

(GCF-7+8, 9, 10, VDCF-3 & 4, VCF-3 & 4, SCF-3 & 4)**DATE: 06.10.2020****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) X found a wallet in a restaurant. He enquired of all the customers present there but the true owner could not be found. He handed over the same to the manager of the restaurant to keep till the true owner is found. After a week he went back to the restaurant to enquire about the wallet. The manager refused to return it back to X, saying that it did not belong to him.

In the light of the Indian Contract Act, 1872, can X recover it from the Manager?

(4 Marks)

- (b) MNP Private Ltd. is a company registered under the Companies Act, 2013 with a Paid Up Share Capital of Rs. 45 lakh and turnover of Rs. 3 crores. Explain the meaning of the "Small Company" and examine the following in accordance with the provisions of the Companies Act, 2013:

- (i) Whether the MNP Private Ltd. can avail the status of small company?
- (ii) What will be your answer if the turnover of the company is Rs. 1.50 crore?

(4 Marks)

- (c) Give differences between Partnership and Co-ownership.

(4 Marks)

Question 2:

- (a) Give differences between LLP and Limited Liability Company?

(6 Marks)

- (b) The object clause of the Memorandum of Association of LSR Private Ltd, Lucknow authorized it to do trading in fruits and vegetables. The company, however, entered into a Partnership with Mr. J and traded in steel and incurred liabilities to Mr. J. The Company, subsequently, refused to admit the liability to J on the ground that the deal was 'Ultra Vires' the company. Examine the validity of the company's refusal to admit the liability to J. Give reasons in support of your answer.

(6 Marks)

Question 3:

- (a) Arun, Varun and Tarun started a Kirana business in Chennai on 1st January, 2012 for a period of live years. The business resulted in a loss of Rs. 20,000 in the first year, Rs. 25,000 in the second year and Rs. 35,000 in the third year, Varun and Tarun wish to dissolve the firm while Arun wants to continue the business. Advise Varuan and tarun?

(4 Marks)

- (b) A, B, C are partners in a firm. As per terms of the partnership deed, A is entitled to 20 % of the partnership property and profits. A retires. From firm and dies after 15 days. B & C continue business of the firm without settling accounts. What are the rights of A's legal representatives against the firm under the Indian Partnership Act, 1932?

(4 Marks)

- (c) For the purpose of making uniform for the employees, Mr. Yadav bought dark blue coloured cloth from Vivek, but did not disclose to the seller the purpose of said purchase. When uniforms were prepared and used by the employees, the cloth was found unfit. However, there was evidence that the cloth was fit for caps, boots and carriage lining. Advise Mr. Yadav whether he is entitled to have any remedy under the sale of Goods Act, 1930?

(4 Marks)

Question 4:

- (a) M Ltd., contracts with Shanti Traders to make and deliver certain machinery to them by 30.6.2004 for Rs. 11.50 lakhs. Due to labour strike, M Ltd. could not manufacture and deliver the machinery to Shanti Traders. Later, Shanti Traders procured the machinery from another manufacturer for Rs. 12.75 lakhs. Shanti Traders was also prevented from performing a contract which it had made with Zenith Traders at the time of their contract with M Ltd. and were compelled to pay compensation for breach of contract. Advise Shanti Traders the amount of compensation which it can claim from M Ltd., referring to the legal provisions of the Indian Contract Act, 1872.

(6 Marks)

- (b) What is auction sale give relevant provisions?

(6 Marks)

Question 5:

- (a) Flora Fauna Limited was registered as a public company. There are 230 members in the company as noted below:

(a) Directors and their relatives	190
(b) Employees	15
(c) Ex-Employees (Shares were allotted when they were employees	10
(d) 5 couples holding shares jointly in the name of husband and wife (5*2)	10
(e) Others	5

The Board of Directors of the company propose to convert it into a private company. Also advise whether reduction in the number of members is necessary.

(4 Marks)

- (b) Mr. Anil formed a One Person Company (OPC) on 16th April, 2018 for manufacturing electric cars. The turnover of the OPC for the financial year ended 31st March, 2019 was about Rs. 2.25 Crores. His friend Sunil wanted to invest in his OPC, so they decided to convert it voluntarily into a private limited company. Can Anil do so?

(4 Marks)

- (c) Rohit and Anurag are partners in a firm. They borrowed a sum of Rs. 10,000 from Parul. Later on, Rohit becomes insolvent but his assets are sufficient to payback the loan. Parul compels Anurag for the payment of entire loan. Referring to the provisions of the Indian partnership Act, 1932, examine the validity of Parul's claim and decide as to who may be held liable for the above loan.?

(4 Marks)

Question 6:

- (a) Referring to the provisions of the Sale of Goods Act, 1930, state the circumstances under which when goods are delivered to the buyer "on approval" or "on sale or return" or other similar terms, the property therein passes to the buyer.

Ms. Preeti owned a motor car which she handed over to Mr. Joshi on sale or return basis. After a week, Mr. Joshi pledged the motor car to Mr. Ganesh. Ms. Preeti now claims back the motor car from Mr. Ganesh. Will she succeed? Referring to the provisions of the Sale of Goods Act, 1930, decide and examine what recourse is available to Ms. Preeti.

(5 Marks)

- (b) A received certain goods from B promising to pay Rs. 10,000/-. Later on, A expressed his inability to make payment. C, who is known to A, pays Rs., 6000/- to B on behalf of A. However, A was not aware of the payment. Now B is intending to sue A for the amount of Rs. 10000/-. Can B do so? Advise.

(4 Marks)

- (c) X, a minor was studying M.Com. in a college. On 1st July, 2005 he took a loan of Rs.10,000 from B for payment of his college fees and to purchase books and agreed to repay by 31st December, 2005. X possesses assets worth Rs. 2 lakhs. On due date X fails to pay back the loan to B. B now wants to recover the loan from X out of his (X's) assets. Referring to the provisions of the Indian Contract Act, 1872 decide whether B would succeed.

(3 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) Explain gender barriers in communication.

(3 Marks)

- (b) Rewrite the following sentences in passive voice.

1. The Corporation's sales and Service organization covers the country.
2. FCS are only marketing their new dental equipment in Europe.

(2 Marks)

- (c) Read the following comprehension passages and answer the following questions.

Passage 1

All languages are systematic and rule bound. Children across the world acquire their natural language in same manner. In this context, linguistics is not simply the study of foreign languages. It is the scientific, organized and systematic study of a language. Linguists examine and evaluate language on the basis of words, sentence, word order, pronunciation to discuss the internal language mechanism. Generally people understand that a linguist can speak many languages. However there is big difference between a linguist and a polyglot. India as a case in example has six distinct language families. It is estimated that approx. seventeen hundred languages are spoken in India only. Hindi is a rich language but does not still have a national language status in terms of official usage although it is official language for some states. English is official language for most other states.

Most countries have only one language besides Canada where French and English both are official languages. In the western world, countries are strongly associated with single languages and vice versa. Linguists see this due to the rise of nation states in the past few centuries where single languages attained official status in individual countries, English in the United Kingdom, French in France, Italian in Italy, etc. However beneficial the official status of one language may be for a modern country in terms of government, public discourse, higher education, etc., it is not helpful to other languages which may be found within the borders of a particular country. In many aspects language represents our identity and culture. Furthermore, even in countries where only one language is spoken, say Dutch in the Netherlands, there may well be different dialects of this language closely related to the national language. Even within Europe, and most certainly outside of it, the equation of one country with one language breaks down. Switzerland is a good example of a country where a single national identity exists across three major and one minor speech community: Swiss German, French, Italian and Rhaeto-Romance. Beyond Europe it is more the rule than the exception for countries to have several languages within their borders. One need only think of such countries as India and China or Siberian Russia to see how many languages can be integrated into a single state. In such instances, there is of course an official language which serves the function of a lingua franca, that is, a language which is used as a means of communication among those groups who do not speak each others language.

1. A linguist is one who
 - (a) knows many languages
 - (b) make a language
 - (c) speak many languages
 - (d) master in programming language

2. India as a linguistic area has-
 - (a) a single language
 - (b) six languages
 - (c) only one official language
 - (d) many languages
3. Language represents-
 - (a) Population
 - (b) Identity
 - (c) Boundary
 - (d) civilization
4. Switzerland is famous for-
 - (a) Natural diversity
 - (b) Language identity
 - (c) Cultural identity
 - (d) National identity
5. Lingua franca means-
 - (a) Any language used for speech and writing between business purpose
 - (b) Language for business
 - (c) Any language used for communication between groups who have no other language in common.
 - (d) Any language used for communication between the particular speech community

(5 Marks)

Question 8:

- (a)** Rewrite the following sentences in the active voice.
1. His painting has been praised by the critics.
 2. Food from road side vendors should not be eaten.
 3. The horse is being purchased by the farmer.

(3 Marks)

- (b)** What is Grapevine Communication?

(2 Marks)

- (c)** Read the following passage/news story and make proper notes following the guidelines of Note making. (Source: internet, newspaper articles)
- Market risk is inevitable part of capital market. Broadly, 'MR' means changes in the market prices of underlying. In commercial business the market risk may be a consequence but in capital market it forms organization's core business. MR can arise in different stages of services or different timing say during an hour, a day or a week. Generally, the primary concern in assessing the market risk is to assess it in absolute term or relative changes in comparison of any benchmark say interest rates etc. The market risk can be broken down into different classes: such as interest risk, foreign exchange risk, commodity risk and equity risk. Interest rate risk arises due to change in the yield curve. It affects not only current value of items of Balance Sheet of a financial institutions but also the off the Balance Sheet items. Foreign exchange risk arises on account of change in the price of foreign currency. Commodity risk arises due to change in price of commodities, commodity price index etc. and Equity risk occurs when there is a fall in equity indices or most of the shares. Equity risk normally results from any unprecedented events say sovereign default etc.

(5 Marks)

Question 9:

(a) Select a suitable antonym for the word given in the question.

- (i) Admire
 - (a) Condemn
 - (b) Suffer
 - (c) Forget
 - (d) Alert
- (ii) Joyous
 - (a) Dry
 - (b) Gloomy
 - (c) Unjust
 - (d) Senior
- (iii) Liberal
 - (a) Follower
 - (b) Mean
 - (c) Rough
 - (d) Rude

(3 Marks)

(b) Explain diagonal pattern of communication.

(2 Marks)

(c) Unemployment: A blot to Indian economy.

(5 Marks)

Question 10:

(a) Explain wheel and spoke network.

(3 Marks)

(b) Change the following sentences to indirect speech.

1. She said, "Nobody can solve the problem."
2. He says, "Kashmir is the heaven on earth."

(2 Marks)

(c) Your company, has witnessed a gradual decline in a consumer product over the one year.

Prepare the minutes of the meeting for the same. Members in the meeting; Head of the Sales and Marketing, Product head, Product lead and concerned team members.

(5 Marks)

Question 11:

(a) Select a suitable Synonym for the word given in the question.

- (i) Prejudice
 - (a) Unfairness
 - (b) Praise
 - (c) Zeal
 - (d) Pacify
- (ii) Lament
 - (a) Fun
 - (b) Regret
 - (c) Unhappy
 - (d) Misery

- (iii) Vicious
(a) Unoccupied
(b) Faulty
(c) Wicked
(d) Wild

(3 Marks)

- (b)** Explain coherent as the feature of effective communication.

(2 Marks)

- (c)** You are Anil/Snjukta. You come across the following advertisement for the post of Chartered Accountant in the Employment News at ROCA. You consider yourself suitable and eligible for the post. Write an application in response to the advertisement. Attach your curriculum vitae.

(5 Marks)

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