

University of Pune
Department of Management Sciences (PUMBA)
Executive MBA
External Exam Dec. 2012
304(B)-LEGAL AND PROCEDURAL ASPECT OF FINANCE

Time : 2:30hrs

Marks:50

Use the separate answer sheet Section I & Section II

SECTION (I)

Total Marks= 25

NOTE-----a) Question no. 5 is compulsory i.e. for 5 marks

b) Attempt any two questions from the remaining i.e. 10 marks each

Q.1 Calculate the bonus for following employees for the year at the rate of 8.33% minimum and 20% maximum.

<u>Name of the employees</u>	<u>Basic+D.A. (per month)</u>
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Mr. ASHOK-----Rs. 9500/-

Mr. BHALCHANDRA-----Rs. 12000/-

Mr. CHANDAN-----Rs. 3200/-

Mr. DINESH-----Rs. 2500/-

Mr. EAPEN-----Rs. 8500/- worked for 60 days.

Q.2 Calculate the Payment of Gratuity for following employees.

<u>Name of the employees</u>	<u>Worked for</u>	<u>Basic+D.A.(last drawn salary)</u>
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MR.AKASH-----9 years and 2 months-----Rs. 9500/-

MR.BAL-----6 years and 7 months-----Rs. 12000/-

MR.CHANDRAKANT-----5 years and 10 months-----Rs. 20000/-

MR.DINKAR-----3 years and 1 month-----Rs. 7500/-

MS.ELISA-----25 years and 9 months-----Rs. 30000/-

Q.3. Explain the salient features of Provident fund Act related to employee's provident fund and employee's pension scheme.

Q.4. Explain the provisions under ESI ACT relating to coverage, rate of contribution, contribution and benefit period, benefits under ESI schemes.

Q.5. Write short notes (any two)

- a) Procedure for fixing and revising the minimum wages
- b) Set on and set off
- c) Authorized deductions under The Payment of Wages Act.
- d) Important features of Employees compensation Act.

SECTION (II)

Total Marks= 25

N.B.

1) Q 1 is compulsory. Attempt any two out of the remaining questions

Q1. Evaluate the following transaction

5 Marks

What is meant by "qualified audit report"? What is its significance under Companies Act, 1956?

Q2.

a. Director of Alpha Numeric Pvt Ltd have appointed M/s Beta & Co, Chartered Accountants as company's first auditors. However, members of the company do not want M/s Beta to act as so. Evaluate the rights of Board vi-a-vis members in the given situation.

5 Marks

b. W K & Co, Chartered Accountants are the statutory auditors of Steel Strips Ltd. They are intending to visit all the branches of the company for verification of stocks. However, company did not make any arrangements for the same. In the opinion of auditors, nonverification of stocks has lot of bearings on their expression of opinion. You are required to analyze the given situation and state the recourse available to the auditors.

5 Marks

Q3. Write notes on (Any 2 of the following)

10 Marks

- a. Alternate Director
- b. Ordinary Business
- c. Certificate of Incorporation

Q4. Enumerate the steps in formation of a private limited company.

10 Marks

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