

Roll No. ....471202.....

Total No. of Questions – 7

Total No. of Printed Pages – 8

Time Allowed – 3 Hours

Maximum Marks – 100

## JPS

Answers to questions are to be given only in English except in the case of candidates who have opted for Hindi Medium. If a candidate has not opted for Hindi Medium, his/her answers in Hindi will not be valued.

Question No. 1 is compulsory.

Candidates are also required to answer any five questions from the remaining six questions.

In case any candidate answers extra question(s)/sub-question(s) over and above the required number, then only the requisite number of questions first answered in the answer book shall be valued and subsequent extra question(s) answered shall be ignored.

Wherever necessary suitable assumptions may be made and disclosed by way of note.

**Marks**

1. (a) 'N' an industrialist has been fighting a long drawn litigation with 'S' 5  
⑥ another industrialist. To support his legal campaign 'N' enlists the services of 'R' a legal expert stating that an amount of ₹ 5 lakhs would be paid, if 'R' does not take up the brief of 'S'. 'R' agrees, but at the end of the litigation 'N' refuses to pay. Decide whether 'R' can recover ✓ the amount promised by 'N' under the provisions of the Indian Contract Act, 1872.

(b) *V*, the transferee, acquired 300 Equity shares of ABC Limited from 'S', the transferor. But the signature of 'S', the transferor, on the transfer deed was forged. 'V' after getting the shares registered by the company in his name and subsequently sold 250 shares to 'X' on the basis of the share certificate issued by ABC Ltd. 'V' and 'X' were not aware of the forgery. Explain the rights of 'S', 'V' and 'X' against the company with reference to the aforesaid equity shares under the provisions of the Companies Act, 2013.

(c) What is meant by "Environmental Ethics" ? How does its non-adoption lead to 3P's viz., polluter pays principle ? Explain.

(d) What do you mean by consensus building in a group ? Briefly explain the efforts taken by mediators and facilitators in the consensus building process.

2. (a) (i) On 1<sup>st</sup> January, 2015, Arihant Industries Ltd. agreed with the employees for payment of an annual bonus linked with production or productivity instead of bonus based on profits subject to the limits of 30% of their salary wages during the relevant accounting year. It was also agreed by the employees that they will not claim minimum bonus stated under Section 10 of the Payment of Bonus Act, 1965. As per the aforesaid agreement the employees claimed bonus but the company refused to honour the agreement. On refusal of the company the employees moved to the court for relief.

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Decide as per the provisions of the Payment of Bonus Act, 1965 whether the employees will get the relief. Also decide whether inspite of the aforesaid agreement whether the employees are still entitled to receive minimum bonus.

MM Gratuity Act, Pr Q.9 Same Pg.70

(ii) / 'K' is an employee of Bannari Ltd., which works five days in a week. 'K' was not in continuous service during the financial year 2015-16. However, he worked only for 150 days and due to an accident arising in the course of his employment, he was on leave with full pay for 45 days. Referring to the provisions of the Payment of Gratuity Act, 1972 decide :

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(1) Whether 'K' is entitled to gratuity payable under the Act ?

(2) Would your answer remain the same in case Bannari Ltd. works 6 days in a week ?

MM Principles of Business Ethics Application oriented Question: Same

(b) Mr. Ram is a CEO of a pharmaceutical company. His R & D department, while experimenting with a chemical molecule, sees the possibility that the molecule may be developed into drug for a rare, painful, life-threatening genetic disease that afflicts one child only in ten million. But to develop the drug, his company, may have to invest huge sum of the shareholder's money, despite the drug not having wide salability. Is Mr. Ram confronted by an Ethical Dilemma ? If yes, how should he resolve the issue ?

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MM Essentials of Communication Q.NO. Same

(c) Explain the "Socio-psychological Barriers" to effective communication.

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P.T.O.

3. (a) (i) State with reasons whether the following agreements are valid or void under the provisions of the Indian Contract Act, 1872 : 4

(1) Vijay agrees with Saini to sell his black horse for ₹ 3,00,000. Unknown to both the parties, the horse was dead at the time of the agreement.

(2) Sarvesh sells the goodwill of his shop to Vikas for ₹ 10,00,000 and promises not to carry on such business forever and anywhere in India.

(ii) Explain the meaning of "Suit for Injunction" as per the provisions of the Indian Contract Act, 1872. 4

(b) ~~"To maintain social contract between society and business, the trusteeship relations are essential."~~ Discuss the role of business ethics in this reference. 4

(c) ~~What~~ is meant by "Emotional Intelligence" and "Emotional Quotient" ? State any six social competencies associated with Emotional Intelligence. 4

4. (a) (i) ~~XYZ~~ Company Ltd. at a general meeting of members of the company pass an ordinary resolution to buy-back 30% of its equity share capital. The Articles of the company empower the company for buy-back of equity shares. The company further decides that the payment for buy-back be made out of the proceeds of the company's earlier issue of equity shares. Explaining the provisions of the Companies Act, 2013, and stating the sources through which the buy-back of companies own shares be executed. Examine : 4

(5)

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(1) Whether company's proposal is in order ?  
(2) Would your answer be still the same in case the company instead of 30% decide to buy-back only 20% of its equity share capital ?

(ii) When is a company required to issue a 'self prospectus' under the provisions of the Companies Act, 2013 ? Explain the law relating to issuing and filing of such prospectus.

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(b) 'S', an hotelier was purchasing butter regularly from EDF Ltd. for the purpose of use in his hotel. There were defects in the goods in one of the purchase lot and as a result 'S' suffered loss of his share in competition in hotel industry. The hotelier 'S' sued the said company for this reason. The company contended that the goods were purchased for the commercial purpose therefore, not bound. Is it a valid contention ? Explain clearly the provisions of the Competition Act, 2002 in this regard.

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(c) Explain clearly the different type of grapevine chains in an Informal Communication.

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5. (a) (i) Discuss with reasons, in the following given conditions, whether 'M' can be called as a "holder" under the Negotiable Instruments Act, 1881 :

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(1) 'M', the payee of the cheque, who is prohibited by a court order from receiving the amount of the cheque.  
(2) 'M' the agent of 'Q', is entrusted with an instrument without endorsement by 'Q' who is the payee.

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P.T.O.

(6)

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(ii) 'F' by inducing 'G' obtains a Bill of Exchange from him fraudulently in his (F) favour. Later, he enters into a commercial deal with 'H' and endorses the Bill to him (H) towards consideration for the deal. 'H' takes the bill as a holder-in-due-course. 'H' subsequently endorses the bill to 'F' for value as consideration to 'F' for some other deal. On maturity the bill is dishonoured. 'F' sues 'G' for the recovery of the money. With reference to the provisions of the Negotiable Instruments Act, 1881, explain whether 'F' will succeed in this case.

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(b) What are the provisions of the Companies Act, 2013, relating to the appointment of 'Debenture Trustee' by a company ?

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(c) Write a short note on "Social Accountability 8000".

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*C. Law*

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6. (a) ~~SV~~ Technologies Limited is proposing to convene a General Meeting of its members. Explain briefly the provisions of the Companies Act, 2013 relating to the procedure to be followed for transacting business of the general meeting through "postal ballot".

(b) ~~What~~ is an affidavit ? Draft an affidavit certifying that SF Ltd. does not have any tax dues to the Central Government.

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(c) State whether the following statements are correct or incorrect :

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(i) ~~The~~ shareholders of the company in general meeting cannot decrease the rate of dividend recommended by the Board of Directors.

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(ii) ~~Debentures~~ with voting rights can be issued only if permitted by Articles of Association.

(iii) A ~~collateral~~ agreement to the void agreement is also void.

(iv) If one party fails to perform his obligation within the stipulated time, where time is not the essence of the contract, the other party can always rescind the contract on this ground.

7. Answer any four of the following :

(a) Pioneer Mills Ltd. has been regularly depositing the Provident Fund contributions to the Government. Owing to adverse market conditions, the company suffered losses for the past two years. The company's management is considering the reduction of salary of the employees to reduce the company's contribution to Provident Fund and instead, to pay compensatory allowance, so that the employees' pay package remains the same. Explain in terms of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952, whether the company can effect such reduction. 4

(b) The Articles of Association of XYZ Ltd. provides the Board of Directors has authority to issue bonds provided such issue is authorized by the shareholders by a necessary resolution in the general meeting of the company. The company was in dire need of funds and therefore, it issued the bonds to Mr. X without passing any such resolution in general meeting. Can Mr. X recover the money from the company ? Decide referring the relevant provisions of the Companies Act, 2013. 4

(8)

JPS

Marks

(c) MNC Limited realised on 2<sup>nd</sup> May, 2016 that particulars of charge created on 12<sup>th</sup> March, 2016 in favour of a Bank were not filed with Registrar of Companies for Registration. What procedure should the company follow to get the charge registered with the Registrar of Companies ? Would the procedure be different if the charge was created on 12<sup>th</sup> February, 2016 instead of 12<sup>th</sup> March, 2016 ? Explain with reference to the relevant provisions of the Companies Act, 2013. 4

(d) State the elements which create discrimination in employment in business organizations. 4

(e) What is meant by Active Listening ? State the importance of active listening in the business communication skill. 4

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