

Roll No.....

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 8

Total number of printed pages : 4

## P A R T – 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) A company cannot sue and be sued in its own name.
  - (ii) A bill which is drawn and accepted without consideration is called accommodation bill.
  - (iii) A person who does not invest or participate in the management of the firm but only gives his name to the firm, is called a nominal partner.
  - (iv) Consideration is not necessary in a contract of agency.
  - (v) A contract of sale for future goods is a valid contract.
  - (vi) The liability of the surety is co-extensive with that of the principal debtor.
- (2 marks each)
- (b) Attempt **any two** of the following :
- (i) "Sharing of profit is not the conclusive test of partnership." Comment.
  - (ii) Ajit is indebted to Balram for Rs.5 lakh. Ajit sells his property to Chinky for Rs.6 lakh. Chinky, the purchaser of Ajit's property, promises to pay off the debt to Balram. Later, Chinky fails to pay the debt amount to Balram. Can Balram sue Chinky for the debt amount of Rs.5 lakh ? Give reasons.
  - (iii) Manjeet, a minor falsely represented himself to Nakul that he was a major and requested to lend him Rs.10,000. Nakul believed and acted upon Manjeet's statement and lent him Rs.10,000. Later, Manjeet failed to repay the loan amount to Nakul who filed a suit against Manjeet in the court of law. Manjeet pleads his minority. Decide giving reasons.
- (5 marks each)
2. (a) Distinguish between 'sale' and 'hire-purchase agreement' .

(5 marks)

- (b) "Once an instrument passes through the hands of a holder in due course, it is purged of all defects." Explain.  
(5 marks)
- (c) Write a note on 'contract over the telephone'.  
(5 marks)
3. (a) "The crossing of cheque 'not negotiable' does not mean that it is non-transferable." Explain. What purpose does such crossing serve ?  
(5 marks)
- (b) What is 'statutory meeting' ? When is a statutory report required to be forwarded to every member of the company ?  
(5 marks)
- (c) Re-write the following sentences after filling-in the blank spaces with appropriate word(s)/figure(s) :
- (i) All contracts are \_\_\_\_\_ but all agreements are not contracts.
  - (ii) An agent who is considered for extra remuneration by his principal is called \_\_\_\_\_.
  - (iii) Goods which are either owned or possessed by the seller at the time of a contract of sale are called \_\_\_\_\_.
  - (iv) A cheque is always drawn on a \_\_\_\_\_.
  - (v) A company which is incorporated outside India and carries on business in India is known as \_\_\_\_\_.
- (1 mark each)
4. (a) "After receiving the certificate of incorporation, a private company can commence its business. However, a public company cannot do so." What does a public company need to do further to commence its business ? Explain.  
(5 marks)
- (b) Praveen, Rajeev and Sanjay are partners in an unregistered firm. The firm sold goods worth Rs.5,000 to Tarun, a retailer, on credit for 6 months. After 6 months, Tarun failed to make payment to the firm. The firm filed a suit against Tarun to realise Rs.5,000. Decide giving reasons.  
(5 marks)
- (c) Distinguish between 'cheque' and 'bill of exchange'.  
(5 marks)

**P A R T – 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) The staff is the 'thinkers' and the line is the 'doers'.
  - (ii) Committee system is costly both in terms of time as well as money.
  - (iii) Planning is a futile exercise and can be dispensed with.
  - (iv) Training is not an integral part of staffing function.
  - (v) Organisation structure should be static.
  - (vi) Grapevine is an informal channel of communication.
- (2 marks each)*
- (b) Write explanatory notes on **any two** of the following :
- (i) Steps in forecasting
  - (ii) The classical approach to organisation
  - (iii) The principle of unity of command.
- (5 marks each)*
6. (a) What is 'leadership' ? Briefly discuss the four systems of leadership styles as identified by Rensis Likert.
- (5 marks)*
- (b) Define 'control'. Briefly describe the steps involved in the process of control.
- (5 marks)*
- (c) Discuss Herzberg's two-factor theory of motivation.
- (5 marks)*
7. (a) Re-write the following sentences after filling-in the blank spaces with appropriate word(s)/figure(s) :
- (i) \_\_\_\_\_ popularly known as the father of modern management.
  - (ii) Management is an art to take work from other \_\_\_\_\_.
  - (iii) The activity which forecasts the future and lays down the objectives of the organisation is called \_\_\_\_\_.
  - (iv) There are two ends of a communication system. One is \_\_\_\_\_ and other is receiver.
  - (v) In the term MBO, O stands for \_\_\_\_\_.
- (1 mark each)*

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

- (i) Delegation of authority is related to –
- (a) Only transfer of powers
  - (b) Only transfer of duties
  - (c) Both transfer of powers as well as duties
  - (d) None of the above.
- (ii) In 'POSDCORB', CO stands for –
- (a) Company
  - (b) Co-operation
  - (c) Co-ordination
  - (d) Co-adventure.
- (iii) The main object of decision-making is –
- (a) To take only decisions
  - (b) To take right time decisions
  - (c) To take right decisions
  - (d) To take right time right decisions.
- (iv) The work of co-ordination in an organisation is –
- (a) Co-ordination between workers and management
  - (b) Co-ordination between employees and management
  - (c) Co-ordination between outsiders and management
  - (d) Co-ordination among all above.
- (v) Management relates to –
- (a) Corporate sector only
  - (b) Private sector only
  - (c) Social sector only
  - (d) All the above.

(1 mark each)

(c) Discuss the systems approach to organisation.

(5 marks)

8. (a) Discuss the various steps involved in decision-making.

(5 marks)

(b) What are the basic principles of communication ?

(5 marks)

(c) Briefly state the staffing process.

(5 marks)