

PAPER – 2: BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING

SECTION A – BUSINESS LAWS

Question No. 1 is compulsory.

*Attempt any **four** questions from the remaining **five** questions.*

1. (a) A, B, C and D are the four partners in a firm. They jointly promised to pay ₹ 6,00,000 to F. B and C have become insolvent. B was unable to pay any amount and C could pay only ₹ 50,000. A is compelled to pay the whole amount to F. Decide the extent to which A can recover the amount from D with reference to the provisions of the Indian Contract Act, 1872. **(4 Marks)**
- (b) Mr. R is an Indian citizen, and his stay in India during the immediately preceding financial year is for 130 days. He appoints Mr. S, a foreign citizen, as his nominee, who has stayed in India for 125 days during the immediately preceding financial year. Is Mr. R eligible to be incorporated as a One-Person Company (OPC)? If yes, can he give the name of Mr. S in the Memorandum of Association as his nominee? Justify your answers with relevant provisions of the Companies Act, 2013. **(4 Marks)**
- (c) "Risk Prima Facie passes with property." Elaborate in the context of the Sale of Goods Act, 1930. **(4 Marks)**
2. (a) Explain any five circumstances under which contracts need not be performed with the consent of both the parties. **(7 Marks)**
- (b) Limited Liability Partnership (LLP) gives the benefits of limited liability of a company on one hand and the flexibility of a partnership on the other. Discuss. **(5 Marks)**
3. (a) Define partnership and name the essential elements for the existence of a partnership as per the Indian Partnership Act, 1932. Explain any two such elements in detail. **(6 Marks)**
- (b) Examine the validity of the following contracts as per the Indian Contract Act, 1872 giving reasons.
 - (i) X aged 16 years borrowed a loan of ₹ 50,000 for his personal purposes. Few months later he had become major and could not pay back the amount borrowed, on due date. The lender wants to file a suit against X.
 - (ii) J contracts to take in cargo for K at a foreign port. J's government afterwards declares war against the country in which the port is situated and therefore the contract could not be fulfilled. K wants to file a suit against J. **(6 Marks)**
4. (a) Discuss the rights of an unpaid seller against the buyer under the Sales of Goods Act, 1930. **(6 Marks)**
- (b) Mr. M is one of the four partners in M/s XY Enterprises. He owes a sum of ₹ 6 crore to his friend Mr. Z which he is unable to pay on due time. So, he wants to sell his share in the firm to Mr. Z for settling the amount.

In the light of the provisions of the Indian Partnership Act, 1932, discuss each of the following:

 - (i) Can Mr. M validly transfer his interest in the firm by way of sale?
 - (ii) What would be the rights of the transferee (Mr. Z) in case Mr. M wants to retire from the firm after a period of 6 months from the date of transfer? **(6 Marks)**
5. (a) Sonal went to a Jewellery shop and asked the salesgirl to show her diamond bangles with Ruby stones. The Jeweller told her that we have a lot of designs of diamond bangles but with red stones if she chooses for herself any special design of diamond bangle with red stones, they will replace red stones with Ruby stones. But for the Ruby stones they will charge some extra cost. Sonal selected a beautiful set of designer bangles and paid for them. She also paid the extra cost of Ruby

stones. The Jeweller requested her to come back a week later for delivery of those bangles. When she came after a week to take delivery of bangles, she noticed that due to Ruby stones, the design of bangles has been completely disturbed. Now, she wants to terminate the contract and thus, asked the manager to give her money back, but he denied for the same. Answer the following questions as per the Sale of Goods Act, 1930.

- (i) State with reasons whether Sonal can recover the amount from the Jeweller.
 - (ii) What would be your answer if Jeweller says that he can change the design, but he will charge extra cost for the same? **(6 Marks)**
- (b) What do you mean by the term Capital? Describe its classification in the domain of Company Law. **(6 Marks)**
6. (a) Explain what is meant by 'Supervening Impossibility' as per the Indian Contract Act, 1872 with the help of an example. What is the effect of such impossibility? **(5 Marks)**
- (b) Subject to agreement by partners, state the rules that should be observed by the partners in settling the accounts of the firm after dissolution under the provisions of the Indian Partnership Act, 1932. **(4 Marks)**
- (c) BC Private Limited and its subsidiary KL Private Limited are holding 90,000 and 70,000 shares respectively in PQ Private Limited. The paid-up share capital of PQ Private Limited is ₹ 30 Lakhs (3 Lakhs equity shares of ₹ 10 each fully paid). Analyse with reference to provisions of the Companies Act, 2013 whether PQ Private Limited is a subsidiary of BC Private Limited. What would be your answer if KL Private Limited is holding 1,60,000 shares in PQ Private Limited and no shares are held by BC Private Limited in PQ Private Limited? **(3 Marks)**

SECTION – B: BUSINESS CORRESPONDENCE AND REPORTING

Max marks: 40

Instructions

The Question Paper comprises 5 questions of 10 marks each. Question No. 1 is compulsory. Out of questions 2 to 5, attempt any three.

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

Depression is a psychological health disorder characterised by despondent mood or loss of interest in activities, causing repression in daily life. The Centers for Disease Control and Prevention (CDC) released a report according to which 8.1 percent of adult age 20 and above had depression in any given 2-week period from 2013-2016.

The factors include a combination of biological, psychological and social distress. These factors cause change in brain functions, including altered activity of certain neural circuits. Constant feeling of sadness or loss of attentiveness are characteristics of major depression that leads to a fluctuation in behavioural and physical health. Depression also affects sleep, appetite, energy level, concentration, and self-esteem of a person. It can also be associated with suicidal thoughts or tendencies.

There are two main types of depression: (i) **Major depressive disorder** and (ii) **Persistent depressive disorder**. Major depressive disorder is the more perilous form of depression. It is characterised by persistent feelings of sadness, hopelessness and worthless that cannot be overcome easily. Persistent depressive disorder (PDD), earlier termed as **Dysthymia**, is a mild but chronic form of depression.

Depression can be cured by proper medications, psychotherapy, light therapy, and exercises. These include antidepressants, antianxiety and antipsychotic medicines. Psychotherapy includes enunciating with therapists that can help to deal with negative feelings. Light therapy is a technique where exposure to white light helps to regulate one's mood and improve symptoms of depression. 30 minutes of daily exercise increases production of endorphins, which are hormones that improves mood. Above all, family support plays a major role in quick recuperation of a patient.

- (1) Synonym of repression- **(1 Mark)**
- (a) Impairment
 - (b) Severe
 - (c) Persistent
 - (d) Depressive
- (2) Light therapy improves- **(1 Mark)**
- (a) Mood
 - (b) Endorphins production
 - (c) Overpower negative feelings
 - (d) Symptoms
- (3) Define the two major types of depression. State their characteristics. **(1 Mark)**
- (4) What are the causes of depression? **(1 Mark)**
- (5) How can depression be treated? **(1 Mark)**

(b) Read the passage given below.

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

(3 Marks)

(ii) Write summary.

(2 Marks)

Everyone needs a holiday, both to relax and to have a change of environment. The holiday makers feel relaxed and refreshed at the end of the holiday and look forward to the resumption of their duties, be it at school, office, or factories with renewed vigour. This is the reason why all the establishments grant their employees annual leaves. With the end of academic year, schools and universities grant their pupils a long holiday during mid - summer. This lasts until early September when the new school term starts. Of course, parents too take advantage of this and take leaves to coincide with the children's vacation. This has become a traditional holiday season in most European countries particularly in England.

With the coming of August, the traditional holiday season in Britain reaches its peak point and most of the holiday resorts are packed to capacity. In order to avoid the crowd, some prefer to take their holiday a little earlier if facilities so warrant. Those who have already gone for holidays can console themselves not only with reflections on the happy days spent in the country, at the sea-side or abroad, but also with the thought that holiday expenses are over for the year and that by taking a holiday earlier they have missed the August rush.

The main thing, of course is the weather and it would be hazardous to prophecy. But whatever the weather is like, the essence of holiday for most, is the carefree atmosphere in which it can be enjoyed. "Take all you need but leave your worries behind" is the sound advice for the holiday maker. Private worries are not always easy to escape from. However, even the pessimist would admit that for the moment, things appear brighter than they have been earlier.

Holiday time is surely a time for shedding serious pre-occupations and seeking the pleasures that appeal to us. It is true that we may not always succeed in finding them, indeed there are people who maintain that the great thing about a holiday is that it gives you an ampler appreciation of home comforts - a view no doubt more widely held among the elderly than you.

2. (a) How can body language support or contradict a message? Explain with the help of an example.

(2 Mark)

(b) (i) Choose the word which best expresses the meaning of the given word.

(1 Mark)

Yokel

- (a) Intrigue
- (b) Simple-minded
- (c) Victorious
- (d) Noise

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

(1 Mark)

Circumspect

- (a) Displeasing
- (b) Accumulate
- (c) Upstart
- (d) Unguarded

(iii) Change the following sentences to indirect speech. **(1 Mark)**

Shaurya said, "The auditions ended yesterday".

(c) Write a précis and give appropriate title to the passage given below. **(5 Marks)**

There is an enemy beneath our feet - an enemy more deadly for his complete impartiality. He recognizes no national boundaries, no political parties. Everyone in the world is threatened by him. The enemy is the earth itself. When an earthquake strikes, the world trembles. The power of a quake is greater than anything man himself can produce. But today scientists are directing a great deal of their effort into finding some way of combating earthquakes, and it is possible that at some time in the near future mankind will have discovered a means of protecting itself from earthquakes. An earthquake strikes without warning. When it does, its power is immense. If it strikes a modern city, the damage it causes is as great as if it has struck a primitive village. Gas mains burst, explosions are caused and fires are started. Underground railways are wrecked. Buildings collapse, bridges fall, dams burst, gaping crevices appear in busy streets. If the quake strikes at sea, huge tidal waves sweep inland. If it strikes in mountain regions, avalanches roar down into the valley. Consider the terrifying statistics from the past 1755: Lisbon, capital of Portugal - the city destroyed entirely and 450 killed. 1970: Peru: 50,000 killed. In 1968 an earthquake struck Alaska. As this is a relatively underpopulated part, only a few people were killed. But it is likely that this was one of the most powerful quakes ever to have hit the world. Geologists estimate that during the tremors, the whole of the state moved over 80 feet farther west into the Pacific Ocean. Imagine the power of something that can move an entire subcontinent! This is the problem that the scientists face. They are dealing with forces so immense that man cannot hope to resist them. All that can be done is to try to pinpoint just where the earthquake will strike and work from there. At least some precautionary measures can then be taken to save lives and some of the property.

3. (a) What do you understand by network in communication? **(1 Mark)**

(b) (i) Choose the word which best expresses the meaning of the given word. **(1 Mark)**

QUALM

- (a) Distress
- (b) Special
- (c) Persevere
- (d) Scruple

(ii) Choose appropriate words to fill the blank: **(1 Mark)**

The _____ of institutions through the purging of corruption is fundamental to the health of a _____.

- (a) cleaning, government
- (b) stopping, nation
- (c) cleansing, democracy
- (d) harmony, organisation

(iii) Change the following sentences into passive voice: **(1 Mark)**

A child could not have done this mischief.

(iv) Change the following sentence to indirect speech. **(1 Mark)**

He said to him, "I don't believe you"

- (c) You are Arvind, Senior Manager Administration of Soft Skill Solutions Pvt. Ltd. Draft a complaint letter to Team Appliances Pvt. Ltd regarding non-delivery of the order placed for products Alpha and Beta. **(5 Marks)**
4. (a) What is paralanguage? **(2 Marks)**
- (b) (i) Select the suitable antonym for the given word: **(1 Mark)**
Conquest
(a) Combine
(b) Defeat
(c) Consequent
(d) Surrender
- (ii) Rewrite the following sentence in passive voice: **(1 Mark)**
The outbreak of pandemic forbids the passengers to use the railway service.
- (iii) Change the following sentence into Indirect speech. **(1 Mark)**
Abhishek said, 'I am unable to attend the meeting because I am ill today.'
- (c) Write an article in 250-300 words on the topic '**Medical Tourism in India**'. **(5 Marks)**

Or

- Write a report in 250-300 words on your visit to an **Old Age Home**.
5. (a) What is technology barrier and how it affects communication? **(2 Mark)**
- (b) (i) Select the correct meaning of the idioms/phrases given below. **(1 Mark)**
Out of the woods
(a) After a long time
(b) no longer in danger
(c) out in open
(d) out of the dark
- (ii) Change the sentence from active to passive voice
My friends are going to watch a movie tonight. **(1 Mark)**
- (iii) Change the sentence from passive to active voice **(1 Mark)**
He asked them whether they would listen to such a man?
- (c) An organization is introducing new products in the market. The senior management along with Manager Sales and Marketing, Customer Care and HR are discussing advertising and customer care strategies. Prepare minutes of a meeting with participants in discussion.

OR

Prepare a cover letter and detailed résumé in the functional format for a candidate applying for the post of Junior Translator in DFG Publishing Pvt. Ltd, Darya Ganj New Delhi.

Other inputs: Name:

Aman Gupta

Experience:

6 months as Trainee in Punch Mark Publication

(5 Marks)