

PUNJAB STATE TRANSMISSION CORPORATION LTD

Department Accounts Examination -2024 (2nd Session)

Category- SAS PART 1

Paper-III

Roll No. _____

Time allowed: 3hr

Acts, Rules & Regulations

Marks: 100

Note: All questions are compulsory

Q.1

(a) In a factory, 20 women workers are employed. They have requested the employer to provide and maintain the crèche for their children. Comment in the light of provisions of Factories Act, 1948.

(b) Mahesh retired on attaining the age of superannuation. After retirement, it was noticed that he had misappropriated travelling allowance drawn by him. The employer decided to deduct the misappropriated amount from the gratuity payable to him. Is the action of the employer legally tenable in the light of the Payment of Gratuity Act, 1972?

(c) When an employee become disabled due to any accident or disease and is unable to do the same work and re-employed on reduced wages, how the gratuity of such employees shall be computed under the Payment of Gratuity Act, 1972?

(d) Mr. A is presently posted in Material Inspection Department of PSTCL. Whenever he visits the premises of suppliers, the supplier's makes arrangement of his stay in a star rated hotel and meals. Is there any violation of rules & regulations of PSTCL?

ਪ੍ਰਸ਼ਨ 1

(ੳ) ਇੱਕ ਫੈਕਟਰੀ ਵਿੱਚ 20 ਔਰਤਾਂ ਕੰਮ ਕਰਦੀਆਂ ਹਨ। ਉਨ੍ਹਾਂ ਨੇ ਆਪਣੇ ਫੈਕਟਰੀ ਮਾਲਕ ਨੂੰ ਬੇਨਤੀ ਕੀਤੀ ਹੈ ਕਿ ਉਹ ਉਨ੍ਹਾਂ ਦੇ ਬੱਚਿਆਂ ਦੀ ਸਾਂਭ ਸੰਭਾਲ ਲਈ ਫੈਕਟਰੀ ਵਿੱਚ ਕਰੈਚ ਮੁਹੱਈਆ ਕਰਵਾਇਆ ਜਾਵੇ। ਫੈਕਟਰੀ ਐਕਟ, 1948 ਦੇ ਉਪਬੰਧਾਂ ਦੀ ਰੋਸ਼ਨੀ ਵਿੱਚ ਟਿੱਪਣੀ ਕਰੋ।

(ਅ) ਮਹੇਸ਼ ਸੇਵਾਮੁਕਤ ਹੋਣ ਦੀ ਉਮਰ ਵਿੱਚ ਸੇਵਾਮੁਕਤ ਹੋ ਗਿਆ। ਸੇਵਾਮੁਕਤੀ ਤੋਂ ਬਾਅਦ, ਇਹ ਦੇਖਿਆ ਗਿਆ ਕਿ ਉਸਨੇ ਆਪਣੇ ਦੁਆਰਾ ਲਏ ਯਾਤਰਾ ਭੱਤੇ ਦੀ ਦੁਰਵਰਤੋਂ ਕੀਤੀ ਸੀ। ਫੈਕਟਰੀ ਮਾਲਕ ਨੇ ਉਸ ਨੂੰ ਦੇਣ ਯੋਗ ਗਰੈਚੁਟੀ ਵਿੱਚੋਂ ਦੁਰਵਰਤੋਂ ਦੀ ਰਕਮ ਕੱਟਣ ਦਾ ਫੈਸਲਾ ਕੀਤਾ। ਕੀ ਪੇਮੈਂਟ ਆਫ ਗਰੈਚੁਟੀ ਐਕਟ, 1972 ਦੇ ਮੱਦੇਨਜ਼ਰ ਮਾਲਕ ਦੀ ਕਾਰਵਾਈ ਕਾਨੂੰਨੀ ਤੌਰ 'ਤੇ ਯੋਗ ਹੈ ?

(ੲ) ਜਦੋਂ ਕੋਈ ਕਰਮਚਾਰੀ ਕਿਸੇ ਦੁਰਘਟਨਾ ਜਾਂ ਬਿਮਾਰੀ ਕਾਰਨ ਅਪਾਹਜ ਹੋ ਜਾਂਦਾ ਹੈ ਅਤੇ ਉਹੀ ਕੰਮ ਕਰਨ ਵਿੱਚ ਅਸਮਰੱਥ ਹੁੰਦਾ ਹੈ ਅਤੇ ਘਟੀ ਹੋਈ ਤਨਖਾਹ ਤੋਂ ਦੁਬਾਰਾ ਕੰਮ ਕਰਦਾ ਹੈ, ਤਾਂ ਅਜਿਹੇ ਕਰਮਚਾਰੀਆਂ ਦੀ ਗਰੈਚੁਟੀ ਦੀ ਗਣਨਾ ਪੇਮੈਂਟ ਆਫ ਗਰੈਚੁਟੀ ਐਕਟ, 1972 ਦੇ ਤਹਿਤ ਕਿਵੇਂ ਕੀਤੀ ਜਾਵੇਗੀ?

(ਸ) ਸ਼੍ਰੀਮਾਨ A ਵਰਤਮਾਨ ਵਿੱਚ PSTCL ਦੇ ਪਦਾਰਥ ਨਿਰੀਖਣ ਵਿਭਾਗ ਵਿੱਚ ਤਾਇਨਾਤ ਹੈ। ਜਦੋਂ ਵੀ ਉਹ ਸਪਲਾਇਰਾਂ ਦੇ ਅਹਾਤੇ ਦਾ ਦੌਰਾ ਕਰਦਾ ਹੈ, ਤਾਂ ਸਪਲਾਇਰ ਸਟਾਰ ਰੇਟ ਵਾਲੇ ਹੋਟਲ ਵਿੱਚ ਉਸਦੇ ਠਹਿਰਨ ਅਤੇ ਭੋਜਨ ਦਾ ਪ੍ਰਬੰਧ ਕਰਦੇ ਹਨ। ਕੀ A ਵਲੋਂ PSTCL ਦੇ ਰੂਲ ਤੇ ਰੈਗੂਲੇਸ਼ਨ ਦੇ ਨਿਯਮਾਂ ਦੀ ਕੋਈ ਉਲੰਘਣਾ ਕੀਤੀ ਗਈ ਹੈ ?

(Marks: 5x4=20)

Q2.

- (a) What are the exemptions from disclosure as per RTI Act 2005? Discuss
(b) Discuss the various provisions under the Factories Act, 1948 regarding the health of workers.

ਪ੍ਰਸ਼ਨ 2.

- (ੳ) ਆਰ.ਟੀ.ਆਈ. ਐਕਟ 2005 ਦੇ ਅਨੁਸਾਰ ਡਿਸਕਲੋਜ਼ਰ ਤੋਂ ਕੀ ਛੋਟਾਂ ਹਨ? ਚਰਚਾ ਕਰੋ
(ਅ) ਮਜ਼ਦੂਰਾਂ ਦੀ ਸਿਹਤ ਬਾਰੇ ਫੈਕਟਰੀ ਐਕਟ, 1948 ਦੇ ਅਧੀਨ ਵੱਖ-ਵੱਖ ਉਪਬੰਧਾਂ ਦੀ ਚਰਚਾ ਕਰੋ।

(Marks: 10+10=20)

Q. 3

- (a) ABC Ltd., a registered firm received services from PQR Ltd., an unregistered firm. PQR Ltd. issued invoice to ABC Ltd. on 1st July 2017. ABC Ltd. & PQR Ltd is not associated enterprises. Determine the time of supply of services:

- (i) ABC Ltd. made the payments to PQR Ltd. on 15th August 2017.
(ii) ABC Ltd. made the payments to PQR Ltd. on 11th September 2017.

- (b) In what different ways may a negotiable instrument be dishonoured? What are the duties of a holder of a dishonoured bill? :

- (c) Explain the principle of Notional Extension.

ਪ੍ਰਸ਼ਨ 3

- (ੳ) ABC ਲਿਮਿਟੇਡ, ਇੱਕ ਰਜਿਸਟਰਡ ਫਰਮ, ਇੱਕ ਗੈਰ-ਰਜਿਸਟਰਡ ਫਰਮ, PQR ਲਿਮਿਟਿਡ ਤੋਂ ਸੇਵਾਵਾਂ ਪ੍ਰਾਪਤ ਕਰਦਾ ਹੈ। PQR ਲਿਮਿਟਿਡ ਨੇ 1 ਜੁਲਾਈ 2017 ਨੂੰ ABC ਲਿਮਿਟਿਡ ਨੂੰ ਇਨਵੋਇਸ ਜਾਰੀ ਕੀਤਾ। ABC ਲਿਮਿਟਿਡ ਅਤੇ PQR ਲਿਮਿਟਿਡ ਸੰਬੰਧਿਤ ਉਦਯੋਗ ਨਹੀਂ ਹਨ। ਨਿਮਨ ਅਨੁਸਾਰ ਸੇਵਾਵਾਂ ਦੀ ਸਪਲਾਈ ਦਾ ਸਮਾਂ ਨਿਰਧਾਰਤ ਕਰੋ:

- i) ABC ਲਿਮਿਟਿਡ ਨੇ 15 ਅਗਸਤ 2017 ਨੂੰ PQR ਲਿਮਿਟਿਡ ਨੂੰ ਭੁਗਤਾਨ ਕੀਤਾ।
ii) ABC ਲਿਮਿਟਿਡ ਨੇ 11 ਸਤੰਬਰ 2017 ਨੂੰ PQR ਲਿਮਿਟਿਡ ਨੂੰ ਭੁਗਤਾਨ ਕੀਤਾ।

- (ਅ) ਇੱਕ ਨੈਗੋਸ਼ੀਏਬਲ ਇੰਸਟਰੂਮੈਂਟ ਨੂੰ ਕਿਨ੍ਹਾਂ ਵੱਖ-ਵੱਖੇ ਤਰੀਕਿਆਂ ਨਾਲ ਡਿਸਆਨਰ ਕੀਤਾ ਜਾ ਸਕਦਾ ਹੈ? ਇੱਕ Holder of Negotiable Bill ਦੇ ਕੀ ਫਰਜ਼ ਹਨ? :

- (ੲ) ਨੋਸ਼ਨਲ ਐਕਸਟੈਂਸ਼ਨ ਦੇ ਸਿਧਾਂਤ ਦੀ ਵਿਆਖਿਆ ਕਰੋ।

(Marks: 6+8+6=20)

Q. 4

- (a) X retired from the services of Life Management Limited on 31st March, 2023. He had a sum of 15 lac in his Provident Fund Account. It has become due for payment to X on 30th April, 2023 but the company made the payment of the said amount after one year. X claimed for the payment of interest on due amount at the rate of 15 per cent per annum for one year. Decide, whether the claim of X is tenable under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

- (b) An officer gives verbal order to his official junior employee, which he refuses to obey. Please comment.

- (c) Explain schedule E. How it can be modified?

- (d) Explain PSTCL liability regarding GST under Reverse Charge Mechanism (RCM) in case of hiring of motor vehicles from unregistered firm.

ਪ੍ਰਸ਼ਨ: 4

(ੳ) ਸ਼੍ਰੀਮਾਨ X 31 ਮਾਰਚ, 2023 ਨੂੰ ਲਾਈਫ ਮੈਨੇਜਮੈਂਟ ਲਿਮਿਟਿਡ ਦੀਆਂ ਸੇਵਾਵਾਂ ਤੋਂ ਸੇਵਾਮੁਕਤ ਹੋਇਆ ਸੀ। ਉਸਦੇ ਪ੍ਰੋਵੀਡੈਂਟ ਫੰਡ ਖਾਤੇ ਵਿੱਚ 15 ਲੱਖ ਦੀ ਰਕਮ ਸੀ। ਇਹ 30 ਅਪ੍ਰੈਲ, 2023 ਨੂੰ X ਨੂੰ ਭੁਗਤਾਨ ਕਰਨ ਲਈ ਬਕਾਇਆ ਸੀ ਪਰ ਕੰਪਨੀ ਵਲੋਂ ਇੱਕ ਸਾਲ ਬਾਅਦ ਉਕਤ ਰਕਮ ਦਾ ਭੁਗਤਾਨ ਕੀਤਾ ਗਿਆ। X ਨੇ ਇੱਕ ਸਾਲ ਲਈ 15 ਪ੍ਰਤੀਸ਼ਤ ਸਲਾਨਾ ਦੀ ਦਰ ਨਾਲ ਬਕਾਇਆ ਰਕਮ ਤੇ ਵਿਆਜ ਦਾ ਭੁਗਤਾਨ ਕਰਨ ਦਾ ਦਾਅਵਾ ਕੀਤਾ। ਫੈਸਲਾ ਕਰੋ, ਕੀ X ਦਾ ਦਾਅਵਾ ਕਰਮਚਾਰੀ ਭਵਿੱਖ ਨਿਧੀ ਅਤੇ ਫੁਟਕਲ ਉਪਬੰਧ ਐਕਟ, 1952 ਦੇ ਉਪਬੰਧਾਂ ਦੇ ਤਹਿਤ ਯੋਗ ਹੈ।

(ਅ) ਇੱਕ ਅਧਿਕਾਰੀ ਆਪਣੇ ਸਰਕਾਰੀ ਜੂਨੀਅਰ ਕਰਮਚਾਰੀ ਨੂੰ ਜ਼ਬਾਨੀ ਹੁਕਮ ਦਿੰਦਾ ਹੈ, ਜਿਸ ਨੂੰ ਉਹ ਮੰਨਣ ਤੋਂ ਇਨਕਾਰ ਕਰਦਾ ਹੈ। ਕਿਰਪਾ ਕਰਕੇ ਟਿੱਪਣੀ ਕਰੋ।

(ੲ) ਅਨੁਸੂਚੀ E ਦੀ ਵਿਆਖਿਆ ਕਰੋ। ਇਸ ਨੂੰ ਕਿਵੇਂ ਸੋਧਿਆ ਜਾ ਸਕਦਾ ਹੈ?

(ਸ) ਗੈਰ-ਰਜਿਸਟਰਡ ਫਰਮ ਤੋਂ ਮੋਟਰ ਵਾਹਨਾਂ ਨੂੰ ਕਿਰਾਏ ਤੇ ਲੈਣ ਦੇ ਮਾਮਲੇ ਵਿੱਚ ਰਿਵਰਸ ਚਾਰਜ ਮਕੈਨਿਜ਼ਮ (RCM) ਦੇ ਤਹਿਤ GST ਸੰਬੰਧੀ PSTCL ਦੀ ਦੇਣਦਾਰੀ ਦਾ ਵਰਣਨ ਕਰੋ। (Marks: 5X4=20)

Q. 5

Write short note on the followings: -

(a) Doctrine of Privity of Contract and its exceptions

(b) Mobilisation advance

(c) Partial Disablement and Total Disablement under the Employees' Compensation Act, 1923.

(d) Define Un-availed Leave as per Factories Act, 1948.

ਪ੍ਰਸ਼ਨ: 5

ਹੇਠ ਲਿਖੇ ਉਪਰ ਨੋਟ ਲਿਖੋ:-

(ੳ) ਇਕਰਾਰਨਾਮੇ ਦੀ ਗੁਪਤਤਾ ਦਾ ਸਿਧਾਂਤ ਅਤੇ ਇਸਦੇ ਅਪਵਾਦ

(ਅ) ਗਤੀਸ਼ੀਲਤਾ ਪੇਸ਼ਗੀ

(ੲ) ਕਰਮਚਾਰੀ ਮੁਆਵਜ਼ਾ ਐਕਟ, 1923 ਦੇ ਤਹਿਤ ਅੰਸ਼ਕ ਅਪਾਹਜਤਾ ਅਤੇ ਕੁੱਲ ਅਪਾਹਜਤਾ।

(ਸ) ਫੈਕਟਰੀ ਐਕਟ, 1948 ਦੇ ਅਧੀਨ Un-availed Leave ਦੀ ਵਿਆਖਿਆ ਕਰੋ। (Marks: 5 × 4=20)

Ans.1.a) Section 48 of Factories Act, 1948 provides that if more than 30 women workers are employed there shall be provided and maintained a suitable room i.e. crèche for the use of children under the age of 6 years of such women. The same shall be adequately ventilated and shall be maintained in clear and sanitary conditions and under the charge of women trained in the care of children and infants. In this case only 20 women are workers are employed so the employee is not legally bound to accept their request.

Ans.1.b) The action of the employer is not justified. Once the services have been put an end to, it is not competent for the employer either to commence or continue disciplinary action against the employee who has gone out of his employment and in such situation it is not possible to involve Section 4(6)(b) of the Payment of Gratuity Act. [Mathur Spinning Mills v. D.C. of Labour & Others 1983 (11) LLJ 50]

Ans.1.c) Computation of Gratuity of a disabled employee:

According to Section 4 (4) of the Payment of Gratuity Act, 1972, when an employee becomes disabled due to any accident or disease and is not in a position to do the same work and re- employed on reduced wages on some other job, the gratuity will be calculated in two parts:

For the period preceding the disablement: on the basis of wages last drawn by the employee at the time of his disablement.

For the period subsequent to the disablement: On the basis of the reduced wages as drawn by him at the time of the termination of services.

In the case of Bharat Commerce and Industries vs. Ram Prasad, it was decided that if for the purposes of computation of quantum of the amount of gratuity the terms of agreement or settlement are better than the Act, the employee is entitled for that benefit.

However, the maximum statutory ceiling limit as providing under Sub-Section 3 of Section 4 of the Act (the maximum amount of gratuity payable to an employee shall not exceed 10 lakh), cannot be reduced by mutual settlement or agreement.

Ans.1.d) Regulation 14 (1) of employees conduct regulations prohibits an employee of PSTCL/PSPCL and any member of his family from accepting any gift from any individual having official dealings with him or from Industrial or commercial firms, organizations etc. The term Gift includes free transport, boarding lodging or other service provided by the person other than a near relative or personal friend having no official dealings with the employee. So, in the instance case, A has violated the existing regulations of PSPCLPSTCL.

Ans.2.a) Exemption from disclosure of information. (7) Notwithstanding anything contained in this Act, there shall be no obligation to give any citizen,—

- a) information, disclosure of which would prejudicially affect the sovereignty and integrity of India, the security, strategic, scientific or economic interests of the State, relation with foreign State or lead to incitement of an offence;
- b) Information which has been expressly forbidden to be published by any court of law or tribunal or the disclosure of which may constitute contempt of court;
- c) Information, the disclosure of which would cause a breach of privilege of Parliament or the State Legislature;
- d) Information including commercial confidence, trade secrets or intellectual property, the disclosure of which would harm the competitive position of a third party, unless the competent authority is satisfied that larger public interest warrants the disclosure of such information;
- e) Information available to a person in his fiduciary relationship, unless the competent authority is satisfied that the larger public interest warrants the disclosure of such information;
- f) Information received in confidence from foreign Government;
- g) information, the disclosure of which would endanger the life or physical safety of any person or identify the source of information or assistance given in confidence for law enforcement or security purposes;
- h) Information which would impede the process of investigation or apprehension or prosecution of offenders;
- i) cabinet papers including records of deliberations of the Council of Ministers, Secretaries and other officers;

Provided that the decisions of Council of Ministers, the reasons thereof, and the material on the basis of which the decisions were taken shall be made public after the decision has been taken, and the matter is complete, or over:

Provided further that those matters which come under the exemptions specified in this section shall not be disclosed; information which relates to personal information the disclosure of which has no relationship to any public activity or interest, or which would cause unwarranted invasion of the privacy of the individual unless the Central Public Information Officer or the State Public Information Officer or the appellate authority, as the case may be, is satisfied that the larger public interest justifies the disclosure of such information:

Provided that the information which cannot be denied to the Parliament or a State Legislature shall not be denied to any person.

(?) Notwithstanding anything in the Official Secrets Act, 1923 (19 of 1923) nor any of the exemptions permissible in accordance with sub-section (7), a public authority may allow access to information, if public interest in disclosure outweighs the harm to the protected interests.

(3) Subject to the provisions of clauses (a), (c) and (i) of sub-section (/), any information relating to any occurrence, event or matter which has taken place, occurred or happened twenty years before the date on which any request is made under section 6 shall be provided to any person making a request under that section:

Provided that where any question arises as to the date from which the said period of twenty years has to be computed, the decision of the Central Government shall be final, subject to the usual appeals provided for in this Act.

Ans.2.b) The following are the health measures prescribed in the Factories Act, 1948 to be provided by the factory to their workmen: -

Section 11: Cleanliness in Every Factory

Under Section 11, every factory need to keep itself clean and free from effluvia arising from any drain, privy or other nuisance, and in particular-

- Accumulation of dirt and refuse should be removed daily by any effective method from the floors of workrooms and from staircases and passages and disposed of in a suitable and efficient manner.
- In case the floor is subject to become wet during the working time, then they should take proper drainage process or steps.
- Clean the worker's floor every week with proper disinfectant or any other effective method of cleaning.
- Paint or repaint walls, ceilings, and staircases of the factory once in every 5 years.
- Repaint the walls once in every 3 years in case of washable water paints.

Section 12: Disposal of Effluents and Wastes

Under this section following things should be considered:

- (a) It is necessary for the factories to arrange proper and effective waste treatment and its disposal.
- (b) The State Government may make rules prescribing the arrangements for the disposal and treatment of waste and effluents.

Section 13: Ventilation and Temperature

This section states:

- Effective and suitable provisions should be made in every factory for securing and maintaining in every workroom proper ventilation by circulation of fresh air. It also involves providing an adequate temperature at the workplace. For this, they should select the material of the walls accordingly.
- The State Government may prescribe a standard of adequate ventilation and reasonable temperature for any factory or class or description of factories.

- Lastly, if it appears to the Chief Inspector that excessively high temperature in any factory can be reduced by the adoption of suitable measures, he can order them to use such a method.

Section 14: Dust and Fume

This section states that:

- If dust and fume release in the manufacturing process of a factory then they should take effective measures to prevent its inhalation and accumulation in the workplace. For this, they should use proper exhaust appliances in the workplace.
- In any factory, no stationary internal combustion engine shall be operated unless the exhaust is conducted into the open air.

Section 15: Artificial Humidification

1. In respect of all factories in which the humidity of the air artificially increases, the State Government may make rules,-

- Firstly, prescribing standards of humidification;
- Secondly, regulating the methods used for artificially increasing the humidity of the air;
- directing tests for determining the humidity of the air for correct carrying out and recording.
- Lastly, prescribing methods for securing adequate ventilation and cooling of the air in the workrooms.

2. In any factory in which the humidity of the air artificially increases, they should purify the water (drinking water) before the supply.

Section 16: Overcrowding

This section states:

- Firstly, no room in any factory shall be overcrowded to an extent injurious to the health of the workers employed therein.
- Secondly, a factory built after the commencement of this Act at least 14.2 cubic meters of space for every worker employed therein, and for the purposes of this subsection, no account shall be taken of any space which is more than 4.2 meters above the level of the floor of the room.
- If the Chief Inspector by order in writing, may or may not post a notice specifying the maximum number of workers who may be employed in the room.

Section 17: Lighting

This section states:

Firstly, There should be proper lighting in all the places of the factory from where the workers of the factory pass.

In every factory, effective provision shall, so far as is practicable, be made for the prevention of-

- glare, either directly from a source of light or by reflection from a smooth or polished surface;
- The formation of shadows to such an extent as to cause eye-strain or the risk of accident to any worker.

Section 18: Drinking Water

This section states that in every factory, there should be proper arrangements for a sufficient supply of wholesome drinking water and shall be legibly marked as "drinking water".

Section 19: Latrines and Urinals

This section states that every factory should make arrangements of latrine and urinals for the employees and the rules are laid down by the State Government in this behalf.

Section 20: Spittoons

There should be a sufficient number of spittoons in the factories for the employees and they should be in clean and hygienic condition according to this law

Ans.3.a (1) 15th August 2017 will be the time of supply of services as payment made earlier than the date immediately following 60 days from date of issue of invoice.

Ans.3.a (2) 30st August 2017 will be the time of supply of services as payment made after the date immediately following 60 days from date of issue of invoice

Ans..3.b) DISHONOUR OF A NEGOTIABLE INSTRUMENT

A negotiable instrument can be dishonoured either by non- acceptance or by non-payment. A cheque and a promissory note can only be dishonoured by non-payment but a bill of exchange can be dishonoured either by non-acceptance or by non-payment.

Dishonour by non-acceptance (Section 91) :-

A bill of exchange can be dishonoured by non-acceptance in the following ways:

1. If a bill is presented to the drawee for acceptance and he does not accept it within 48 hours from the time of presentment for acceptance. When there are several drawees even if one of them makes a default in acceptance, the bill is deemed to be dishonoured unless these several drawees are partners. Ordinarily when there are a number of drawees all of them must accept the same, but when the drawees are partner's acceptance by one of them means acceptance by all.

2. When the drawee is a fictitious person or if he cannot be traced after reasonable search.

3. When the drawee is incompetent to contract, the bill is treated as dishonoured.

4. When a bill is accepted with a qualified acceptance, the holder may treat the bill of exchange having been dishonoured.

5. When the drawee has either become insolvent or is dead.

6. When presentment for acceptance is excused and the bill is not accepted.

Dishonour by non-payment (Section 92) :-

A bill after being accepted has got to be presented for payment on the date of its maturity. If the acceptor fails to make payment when it is due, the bill is dishonoured by non-payment. In the case of a promissory note if the maker fails to make payment on the due date the note is dishonoured by non-payment. A cheque is dishonoured by non-payment as soon as a banker refuses to pay.

Duties of the holder upon dishonour :-

1. Notice of dishonour. When a promissory note, bill of exchange or cheque is dishonoured by non-acceptance or non-payment the holder must give notice of dishonour to all the parties to the instrument whom he seeks to make liable thereon. (Sec. 93)

2. Noting and protesting. When a promissory note or bill of exchange has been dishonoured by non-acceptance or non-payment, the holder may cause such dishonour to be noted by a notary public upon the instrument or upon a paper attached thereto or partly upon each (Sec. 99). The holder may also within a reasonable time of the dishonour of the note or bill, get the instrument protested by notary public (Sec. 100).

3. Suit for money. After the formality of noting and protesting is gone through, the

holder may bring a suit against the parties liable for the recovery of the amount due on the instrument.

Ans.3.c) The theory of notional extension of employment is as below:

To make the employer liable it is necessary that the injury caused by an accident must have arisen in the course of employment. It means that the accident must take place at a time and place when he was doing his master's job.

It is well settled that the concept of "duty" is not limited to the period of time the workman actually commenced his work and the time he downs his tools, it extends further in point of time as well as place. But there must be nexus between the time and place of the accident and the employment. If the presence of the workman concerned at the particular point was so related to the employment as to lead to the Conclusion that he was acting within the scope of employment that would be sufficient to deem the accident as having occurred in the course of employment. It is known as doctrine of notional extension of employment.

Ans.4. (a) According to Section 7Q of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 the employer shall be liable to pay simple interest @ of 12% per annum or at such higher rate as may be specified in the Scheme on any amount due from him under this Act from the date on which the amount has become so due till the date of its actual payment.

Provided that higher rate of interest specified in the Scheme shall not exceed the lending rate of interest charged by any scheduled bank.

As per above provision, Satish can claim for the payment of interest on due amount @ of 12 percent per annum or at the rate specified in the Scheme, whichever is higher, for one year. Here in the absence of specified rate he (Satish) can claim only 12 percent per annum interest on the due amount. Hence claim of Satish for interest rate of 15% is not tenable.

Ans.4.b) The regulation 4 of the Employee Conduct Regulation, 1971 provides that the direction of the official superior shall ordinarily be in writing. Oral directions to subordinate shall be avoided, as far as possible. Where the issue of oral direction becomes un-avoidable, the official superior shall confirm it on writing immediately thereafter. A Board employee who has received oral directions from his official superior shall seek confirmation of the same in writing as early as possible, where-upon it shall be the duty of the official superior to confirm the directions in writing. So under the above circumstances the junior employee cannot refuse the verbal orders of the officer, but he shall seek the confirmation of the same in writing.

Ans.4.c) Schedule "E" refers to the terms and conditions for tender/contract to be observed by the tenderers. The terms and conditions contained in this schedule shall be suitably changed/modified/relaxed with the approval of the next higher authority (as per proviso below), if considered necessary, after recording reasons necessitating the change/relaxation in writing, subject to the condition that the same do not violate or are not incongruous with any other provisions in the PSTCL Purchase Regulations or any other Rules Regulations and instructions of the Corporation on the Subject;

Provided that:-

- Where the competent authority happens to be the Central Purchase Committee or Purchase Committee (General), then the amendment in the terms and conditions shall be issued with the approval of Director-In-charge. (Regulation-16.1)
- Where the competent authority happens to be the Whole Time Directors, the approval of the next higher authority shall not be required. (Regulation-16.2)

Ans.4.d) Under RCM, the receiver of service is liable to pay tax on supply. Usually, the supplier of goods is liable to GST, but under RCM, the chargeability gets reversed. PSTCL is liable to pay GST @5% under reverse charge on renting motor vehicles from unregistered firms and GST so paid is considered an expense & directly paid to the GST department and not to the unregistered firm.

Ans.5.a) The **Doctrine of Privity of Contract** is an essential principle in contract law. It establishes that only the parties to a contract have the right to sue to enforce the obligations of that contract. In simpler terms, this means that a contract cannot confer rights or impose obligations arising under it on any person who is not a party to the contract. This doctrine serves to protect the integrity of contractual agreements by ensuring that only involved parties can affect its outcomes. The idea is that people are only accountable for their promises to those they have entered into an agreement with. Although the **Doctrine of Privity of Contract** is a fundamental principle, there are exceptions. Some of these exceptions include:

- **Agency Relationships:** If one party acts on behalf of another, the principal can be bound by the actions of the agent.
- **Assignment of Rights:** Contracts can explicitly allow for the transfer of rights to third parties.
- **Statutory Exceptions:** Certain laws grant rights to third parties even if they are not directly in the contract.

Ans.5.b) Mobilization Advance (Reg. 8 of Works Reg 1997) In case works exceeding Rs. One crore, mobilization advance can be considered if so requested by the contractor in his bid on the following terms & Conditions:-

i) Advance will be upto 7.5% of the net value of the work (value after deducting the cost of the material issued by the PSPCL) and interest bearing. Interest will be charged at principle lending rates of RBI at reducing amount of the advance.

ii) The advance shall be given against irrevocable bank guarantee valid for the period of contract. In case of extension of the contract agreement period, validation of the bank guarantee of the balance amount, one month prior to its expiry will be the sole responsibility of the contractor otherwise without referring to the contractor, the PSPCL will be within its rights to encash the bank guarantee.

Ans. 5 (c) As per section 2 of workmen's compensation act the types of disablement are

Permanent partial disablement means such disablement of a permanent nature, as reduces the earning capacity of an employee in every employment which he was capable of undertaking at the time of the accident resulting in the disablement: Provided that every injury specified in Part II of the Second Schedule shall be deemed to result in permanent partial disablement.

Permanent total disablement mean such disablement of a permanent nature, as incapacitates an employee for all work which he was capable of performing at the time of the accident in such disablement: that permanent total disablement shall be deemed to result from every injury specified in Part I of the Second Schedule or from any combination of injuries specified in Part II thereof where the aggregate percentage of the loss of earning capacity, as specified in the said Part II against those injuries, amounts to one hundred percent or more.

Temporary disablement means a condition resulting from an employment injury which requires medical treatment and renders an employee, as a result of such injury, temporarily incapable of doing the work which he was doing prior to or at the time of the injury.

Ans.5 (d) As per Factories Act-1948, if a worker does not in any one calendar year take the whole of the leave allowed to him under Section 79 sub-section (1) or sub-section (2), as the case may be, any leave not taken by him shall be added to the leave to be allowed to him in the succeeding calendar year: Provided that the total number of days of leave that may be carried forward to a succeeding year shall not exceed thirty in the case of an adult or forty in the case of a child: Provided further that a worker, who has applied for leave with wages but has not been given such leave in accordance with any scheme laid down in Section 79 sub-sections (8) and (9) [or in contravention of sub-section (10)] shall be entitled to carry forward the [leave refused] without any limit.