

Roll No.....

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 8

Total number of printed pages : 6

### PART—A

*(Answer Question No.1 which is compulsory  
and any two of the rest from this part.)*

1. (a) State, with reasons in brief, whether the following statements are correct or incorrect.  
Attempt **any five** :

- (i) The law of contracts is not the whole law of agreements.
- (ii) A minor, who is of sound mind, is competent to contract.
- (iii) A cheque cannot be crossed more than once under any circumstance.
- (iv) A partnership firm is not a distinct legal entity apart from its partners.
- (v) A company can become a partner in a partnership firm.
- (vi) Future goods can be the subject matter of sale.

*(2 marks each)*

- (b) Choose the most appropriate answer from the given options in respect of the following :

- (i) Which of the followings is not a contract of sale under the Sale of Goods Act, 1930 —
  - (a) A partner agreed to buy goods from the firm
  - (b) X agreed to sell his building for Rs.10 lakh to Y
  - (c) M agreed to sell 20 kgs rice worth Rs.1,000 on a future date
  - (d) P agreed to sell 100 shares for Rs.20,000 to R.
- (ii) A cheque is drawn payable to Basu or order. It is stolen and Basu's endorsement is forged. The banker pays the cheque in due course. The banker is —
  - (a) Discharged from liability because it was purported to be endorsed by or on behalf of the payee
  - (b) Not discharged from liability because the signature on Basu's endorsement was forged
  - (c) Not discharged from liability because it did not act in good faith
  - (d) Not discharged from liability because it acted without due diligence.

- (iii) In which of the following cases the partnership relationship does not exist —
- (a) Joint owners sharing gross returns
  - (b) A person is engaged as an employee who also receives his remuneration as a share of profit
  - (c) A widow of a deceased partner receives a portion of the profits
  - (d) All of the above.
- (iv) *Caveat emptor* means —
- (a) Let the seller beware
  - (b) Let the buyer beware
  - (c) Let the government beware
  - (d) None of the above.
- (v) The liability of a surety —
- (a) May be less than that of debtor
  - (b) May be more than that of debtor
  - (c) Always remains the same as that of debtor
  - (d) Depends upon the judgement of court.

(1 mark each)

- (c) Re-write the following sentences after filling-up the blank spaces with appropriate word(s)/figure(s) :
- (i) Law means a \_\_\_\_\_ of rules.
  - (ii) Earnest money means \_\_\_\_\_ for the performance of contract.
  - (iii) Consideration must move at the desire of the \_\_\_\_\_ .
  - (iv) A negotiable instrument must be payable either to \_\_\_\_\_ or to \_\_\_\_\_.
  - (v) At any point of time, a person can hold directorships at the most in \_\_\_\_\_ companies.

(1 mark each)

2. (a) Sanjay delivers some goods to Tarun on 'sale or return' basis for 7 days. State the legal position in each of the following different situations :
- (i) Such goods are destroyed by fire on the second day itself with no fault of Tarun.

- (ii) Tarun informs acceptance of goods over phone to Sanjay and immediately thereafter goods are destroyed by fire.
- (iii) These goods are further delivered by Tarun to Umesh on fourth day, and then by Umesh to Vivek on same terms. The goods are stolen while in the custody of Vivek.
- (iv) Tarun neither returns goods nor gives any notice of rejection even after the expiry of ninth day. Goods are destroyed by fire on the tenth day.
- (v) Tarun retains goods but gives the notice of rejection on the seventh day. Goods are destroyed by fire on the eighth day.

*(2 marks each)*

- (b) Aamod has authority from his principal Binod to sell goods on credit. Aamod sells goods on credit to Chandan without making the proper and usual enquires as to Chandan's solvency. At the time of such sale Chandan was insolvent. Should Aamod compensate Binod ?

*(5 marks)*

3. Distinguish between **any three** of the following :

- (i) 'Sale' and 'hire-purchase agreement'.
- (ii) 'Partnership' and 'Hindu undivided family'.
- (iii) 'Bill of exchange' and 'promissory note'.
- (iv) 'Contract of indemnity' and 'contract of guarantee'.

*(5 marks each)*

4. Attempt **any three** of the following :

- (i) When must a banker refuse to honour a customer's cheque ? Mention any five situations.
- (ii) There can be different kinds of partners. State briefly about any five kinds of partners.
- (iii) What are 'quasi-contracts' ? Enlist quasi-contracts dealt with under the Indian Contract Act, 1872.
- (iv) There was an agreement to lend Rs.5 lakh to Bimla in consideration of her getting a divorce and marrying Govind, the lender. Is the agreement enforceable ? Give reasons.

*(5 marks each)*

**PART—B**

*(Answer Question No.5 which is compulsory  
and any two of the rest from this part.)*

5. (a) State, with reasons in brief, whether the following statements are correct or incorrect.  
Attempt **any five** :

- (i) We live and work in the world of organisations.
- (ii) Motivation and morale are conceptually different.
- (iii) Budgeting serves only as an instrument of planning.
- (iv) Decision-making involves choosing from among the alternative solutions.
- (v) The process of recruitment and selection is the same.
- (vi) Planning is a primary function of management.

*(2 marks each)*

- (b) Choose the most appropriate answer from the given options in respect of the following :

- (i) Management is multi-disciplinary. It means that —
  - (a) Management has been developed by borrowing from many disciplines
  - (b) Management is based upon cause and effect relationship
  - (c) Management principles are relative
  - (d) Management is a science.
- (ii) Coordination is not —
  - (a) A continuous and dynamic process
  - (b) Relevant for individual efforts
  - (c) Laying emphasis on unity of efforts
  - (d) The responsibility of every manager.
- (iii) A specific guide for action, established authoritatively, and utilised in order to inform employees of conditions under which designated activities are to be performed is known as —
  - (a) Policy
  - (b) Procedure
  - (c) Rule
  - (d) Strategy.

- (iv) Span of management refers to —
  - (a) Division of authority
  - (b) Delegation of authority
  - (c) Centralisation of authority
  - (d) Number of subordinates to be placed under one superior.
- (v) Organisation development is concerned with —
  - (a) Short-term effort for change
  - (b) Remaining static
  - (c) Normative-educative strategy
  - (d) Not bringing major departure from the old practices.

(1 mark each)

- (c) Re-write the following sentences after filling-up the blank spaces with appropriate word(s)/figure(s) :

- (i) Planning and controlling are \_\_\_\_\_ to each other.
- (ii) Organisational chart does not show \_\_\_\_\_ relationship.
- (iii) Controlling everything implies controlling \_\_\_\_\_ .
- (iv) Leadership is the activity of \_\_\_\_\_ people.
- (v) Resistance to change among human beings is \_\_\_\_\_.

(1 mark each)

6. Distinguish between **any three** of the following :

- (i) 'Management' and 'administration'.
- (ii) 'Policies' and 'procedures'.
- (iii) 'Centralisation of authority' and 'decentralisation of authority'.
- (iv) 'Formal communication' and 'informal communication'.

(5 marks each)

7. Attempt **any three** of the following :

- (i) "Whatever a manager does, he does through decision-making." Comment.
- (ii) "Leadership is different from management." Comment.
- (iii) Discuss the process of delegation of authority.
- (iv) Name the various needs under the hierarchy of needs theory as enunciated by Maslow.

(5 marks each)

8. Write notes on ***any three*** of the following :

- (i) Organisation as a part of the total management task
- (ii) Staffing process
- (iii) Rationale of assuming social responsibility
- (iv) Techniques of overcoming resistance to change.

*(5 marks each)*

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