

**INTERMEDIATE EXAMINATION**

December 2025

**P-5(BLE)**  
**Syllabus 2022**

**BUSINESS LAWS AND ETHICS**

Time Allowed: 3 Hours

Full Marks: 100

*The figures in the margin on the right side indicate full marks.  
Where considered necessary, candidates may make appropriate assumptions and  
clearly state them in the respective answer.  
Answer Question No. 1 and any FIVE from Question No. 2 to Question No. 8.*

**Section-A**

**(Compulsory)**

**1. Choose the correct option from the four alternatives given:**

**2×15=30**

- (i) Which Article of the Constitution of India mentions about the Right of Minorities to establish and administer educational institutions?
  - (A) Article 32
  - (B) Article 30
  - (C) Article 28
  - (D) Article 27
- (ii) In a conciliation, if no consensus could be arrived at between the parties and the conciliation proceedings fail, the parties can then resort to \_\_\_\_\_.
  - (A) Arbitration
  - (B) Mediation
  - (C) Lok Adalat
  - (D) Court
- (iii) In which of the following, are the basic aims and objectives of the Indian Constitution discussed?
  - (A) Part – 1
  - (B) Preamble
  - (C) Part -2
  - (D) Schedule
- (iv) When parties to a contract substitute it with a new one, or agree to rescind or alter it, the original contract \_\_\_\_\_.
  - (A) remains valid
  - (B) becomes voidable
  - (C) need not be performed
  - (D) becomes illegal

- (v) A guarantee is a tripartite agreement which contemplates
  - (A) the principal debtor, the creditor and the proprietor.
  - (B) the principal debtor, the creditor and the surety.
  - (C) the principal debtor, the financier and the surety.
  - (D) the banker, the creditor and the mediator.
- (vi) If a seller makes use of pretended bidding at an auction to raise the price, the sale is
  - (A) voidable at the option of the buyer.
  - (B) void.
  - (C) valid.
  - (D) illegal.
- (vii) As per the Negotiable Instruments Act, which of the following is not an instrument?
  - (A) Foreign instrument
  - (B) Ambiguous instrument
  - (C) Inchoate instrument
  - (D) Digital instrument
- (viii) Which type of partnership is automatically dissolved after achieving a specific objective?
  - (A) General partnership
  - (B) Particular partnership
  - (C) Limited partnership
  - (D) Partnership at will
- (ix) As per Section 30 of the LLP Act, when is the liability of an LLP and its partners considered unlimited?
  - (A) When the LLP fails to file annual return
  - (B) When partner acts negligently
  - (C) When the LLP incurs losses due to market fluctuations
  - (D) When any act is committed with intent to defraud creditors
- (x) Within how many days a LLP must appoint a designated partner when a vacancy arises?
  - (A) 15 days
  - (B) 30 days
  - (C) 60 days
  - (D) 90 days
- (xi) Which one of the following amounts to safety measure?
  - (A) Artificial humidification
  - (B) Ventilation
  - (C) Fencing of factory
  - (D) First aid appliances

- (xii) As per Section 63 of the Companies Act, 2013 which of the following cannot be used to issue bonus shares?
- (A) Free reserves
  - (B) Securities premium account
  - (C) Capital redemption reserve account
  - (D) Revaluation reserve account
- (xiii) What is the maximum number of directors a company can have without passing a special resolution?
- (A) 12
  - (B) 15
  - (C) 20
  - (D) 25
- (xiv) At every AGM, not less than \_\_\_\_\_ of the total number of directors shall retire by rotation.
- (A) One third
  - (B) Two third
  - (C) Three fourths
  - (D) Half
- (xv) Which of the following is the disadvantage of business ethics?
- (A) Through increasing morale and trust business can increase their market share
  - (B) Publicity due to well and ethical performance
  - (C) Acceptance of products of the company by the public
  - (D) Diversity in achievements

**SECTION – B**

**Answer any FIVE questions from Question No. 2 to Question No. 8.**

**Each question carries 14 marks.**

**5×14=70**

2. (a) Analyze the Misrepresentation and effects of Misrepresentation under the Indian Contract Act, 1872. 7
- (b) Compare and contrast the Contract of Indemnity with Contract of Guarantee under the Indian Contract Act, 1872. 7
3. (a) Discuss the mutual rights and liabilities of partners as per the Indian Partnership Act, 1932. 7
- (b) Examine the buyers' remedies against the seller for breach of a contract. 7



4. (a) Illustrate the social purpose of Code on Wages 2019 and summarize the various components of minimum wages that appropriate government shall fix. 7
- (b) Prepare a list of the various purposes for which withdrawal and advances from the Employees Provident Fund are permitted. 7
5. (a) Describe the procedure of sending notice through electronic mode as per the Companies Act, 2013. 7
- (b) Elaborate the provisions relating to Board's report, Directors report and Financial statements as per Section 134 of the Companies Act, 2013. 7
6. (a) Salini is a women director in ESSEL Ltd, which is a listed company. On 15th July, 2025 she resigned from the post of women director. The Board of Directors of ESSEL Ltd. appointed Sharmi as a woman director in the board meeting held on 16th September, 2025 to fill the vacancy of women director, which had occurred as a result of resignation of Salini.
- Examine the validity of appointment of Sharmi as a woman director with reference to the provisions of Companies Act, 2013. What would be your answer, if Sharmi is appointed as a women director in the board meeting held on 1st October, 2025 ? 7
- (b) State the primary roles and responsibilities of the Key Managerial Personnel as per the Companies Act, 2013. 7
7. (a) Explain ethics in context of nature and its relevance to business. 7
- (b) What are general Business Ethics? Discuss various unethical practices followed by the executives of corporate with reference to the Business Ethics. 7
8. (a) Mr. X plans a hill-station holiday program for three months duration during summer season. He lends his car to Mr. Y under a clear understanding that it is for Mr. Y's personal use only. Contrary to this condition, Mr. Y permits Mrs. Y, his wife, to use the vehicle. While Mrs. Y drives with due care, the car meets with an accident, resulting in damages estimated at ₹45,000. When Mr. X comes to know this loss, he demands compensation from Mr. Y for such loss. Mr. Y contends that Mrs. Y acted responsibly and the accident was unforeseen. However, Mr. X argues that Mr. Y breached the agreed terms of use by allowing a third party to operate the vehicle.
- In light of the law relating to bailment and unauthorized use, assess whether Mr. Y is legally bound to compensate Mr. X. Does Mrs. Y's careful driving negate Mr. Y's liability?
- Decide the case and support your answer with relevant legal principles. 7
- (b) Demonstrate the different roles and responsibilities of the audit committee as specified by the Board under Section 177 of the Companies Act, 2013. 7
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