : 100

The figures in the margin on the right side indicate full marks.

Answer Question No. 1 which is compulsory and attempt any three from the rest of Section I and any two from Section II.

SECTION I (Business Laws)

- | | Marks |
|---|-------|
| 1. (a) Comment on the following statements: | 2x9 |
| (i) Doctrine of precedence is based on certain Principles. | |
| (ii) A company can be wound up if it is unable to pay its Debts. | |
| (iii) Secretarial compliance certificate is mandatory for all companies. | |
| (iv) Section 25 companies are bound by certain specific restrictions. | |
| (v) A Bank is called Guarantor when it gives Guarantee on behalf of a Principal Debtor. | |
| (vi) Payment of Bonus is limited to available surplus. | |
| (vii) Mere sharing of Profit is not conclusive evidence of Partnership. | |
| (viii) A person shall be guilty of an offence for "Putting accumulated deposits of a well/pond/reservior into a stream". | |
| (ix) Risk is transferred only when goods are delivered to the buyer until then the buyer is not responsible for loss or damage of goods. | |
| (b) Distinguish between "Capital Account transaction" and Current Account transaction". | 4 |
| 2. (a) Gratuity can be forfeited any time without giving any intimation to the employee. | 4 |
| (b) Distinguish between Executive Director and non-Executive Director. | 4 |
| (c) How qualifications in the Audit Report are treated under the Companies Act, 1956? | 2 |
| (d) State the provisions on good Corporate Governance. | 4 |
| (e) ABC Ltd. whose Regd. Office is in Noida, U.P. wants to hold AGM in Kolkata, How it is possible? | 2 |
| 3. (a) (i) Mr. ABC of his own promised to subscribe to Jawharlal Memorial Fund by 30.04.2009 but did not pay. Under the circumstances, he can be enforced. — Comment. | 2 |
| (ii) Every trade practice is not necessarily a restrictive Trade practice. — Comment. | 2 |

- (b) What are the steps necessary for alteration of object clauses of the Memorandum of Association? 4
- (c) Comment on the following statements:
- (i) No approval is necessary for allotment of Equity shares to NRIs. 1
 - (ii) The company may retain the amount of over-subscription. 1
 - (iii) Over-subscribed amount shall be refunded within 42 days. 1
 - (iv) Share certificates shall be issued within 30 days after the allotment of shares. 1
- (d) What do you understand by Principle of Proportional representation? 4
4. (a) Notice of dishonor is not necessary. State with Rule position. 4
- (b) What are the businesses transacted in the Annual General Meeting? 4
- (c) (i) Notice for Annual General Meeting is to be signed by Managing Director only and none else. —Answer stating the position. 2
- (ii) Director of ABC Ltd. whose Registered Office is in Kolkata, wants to hold the EGM in Mumbai Sunday, the 7th June, 2009. Whether possible and how 2
- (d) There are a few statutory duties which are enjoined upon the Directors in the Act itself. Narrate in brief such statutory duties. 4
5. (a) Implied Authority of a partner has certain limitations—Explain. 4
- (b) State the legal consequences, if any in the following cases:
- (i) ABC Ltd. given loan to a Director without obtaining previous approved of the Central Government. 2
 - (ii) XYZ Pvt. Ltd. having paid up capital of Rs. 7 crores failed to appoint Managing Director. 2
 - (iii) ABC Ltd. obtained certificate of commencement of business on 31.10.2008. Statutory meeting was held on 15.05.2009. 2
 - (iv) Pawnee received a property from Pawner who pledged the property as security for payment of a Debts of Rs. 10,000. Pawner failed to repay. Pawnee sold the property as Rs. 15,000. 2
- (c) Explain the difference between Ordinary Resolution and Special Resolution. 4
6. Write explanatory notes on any four: 4x4
- (a) Resale price maintenance.
 - (b) Doctrine of ultra vires.
 - (c) Remedies under Consumer Protection Act.
 - (d) Bailee's particular lien.
 - (e) Essential of valid motion.
 - (f) Sweet Equity shares.

SECTION II
(Communication Skill)

- Certain staff of administrative office are not punctual in attendance. Besides, few
7. (a) of them smoke in office and even discuss politics during office hrs. Draft an office order to bring about discipline and decorum. 8
- (b) For civil works, ABC Ltd. entered a contract with XYZ Ltd., who have done some extra work not provided in the contract. Claim for extra work disallowed by ABC Ltd. XYZ Ltd. filed a suit in the High Court for winding up of ABC Ltd. on the ground of inability to pay debt. Prepare draft statement in reply. 7
8. (a) Discuss terms of reference of audit committee of a listed company. 8
- (b) Draft 'Directors responsibility' statement which will form part of the directors report to the shareholders in terms of Sec. 217 (2AA) of the Companies Act, 1956. 7
9. (a) Write suitable letter to the Insurance company claiming compensation for the loss of goods by fire. 8
- (b) Draft a termination letter to be issued to Sri. S.K. Poddar employee no. 05670, foreman, packing dept, who has been found guilty after proper enquiry. 7
10. (a) Draft the notice of the Annual General Meeting of a Public Ltd. company including at least one item of special business. 8
- (b) Write a letter to your banker for increasing the cash credit limits from 100 lakhs to 150 lakhs. 7

How To Exam