

Examinations Roll. No.

HPNLU/___/___/___



**HIMACHAL PRADESH NATIONAL LAW UNIVERSITY
SHIMLA**

End-Term Examinations, June 2024

Paper Code: LB-201

Subject: Law of Contract-I (General Principles and Specific Act)

B.A/B.B.A.LL.B. 2nd Semester

18th June, 2024

Time: 3 Hour

Maximum Marks: 50

Instructions:

- 1. Section-A is compulsory consisting of Six short questions carrying three marks each. Attempt any Four Questions from Section-B. Each question in Section-B carries eight marks.*
- 2. This Question Paper contains total of four printed pages.*
- 3. Candidates are required to write their Roll No. on the question paper in the given space above. Do not write anything except Roll No. on the question paper.*

SECTION-A (Short-Answer Type)

(6x03=18Marks)

Q.1 Short Answer Type Questions:

- a) Anoop offers to sell his T.V. to Bhanu for Rs. 10,000. Bhanu replies, I will pay Rs. 9,500 for the T.V. Anoop refuses to sell the T.V. at Rs. 9,500. Bhanu then replies I am willing to pay Rs. 10,000. Anoop refuses to sell him the T.V. even for Rs.10, 000. Can Bhanu compel Anoop to sell the T.V. for Rs. 10,000? Discuss.

- b) Romit promises to obtain an employment in public service. Bhushan promises to give Rs. 20,000 to Romit. Romit obtains an employment for Bhushan in public service but Bhushan refuses to give money. Romit institutes a suit against Bhushan to recover the money. Will Romit succeed?
- c) Anil and Bhavesh enter into an agreement. They agree that in case of breach of contract they will not file a suit. Anil commits a breach of contract and Bhavesh files a suit against Anil to recover the damages. Anil pleads that Bhavesh can not file a suit because Bhavesh has made an agreement of not filing the case in case of breach of contract. Decide.
- d) Doctrine of 'Restoration of benefit'. Explain with the help of case laws.
- e) Seema constructs a wall which obstructs Romi's legal right to light. Can injunction be granted? Explain.
- f) X intending to sell his house and one of three godown adjacent to it executes a conveyance prepared by B in which due to the fraud of B gives two godown to D for rent. D has no knowledge of fraud. Can the conveyance be rectified so as to exclude from it the godown given to D for rent?

SECTION-B (Long-Answer/Descriptive/Analytical Type)

(4x08=32Marks)

Q.2 "Ankur promises to paint a picture for a Romil by a certain day at a certain price. Ankur dies before the day. But Romil is not aware about Ankur's death and accept the proposal. Is Contract binding, if yes then after the death of Ankur who is responsible to perform the contractual obligations and why? Explain on the basis of legal provisions and also discuss the modes of revocation of offer with the help of case laws.

Q.3 Raghav purchases a truck from Ridansh. Ridansh made a false statement that truck is in good condition. Many defects were found in the truck in its first journey. Ridansh inform Raghav the expenses for repairing truck with a view to bring it in a good condition, both Raghav and Ridansh will bear equally and Raghav accepts this proposal of Ridansh. In the second journey the truck is broken totally. Raghav files a case to avoid the contract relating to the purchase of truck. Decide with the help of relevant provisions. Discuss the grounds where contract by fraud cannot be rescinded by the party at whose option it is voidable.

Q.4 X, a Delhi Surgeon, enters into an agreement with Y, a junior doctor, is to assist X for three years and during this period Y is to be paid 20,000 per month. There is a provision in the agreement that after termination of the services, Y will not practice in Delhi before the expiry of three years. Y is dismissed by X from the service and just after the termination he starts his practice in Delhi. X files a case to restrict him to do so as the period of three years has not expired. Will he succeed? Explain an agreement in restraint of trade is void with exceptions.

Q.5 Arundhati made a contract for the sale of trees of a forest to Alankrita. After contract the Government of that State passed an order preventing cutting of trees in that area. Can Alankrita enforce contract with Arundhati. Decide the case on the basis of legal provisions and also discuss the modes of discharge of contract on the ground of impossibility or Doctrine of Frustration.

Q.6 Puneet vacates his house without paying his electricity charges. Consequently, the electric wire is disconnected from the Electric House. Tarun, the subsequent rent payer deposited the arrear of the electricity bill and claims from Puneet. Decide the liability of Puneet on the basis of legal provisions. Define quasi contract and explain its kinds.

Q.7 Discuss the contracts which cannot be specifically enforced and also explain who may not obtain specific performance under the Specific Relief Act.

Examinations Roll. No.

HPNLU/___/___/___



**HIMACHAL PRADESH NATIONAL LAW UNIVERSITY
SHIMLA**

End-Term Examinations, June 2024

Paper Code: LB-202

Subject: Legislative Drafting

B.A/B.B.A.LL.B. 2nd Semester

20th June, 2024

Time: 3 Hour

Maximum Marks: 50

Instructions:

- 1. Section-A is compulsory consisting of Six short questions carrying three marks each. Attempt any Four Questions from Section-B. Each question in Section-B carries eight marks.*
- 2. This Question Paper contains total of eleven printed pages.*
- 3. Candidates are required to write their Roll No. on the question paper in the given space above. Do not write anything except Roll No. on the question paper.*

SECTION-A (Short-Answer Type)

(6x03=18Marks)

Q.1 Short Answer Type Questions:

- a)** What do you understand by ‘categorical syllogism’ and how is it used in legislative drafting?
- b)** Briefly explain Lon Fuller’s idea of ‘external morality of law’. Answer with examples.

- c) Repealing Acts are intended to excise dead matter from the statute book and to reduce its volume. Do you agree? Answer with reasons.
- d) Give two examples of statutory provisions where the proviso appended to such provisions can be construed as a substantive provision.
- e) Name three case laws in which the courts applied Mimansa Principles of Interpretation.
- f) Draft two illustrations for section 11 of the Indian Contract Act, 1872. Section 11 reads thus:
11. Who are competent to contract.— Every person is competent to contract who is of the age of majority according to the law to which he is subject, and who is of sound mind, and is not disqualified from contracting by any law to which he is subject.

SECTION-B (Long-Answer/Descriptive/Analytical Type)

(4x08=32Marks)

Q.2 The Central Educational Institutions (Reservation in Admission) Act, 2006 is an Act enacted by Parliament of India. The Act provides for the reservation in admission of the students belonging to the Scheduled Castes, the Scheduled Tribes and the Other Backward Classes of citizens, to certain Central Educational Institutions established, maintained or aided by the Central Government, and for matters connected therewith or incidental thereto.

Answer the following questions:

- (i) Do you think the Central Educational Institutions (Reservation in Admission) Act, 2006 is in conformity with Bentham's principle of utility? Answer with reasons and suitable illustrations.

- (ii) Whether Bentham's principle of utility can be used to test the Constitutional validity of the Central Educational Institutions (Reservation in Admission) Act, 2006?

Q.3 Refer to the legislation: The Indecent Representation of Women (Prohibition) Act, 1986 attached herewith and discuss:

- (i) Main Parts of the Act
- (ii) Legislative Agency and type of Legislation

Q.4 Punctuate the following clauses of Section 2 of the Bharatiya Sakshya Adhiniyam, 2023 with the punctuation marks that draftsmen put to specific use in legislative drafting:

- 2. (1)** In this Adhiniyam unless the context otherwise requires
 - (a)** Court includes all Judges and Magistrates and all persons except arbitrators legally authorised to take evidence
 - (b)** conclusive proof means when one fact is declared by this Adhiniyam to be conclusive proof of another the Court shall, on proof of the one fact regard the other as proved and shall not allow evidence to be given for the purpose of disproving it
 - (c)** disproved in relation to a fact means when, after considering the matters before it the Court either believes that it does not exist or considers its non-existence so probable that a prudent man ought under the circumstances of the particular case to act upon the supposition that it does not exist
 - (d)** document means any matter expressed or described or otherwise recorded upon any substance by means of letters figures or marks or any other means or by more than one of those means intended to be used or which may be used, for the purpose of recording that matter and includes electronic and digital records

(e) evidence means and includes

- (i) all statements including statements given electronically which the Court permits or requires to be made before it by witnesses in relation to matters of fact under inquiry and such statements are called oral evidence
- (ii) all documents including electronic or digital records produced for the inspection of the Court and such documents are called documentary evidence

(f) fact means and includes

- (i) anything state of things or relation of things capable of being perceived by the senses
- (ii) any mental condition of which any person is conscious

(g) facts in issue means and includes any fact from which either by itself or in connection with other facts the existence non-existence nature or extent of any right, liability or disability asserted or denied in any suit or proceeding necessarily follows

Explanation —Whenever under the provisions of the law for the time being in force relating to civil procedure any Court records an issue of fact the fact to be asserted or denied in the answer to such issue is a fact in issue

(h) may presume Whenever it is provided by this Adhiniyam that the Court may presume a fact it may either regard such fact as proved unless and until it is disproved or may call for proof of it

Q.5 Discuss in detail the function of all the *provisos* appended to sub-rule (2) of rule 4 of the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 which reads as follows:

Rule 4(2). A significant social media intermediary providing services primarily in the nature of messaging shall enable the identification of the first originator of the information on its computer resource as may be required by a judicial order passed by a court of competent jurisdiction or an order passed under section 69 by the Competent Authority as per the Information Technology (Procedure and Safeguards for interception, monitoring and decryption of information) Rules, 2009, which shall be supported with a copy of such information in electronic form:

Provided that an order shall only be passed for the purposes of prevention, detection, investigation, prosecution or punishment of an offence related to the sovereignty and integrity of India, the security of the State, friendly relations with foreign States, or public order, or of incitement to an offence relating to the above or in relation with rape, sexually explicit material or child sexual abuse material, punishable with imprisonment for a term of not less than five years:

Provided further that no order shall be passed in cases where other less intrusive means are effective in identifying the originator of the information:

Provided also that in complying with an order for identification of the first originator, no significant social media intermediary shall be required to disclose the contents of any electronic message, any other information related to the first originator, or any information related to its other users:

Provided also that where the first originator of any information on the computer resource of an intermediary is located outside the territory of India, the first originator of that information within the territory of India shall be deemed to be the first originator of the information for the purpose of this clause.

Q.6 On May 9th 2015, ‘A’ decided to live with ‘B’ knowing the fact that he is already married with ‘C’ and is father of three children. After 4 years, ‘B’ started mistreating ‘A’. Aggrieved by such behaviour

‘A’ approached competent court to claim relief under Protection of Women from Domestic Violence Act, 2005 arguing that her relationship with ‘B’ is a *‘relationship in the nature of marriage’* and hence a *‘domestic relationship’* as defined under Section 2(f) of the Protection of Women from Domestic Violence Act, 2005.

‘B’ contested the plea of ‘A’ by arguing that their relationship is adulterous and bigamous as ‘A’ knew that he was a married person with three children and hence does not fall within the ambit of *‘domestic relationship’* as defined under Section 2(f).

Section 2(f) of the Protection of Women from Domestic Violence Act, 2005 defines *‘domestic relationship’* as:

‘domestic relationship’ means a relationship between two persons who live or have, at any point of time, lived together in a shared household, when they are related by consanguinity, marriage, or through a relationship in the nature of marriage, adoption or are family members living together as a joint family.

Do you think the relationship of ‘A’ and ‘B’ is a *‘domestic relationship’* as defined under Section 2(f) of the Act of 2005? Answer by interpreting the expression *‘relationship in the nature of marriage’* with the help of rules of statutory interpretation. Support your answer with reasons.

Q.7 (a) Section 13 clause (1) of the General Clauses Act 1897 reads:

13. In all Central Acts and Regulations, unless there is anything repugnant in the subject or context,—

(1) words importing the masculine gender shall be taken to include females;

Critically analyze this provision with the lens of gender neutral drafting and suggest amendment to make it gender-silent.

(b) Section 2(10) of the Bharatiya Nyaya Sanhita, 2023 reads thus:

2(10) “gender”.—The pronoun “he” and its derivatives are used of any person, whether male, female or transgender.

Write a critical comment on how the incorporation of ‘*universal he*’ in the definition clause of the Bharatiya Nyaya Sanhita, 2023 promote gender bias in legislative drafting. Also suggest amendments to the abovementioned provision.

Note:

The Indecent Representation of Women (Prohibition) Act, 1986 is also attached herewith.

THE INDECENT REPRESENTATION OF WOMEN (PROHIBITION) ACT, 1986

ACT NO. 60 OF 1986

[23rd December, 1986.]

An Act to prohibit indecent representation of women through advertisements or in publications, writings, paintings, figures or in any other manner and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Thirty-seventh Year of the Republic of India as follows:—

1. Short title, extent and commencement.—

(1) This Act may be called the Indecent Representation of Women (Prohibition) Act, 1986.

(2) It extends to the whole of India^{1***}.

(3) It shall come into force on such date² as the Central Government may, by notification in the Official Gazette, appoint.

2. Definitions.—In this Act, unless the context otherwise requires,—

(a) “advertisement” includes any notice, circular, label, wrapper or other document and also includes any visible representation made by means of any light, sound, smoke or gas;

(b) “distribution” includes distribution by way of samples whether free or otherwise;

(c) “indecent representation of women” means the depiction in any manner of the figure of a woman, her form or body or any part thereof in such a way as to have the effect of being indecent, or derogatory to, or denigrating, women, or is likely to deprave, corrupt or injure the public morality or morals;

(d) “label” means any written, marked, stamped, printed or graphic matter, affixed to, or appearing upon, any package;

(e) “package” includes a box, carton, tin or other container;

(f) “prescribed” means prescribed by rules made under this Act.

3. Prohibition of advertisements containing indecent representation of women.—No person shall publish, or cause to be published, or arrange or take part in the publication or exhibition of, any advertisement which contains indecent representation of women in any form.

¹ The words “except the State of Jammu and Kashmir” omitted by Act 34 of 2019. S. 95 and the Fifth Schedule (w.e.f.31-10-2019).

² 2nd October, 1987, vide notification No G.S.R. 821(E), dated 25th September, 1987, see Gazette of India, Extraordinary, Part II sec, 3(i).

4. **Prohibition of publication or sending by post of books, pamphlets, etc., containing indecent representation of women.**—No person shall produce or cause to be produced, sell, let to hire, distribute, circulate or send by post any book, pamphlet, paper, slide, film, writing, drawing, painting, photograph, representation or figure which contains indecent representation of women in any form:

Provided that nothing in this section shall apply to—

- (a) any book, pamphlet, paper, slide, film, writing, drawing, painting, photograph, representation or figure—
 - (i) the publication of which is proved to be justified as being for the public good on the ground that such book, pamphlet, paper, slide, film, writing, drawing, painting, photograph, representation or figure is in the interest of science, literature, art, or learning or other objects of general concern; or
 - (ii) which is kept or used *bona fide* for religious purposes;
- (b) any representation sculptured, engraved, painted or otherwise represented on or in—
 - (i) any ancient monument within the meaning of the Ancient Monument and Archaeological Sites and Remains Act, 1958 (24 of 1958); or
 - (ii) any temple, or on any car used for the conveyance of idols, or kept or used for any religious purpose;
- (c) any film in respect of which the provisions of Part II of the Cinematograph Act, 1952 (37 of 1952), will be applicable.

5. **Powers to enter and search.**—

- (1) Subject to such rules as may be prescribed, any Gazetted Officer authorised by the State Government may, within the local limits of the area for which he is so authorised,—
- (a) enter and search at all reasonable times, with such assistance, if any, as he considers necessary, any place in which he has reason to believe that an offence under this Act has been or is being committed;
 - (b) seize any advertisement or any book, pamphlet, paper, slide film, writing, drawing, painting, photograph, representation or figure which he has reason to believe contravenes any of the provisions of this Act;
 - (c) examine any record, register, document or any other material object found in any place mentioned in clause (a) and seize the same if he has reason to believe that it may furnish evidence of the commission of an offence punishable under this Act:

Provided that no entry under this sub-section shall be made into a private dwelling house without a warrant:

Provided further that the power of seizure under this sub-section may be exercised in respect of any document, article or thing which contains any such advertisement, including the contents, if any, of such document, article or thing, if the advertisement cannot be separated by reason of its being embossed or otherwise from such document, article or thing without affecting the integrity, utility or saleable value thereof.

(2) The provisions of the Code of Criminal Procedure, 1973 (2 of 1974), shall, so far as may be, apply to any search or seizure under this Act as they apply to any search or seizure made under the authority of a warrant issued under section 94 of the said Code.

(3) Where any person seizes anything under clause (b) or clause (c) of sub-section (1), he shall, as soon as may be, inform the nearest Magistrate and take his orders as to the custody thereof.

6. **Penalty.**—Any person who contravenes the provisions of section 3 or section 4 shall be punishable on first conviction with imprisonment of either description for a term which may extend to two years, and with fine which may extend two thousand rupees, and in the event of a second or subsequent conviction with imprisonment for a term of not less than six months but which may extend to five years and also with a fine not less than ten thousand rupees but which may extend to one lakh rupees.

7. **Offences by companies.**—

(1) Where an offence under this Act has been committed by a company, every person, who, at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall be proceeded against and punished accordingly.

Explanation.—For the purposes of this section,—

- (a) “company” means any body corporate and includes a firm or other association of individuals;
and
- (b) “director”, in relation to a firm, means a partner in the firm.

8. Offences to be cognizable and bailable.—

(1) Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (2 of 1974), an offence punishable under this Act shall be bailable.

(2) An offence punishable under this Act shall be cognizable.

9. Protection of action taken in good faith.—No suit, prosecution or other legal proceeding shall lie against the Central Government or any State Government or any officer of the Central Government or any State Government for anything which is in good faith done or intended to be done under this Act.

10. Power to make rules.—

(1) The Central Government may, by notification in the Official Gazette, make rules to carry out the provisions of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

- (a) the manner in which the seizure of advertisements or other articles shall be made, and the manner in which the seizure list shall be prepared and delivered to the person from whose custody any advertisement or other article has been seized;

- (b) any other matter which is required to be, or may be, prescribed.

(3) Every rule made under this Act, shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session for a total period of thirty days, which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Examinations Roll. No.

HPNLU/___/___/___



**HIMACHAL PRADESH NATIONAL LAW UNIVERSITY
SHIMLA**

End-Term Examinations, June 2024

Paper Code: LB-203

Subject: English-II

B.A/B.B.A.LL.B. 2nd Semester

22nd June, 2024

Time: 3 Hour

Maximum Marks: 50

Instructions:

- 1. Section-A is compulsory consisting of Six short questions carrying three marks each. Attempt any Four Questions from Section-B. Each question in Section-B carries eight marks.*
- 2. This Question Paper contains total of Six printed pages.*
- 3. Candidates are required to write their Roll No. on the question paper in the given space above. Do not write anything except Roll No. on the question paper.*

SECTION-A (Short-Answer Type)

(6x03=18Marks)

Q.1 Short Answer Type Questions:

- a) “There was a sudden and wonderful change in his soul”. Can Soapy’s transformation motivate an ideal man?**
- b) “The extraordinary day had an extraordinary end”. Why? What happened at the end of the day?**

- c) Explain the following with the help of examples:
Attorney of record, bail forfeiture, battered child syndrome, challenge of the array, delinquency juvenile
- d) This is a cloze passage. Fill in the blanks with suitable prepositions:
"I will never forgive her," Anne muttered as she walked away1..... the class. Panting and running2..... her, Lilian came up3..... her and apologised profusely4..... accidentally spilling chocolate milk all5..... Anne's new bag. Anne refused to listen to Lilian. She he had messed.....6..... her room in anger.
- e) Write short notes on the following terms:
Phonology Phonetics Phonemes word stress Syllable
- f) Define Word stress and explain primary stress and secondary stress.

SECTION-B (Long-Answer/Descriptive/Analytical Type)

(4x08=32Marks)

Q.2 “Then, as a grown woman she fell in love again and offered her body up, but “my intellectual god took the offering—and went his way. He didn’t want my mind, or my devotion...He wasn’t a god. He was a man for whom everything was of the body, for the body. That’s all! Again, the body!... This body is a traitor!” Does Vijay Tendulkar wish to show Benare as an eccentric person or he satirizes the unjust male dominating society and the working of the court? Explain.

Q.3 Read the following sentences and change them into reported speech.

- (i) I said to her, “Do you have water with you?”
- (ii) She said to me, “Had he convinced you to commit the blunder?”
- (iii) You said, “Who don’t love you?”
- (iv) They said, “May God forgive us.”
- (v) “Bravo!” My uncle said, “You’ve done a great job.”
- (vi) I said, “How beautiful your handwriting is!”
- (vii) I said, “Fie! Fie! You ashamed your family.”
- (viii) The news reporter said, “The flight will be delayed by a few hours due to heavy rains.”
- (ix) Urmi said to her mother, “I want a slice of pizza.”
- (x) Raj said to Simran, “Have you ever been to the National Museum?”

Q.4 Change the sentences to passive voice.

- (i) The Browns have built the large house.
- (ii) A jellyfish stung her while she was swimming.
- (iii) They gave her a nice present.
- (iv) Jane is singing the new song.
- (v) The storm destroyed the house.
- (vi) People spent a lot of Monday on the first shopping Saturday.
- (vii) How do you write that word?
- (viii) She watered the flowers every day.
- (ix) The headmaster called his parents to the office.
- (x) Ben will direct the show.

Q.5 Write an essay on any of the following:

Impact of Social Media on the Judiciary

Lawyers’ Role in Speedy Justice Recovery

Q.6 (A) Read the passage and answer the question based on it.

A fact that draws our attention is that, according to his position in life, an extravagant man is either admired or loathed. A successful businessman does nothing to increase his popularity by being prudent with his money. A person who is wealthy is expected to lead a luxurious life and to be lavish with his hospitality. If he is not so, he is considered mean, and his reputation in business may even suffer in consequence. The paradox remains that he had not been careful with his money in the first place; he would never have achieved his present wealth. Among the low-income group, a different set of values exists. The young clerk, who makes his wife a present of a new dress when he has not paid his house rent, is condemned as extravagant. Carefulness with money to the point of meanness is applauded as a virtue. Nothing in his life is considered more worthy than paying his bills. The ideal wife for such a man separates her housekeeping money into joyless little piles – so much for rent, for food, for the children's shoes, she is able to face the milkman with equanimity every, month satisfied with her economizing ways, and never knows the guilt of buying something she can't really afford. As for myself, I fall neither of these categories. If I have money to spare I can be extravagant, but when, as is usually the case, I am hard up and then I am the meanest man imaginable.

1. Which of the following would be the most appropriate title for the passage:
 - (i) Being extravagant is always condemnable.
 - (ii) The cause of poverty is extravagance.
 - (iii) Extravagance is a part of the rich as well as of the poor.
 - (iv) Stingy habits of the poor.

2. According to the passage the person, who is a successful businessman and wealthy
 - (i) Is expected to have lavish lifestyle.
 - (ii) Should not bother about popularity.
 - (iii) Is more popular if he appears to be wasting away his time.
 - (iv) Must be extravagant before achieving success.
3. The phrase ‘lavish with his hospitality’ in the third sentence of the first paragraph means
 - (i) Thoughtful in spending only on guests and strangers.
 - (ii) Unconcerned in treating his friends and relatives.
 - (iii) Stinginess in dealing with his relatives.
 - (iv) Extravagance in entertaining guest.
4. The word ‘paradox’ in the last sentence of the first paragraph means
 - (i) Statement based on the popular opinion
 - (ii) A statement that seems self-contradictory but in reality expresses a possible truth.
 - (iii) Statement based on facts
 - (iv) A word that brings out the hidden meaning
5. What is the meaning of the word “equanimity”?
 - (i) Calmness
 - (ii) Discomposure
 - (iii) Equivocal
 - (iv) Dubious

(B) Read the passage and apply the rules of Précis writing to compress the original text. Also suggest a suitable title:

“Artificial intelligence (AI) is rapidly transforming many industries, including healthcare, finance, and transportation. AI can help to improve efficiency and accuracy in these industries, leading to better outcomes for businesses and consumers. However, there are also concerns about the impact of AI on the job market and the potential for AI to be used in ways that are

harmful or unethical. It is important for policymakers and industry leaders to consider these issues and work together to ensure that the benefits of AI are realized while minimizing the risks.”

Q.7 (i) How many syllables do the following words have:

- | | | |
|-----------------|-----------------|----------------|
| 1. Distinguish | 2. Memorial | 3. Involuntary |
| 4. Jewellery | 5. Bureaucracy | 6. Chronology |
| 7. Entrepreneur | 8. Civilization | 9. Accelerator |
| 10. Chronometer | | |

(ii) Where is the stress in each of these words? Decide which syllable.

- | | | |
|----------------|---------------|-------------------|
| 1. Demonstrate | 2. Graduate | 3. Panorama |
| 4. Residential | 5. Accidental | 6. Congratulation |
| 7. Advantage | 8. Biography | 9. Charity |
| 10. Academic | | |

Examinations Roll No.

HPNLU/___/___/___



**HIMACHAL PRADESH NATIONAL LAW UNIVERSITY
SHIMLA**

Re-appear End-Term Examinations, June 2024

Paper Code: LB- 204

Subject: Economics-II (Macro Economics)

B.A/B.B.A.LL.B. 2nd Semester

28th June, 2024

Time: 3 Hour

Maximum Marks: 50

Instructions:

- 1. Section-A is compulsory consisting of Six short questions carrying three marks each. Attempt any Four Questions from Section-B. Each question in Section-B carries eight marks.*
- 2. This Question Paper contains total of four printed pages.*
- 3. Candidates are required to write their Roll No. on the question paper in the given space above. Do not write anything except Roll No. on the question paper.*

SECTION-A (Short-Answer Type)

(6x03=18Marks)

Q.1 Short Answer Type Questions:

- a) GDP measures everything, in general, except that which makes life worthwhile, and it can tell us everything about India except why we are proud that we are Indian. Give a critique of such an economic measure.

- b) Differentiate between autonomous investment and induced investment.
- c) Explain the process of money creation by commercial banks.
- d) Recall that money serves primary functions in the economy. What are those functions? How does inflation affect the ability of money to serve each of these functions?
- e) All societies experience short-run economic fluctuations around long-run trends. These fluctuations are irregular and largely unpredictable. What are two macroeconomic variables that decline when the economy goes into a recession? Which one macroeconomic variable rises during a recession?
- f) Calculate (a) National Income and (b) Gross National Disposable Income from the following data

(Rs. In Crores)

(i) Net factor income from abroad	(-)20
(ii) Government final consumption expenditure	200
(iii) Subsidies	10
(iv) Private final consumption expenditure	800
(v) Net current transfers from the rest of the world	30
(vi) Net domestic fixed capital formation	100
(vii) Indirect taxes	80
(viii) Consumption of fixed capital	40
(ix) Change in stock	(-)10
(x) Net exports	(-)50

SECTION-B (Long-Answer/Descriptive/Analytical Type)

(4x08=32Marks)

- Q.2** Why are exports included in the estimation of domestic product by the expenditure method? Can the gross domestic product be greater than the gross national product? Explain various components of the Expenditure method along with precautions of this method.
- Q.3** Kartik resides in India and his centre of economic interest lies in India only. Explain the concept of normal residents in light of the above statement and also differentiate between normal residents of India and non-residents of India.
- Q.4** What do you mean by the term ‘classical dichotomy’? How does the classical full-employment model show that in a free enterprise competitive economic system flexibility of wages and prices always ensures full employment?
- Q.5** The quantity theory was developed essentially to explain the changes in the general price level. Do you agree with this statement? How can you derive the demand for money from Fisher’s quantity theory of money?
- Q.6** Based on an assessment of the current and evolving macroeconomic situation, the Monetary Policy Committee (MPC) at its meeting today (May 4, 2024) decided to: Increase the policy repo rate under the liquidity adjustment facility (LAF) by 40 basis points to 4.40 per cent with immediate effect. Explain the effects of these measures to control inflation. If there is deflation then what else other than these measures could be adopted by RBI in terms of quantitative and qualitative measures.

Q.7 Explain the workings of the monetary measures to control inflation.
Which of these weapons is more effective and under what conditions?

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**HIMACHAL PRADESH NATIONAL LAW UNIVERSITY
SHIMLA**

End-Term Examinations, June 2024

Paper Code: BL-203

Subject: History-II (Legal and Constitutional History)

B.A.LL.B. 2nd Semester

28th June, 2024

Time: 3 Hour

Maximum Marks: 50

Instructions:

- 1. Section-A is compulsory consisting of Six short questions carrying three marks each. Attempt any Four Questions from Section-B. Each question in Section-B carries eight marks.*
- 2. This Question Paper contains total of three printed pages.*
- 3. Candidates are required to write their Roll No. on the question paper in the given space above. Do not write anything except Roll No. on the question paper.*

SECTION-A (Short-Answer Type)

(6x03=18Marks)

Q.1 Short Answer Type Questions:

- a)** Evaluate the role of the British judiciary in maintaining law and order in Madras before the establishment of the Supreme Court.
- b)** What were the main objectives of Britishers behind the enactment of modern Civil and Criminal Codes/Acts?

- c) What were the main reasons for the enactment of the Government of India Act, 1858?
- d) Describe one significant recommendation proposed in the Nehru Report regarding the political structure of India.
- e) What were the main events or factors leading to the establishment of the Constituent Assembly?
- f) Explain one Gandhian principle incorporated into the Indian Constitution.

SECTION-B (Long-Answer/Descriptive/Analytical Type)

(4x08=32Marks)

- Q.2** What is the significance of 'Warren Hastings' introduction of the Adalat system in colonial governance in British India, and what were its implications for the administration of justice, socio-political dynamics, and the consolidation of British authority in the region amidst the complexities of indigenous legal traditions and colonial imperatives?
- Q.3** How did landmark cases such as the Raja Nand Kumar Case of 1775, the Patna Case of 1777, and the Cossijurah Case of 1779, within the context of the Regulating Act, 1773 and the Act of Settlement 1781, shape the evolving dynamics of colonial governance, judicial autonomy, and the balance of power between British authorities and indigenous elites in British India?
- Q.4** In what ways did the Government of India Act, 1858 mark a significant turning point in British colonial rule, particularly in terms of centralizing authority under the British Crown, redefining

governance structures, and navigating the complexities of imperial administration amidst rising calls for Indian self-governance and reforms, ultimately shaping the trajectory of colonial India's political, social, and economic landscape?

Q.5 In what ways did the Government of India Act of 1909 represent a pivotal juncture in British colonial policy towards India, especially regarding the introduction of limited elective representation, the stratification of Indian society, and the preservation of British hegemony, and how did these provisions shape the trajectory of Indian nationalist movements and the eventual quest for independence?

Q.6 How did the Government of India Act of 1935 fundamentally alter the landscape of British colonial rule in India, particularly through its provisions for provincial autonomy, federal structure, and limited franchise, and what were the immediate and long-term implications of these reforms for India's political dynamics, the emergence of nationalist movements, and the eventual path to independence amidst the backdrop of global geopolitical shifts and rising demands for self-governance?

Q.7 How did the origins and formation of the Constituent Assembly reflect the diverse socio-political landscape of the time, including the role of key leaders, the influence of nationalist movements, and negotiations between different interest groups, and how did these factors shape the Assembly's mandate, processes, and ultimate goals in drafting a constitution that aimed to address the aspirations, rights, and identities of a newly independent nation while navigating the challenges of colonial legacies, communal tensions, and regional disparities?

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**HIMACHAL PRADESH NATIONAL LAW UNIVERSITY
SHIMLA**

End-Term Examinations, June 2024

Paper Code: BL-201 Subject: Political Science-II (Indian Government and Politics)

B.A.LL.B. 2nd Semester

24th June, 2024

Time: 3 Hour

Maximum Marks: 50

Instructions:

- 1. Section-A is compulsory consisting of Six short questions carrying three marks each. Attempt any Four Questions from Section-B. Each question in Section-B carries eight marks.*
- 2. This Question Paper contains total of three printed pages.*
- 3. Candidates are required to write their Roll No. on the question paper in the given space above. Do not write anything except Roll No. on the question paper.*

SECTION-A (Short-Answer Type)

(6x03=18Marks)

Q.1 Short Answer Type Questions:

- a)** What are the emerging trends in coalition politics and their implications for governance at the national and state levels?
- b)** How does the Indian political system ensure representation of diverse socio-cultural groups?

- c) Explain the concept of 'affirmative action' in the context of public policy in India.
- d) How does the Right to Information Act (RTI) empower citizens to hold the government accountable in India?
- e) What is the constitutional status of Panchayati Raj institutions in India?
- f) Explain the significance of India's "Look East" and "Act East" policies in its foreign relations.

SECTION-B (Long-Answer/Descriptive/Analytical Type)

(4x08=32Marks)

- Q.2** What are the key characteristics that define the nature of the Indian political system, and how do they impact governance and policy-making?
- Q.3** How has the transition from a planned economy to neoliberal policies impacted India's development trajectory in terms of economic growth, income distribution, and social welfare?
- Q.4** What are the implications of decentralization and federalism on the design and execution of public policies at different levels of governance in India?
- Q.5** What are the socio-cultural barriers that hinder meaningful participation of marginalized groups, such as women and dalits, in the decision-making processes within Panchayati Raj bodies?

Q.6 How does India's commitment to non-alignment impact its diplomatic relations and strategic alliances in a rapidly changing global landscape?

Q.7 How does India's growing economic and geopolitical stature influence its role in addressing global challenges such as climate change, pandemics, and terrorism?

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**HIMACHAL PRADESH NATIONAL LAW UNIVERSITY
SHIMLA**

End-Term Examinations, June 2024

Paper Code: BBL-203

Subject: Psychology-II

B.B.A.LL.B. 2nd Semester

24th June, 2024

Time: 3 Hour

Maximum Marks: 50

Instructions:

- 1. Section-A is compulsory consisting of Six short questions carrying three marks each. Attempt any Four Questions from Section-B. Each question in Section-B carries eight marks.*
- 2. This Question Paper contains total of seven printed pages.*
- 3. Candidates are required to write their Roll No. on the question paper in the given space above. Do not write anything except Roll No. on the question paper.*

SECTION-A (Short-Answer Type)

(6x03=18Marks)

Q.1 Short Answer Type Questions:

- a) Tyler Clementi, an 18 year-old freshman at Rutgers University in the fall of 2010 became a victim of cyberbullying and harassment after his roommate streamed an intimate encounter between Tyler and another man online without his consent. The incident tragically led to Tyler's suicide. The lawmakers introduced the bill on the

anniversary of the death of Tyler Clementi in 2010, which was re-introduced in 2021, to address the increasing issues of bullying and harassment in colleges. Analyzing this case, discuss the contributing factors that may lead to such distressing situations like ragging and bullying towards LGBTQ+ individuals.

- b)** In a small town, a young man named Martin is arrested for shoplifting from a local convenience store. During the trial, it comes to light that Martin has a history of poverty and grew up in a neighborhood plagued by crime and limited opportunities. However, the prosecutor argues that Martin's actions reflect his inherent criminal tendencies (internal factors) and lack of respect for the law. The defense, on the other hand, presents evidence of Martin's difficult upbringing and argues that his actions were a result of situational (external) factors rather than his character.

Based on above facts how does the concept of Fundamental Attribution Error apply to the case of Martin, and how might it influence the perceptions of both the prosecution and the defense in the legal proceedings?

- c)** In a legal firm, a junior associate, Sia, has recently been assigned to work on a complex litigation case with a senior partner, John. Despite Sia's enthusiasm and competence, she feels uncertain about her role and responsibilities within the team. Apply the Hersey-Blanchard Situational Leadership Model to analyze John's leadership approach in guiding Sia through the case.

- d)** In a small town, there has been a recent surge in petty thefts and vandalism, leaving residents feeling uneasy and insecure. Investigations reveal that a group of teenagers, led by a charismatic individual named Mark, is responsible for the majority of these crimes. Interestingly, many of the teenagers involved in the criminal activities are known for their conformity to group norms and peer pressure. How might Solomon Asch's experiments on conformity shed light on the behavior of these teenagers, particularly in their willingness to conform to the group's deviant norms?
- e)** Analyze a case study where a young adult Max who has anger issues, from a disadvantaged socioeconomic background, becomes involved in gang-related activities, ultimately leading to her participation in a violent crime. On the basis of this, answer the following questions:
- (i) Explore the potential causes of Max's aggressive behavior.
 - (ii) Suggest a few intervention strategies through which such behavior can be controlled for the future.
- f)** In a bustling urban neighborhood, there has been a noticeable decrease in acts of helping behavior among residents. Incidents such as ignoring someone in distress, refusing to offer assistance in emergencies, and failing to intervene in conflicts have become more frequent. This decline in helping behavior has raised concerns among community members. Identify and analyze the various factors that could be contributing to the decline in helping behavior within the urban neighborhood.

SECTION-B (Long-Answer/Descriptive/Analytical Type)

(4x08=32Marks)

Q.2 Sarah, a young prosecutor, has been assigned to a high-profile murder case involving a well-known celebrity, George. The evidence against George is strong, and Sarah is confident in her ability to secure a conviction. However, as the trial progresses, Sarah finds herself facing a dilemma that challenges her deeply held beliefs and values. She uncovers inconsistencies in the evidence and witnesses' testimonies.

As the trial reaches its climax, Sarah experiences cognitive dissonance. On one hand, she is committed to upholding the law and seeking justice for the victim. On the other hand, she is increasingly troubled by the possibility that George may be innocent and that her prosecution could lead to an unjust outcome.

Sarah seeks out information and engages in discussions with her mentors hoping to find reassurance and validation for her stance. However, despite her efforts to maintain consistency in her beliefs, Sarah finds herself grappling with inner turmoil and uncertainty. On the basis of this case study, answer the following questions:

- (i) Elucidate the cognitive dissonance theory of attitude change.
- (ii) How can she alleviate or manage the cognitive dissonance being experienced by her?

Q.3 In a close-knit neighbourhood, a string of burglaries has left residents feeling anxious and vulnerable. Upon investigation, it is discovered that the perpetrator is a charming young man named Marget, who is well-liked within the community. Marget's magnetic personality has enabled him to gain the trust and admiration of his neighbors. While his friendly nature initially fostered a sense of camaraderie (true friendship) among his peers, it also served as a

smokescreen (masquerade/false front) for his criminal activities. Through his interpersonal skills, Marget was able to gain access to the homes of unsuspecting neighbours, exploiting their trust for his own gain. On the basis of this case study, answer the following questions:

- (i) What are the determinants of Inter-personal Attraction?
- (ii) How can the inter-personal attraction can lead to criminal behaviour?

Q.4 Emma, a determined college student, has set her sights on becoming a lawyer. She understands that effective communication will be paramount in her future career, not only in courtroom proceedings but also in client consultations, negotiations, and legal writing. However, Emma has noticed that she sometimes struggles to articulate her thoughts clearly and persuasively, particularly in high-pressure situations. Recognizing the importance of communication skills, answer the following questions:

- (i) How might models such as Shannon and Weaver's Communication Model or the Transactional Model of Communication help Emma understand the intricacies of communication processes in legal contexts?
- (ii) Discuss specific communication methods and techniques that Emma can adopt to enhance her communication skills in preparation for her future career as a lawyer.

Q.5 John Martin, a high-profile celebrity and philanthropist (contributor/donor), is accused of assault following an argument at a nightclub. Despite multiple eyewitness testimonies and video evidence implicating Martin in the argument, his legal team employs aggressive tactics and media manipulation to leverage his social power and influence in his defense. Martin's status as a public figure and his extensive network of connections within the

entertainment industry cast a shadow over the trial, raising questions about the impartiality of the legal proceedings and the integrity of the judicial system. On the basis of this, answer the following questions:

- (i) What do you understand by the term Social power?
- (ii) Discuss the influence of social power dynamics on defense strategies.

Q.6 On a warm summer evening in a city park, Martha witnesses a violent assault between two individuals. A man is repeatedly striking another person on the ground, while several bystanders, including Martha, observe the altercation from a distance. Despite feeling alarmed and concerned for the victim's safety, Martha hesitates to intervene, paralyzed by the presence of others who also fail to act. The assailant continues the assault until the victim is left bloodied and incapacitated, while Martha and the other bystanders remain passive, their inaction amplifying the perpetrator's sense of impunity. On the basis of this, answer the following questions:

- (i) Explore how bystander behavior influences responses to criminal incidents.
- (ii) Discuss potential strategies for overcoming the bystander effect in crime prevention and intervention.

Q.7 Hazel and John are siblings raised in the same household by loving parents. Despite their similar upbringing, they display markedly different behaviors in their interactions with others. Hazel, the older sibling, is known for her exceptional altruism and dedication to helping those in need and is always willing to lend a listening ear to friends and strangers alike. On the other hand, John, the younger sibling, exhibits anti-social tendencies that often put him at odds with societal norms and frequently gets into trouble with the law. Analysing the case of Hazel and John, highlighting the contrasting

manifestations of prosocial behavior and altruism in Hazel, and antisocial behavior in John, answer the following questions:

- (i) How might the internal factors contribute to the divergence in their behaviors despite sharing the same external factors?
- (ii) Discuss strategies or interventions that could be employed to support John in channeling his energies towards more prosocial behaviors, while also recognizing and reinforcing Hazel's altruistic contributions to the community.

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**HIMACHAL PRADESH NATIONAL LAW UNIVERSITY
SHIMLA**

End-Term Examinations, June 2024

Paper Code: BL-202

Subject: Sociology-II (Sociology of Contemporary Indian)

B.A.LL.B. 2nd Semester

26th June, 2024

Time: 3 Hour

Maximum Marks: 50

Instructions:

- 1. Section-A is compulsory consisting of Six short questions carrying three marks each. Attempt any Four Questions from Section-B. Each question in Section-B carries eight marks.*
- 2. This Question Paper contains total of three printed pages.*
- 3. Candidates are required to write their Roll No. on the question paper in the given space above. Do not write anything except Roll No. on the question paper.*

SECTION-A (Short-Answer Type)

(6x03=18Marks)

Q.1 Short Answer Type Questions:

- a) Which branch of knowledge in Sociology deals with interpretation of ancient texts and problems of ancient Indian culture. Also, discuss in brief, its validity in contemporary society.

- b) G.S. Ghurye has studied the caste system in India from a historical, comparative, and integrative perspective. Explain any of these two approaches.
- c) Share your thoughts with examples on regional disparity in India. Do you think, it is still a major issue in Indian society? Discuss in brief.
- d) How do Marxist look at social stratification and social exclusion? Do you think Marxism has the solution for caste-based inequalities?
- e) To what extent do you think globalization has affected the institution of family in Indian society? Whether there are positive outcomes of globalization? Discuss in brief.
- f) Do you think caste mobility is really important in modern societies? Take an example through which you can explain “upward caste mobility” and its relevance.

SECTION-B (Long-Answer/Descriptive/Analytical Type)

(4x08=32Marks)

Q.2 Different policies are introduced in society for the upliftment of Scheduled Caste people in India. Despite these policies, there are still barriers for scheduled caste people for entering into the mainstream society? Discuss all these barriers in detail with appropriate examples.

Q.3 In his analysis of class, Max Weber disagreed with Karl Marx on several important issues. What are all those issues? Discuss each using appropriate examples.

- Q.4** The functionalists believed that society has certain basic needs or functional prerequisites that must be met if it is to survive. Functionalists, therefore, considered social stratification as one of the functional prerequisites. To what extent the above arguments of functionalists is correct? Discuss with justifications.
- Q.5** To understand the caste system two views are famous in sociology namely Textual view and Field View. Elaborate on the difference between these two views and further discuss which view according to you is more appropriate to understand the caste realities?
- Q.6** Do you think, some form of stratification and differentiation is inevitable or unavoidable? Explain the existence of social stratification and social differentiation in contemporary society. Discuss in detail with examples.
- Q.7** On what grounds the concept of modernization is different from Westernization? Discuss M.N. Srinivas's ideas on modernization and westernization. Also, discuss the main differences between the process of westernization and modernization?

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**HIMACHAL PRADESH NATIONAL LAW UNIVERSITY
SHIMLA**

End-Term Examinations, June 2024

Paper Code: BBL-202

Subject: Audit Practice

B.B.A.LL.B. 2nd Semester

26th June, 2024

Time: 3 Hour

Maximum Marks: 50

Instructions:

- 1. Section-A is compulsory consisting of Six short questions carrying three marks each. Attempt any Four Questions from Section-B. Each question in Section-B carries eight marks.*
- 2. This Question Paper contains total of three printed pages.*
- 3. Candidates are required to write their Roll No. on the question paper in the given space above. Do not write anything except Roll No. on the question paper.*

SECTION-A (Short-Answer Type)

(6x03=18Marks)

Q.1 Short Answer Type Questions:

- a) Imagine you are a newly appointed auditor for a mid-sized manufacturing company. The company's management team has requested clarification on the objectives of auditing and how they align with the company's goals and stakeholders' interests. In response, describe the primary objectives of auditing and their significance in providing assurance to stakeholders.

- b) Imagine you are hiring an auditor for a high-profile audit engagement. What qualities and skills would you prioritize in selecting the auditor for the job?
- c) Discuss the importance of internal controls in mitigating risks and ensuring the accuracy and reliability of financial reporting.
- d) In the context of auditing assets, analyze the key considerations and challenges auditors face in assessing the existence, valuation, and ownership of assets.
- e) Outline the key areas auditors should typically focus on when auditing banks, including loan portfolios, interest rate risk management, regulatory compliance, and capital adequacy.
- f) Critically analyze how the various provisions including disclosure requirements, and audit reports contribute to enhancing transparency, accountability, and corporate governance standards in the auditing of companies.

SECTION-B (Long-Answer/Descriptive/Analytical Type)

(4x08=32Marks)

Q.2 Analytically evaluate the advantages and disadvantages of conducting audits for businesses that how audits contribute to financial transparency, accountability, and investor confidence. Provide examples from real-world scenarios to illustrate your analysis.

Q.3 “Internal controls typically consist of control environment, risk assessment, control activities, information and communication, and monitoring”. In the light of this statement explain in brief how each of these components plays a crucial role in ensuring reliable financial reporting?

- Q.4** Imagine you are a junior auditor assigned to vouching transactions for a retail company's audit. You encounter discrepancies between the recorded transactions and supporting documentation, raising concerns about the accuracy and reliability of the financial records. Describe how would you approach the vouching process to address these discrepancies and ensure the integrity of the audit findings.
- Q.5** “Audit sampling is a method used by auditors to evaluate the accuracy of a company's financial information and is used to identify potential discrepancies or errors in a company's financial statements or records that might otherwise go undetected”. In the light of this statement explain how auditors determine the sample size and evaluate the results of their sampling procedures to draw conclusions about the population being tested.
- Q.6** “Management audit is a comprehensive evaluation of an organization's management practices, processes, and effectiveness. It focuses on assessing how well management functions are performed within an organization and whether they align with the organization's objectives, policies, and regulatory requirements”. Elucidate.
- Q.7** Imagine you are a senior auditor tasked with preparing an audit report for a manufacturing company. The audit has been completed, and now you are supposed to draft a report summarizing your findings and conclusions. Describe the various key components that you would include in the audit report.

Examinations Roll No.

HPNLU/___/___/___



**HIMACHAL PRADESH NATIONAL LAW UNIVERSITY
SHIMLA**

End-Term Examinations, June 2024

Paper Code: BBL- 201

Subject: Financial Management

B.A/B.B.A.LL.B. 2nd Semester

28th June, 2024

Time: 3 Hour

Maximum Marks: 50

Instructions:

- 1. Section-A is compulsory consisting of Six short questions carrying three marks each. Attempt any Four Questions from Section-B. Each question in Section-B carries eight marks.*
- 2. This Question Paper contains total of four printed pages.*
- 3. Candidates are required to write their Roll No. on the question paper in the given space above. Do not write anything except Roll No. on the question paper.*

SECTION-A (Short-Answer Type)

(6x03=18Marks)

Q.1 Short Answer Type Questions:

- a) “Understanding of Taxation Policy and Provisions is as important to finance manager as it is for tax planner”. Comment on this statement indicating at least three areas of financial management where taxation can have a significant effect.

- b) “Strategic Financial Planning is subject to various macro and micro economic variable.” Comment.
- c) Critically evaluate MM Theory on Capital Structure under taxes and without taxes.
- d) Discuss the following with respect to dividend distribution.
 - (i) Clientele Effect
 - (ii) Dividend Signaling
 - (iii) Bird in Hand argument
 - (iv) Constant Dividend Payout Policy
 - (v) Agency cost
 - (vi) Tax Differentials
- e) Illustrate the profitability-solvency tangle in the current assets holding.
- f) Define each of the following terms with examples
 - (i) Gross Working capital and net working capital
 - (ii) Fixed and variable working capital

SECTION-B (Long-Answer/Descriptive/Analytical Type)

(4x08=32Marks)

Q.2 “Finance has changed from a field that was concerned primarily with procurement of funds to one that includes the management of assets, allocation of capital and valuation of the firm.” Comment.

Q.3 In the current economic scenario, financial management has assumed much greater significance. It is now a question of survival of entities in the total spectrum of economic activity, with the pragmatic readjustment of financial management.

Q.4 Here are the net cash flows (in thousands of Rupees):

Year	Franchise L	Franchise S
0	100	100
1	10	70
2	60	50
3	80	20

You also have made subjective risk assessments of each franchise and concluded that both franchises have risk characteristics that require a return of 10%. You must now determine whether one or both of the franchises should be accepted.

- What is capital budgeting?
- What is the difference between independent and mutually exclusive projects?
- Define the term *net present value (NPV)*. What is each franchise's NPV?
 - What is the rationale behind the NPV method? According to NPV, which franchise or franchises should be accepted if they are independent? Mutually exclusive?
 - Would the NPVs change if the cost of capital changed?

Year	1	2	3	4	5
PVF (10%)	.91	.83	.75	0.68	0.62
PVF (20%)	.83	.69	.58	.48	.41

Q.5 As the Chief Financial Officer (CFO) of XYZ Corporation, determining the optimal capital structure is a critical task. Assume that you are the Chief Finance Officer. How will you determine the optimal capital structure of your company? List and describe the steps clearly.

Q.6 Assuming that a firm pays tax at a 50 per cent rate, compute the after-tax cost of capital in the following cases:

- (i) A 8.5 per cent preference share sold at par.
- (ii) A perpetual bond sold at par, coupon rate of interest being 7 per cent.
- (iii) A ten-year, 8 per cent, `1000 par bond sold at `950 less 4 per cent underwriting commission.
- (iv) A preference share sold at `100 with a 9 per cent dividend and a redemption price of `110 if the company redeems it in five years.
- (v) An ordinary share selling at a current market price of `120, and paying a current dividend of `9 per share, which is expected to grow at a rate of 8 per cent.
- (vi) An ordinary share of a company, which engages no external financing, is selling for `50. The earnings per share are `7.50 of which sixty per cent is paid in dividends. The company reinvests retained earnings at a rate of 10 per cent.

Q.7 You are the financial manager of a mid-sized manufacturing company that produces consumer electronics. Recently, the company has been facing challenges with its working capital management, leading to cash flow problems and strained supplier relationships. The company's current working capital cycle is longer than the industry average, causing liquidity issues. You have been tasked with improving the working capital management to enhance the company's liquidity and operational efficiency. What strategies would you recommend to optimize the company's working capital, and how would you implement and monitor these strategies? Discuss the potential risks and benefits associated with each strategy.
