

(GCF-14, GCF-15, GCF-16, GCF-17 & GCF-17-A, VCF-3, VDCF-3)

DATE: 22.05.2023

MAXIMUM MARKS: 100

TIMING: 3 Hours

BUSINESS LAW & BUSINESS CORRESPONDENCE & REPORTING

Question No. 1 is Compulsory. Answer any four question from the remaining five questions. Wherever necessary, suitable assumptions should be made and disclosed by way of note forming part of the answer.

Working Notes should form part of the answer.

Question 1:

- (a) Shambhu Dayal started "self service" system in his shop. Smt. Prakash entered the shop, took a basket and after taking articles of her choice into the basket reached the cashier for payments. The cashier refuses to accept the price. Can Shambhu Dayal be compelled to sell the said articles to Smt. Prakash? Decide.

(4 Marks)

- (b) F, an assessee, was a wealthy man earning huge income by way of dividend and interest. He formed three Private Companies and agreed with each to hold a bloc of investment as an agent for them. The dividend and interest income received by the companies was handed back to F as a pretended loan. This way, F divided his income into three parts in a bid to reduce his tax liability. Decide, for what purpose the three companies were established? Whether the legal personality of all the three companies may be disregarded.

(4 Marks)

- (c) J the owner of a Fiat car wants to sell his car. For this purpose he hand over the car to P, a mercantile agent for sale at a price not less than Rs. 50,000. The agent sells the car for Rs. 40, 000 to A, who buys the car in good faith and without notice of any fraud. P misappropriated the money also. J sues A to recover the Car. Decide given reasons whether J would succeed.

(4 Marks)**Question 2:**

- (a) Mr. D sold some goods to Mr. E for Rs. 5,00,000 on 15 days credit. Mr. D delivered the goods. On due date Mr. E refused to pay for it. State the position and rights of Mr. D as per the Sale of Goods Act, 1930.

(6 Marks)

- (b) What is true test of partnership. How will you determine whether a group of person is or is not a firm?

(6 Marks)**Question 3:**

- (a) Mr. G sold some goods to Mr. H for certain price by issue of an invoice, but payment in respect of the same was not received on that day. The goods were packed and lying in the godown of Mr. G. The goods were inspected by H's agent and were found to be in order. Later on, the dues of the goods were settled in cash. Just after receiving cash, Mr. G asked Mr. H that goods should be taken away from his godown to enable him to store other goods purchased by him. After one day, since Mr. H did not take delivery of the goods, Mr. G kept the goods out of the godown in an open space. Due to rain, some goods were damaged.

Referring to the provisions of the Sale of Goods Act, 1930, analyse the above situation and decide who will be held responsible for the above damage. Will your answer be different, if the dues were not settled in cash and are still pending?

(6 Marks)

- (b) What is the conclusive evidence of partnership? State the circumstances when partnership is not considered between two or more parties.
- (c) X buys from Y a painting which both believe to be the work of an old master and for which X pays a high price. The painting turns out to be only a modern copy. Discuss the validity of the contract?

(4 Marks)

(2 Marks)

Question 4:

- (a) What are the advantages of LLP form?

(6 Marks)

- (b) Alfa school started imparting education on 1.4.2010, with the sole objective of providing education to children of weaker society either free of cost or at a very nominal fee depending upon the financial condition of their parents. However, on 30th March 2018, it came to the knowledge of the Central Government that the said school was operating by violating the objects of its objective clause due to which it was granted the status of a section 8 company under the Companies Act, 2013. Describe what powers can be exercised by the Central Government against the Alfa School, in such a case?

(6 Marks)

Question 5:

- (a) Mr. X had purchased some goods from M/s ABC Limited on credit. A credit period of one month was allowed to Mr. X. Before the due date Mr. X went to the company and wanted to repay the amount due from him. He found only Mr. Z there, who was the factory supervisor of the company. Mr. Z told Mr. X that the accountant and the cashier were on leave, he is in-charge of receiving money and he may pay the amount to him. Mr. Z issued a money receipt under his signature. After two months M/s ABC Limited issued a notice to Mr. X for non-payment of the dues within the stipulated period. Mr. X informed the company that he had already cleared the dues and he is no more responsible for the same. He also contended that Mr. Z is an employee of the company to whom he had made the payment and being an outsider, he trusted the words of Mr. Z as duty distribution is a job of the internal management of the company. Analyse the situation and decide whether Mr. X is free from his liability.

(4 Marks)

- (b) Mr. M, Mr. N and Mr. P were partners in a firm, which was dealing in refrigerators. On 1st October, 2018, Mr. P retired from partnership, but failed to give public notice of his retirement. After his retirement, Mr. M, Mr. N and Mr. P visited a trade fair and enquired about some refrigerators with latest techniques. Mr. X, who was exhibiting his refrigerators with the new techniques was impressed with the interactions of Mr. P and requested for the visiting card of the firm. The visiting card also included the name of Mr. P as a partner even though he had already retired. Mr. X supplied some refrigerators to the firm and could not recover his dues from the

firm. Now, Mr. X wants to recover the dues not only from the firm, but also from Mr. P.

Analyse the above case in terms of the provisions of the Indian Partnership Act, 1932 and decide whether Mr. P is liable in this situation.

(4 Marks)

- (c) Explain the concept of 'misrepresentation' in matters of contract. Sohan induced Suraj to buy his motorcycle saying that it was in a very good condition. After taking the motorcycle, Suraj complained that there were many defects in the motorcycle. Sohan proposed to get it repaired and promised to pay 40% cost of repairs. After a few days, the motorcycle did not work at all. Now Suraj wants to rescind the contract. Decide giving reasons.

(4 Marks)

Question 6:

- (a) Mr. X and Mr. Y entered into a contract on 1st August, 2018, by which. Mr. X had to supply 50 tons of sugar to Mr. Y at a certain price strictly within a period of 10 days of the contract. Mr. Y also paid an amount of Rs. 50,000 towards advance as per the terms of the above contract. The mode of transportation available between their places is roadway only. Severe flood came on 2nd August, 2018 and the only road connecting their places was damaged and could not be repaired within fifteen days. Mr. X offered to supply sugar on 20th August, 2018 for which Mr. Y did not agree. On 1st September, 2018, Mr. X claimed compensation of Rs. 10,000 from Mr. Y for refusing to accept the supply of sugar, which was not there within the purview of the contract. On the other hand, Mr. Y claimed for refund of Rs. 50,000 which he had paid as advance in terms of the contract. Analyse the above situation in terms of the provisions of the Indian Contract Act, 1872 and decide on Y's contention.

(4 Marks)

- (b) Ramaswami proposed to sell his house to Ramanathan. Ramanathan sent his acceptance by post. Next day, Ramanathan sends a telegram withdrawing his acceptance. Examine the validity of the acceptance according to the Indian Contract Act, 1872 in the light of the following:

- (a) The telegram of revocation of acceptance was received by Ramaswami before the letter of acceptance.
(b) The telegram of revocation and letter of acceptance both reached together.

(4 Marks)

- (c) What is meant by 'Undue Influence'? 'A' applies to a banker for a loan at a time where there is stringency in the money market. The banker declines to make the loan except at an unusually high rate of interest. A accepts the loan on these terms. Whether the contract is induced by undue influence? Decide.

(4 Marks)

PAPER : BUSINESS CORRESPONDENCE & REPORTING

The Question Paper comprises of 5 questions of 10 marks each.
Question No. 7 is compulsory. Out of questions 8 to 11, attempt any three.

SECTION-B : BUSINESS CORRESPONDENCE & REPORTING (40 MARKS)**Question 7:**

(a) Read the passage carefully and answer the questions that follow:

The window offered a view of the house opposite. The two families did not speak to each other because of a property dispute. One day, Ruchira's textbooks lay untouched as the young girl's gaze was on the happenings in the house opposite. There were two new faces in the neighboring household – that of an elderly widow and a girl aged sixteen. Sometimes the elderly lady would sit by the window, doing the young girl's hair. On other days she was absent.

The new young neighbour's daily routine could be seen through the window – she cleaned the rice paddy; split nuts, put the cushions in the sun to air them. In the afternoons, while the men were all at work some of the women slept and others played cards. The girl sat on the terrace and read. Sometimes she wrote. One day there was hindrance. She was writing when the elderly woman snatched the unfinished letter from her hands. Thereafter the girl was not to be seen on the terrace. Sometimes during the day sounds came from the house indicating that a massive argument was going on inside.

A few days passed. One evening Ruchira noticed the girl standing on the terrace in tears. The evening prayer was in progress. As she did daily, the girl bowed several times in prayer. Then she went downstairs. That night Ruchira wrote a letter. She went out and posted it that very instant. But as she lay in bed that night, she prayed fervently that her offer of friendship wouldn't reach its destination. Ruchira then left for Madhupur and returned when it was time for college to start. She found the house opposite in darkness, locked. They had left. When she stepped into her room she found the desk piled with letters – one had a local stamp on it with her name and address in unfamiliar handwriting. She quickly read it. They continued to write to each other for the next twenty years.

- (i) Why did Ruchira write a letter to her new neighbour?
 - (a) She wanted to offer her, her help.
 - (b) She wanted to be friends with her.
 - (c) To apologize for her family's behaviour towards her family
 - (d) To encourage her to continue learning to read and write.
- (ii) Which of the following is TRUE in the context of the passage?
 - (a) The young girl was very devout and prayed everyday.
 - (b) Only two letters were exchanged between the two girls.
 - (c) The new young neighbour was a servant.
 - (d) The afternoon was a time to relax for everyone.
- (iii) How did the new young neighbour spend her days?
 - (a) She was busy writing letters to Ruchira
 - (b) She used to daydream about her past experiences.
 - (c) She would attend to the needs of the widow.
 - (d) She spent her time learning to read and write.
- (iv) Why was the young neighbour prevented from sitting on the terrace?
 - (a) She used to while away her time instead of working
 - (b) The old woman could no longer keep an eye on her.
 - (c) She had not finished writing the letter she was asked to.
 - (d) She had been writing a letter which she wasn't supposed to.

- (v) What was the major argument in the house about?
- (a) There were too many people living there, which resulted in arguments.
 - (b) The young girl was insisting on attending college.
 - (c) The young girl had been wasting her time instead of working.
 - (d) The old woman did not guard the young girl closely.

(5 Marks)

(b) Read the passage given below.

- (i) Make notes, using headings, sub-headings, and abbreviations wherever necessary.

(3 Marks)

- (ii) Write summary.

The small village of Somnathpur contains an extraordinary temple, built around 1268 A.D. by the Hoyasalas of Karnataka – one of the most prolific temple builders. Belur and Halebidu are among their better-known works. While these suffered during the invasion of the 14th century, the Somnathpur temple stands more or less intact in near-original condition. The small temple captivates with the beauty and vitality of its detailed sculpture, covering almost every inch of the walls, pillars and even ceilings. It has three shikaras and stands on a star-shaped raised platform with 24 edges. The outer walls have a profusion of detailed carvings: the entire surface run over by carved plaques of stone. There were vertical panels covered by exquisite figures of God and Goddesses, with many incarnations being depicted. There were nymphs too, some carrying an ear of maize, a symbol of plenty and prosperity. The elaborate ornamentation, very characteristic of Hoysala sculptures was a remarkable feature. On closer look – and it is worth it – the series of friezes on the outer walls revealed intricately carved caparisoned elephants, charging horsemen, stylized flowers, warriors, musicians, crocodiles and swans.

The temple was actually commissioned by Soma Dandanayaka or Somnath (he named the village after himself), the minister of the Hoysala king, Narasimha the Third. The temple was built to house three versions of Krishna – Venugopala, Janardana and Prasanna Keshava, though only two remain in their original form. In the darkness of the sanctum sanctorum, its interesting to discern the different images. The temple's sculptural perfection is amazing and includes the doors of the temple and the three elegantly carved towers.

(2 Marks)

Question 8:

- (a)** List at least 5 barriers of communication. Explain any two of them in your own words.

(3 Marks)

- (b)** (i) Give the suitable meaning
Bury the Hatchet

(1 Mark)

- (ii) Active Passive Questions
The melody has been composed wonderfully by A.R. Rahman.

(1 Mark)

- (c)** Précis Writing

Read the following passages and write a précis for the same. Follow the basic rules of précis writing while writing.

- (1) How does television affect our lives. It can be very helpful to people who carefully choose the shows that they watch. Television can increase our knowledge of the outside world, there are high quality programmes that helps us to understand many fields of study, science, medicine, the arts and so on. Moreover, television benefits very old people, who can't often leave the house as well as patients in hospitals. It also offers non native speakers the advantage of daily informal language practice. They can increase their vocabulary and practice listening.
- On the other hand, there are several serious disadvantages of television. Of course, it provides us with a pleasant way to relax and spend our free time, but in some countries, people watch the 'blood tube' for an average of six hours or more a day. Many children stare at a television screen for more hours each day than they do anything else including studying & sleeping. It's clear that the tube has a powerful influence on their lives and that its influence is often negative.

(5 Marks)

Question 9:

- (a) Define the term 'communication'. How is it relevant in daily life?

(2 Marks)

- (b) Active Passive Questions:

- (i) He had left the job.
- (ii) The news has not been brought to my attention by anybody.
- (iii) The government is worrying about the severe natural calamity in the northern region.

(3 Marks)

- (c) Draft a resume for Mr. Raghav Shetty, a resident of Pune, a qualified MBA. Raghav now plans to switch his job and is applying to one of the Big fours. Drafts combination format.

(5 Marks)

Question 10:

- (a) Explain Cultural Barrier?

(3 Marks)

- (b) Give the suitable meaning

- (i) Come off with flying colours
- (ii) A close shave

(2 Marks)

- (c) You are Abhishek Sanon, an entrepreneur and have founded a start-up, 'Innovators'. Write an e-mail to your prospective clients telling them about the services/products offered by your company.

(5 Marks)

Question 11:

- (a) Write a letter of promotion for opening new branch of the XYZ Bank.

(5 Marks)

- (b) Explain Technology Barrier?

(3 Marks)

(c) Select the suitable antonym for the given words.

1. Abstention
 - a. Orgy
 - b. Binge
 - c. Spree
 - d. Obscure

2. Harmony
 - a. Hilarious
 - b. Imbroglio
 - c. Complexity
 - d. Separation

(2 Marks)

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