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- 1(a)** The offer should be distinguished from an invitation to offer. An offer is the final expression of willingness by the offeror to be bound by his offer should the party chooses to accept it. Where a party, without expressing his final willingness, proposes certain terms on which he is willing to negotiate, he does not make an offer, but invites only the other party to make an offer on those terms. This is the basic distinction between offer and invitation to offer.

The display of articles with a price in it in a self-service shop is merely an invitation to offer. It is in no sense an offer for sale, the acceptance of which constitutes a contract. In this case, Mr. A in selecting some articles and approaching the cashier for payment simply made an offer to buy the articles selected by her. If the cashier does not accept the price, the interested buyer cannot compel him to sell.

[Fisher V. Bell (1961)]

- 1(b)** As per Section 27 of the Payment of Bonus Act, 1965 the Appropriate Government may, by notification in the Official Gazette, appoint such persons as it thinks fit to be inspectors for the purposes of this Act and may define the limits within which they shall exercise jurisdiction.

An inspector thus appointed has to ascertain whether any of the provisions of this Act has been complied with. And for this purpose, he may:-

- (i) Require an employer to furnish such information as he may consider necessary;
- (ii) At any reasonable time and with assistance, if any, as he thinks fit, enter any establishment or any premises connected there with and require any one found in charge thereof to produce before him for examination any account books, register and other documents relating to the employment of persons or the payment of salary or wage or bonus in the establishment;
- (iii) Examine, with respect to any matter relevant to any of the purpose aforesaid, the employer, his agent or servant or any other person found in charge of the establishment or any premises connected therewith or any person whom the inspector has reasonable cause to believe to be or to have been reasonable cause to believe to be or to have been an employee in the establishment;
- (iv) Make copies of or take extract from, any book, register or other document maintained in relation to the establishment; and
- (v) Exercise such other powers as may be prescribed.

Note : (1) The inspector appointed as aforesaid is deemed to be a public servant under the Indian Penal Code.

- (2) Any person, whom an Inspector calls upon to produce any account book register or other document or to give information, shall be legally bound to do so.
- (3) The provisions of Section 27 do not empower an inspector to require a banking company to furnish or disclose any statement or information or to produce or give inspection of, any of its books of accounts or other documents, which a banking company cannot be compelled to furnish, disclose, produce or give inspection of, under Section 34A of the Banking Regulation Act, 1949.

- 1(c) (i) **Correct.** As per Section 117, No company can issue any debentures carrying voting rights at any meeting (i.e., members' general meeting) of the company, whether generally or in respect of any particular class of shares.
- (ii) **Incorrect.** If any charge required to be registered is not so registered, it is void as against subsequent encumbrances as well as against the liquidator and creditors. This does not mean that the debt is not recoverable. So long as the company does not go into liquidation, the mortgage or charge is good and may be enforced.
- 1(d) The various guidelines to handle communication ethics dilemmas are as follows :
- (a) **Maintain candour:** Candour refers to truthfulness, honesty, frankness and one should stick to these elements while communicating with others.
- (b) **Keep message accurate:** At the time of relaying information from one source to another, communicate the original message as accurately as possible.
- (c) **Secrecy:** One has to maintain secrecy and confidence in communication. So one should not divulge such information to others
- (d) **Ensure timeliness of communication:** The timing of messages can be critical. Delay in sending messages can be assumed unethical.
- (e) **Avoid deception:** Ethical communicators are always vigilant in their quest to avoid deception, fabrication, intentional distortion or withholding of information in their communication.
- (f) **Confront unethical behaviour:** One must confront an unethical behaviour in order to ensure a consistent ethical view point.

2(a) As per Section 2A of the Payment of Gratuity Act, 1972, where an employee, employed in a seasonal establishment, is not in continuous service within the meaning of clause (1), for any period of one year or six months, he shall be deemed to be in continuous service under the employer for such period if he has actually worked for not less than seventy-five percent of the number of days on which the establishment was in operation during such period.

In the given problem, as per above provision, X has worked only for sixty days that are less than 75% of number of days therefore, he shall not be eligible for getting any gratuity in first case.

In the second case, since the X has worked for 100 days that are more than 75% of no. of days therefore, he is entitled for gratuity.

2(b) Negotiability can be distinguished from Assignability in following ways :

- (i) The essential distinction between transfer by negotiation and transfer by assignment is that in the latter case, the assignee does not acquire the right of a holder in due course but has only the right, title and interest of his assignor; on the other hand in the former case he acquires all the rights of a holder in due course i.e., rights from equities (*Mohammad Khunerali vs. Ranga Rao*).
- (ii) In the case of negotiable instrument, notice of transfer is not necessary while in the case of an assignment of chose in action, notice of assignment must be served by the assignee on his debtor.
- (iii) Again, in the case of transfer of negotiable instrument, consideration is presumed, but in the case of transfer by assignment, consideration must be proved as in the case of any other contract.
- (iv) Negotiation requires either delivery only in the case of "bearer" instrument, or endorsement and delivery only in the case of "order instrument". But in the case of an assignment, Section 130 of the Transfer of Property Act, 1882 requires a document to be reduced into writing and signed by the transferor.
- (v) Endorsement do not require payment of stamp duty whereas negotiation requires payment of stamp duty.

2(c) As per Section 100 of the Companies Act, 1956, a company, limited by shares or guarantee and having share capital, if so authorised by the articles, may by special resolution and the confirmation of the Court, reduce its share capital in any way and in particular by :

- (a) extinguishing or reducing the liability of members in respect of the capital not paid up;
- (b) writing off or cancellation any paid-up capital which is in excess of the needs of the company,
- (c) paying off any paid-up share capital which is in excess of the needs of the company.

Note : Reduction in (b) and (c) may be made either in addition or without extinguishing or reducing the liability of the member for uncalled capital.

Reduction of share capital may in reality take any of the following three forms :

1. Reducing the value of shares in order to absorb the accumulated losses suffered by the company without any payment to the shareholders.
2. Extinction of liability of capital not paid; and
3. Paying off any paid up share capital,

In the above 2 & 3 points only, interest of creditors is involved.

2(d) The points of difference between 'Ethics' and 'Moral' are as follows :

- (1) The word 'Ethics' is derived from Ancient Greek 'éthikos' meaning 'character'. The word 'moral' is derived from Latin 'mos' meaning 'custom'.
- (2) Character is the essence of values and habits of a person or group. It serves the analysis and employment of concepts such as right and wrong, good and evil and acting with responsibility. Moral is defined as relating to principles of right and wrong.
- (3) Character is a personal attitude, while custom is defined by a group over a period of time. For example People have character, Societies have custom.
- (4) Morals are accepted from an authority (such as cultural, religious etc.) while ethics are accepted because they follow from personally accepted principles. An ethical view might be based on an idea of personal property that should not be taken without social consent. Moral norms can usually be expressed as general rules and statements such as 'always tell the truth'.
- (5) Morals work on smaller scale than ethics, more reliably, but by addressing human needs for belonging and emulation, while ethics has a much wider scope.

3(a) The focus on core values and sound ethics, the hall mark of ethical management, is being recognized as an important way to ensure the long term effectiveness of governance structures and procedures and to avoid the need for whistle blowing.

Employers, who understand the importance of work place ethics, provide their work force with an effective framework and guiding principles of identity and address ethical issues as they arise. These guidelines for managing ethics and to avoid the need for whistle-blowing in the work place may be summarized as follows :-

- (a) Have a Code of Conduct and ethics.
- (b) Establishment open communication.
- (c) Make ethical decisions in group and make decision public whenever appropriate.
- (d) Integrate ethics with other management practices.
- (e) Use of cross functional teams when developing and implementing the ethics management programme.
- (f) Appointing an ombudsman.
- (g) Creating an atmosphere of trust.
- (h) Regularly updating of policies and procedures
- (i) Include a grievance policy for employees
- (j) Set an example from the top.

3(b) Every shareholder of a company has a right to requisition for an extraordinary general meeting. He is not bound to disclose the reasons for the resolution to be proposed at the meeting.

[Life Insurance Corporation of India vs. Escorts Ltd., (1986)]

Section 169 of the companies Act contains provisions regarding holding of extraordinary general meetings. It provides that if directors fail to call a properly requisitioned meeting, the requisitionists or such of the requisitionists as represent not less than 1/10th of the total voting rights of all the members (or a majority of them) may call a meeting to be held on a date fixed within 3 months of the date of the requisition.

Where a meeting is called by the requisitionists and the registered office is not made available to them, it was decided in *R. Chettiar v. M. Chettiar* that the meeting may be held any where else.

Further, resolutions properly passed at such a meeting, are binding on the company.

Thus, in the given case, since all the above mentioned provisions are duly complied with. Hence, the meeting with the resolution removing the managing director shall be valid.

3(c) A contract of agency may be created by a legal presumption; in a case of cohabitation by a married woman (i.e. wife is considered as an implied agent, of her husband). If wife lives with her husband, there is a legal presumption that a wife has authority to pledge her husband's credit for necessities.

But the legal presumption can be rebutted in the following cases :

- (1) Where the goods purchased on credit are not necessities.
- (2) Where the wife is given sufficient money for purchasing necessities.
- (3) Where the wife is forbidden from purchasing anything on credit or contracting debts.
- (4) Where the trader has been expressly warned not to give credit to his wife.

If the wife lives apart for no fault on her part, wife has authority to pledge her husband's credit for necessities.

This legal presumption can be rebutted only in cases (3) and (4).

Applying the above conditions in the given case 'B' will succeed. He can recover the said amount from 'A' if sarees purchased by 'K' are necessities for her.

- 4(a) The various steps required for e-filing are as follows :
1. Select a category to download an eForm from the My MCA portal (with or without the instruction kit).
 2. At any time, you can read the related instruction kit to familiarise yourself with the procedures (you can download the instruction kit with eform or view it under Help menu).
 3. You have to fill the downloaded e-Form.
 4. You have to attach the necessary documents as attachments.
 5. You can use the Prefill button in eForm to populate the greyed out portion by connecting to the Internet.
 6. The applicant or a representative of the applicant needs to sign the document using a digital signature.
 7. You need to click the Check Form button available in the eForm. System will check the mandatory fields, mandatory attachment(s) and digital signature(s).
 8. You need to upload the eForm for pre-scrutiny. The pre-scrutiny service is available under the Services tab or under the eForms tab by clicking the Upload eForm button. The system will verify (pre-scrutinise) the documents. In case of any inadequacies, the user will be asked to rectify the mistakes before getting the document ready for execution (signature).
 9. The system will calculate the fee, including late payment fees based on the due date of filing, if applicable.
 10. Payments will have to be made through appropriate mechanisms - electronic (credit card, Internet banking) or traditional means (at the bank counter through challan).
 - (a) Electronic payments can be made at the Virtual Front Office (VFO) or at PFO
 - (b) If the user selects the traditional payment option, the system will generate 3 copies of pre-filled challan in the prescribed format. Traditional payments through cash, cheques can be done at the designated network of banks using the system generated challan. There will be five banks with estimated 200 branches authorised for accepting challan payments.
 11. The payment will be exclusively confirmed for all online (Internet) payment transactions using payment gateways.
 12. Acceptance or rejection of any transaction will be explicitly communicated to the applicant (including facility to print a receipt for successful transactions).
 13. MCA21 will provide a unique transaction number, the Service Request Number (SRN) which can be used by the applicant for enquiring the status pertaining to that transaction.
 14. Filing will be complete only when the necessary payments are made.
 15. In case of a rejection, helpful remedial tips will be provided to the applicant.
 16. The applicants will be provided an acknowledgement through e-mail or alternatively they can check the MCA portal.

- 4(b) In certain situations, a person is obliged to compensate another although the basis of this obligation is neither a contract between the parties nor any tort on the part of the person who is bound to compensate. The basis of the obligation is that no one should have unjust benefit at the cost of the other. It is based on equity. These obligations relate to money and such other benefits, which the party under obligation has benefited from the other. The principle is that no one shall be allowed to enrich himself at the expense of another.

Thus, *Quasi contracts are based on principles of equity, justice and good conscience.*

Salient features of quasi contracts are:

- (i) In the first place, such a right is always a right to money and generally, though not always, to a liquidated sum of money.
- (ii) Secondly, it does not arise from any agreement of the parties concerned, but it is imposed by the law; and
- (iii) Thirdly, it is a right which is available not against all the world, but against a particular person or persons only, so that in this respect it resembles a contractual right.

There are five circumstances which are identified by the Act as quasi contracts. These five circumstances do not result in regular contracts.

- (a) Claim for necessaries supplied to persons incapable of contracting.
- (b) Right to recover money paid for another person.
- (c) Obligation of person enjoying benefits of non-gratuitous act.
- (d) Responsibility of finder of goods.
- (e) Liability for money paid or thing delivered by mistake or by coercion.

Thus, Quasi contracts / Constructive contracts are the contract presumed by law. These are the contracts which are imposed by law and the Act.

- 4(c) As per the Negotiable Instruments Act, 1881, an alteration can be called a material alteration if it alters or attempts to alter the character of the instrument and affects or is likely to affect the contract which the instrument contains or is evidence of. Thus, it totally alters the business effect of the instrument. It makes the instrument speak a language other than that was intended.

The following material alterations have been authorised by the Act and do not require any authentication:

- (a) Filling blanks of inchoate instruments [Section 20]
- (b) Conversion of a blank endorsement into an endorsement in full [Section 49]
- (c) Crossing of cheque [Section 125]

Examples of Material Alteration

1. Alteration of date of instrument (e.g. if a bill dated 1st May, 1998) is changed to a bill dated 1st June, 1998.
2. Alteration of time of payment (e.g. if a bill payable three months after date is changed to bill payable four months payable after date).
3. Alteration of place of payment (e.g., if a bill payable at Delhi is changed to bill payable at Mumbai).
4. Alteration of amount payable (e.g., if bill for ₹1,000 is changed to a bill for ₹2000)
5. Conversion of blank endorsement into special endorsement.
6. Addition of a new party to an instrument.
7. Alteration of one of the clauses of the instrument containing a penal action.

- 5(a) A lease is defined under Section 105 of the transfer of enjoyment of immovable property by the lesser to the lessee in consideration of a premium that means a price paid or promised on rent that may be periodical payment of money, share of crops or rendering of services. In order to constitute the valid lease, there must be a transfer of right to enjoyment of immovable property though delivery of possession of the property. However, this is not a condition preceded for operation of a lease. The term of lease including the period of lease, amount of rent etc. are contained in a leased agreement or deed duly executed and signed by both the lesser and lessee.

For example, The Board of Directors of RSP Limited agrees with X to hire his (X's) flat at NOIDA on lease for ten years @ Rs. 20,000 per month for marketing office of the company. You are a senior executive of the Board and the board asks you to prepare the lease deed for the agreement.

The lease deed will be drafted in the manner as follows :

Lease Deed

This Lease is made on this the day of 01 March 2010,

between,

X s/o Y, aged about 45 years, residing at Noida (hereinafter called the LESSOR); which expression shall, whenever the context so requires or admits mean and include his heirs, executors, Administrators and permitted assignees of the one part;

And

RSP Limited, Noida and herein after called the LESSEE

Whereas, the lessor is the absolute owner of the property Noida (more fully described in the schedule hereunder and hereinafter referred to as 'Schedule Property') and Whereas, the Lessee is desirous of taking on lease the Schedule property for a period of 10 years and , whereas, the Lessor is agreeable for the same.

Now therefore this deed witnessed that in pursuance of aforesaid agreement and in consideration of the rent hereinafter contained, the Lessor hereby demises by way of lease who Lessee the Schedule Property for a period of from today, on the following terms and conditions:

1. That the lessee has undertaken to pay the lessor a monthly rent of Rs. 20,000/- (Rupees twenty thousand only) for the Scheduled Property on or before the 10 day of the following calendar month, and 10 months rent of Rs. 2.00 lac only deposit by the lessee on the date of execution of this lease; the receipt where of the lessor hereby acknowledges and agrees to repay the same without interest at the time of vacating the Scheduled Property, after deducting for damages, if any.
2. The lease shall commence from the 1st April 2010 and shall be in force for a period of 10 years.
3. The lessee shall use the Scheduled Property only for official purpose and shall not assign or sublease or use the Scheduled Premises for any unlawful purposes or alter the Scheduled Property without the consent of the lessor in writing.
4. During the lease period, the lessee shall pay the electricity and water charges to the respective departments promptly and obviate disconnection at any time.
5. The lessee shall permit the lessor or his agents, to enter the Scheduled Property at all reasonable times for the purpose of periodical inspection.

Schedule:

1500 Squares of house bearing No. 56 at Noida measuring East to West 50 meter North to South 30 meter and bounded on:

East by: Road, West by: Road, North by: Plot No. 55, South by: Plot No. 57.

In witness whereof the parties hereto have their respective hands and seals to this Agreement on the day, month, year first written above.

Witness

1. LESSOR.
2. LESSEE.

- 5(b)** According to Section 36(1) of the Companies Act, 1956, the memorandum and articles shall, when registered, bind the company and the members thereof to the same extent as if they respectively had been signed by the company and by each member and combined covenants on its and his part to observe all the provisions of the memorandum and articles.

Section 36 creates an obligation binding on the company in its dealings with the members but the word "members" in this Section means members in their capacity as members, that is, excluding any relationship which does not flow from the membership itself. Therefore even a member cannot enforce the provisions of articles for his benefit in some other capacity than that of a member.

Section 31 also provides that the company may by special resolution alter its articles.

In the given problem the company has changed its articles by passing resolution unanimously and therefore the company can change its articles. The provision of memorandum and articles will bind the members but in the capacity of a member only and even a member may be treated as an outsider. Therefore a member cannot enforce the provisions of articles for his benefit in some other capacity than that of a member.

In the given case Mr. L will not succeed and the company is empowered to appoint Mr. M as a solicitor of the company and may change the articles accordingly. The problem is based upon the decision held in *Eley vs. Positive Govt. Security Life Assurance Co. (1876)*.

- 5(c)** Any person who takes shares on the faith of statement of facts contained in a prospectus can rescind the contract if those statements are false or untrue. The words 'untrue statement' have to be construed as explained in Section 65(1)(a), which says that a statement included in a prospectus shall be deemed to be untrue, if the statement is misleading in the form and context in which it is included. Again, where the omission from a prospectus of any matter is calculated to mislead, the prospectus is deemed, in respect of such omission to be a prospectus in which an untrue statement is included [Section 65(1)(b)].

In this case, the fact that dividends were paid out of accumulated profits and not out of trading profits was not appropriately disclosed in the prospectus. Also the prospectus states that XYZ Ltd. possesses good financial health, but infact company was running in loss since last three years. Therefore, to that extent the prospectus contained material misrepresentation of facts giving a false impression that the company was a profitable one.

Hence Mr. Amit can rescind the contract of allotment of shares and at the same time can also recover the damages for deceit under the general law of contracts.

- 6(a) The promoters remain personally liable on a contract made on behalf of a company which is not yet in existence. Such a contract is deemed to have been entered into personally by the promoters and they are liable to pay damages for failure to perform the promises made in the company's name (*Scot v. Lord Ebury*), even though the contract expressly provided that only the company shall be answerable for performance.

In *Kelner v. Baxter* also it was held that the persons signing the contracts viz. Promoters were personally liable for the contract.

Further, a company cannot ratify a contract entered into by the promoters on its behalf before its incorporation. Therefore, it cannot by adoption or ratification obtain the benefit of the contract purported to have been made on its behalf before it came into existence as ratification by the company when formed is legally impossible.

The doctrine of ratification applies only if an agent contracts for a principal who is in existence and who is competent to contract at the time of contract by the agent.

The company can, if it desires, enter into a new contract, after its incorporation with the other party. The contract may be on the same basis and terms as given in the pre-incorporation contract made by the promoters. The adoption of the pre-incorporation contract by the company will not create a contract between the company and the other parties even though the option of the contract is made as one of the objects of the company in its Memorandum of Association.

It is, therefore, safer for the promoters acting on behalf of the company about to be formed to provide in the contract that:

- (a) if the company makes a fresh contract in terms of the pre-incorporation contract, the liability of the promoters shall come to an end; and
- (b) if the company does not make a fresh contract within a limited time, either of the parties may rescind the contract.

Thus applying the above principles, the answers to the questions can be answered as under :

- (i) The promoters of K Ltd. in the first case will be liable to the suppliers of furniture. There was no fresh contract entered into with the suppliers by the company. Therefore, promoters continue to be held liable in this case for the reasons given above.
- (ii) in the second case obviously the liability of promoters comes to an end provided the fresh contract was entered into on the same terms as that of pre-incorporation contract.

- 6(b) Critical thinking is the discipline of rigorously and skillfully using information, experience, observation and reasoning to guide one's decisions, actions and beliefs. Critical thinking refers to the act of question of every step of the thinking process.

- (i) Have you considered all the facts?
- (ii) Have you tested your assumptions?
- (iii) Is your reasoning sound?
- (iv) Can you be sure your judgment is unbiased?
- (v) Is your thinking process logical, rational and complete?

To develop as a critical thinker, one must be motivated to develop the following attributes :

1. **Open-minded:** Readiness to accept and explore alternative approaches and ideas.
2. **Well informed:** Knowledge of the facts and what is happening on all fronts.
3. **Experimental:** Thinking through 'what if scenarios to create probable options and then test the theories to determine what will work and what will not be acceptable.
4. **Contextual:** Keeping in mind the appropriate context in the course of analyses. Apply factors of analysis is that are relevant or appropriate.
5. **Reserved in making conclusion:** Knowledge of when, a conclusion is a 'fact' and when it is not only true conclusions support decisions.

6(c) The five sources of ethical standard are as follows :

(1) The Utilitarian Approach

The ethical action is the one that provides the most good or does the least harm for all who are affected viz. customers, employees, shareholders, the community, and the environment. In other words, which produces the greatest balance of good over harm.

(2) The Rights Approach (The Deontological Approach)

It is a universal belief that all humans have a dignity based on their human nature per se or on their ability to choose freely what they do with their lives. On the basis of such dignity, they have a right to be treated as ends and not merely as means to other ends. Therefore, the ethical action is the one that best protects and respects the moral rights of all human beings on this planet. Also, it is often said that rights imply duties-in particular, the duty to respect others' rights.

(3) The Fairness or Justice Approach

Aristotle and other Greek philosophers have contributed the idea that all equals should be treated equally. Today we use this idea to say that ethical actions treat all human beings equally-or if unequally, then fairly based on some standard that is justifiable.

For e.g. In an organisation, it is fair and justifiable when remuneration of each individual is more based on their harder work or the greater amount that they contribute to an organization.

(4) The Common Good Approach

This approach also calls attention to the common conditions that are important to the welfare of everyone. Systems like Laws, effective police and fire departments, health care, public educational system, or even public recreational areas are based on this approach.

Life in community is interdependent and our actions should contribute good to that life. This approach suggests that the interlocking relationships of society are the basis of ethical reasoning.

(5) The Virtue Approach

Basically, ethical actions ought to be consistent with certain ideal virtues that provide for the full development of our humanity. Since our birth, there are certain virtues which have been weaved in all of us that enable us to act according to the highest potential of our character like truth, honesty, courage, compassion, generosity, tolerance, love, fidelity, integrity, fairness, self-control, and prudence.

7(a) Oral Communication is a face to face communication with others. Oral communication is characterized by seven Cs – *Candidness, Clarity, Completeness, Conciseness, Concreteness, Correctness, and Courtesy*. These act as principles for selecting the mode of oral communication.

In addition to above seven principles it has its own benefits as under :

- (i) More personal and informal.
- (ii) Make immediate and impact.
- (iii) Provides opportunity for interaction and feedback.
- (iv) Helps us to correct ourselves (our message according to the feedback and non-verbal cues received from the listener).
- (v) Better for conveying feelings and emotions.
- (vi) More effective because one can understand the message better by observing facial expressions, eye contact, tone of voice, gestures, postures etc of the sender.

It is said that it does not matter what you say, what matters is how you say it. Your way of saying includes your choice of words, your confidence and sincerity.

7(b) *“Corporate governance is about promoting corporate fairness, transparency and accountability”.*

It is concerned with structures and processes for decision making, accountability, control and behaviour at the top level of organisations. It influences how the objectives of an organisation are set and achieved, how risk is monitored and assessed and how performance is optimized.

The term Corporate Governance relates to a process of decision making and implementing the decisions in the interest of all stakeholders. It basically relates to enhancement of corporate performance and ensures proper accountability for management in the interest of all stakeholders. It is a system through which an organisation is guided and directed.

Aggregately, The core objectives of Corporate Governance are ;

- (i) Focus
- (ii) Predictability
- (iii) Transparency
- (iv) Participation
- (v) Accountability
- (vi) Efficiency & effectiveness and
- (vii) Stakeholder satisfaction.

Corporate governance arrangements are key determinants of an organization’s relationship with the world and encompass :

1. The power given to management;
2. Control over management’s use of power (e.g. through institutions such as Boards of Directors);
3. Management’s accountability to stakeholders;
4. The formal and informal processes by which stakeholders influence management decisions.

- 7(c)** Unutilized organizational and individual potential can be directed, disciplined & coached by fostering open communication and creating a culture encouraging change and innovation, because innovation is the key driver for wealth creation and economic competitiveness.
Not only establishing sound organisational culture is incumbent but at the same time communicating the corporate culture effectively is paramount.
There are number of elements that can be used to describe or influence Organizational Culture :
- (i) The Paradigm**
What the organization is about; what it does; its mission; its values.
 - (ii) Control Systems**
The processes in place to monitor what is going on.
 - (iii) Organizational Structures**
Reporting lines, hierarchies, and the way that work flows through the business.
 - (iv) Power Structures**
Who makes the decisions and how power is distributed across the organization.
 - (v) Symbols**
These include the logos and designs, but would extend to symbols of power, such as car parking spaces and executive washrooms!
 - (vi) Rituals and Routines**
Management meetings, board reports and so on may become more habitual than necessary.
 - (vii) Stories and Myths**
Stories & myths are build up about people and events, and convey a message about what is valued within the organization.
- 7(d) Employees' Deposit Linked Insurance (Amendment) Scheme, 2011**
As per the Notification No. G.S.R. 9(E), dated 8th January, 2011, the Central Government revised the benefits provided to the employees under the Employees' Deposit Linked Insurance (Amendment) Scheme, 2010. Under the revised scheme, the benefit provided in case of death of an employee who was member of the scheme at the time of the death, their family will get 20 times of the average wages of the last 12 months of the member. According to the revised scheme, maximum benefits under the scheme will now be ₹ 1,30,000, as the wage ceiling upto which contribution can be paid under the scheme is ₹ 6,500.
- 7(e) "Healthy Competition" and "Protecting Consumer's Interest"**
It is sometimes believed that competition policy and law are tools for the rich, the urban, and industries alone. However, at the macro level, the design and implementation of a competition policy promotes the advancement and increased welfare of the poor.
- A pre-requisite for a good competition is trade, trade is the unrestricted liberty of every man to buy, sell and barter, when, where and how, of whom and to whom he pleases. For a free market to be in existence the handicap is that for a given distribution of income of those who can pay the highest price will most be able to purchase the goods regardless their relative needs. However, the real culprit is income distribution system and not the competitive system.
- In an unregulated free market, in certain circumstances it could be of greater benefit to the owner to withhold goods from market in order to extract a higher price. Despite the efforts to regulate prices which have been unsuccessful, the caution in a free market as compared to the problems in an unregulated market can be overcome by posturing competition by which the ultimate aim & objective of competition, namely the, interest of the consumer can be protected.
- Thus, an appropriate and dynamic competition policy and law are imperative to catalyse economic development, curb corruption, reduce wastage and arbitrariness, improve competitiveness and provide succour to the poor.
- Finally, as a major corporate and economic reform, Government constituted a High Level Committee and after considering the report of the committee and suggestions from various organizations, institutions and general public, introduced the Competition Bill in the Parliament.
This Bill became an Act after receiving assent from the President on 13th January 2003. The Act extends to the whole of India except the State of Jammu and Kashmir.