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# CA Foundation 2022 Suggested Answers · Paper 2 Business Laws and Business Correspondence and Reporting (Old Scheme)

EXAM
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**Suggested Answers**

SUBJECT
**Paper 2 Business Laws and Business Correspondence and Reporting (Old Scheme)**

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## PAPER – 2: BUSINESS LAW & BUSINESS CORRESPONDENCE AND REPORTING

### SECTION A – BUSINESS LAW

*Question No. **1** is compulsory.*

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

**Question 1**

(a) *X agrees to pay Y ₹ 1,00,000/-, if Y kills Z. To pay Y, X borrows ₹ 1,00,000/- from W, who is also aware of the purpose of the loan. Y kills Z but X refuses to pay. X also to repay the loan to W. Explain the validity of the contract.*

*(i) Between X and Y.*

*(ii) Between X and W* ***(4 Marks)***

(b) *Mr. R, a manufacturer of toys approached MNO Private Limited for supply of raw material worth ₹ 1,50,000/-. Mr. R was offered a credit period of one month. Mr. R went to the company prior to the due date and met Mr. C, an employee at the billing counter, who convinced the former that the payment can be made to him as the billing-cashier is on leave.*

*Mr. R paid the money and was issued a signed and sealed receipt by Mr. C. After the lapse of due date, Mr. R received a recovery notice from the company for the payment of ₹ 1,50,000/-.*

*Mr. R informed the company that he has already paid the above amount and being an outsider had genuine reasons to trust Mr. C who claimed to be an employee and had issued him a receipt.*

*The Company filed a suit against Mr. R for non-payment of dues. Discuss the fate of the suit and the liability of Mr. R towards company as on current date in consonance with the provision of the Companies Act 2013? Would your answer be different if a receipt under the company seal was not issued by Mr. C after receiving payment?* ***(4 Marks)***

(c) *Discuss the essential elements regarding the sale of unascertained goods and its appropriation as per the Sale of Goods Act, 1930.* ***(4 Marks)***

**Answer**

**(a) Illegal Agreement:** It is an agreement which the law forbids to be made. As an essential condition, the lawful consideration and object is must to make the agreement valid. (Section 10). As per Section 23 of the Indian Contract Act, 1872, an agreement is illegal and void, if the consideration and object is unlawful / contrary to law i.e. if forbidden by

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law. Such an agreement is void and is not enforceable by law. Even the connected agreements or collateral transactions to illegal agreements are also void.

In the present case,

(i) X agrees to give ₹ 1,00,000 to Y if Y kills Z. Thus, the agreement between X and Y is void agreement being illegal in nature.

(ii) X borrows ₹ 1,00,000 from W and W is also aware of the purpose of the loan. Thus, the agreement between X and W is void as the connected agreements of an illegal agreements are also void.

**(b) (i) Fate of the suit and the liability of Mr. R towards the company:**

**Doctrine of the Indoor Management**

According to the Doctrine of the Indoor Management, the outsiders are not deemed to have notice of the internal affairs of the company. They are entitled to assume that the acts of the directors or other officers of the company are validly performed, if they are within the scope of their apparent authority. So long as an act is valid under the articles, if done in a particular manner, an outsider dealing with the company is entitled to assume that it has been done in the manner required. This is the indoor management rule, that the company's indoor affairs are the company's problem. This rule has been laid down in the landmark case-*the Royal British Bank vs. Turquand.* (Known as "Turquand Rule")

In the instant case, Mr. R is not liable to pay the amount of ₹ 1,50,000 to MNO Private Limited as he had genuine reasons to trust Mr. C, an employee of the company who had issued him a signed and sealed receipt.

**(ii) Liability of Mr. R in case no receipt is issued by Mr. C:**

**Exceptions to doctrine of indoor management:** Suspicion of irregularity is an exception to the doctrine of indoor management. The doctrine of indoor management, in no way, rewards those who behave negligently. It is the duty of the outsider to make necessary enquiry, if the transaction is not in the ordinary course of business.

If a receipt under the company seal was not issued by Mr. C after receiving payment, Mr. R is liable to pay the said amount as this will be deemed to be a negligence on the part of Mr. R and it is his duty to make the necessary enquiry to check that whether Mr. C is eligible to take the payment or not.

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**(c) Sale of unascertained goods and Appropriation:**

Where there is a contract for the sale of unascertained goods by description and goods of that description are in a deliverable state are unconditionally appropriated to the contract, either by the seller with the assent of the buyer or by the buyer with the assent of the seller, the property in the goods thereupon passes to the buyer.

Whereas, Appropriation of goods involves selection of goods with the intention of using them in performance of the contract and with the mutual consent of the seller and the buyer.

**The essentials elements are:**

(a) There is a contract for the sale of unascertained or future goods.

(b) The goods should conform to the description and quality stated in the contract.

(c) The goods must be in a deliverable state.

(d) The goods must be unconditionally (as distinguished from an intention to appropriate) appropriated to the contract either by delivery to the buyer or his agent or the carrier.

(e) The appropriation must be made by:

  (i) the seller with the assent of the buyer; or

  (ii) the buyer with the assent of the seller.

(f) The assent may be express or implied.

(g) The assent may be given either before or after appropriation.

**Question 2**

*(a) Explain the following statements in the light of provisions of Indian Contract Act, 1872:*

*(i) "Agreements made out of love and affection are valid agreements."*

*(ii) "Promise to pay a time barred debt cannot be enforced."* ***(7 Marks)***

*(b) "A LLP (Limited Liability Partnership) is a type of partnership in which participants' liability is fixed to the amount of money they invest whereas a LLC (Limited Liability Private/Public Company) is a tightly held business entity that incorporates the qualities of a corporation and a partnership".*

*In line of above statement clearly elaborate the difference between LLP and LLC.*

***(5 Marks)***

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**Answer**

**(a) (i)** **Agreements made out of love and affection are valid agreements:** A written and registered agreement based on natural love and affection between the parties standing in near relation (e.g., husband and wife) to each other is enforceable even without consideration. The various conditions to be fulfilled as per Section 25(1) of the Indian Contract Act, 1872:

(A) It must be made out of natural love and affection between the parties.

(B) Parties must stand in near relationship to each other.

(C) It must be in writing.

(D) It must also be registered under the law.

Hence, the agreements made out of love and affection, without consideration, shall be valid, if the above conditions are fulfilled.

**(ii)** **Promise to pay a time barred debt cannot be enforced:** According to Section 25(3) of the Indian Contract Act, 1872, where a promise in writing signed by the person making it or by his authorised agent, is made to pay a debt barred by limitation is valid without consideration.

Hence, this statement is not correct.

**Note:** The above statement can be correct also on the basis of the "Discharge of Contract by Lapse of time" as per Limitation Act, 1963, and accordingly it can be mentioned that contract should be performed within a specified period as prescribed by the Limitation Act, 1963 and if no action is taken by the promisee within the specified period of limitation, he is deprived of remedy at law.

**(b) Distinction between Limited Liability Partnership (LLP) and Limited Liability Company (LLC)**

| S. No. | Basis | LLP | Limited Liability Company (LLC) |
|---|---|---|---|
| 1. | **Regulating Act** | The LLP Act, 2008. | The Companies Act, 2013. |
| 2. | **Members/ Partners** | The persons who contribute to LLP are known as partners of the LLP. | The persons who invest the money in the shares are known as members of the company. |
| 3. | **Internal governance structure** | The internal governance structure of a LLP is governed by agreement | The internal governance structure of a company is regulated by statute (i.e., |

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| | | | |
|---|---|---|---|
| | | between the partners. | Companies Act, 2013) read with its Memorandum of Association and Articles of Association. |
| 4. | **Name** | Name of the LLP to contain the word "Limited Liability partnership" or "LLP" as suffix. | Name of the public company to contain the word "limited" and Pvt. Co. to contain the word "Private limited" as suffix. |
| 5. | **No. of members/ partners** | Minimum – 2 partners<br>Maximum – No such limit on the partners in the Act. The partners of the LLP can be individuals/or body corporate through the nominees. | **Private company:**<br>Minimum – 2 members<br>Maximum 200 members<br>**Public company:**<br>Minimum – 7 members<br>Maximum – No such limit on the members.<br>Members can be organizations, trusts, another business form or individuals. |
| 6. | **Liability of members/ partners** | Liability of a partners is limited to the extent of agreed contribution. | Liability of a member is limited to the amount unpaid on the shares held by them. |
| 7. | **Management** | The business of the LLP managed by the partners including the designated partners authorized in the agreement. | The affairs of the company are managed by board of directors elected by the shareholders. |
| 8. | **Minimum number of directors/designated partners** | 2 designated partners. | Pvt. Co. – 2 directors<br>Public co. – 3 directors |

**Question 3**

(a) *Can a partner be expelled? If so, how? Which factors should be kept in mind prior to expelling a partner from the firm by the other partners according to the provision of Indian Partnership Act, 1932?* ***(6 Marks)***

(b) *Mr. Y aged 21 years, lost his mental balance after the death of his parents in an accident. He was left with his grandmother aged 85 years, incapable of walking and dependent upon him. Mr. M their neighbour, out of pity, started supplying food and other*

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*necessaries to both of them. Mr. Y and his grandmother used to live in the house built by his parents. Mr. M also provided grandmother some financial assistance for her emergency medical treatment. After supplying necessaries to Mr. Y for four years, Mr. M approached the former asking him to payback ₹ 15 Lakhs inclusive of ₹ 7 Lakhs incurred for the medical treatment of the lady (grandmother). Mr. Y pleaded that he has got his parent's jewellery to sell to a maximum value of ₹ 4 Lakhs, which may be adjusted against the dues. Mr. M refused and threatened Mr. Y of legal suit to be brought against for recovering the money.*

*Now, you are to decide upon based on the provisions of the Indian Contract Act, 1872:*

*(i) Will Mr. M succeed in filing the suit to recover money? Elaborate the related provisions?*

*(ii) What is the maximum amount- of money that can be recovered by Mr. M?*

*(iii) Shall the provisions of the above act also apply to the medical treatment given to the grandmother?* ***(6 Marks)***

**Answer**

**(a) Expulsion of partner and factors to be kept in mind:**

As per Section 33 of the Indian Partnership Act, 1932, a partner may not be expelled from a firm except

(i) the power of expulsion must have existed in a contract between the partners;

(ii) the power has been exercised by a majority of the partners; and

(iii) it has been exercised in good faith.

If all these conditions are not present, the expulsion is not deemed to be in bona fide interest of the business of the firm and shall be null and void.

The test of good faith as required under Section 33(1) includes three things:

(i) The expulsion must be in the interest of the partnership

(ii) The partner to be expelled is served with a notice

(iii) He is given an opportunity of being heard.

Yes, a partner may be expelled by other partners strictly in compliance with the provisions of section 33.

**(b) (i) Claim for necessaries supplied to persons incapable of contracting (Section 68 of the Indian Contract Act, 1872):**

If a person, incapable of entering into a contract, or anyone whom he is legally bound to support, is supplied by another person with necessaries suited to his

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condition in life, the person who has furnished such supplies is entitled to be reimbursed from the property of such incapable person.

In the instant case, Mr. M supplied the food and other necessaries to Mr. Y (who lost his mental balance) and Mr. Y's grandmother (incapable of walking and dependent upon Mr. Y), hence, Mr. M will succeed in filing the suit to recover money.

**(ii)** Supplier is entitled to be reimbursed from the property of such incapable person. Hence, the maximum amount of money that can be recovered by Mr. M is ₹ 15 Lakhs and this amount can be recovered from Mr. Y's parent's jewellery amounting to ₹ 4 Lakhs and rest from the house of Y's Parents. (Assumption: Y has inherited the house property on the death of his parents)

**(iii)** Necessaries will include the emergency medical treatment. Hence, the above provisions will also apply to the medical treatment given to the grandmother as Y is legally bound to support his grandmother.

**Question 4**

*(a) What are the rights of unpaid seller in context to re-sale the goods under Sale of Goods Act, 1930?* ***(6 Marks)***

*(b) "Indian Partnership Act does not make the registration of firm's compulsory nor does it impose any penalty for non-registration." In light of the given statement, discuss the consequences of non-registration of the partnership firms in India. Also, explain the rights unaffected due to non-registration of firms.* ***(6 Marks)***

**Answer**

**(a) Right of re-sale [Section 54 of the Sale of Goods Act, 1930]:**

The unpaid seller can exercise the right to re-sell the goods under the following conditions:

**(i) Where the goods are of a perishable nature:** In such a case, the buyer need not be informed of the intention of resale.

**(ii) Where he gives notice to the buyer of his intention to re-sell the goods:** If after the receipt of such notice the buyer fails within a reasonable time to pay or tender the price, the seller may resell the goods.

It may be noted that in such cases, on the resale of the goods, the seller is also entitled to:

(a) Recover the difference between the contract price and resale price, from the original buyer, as damages.

(b) Retain the profit if the resale price is higher than the contract price.

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It may also be noted that the seller can recover damages and retain the profits only when the goods are resold after giving the notice of resale to the buyer. Thus, if the goods are resold by the seller without giving any notice to the buyer, the seller cannot recover the loss suffered on resale. Moreover, if there is any profit on resale, he must return it to the original buyer, i.e. he cannot keep such surplus with him [Section 54(2)].

**(iii)** **Where an unpaid seller who has exercised his right of lien or stoppage in transit resells the goods:** The subsequent buyer acquires the good title thereof as against the original buyer, despite the fact that the notice of re-sale has not been given by the seller to the original buyer.

**(iv)** **A re-sale by the seller where a right of re-sale is expressly reserved in a contract of sale:** Sometimes, it is expressly agreed between the seller and the buyer that in case the buyer makes default in payment of the price, the seller will resell the goods to some other person. In such cases, the seller is said to have reserved his right of resale, and he may resell the goods on buyer's default.

It may be noted that in such cases, the seller is not required to give notice of resale. He is entitled to recover damages from the original buyer even if no notice of resale is given.

**(v)** **Where the property in goods has not passed to the buyer:** The unpaid seller has in addition to his remedies a right of withholding delivery of the goods. This right is similar to lien and is called "quasi-lien".

**(b)** It is true to say that Indian Partnership Act, 1932 does not make the registration of firms compulsory nor does it impose any penalty for non-registration.

**Following are the consequences of Non-registration of Partnership Firms in India:**

The Indian Partnership Act, 1932 does not make the registration of firms compulsory nor does it impose any penalty for non-registration. However, under Section 69 of the Indian Partnership Act, 1932, non-registration of partnership gives rise to a number of disabilities. These disabilities briefly are as follows:

**(i)** **No suit in a civil court by firm or other co-partners against third party:** The firm or any other person on its behalf cannot bring an action against the third party for breach of contract entered into by the firm, unless the firm is registered and the persons suing are or have been shown in the register of firms as partners in the firm.

**(ii)** **No relief to partners for set-off of claim:** If an action is brought against the firm by a third party, then neither the firm nor the partner can claim any set-off, if the suit be valued for more than ₹100 or pursue other proceedings to enforce the rights arising from any contract.

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**(iii) Aggrieved partner cannot bring legal action against other partner or the firm:** A partner of an unregistered firm (or any other person on his behalf) is precluded from bringing legal action against the firm or any person alleged to be or to have been a partner in the firm. But, such a person may sue for dissolution of the firm or for accounts and realization of his share in the firm's property where the firm is dissolved.

**(iv) Third party can sue the firm:** In case of an unregistered firm, an action can be brought against the firm by a third party.

**Following are the Rights unaffected due to non-registration of firms:** Non-registration of a firm does not, however effect the following rights:

1. The right of third parties to sue the firm or any partner.
2. The right of partners to sue for the dissolution of the firm or for the settlement of the accounts of a dissolved firm, or for realization of the property of a dissolved firm.
3. The power of an Official Assignees, Receiver of Court to release the property of the insolvent partner and to bring an action.
4. The right to sue or claim a set-off if the value of suit does not exceed ₹ 100 in value.
5. The right to suit and proceeding instituted by legal representatives or heirs of the deceased partner of a firm for accounts of the firm or to realise the property of the firm.

**Question 5**

*(a) Mr. K visited M/s Makrana Marbles for the purchase of marble and tiles for his newly built house. He asked the owner of the above shop Mr. J to visit his house prior to supply so that he can clearly ascertain the correct mix and measurements of marble and tiles. Mr. J agreed and visited the house on the next day. He inspected the rooms in the first floor and the car parking space. Mr. K insisted him to visit the second floor as well because the construction pattern was different, Mr. J ignored the above suggestion.*

*Mr. J. supplied 146 blocks of marble as per the size for the rooms and 16 boxes of tiles with a word of caution that the tiles can bear only a reasonable weight. Marble and Tiles were successfully laid except on second floor due to different sizes of the marble. The tiles fitted in the parking space also got damaged due to the weight of the vehicle came for unloading cement bags. Mr. K asked Mr. J for the replacement of marble and tiles to which Mr. J refused, taking the plea that the marble were as per the measurement and it was unsafe to fit tiles at the parking area as it cannot take heavy load. Discuss in the light of provisions of Sale of Goods Act 1930:*

*(i) Can Mr. J refuse to replace the marble with reference to the doctrine of Caveat Emptor? Enlist the duties of both Mr. K. and Mr. J.*

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*(ii) Whether the replacement of damaged tiles be imposed on M/s Makrana Marbles? Explain.* ***(6 Marks)***

*(b) (i) Mr. Anil formed a One Person Company (OPC) on 16 April, 2018 for manufacturing electric cars. The turnover of the OPC for the financial year ended 31 March, 2019 was about ₹ 2.25 crores. His friend Sunil wanted to invest in his One Person Company (OPC), so they decided to convert it voluntarily into a private limited company. Can Anil do so, as per the provisions of the Companies Act, 2013?*

***(4 Marks)***

*(ii) Explain listed company and unlisted company as per the provisions of the Companies Act, 2013.* ***(2 Marks)***

**Answer**

**(a) (i)** Yes, Mr. J can refuse to replace the marble as he has supplied the marble as per the requirement of the buyer i.e. Mr. K.

**Duty of Mr. K (the buyer)** is that he has to examine the marbles and tiles carefully and should follow the caution given by Mr. J i.e. the seller that tiles can bear only a reasonable weight before laying them in the parking space of his house.

**Duty of Mr. J (the seller)** is that the goods supplied (i.e. tiles and marbles) shall be reasonably fit for the purpose for which the buyer wants them.

According to the doctrine of Caveat Emptor, it is the duty of the buyer to satisfy himself before buying the goods that the goods will serve the purpose for which they are being bought.

In this case Mr. K has accepted the marbles without examination. Hence, there is no implied condition as regards to defects in marbles. Mr. J can refuse to replace the marble as he has supplied the marble as per the requirement of the buyer i.e., Mr. K.

**Alternate Answer**

**(a) (i)** According to doctrine of caveat emptor the buyer cannot hold the seller responsible for defect in goods supplied as it is the duty of the buyer to make a proper selection or choice of the goods. Section 16(1) also provides that there is no implied condition as to quality of fitness of the goods sold for any particular purpose. However, as an exception to this doctrine, the section further provides that if the buyer had made known to the seller the purpose of his purchase; relied on the seller's skill and judgement; and Seller's business is to supply goods of that description then it shall be the duty of the seller to supply such goods as are reasonably fit for that purpose.

In the instant case, Mr. K has made known to Mr. J the purpose of his purchase and relied on his skill and judgement. It was the duty of Mr. J to supply the marbles fit

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for that purpose including for second floor. Since the marbles supplied were not fit for second floor Mr. J is liable to replace the marbles to the extent not fit for that purpose.

**Duty of Mr. K (the buyer)** As per the above doctrine it was the duty of the buyer Mr. K to make known to Mr. J the purpose of his purchase of marbles. He has fully performed his part arranging the visit of Mr. J to the site.

**Duty of Mr. J (the seller)** is that the goods supplied (i.e. tiles and marbles) shall be reasonably fit for the purpose for which the buyer wants them. If Mr. K relied on the skill and judgement of Mr. J he failed to perform his duty by neglecting the request of Mr. K to visit second floor resulting in supplies of unfit marbles for the purpose of Mr. K.

Considering the above provisions Mr. J will be liable to replace the marbles not fit for the second floor as Mr. J is bound to the implied condition to supply the marbles as per the requirement of Mr, J when he has made him known about that and relied on his skill and judgement.

**(ii)** According to the doctrine of Caveat Emptor, it is the duty of the buyer to satisfy himself before buying the goods that the goods will serve the purpose for which they are being bought.

Here, Mr. J supplied the boxes of tiles with a word of caution that the tiles can bear only a reasonable weight. Even though the tiles were laid in the car parking space of Mr. K and got damaged later because of vehicle used for unloading of cement bags were beyond the reasonable weight. Hence, the seller i.e., M/s Makrana Marbles is not liable as the buyer Mr. K as before laying down the tiles, has to satisfy himself that the tiles will serve the specific purpose i.e., can be used for car parking space only.

Therefore, the replacement of the damaged tiles cannot be imposed on M/s Makrana Marbles.

**(b) (i)** Section 2(62) of the Companies Act, 2013 defines one person company as a company which has only one person as a member. However, a private company shall have minimum 2 members without any restriction on the share capital or turnover. If OPC is converted into private company Mr. Anil and Mr. Sunil both can be the members of the company and investment from Mr. Sunil can be accepted.

A One Person Company can voluntarily convert itself into a private company by following the compliances given under the Companies Act, 2013.

In the instant case, OPC formed by Mr. Anil can be voluntarily converted into a private company by following the compliances given under the Companies Act, 2013. Here, the information given relating to turnover for the financial year ended 31st March, 2019 is immaterial.

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**(ii) Listed company:** As per the definition given in the section 2(52) of the Companies Act, 2013, it is a company which has any of its securities listed on any recognised stock exchange.

Provided that such class of companies, which have listed or intend to list such class of securities, as may be prescribed in consultation with the Securities and Exchange Board, shall not be considered as listed companies.

Whereas the word securities as per the section 2(81) of the Companies Act, 2013 has been assigned the same meaning as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956.

**Unlisted company** means company other than listed company.

**Question 6**

*(a) Differentiate between Novation and Alteration as per the Indian Contract Act, 1872.*

***(5 Marks)***

*(b) What is the difference between partnership and co-ownership as per the Indian Partnership Act, 1932?* ***(4 Marks)***

*(c) Mike LLC incorporated in Singapore having an office in Pune, India. Analyse whether Mike LLC would be called as a foreign company as per the provisions of the Companies Act, 2013? Also explain the meaning of foreign company.* ***(3 Marks)***

**Answer**

**(a) Novation and Alteration:** The law pertaining to novation and alteration is contained in Sections 62 to 67 of the Indian Contract Act, 1872. In both these cases, the original contract need not be performed. Still there is a difference between these two.

1. **Meaning:** Novation means substitution of an existing contract with a new one. But in case of alteration the terms of the contract may be altered by mutual agreement by the contracting parties.
2. **Change in terms and conditions and parties:** Novation may be made by changing in the terms of the contract or there may be a change in the contracting parties. But in case of alteration the terms of the contract may be altered by mutual agreement by the contracting parties but the parties to the contract will remain the same.
3. **Substitution of new contract:** In case of novation, there is altogether a substitution of new contract in place of the old contract. But in case of alteration, it is not essential to substitute a new contract in place of the old contract. In alteration, there may be a change in some of the terms and conditions of the original agreement.

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**(b) Partnership Vs. Co-Ownership or joint ownership i.e. the relation which subsists between persons who own property jointly or in common.**

| Basis of difference | Partnership | Co-ownership |
|---|---|---|
| **1. Formation** | Partnership always arises out of a contract, express or implied. | Co-ownership may arise either from agreement or by the operation of law, such as by inheritance. |
| **2. Implied agency** | A partner is the agent of the other partners. | A co-owner is not the agent of other co-owners. |
| **3. Nature of interest** | There is community of interest which means that profits and losses must have to be shared. | Co-ownership does not necessarily involve sharing of profits and losses. |
| **4. Transfer of interest** | A share in the partnership is transferred only by the consent of other partners. | A co-owner may transfer his interest or rights in the property without the consent of other co-owners. |

**(c)** Mike LLC is incorporated in Singapore and having a place of business in Pune, India. Since, Mike LLC is incorporated outside India and having a Place of business in India, hence it is a foreign Company.

**Foreign Company [Section 2(42) of the Companies Act, 2013]:** It means any company or body corporate incorporated outside India which—

(i) has a place of business in India whether by itself or through an agent, physically or through electronic mode; and

(ii) conducts any business activity in India in any other manner.

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## SECTION-B : BUSINESS CORRESPONDENCE AND REPORTING

*Question No. **7** is compulsory.*

*Answer any **three** questions from the remaining **four** questions.*

*All candidates (including those who have opted for Hindi Medium) are required to answer the questions in Section B, in English only.*

### Question 7

(a) *Read the passage given below and answer the questions that follows:*

*To make our life meaningful, we need to mind our thoughts, for our thoughts are the foundation, the inspiration, and the motivating power of our deeds. We create our entire world the way we think. Thoughts are the causes and the conditions are the effects.*

*Our circumstances and conditions are not dictated by· the world outside; it is the world inside us that creates the outside. Self - awareness comes from the mind, which means soul. Mind is the sum total of the states of consciousness we have the power to choose and think. Krishna says: "No man resteth a movement inactive." Even when inactive on the bodily plane, we are all the time acting on the thoughts plane. Therefore, if we observe ourselves, we can easily mould our thoughts. If our thoughts are pure and noble, our actions will naturally follow the same pattern. If our thoughts are filled with jealousy, hatred and greed, our actions will reflect the same attributes.*

*Karmically, however, a thought or intent is more responsible and dynamic than an act. One may perform a charitable act, but if one does not think charitably and is doing the act just for the sake of gain and glory, it is one's thoughts that will determine the result. Theosophy teaches us that every thought, no matter how fleeting, leaves a seed in the mind of thinker. These small seed together go to make up a large thought seed and determine one's general character. Our thoughts affect our whole body. Each thought once generated and sent out becomes independent of the brain and mind, and we live upon its own energy depending upon its intensity.*

*Trying to keep a thought from our mind can produce the very state we are trying to avoid. We can alter our environment to create the mood. When, for instance, we are depressed, if we sit by ourselves trying to think cheerful thoughts, we often do not succeed. But if we mix with people who are cheerful we can bring about a change in our mood and thoughts. Every thought we think, every act we perform, creates in us an impression, like everything else, and is subject to cyclic law and becomes repetitive in our mind. So, we alone have the choice to create our thoughts and develop the kind of impression that makes our action more positive.*

*Let us choose the thought seeds of right ideas, noble and courageous aspirations that will be received by minds of the same nature. Right introspection will be required of us to determine what we easily deserve to effect. Everything in the universe is inter-related and inter-dependent, that we live in one another and by accepting the grand principle of*

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*universal brotherhood, we shall be in a position to appreciate what a heavy responsibility is ever ours to think right. Let us reflect and send loving and helpful thoughts and lighten the load of the world's suffering.*

***Questions:***

*(i) How do our thoughts affect our action?* ***(2 Marks)***

*(ii) How can we change our mood when we are depressed?* ***(2 Marks)***

*(iii) Find word in the passage which has a meaning similar to the words given below:*

*To look into one's thoughts and feelings.* ***(1 Marks)***

*(b) Read the passage:*

*In nature, the ability to change colour can be a key to survival. Vision is a very important sense in much of the animal kingdom, and many animals have come up with unique ways to use this sense to enhance their own survival. They may use this superpower to vanish into their environments or to boldly assert their dominance. The colour of animals is by no means a matter of chance; it depends on many considerations, but in the majority of cases tends to protect the animal from danger by rendering it less conspicuous. Perhaps it may be said that if colouring is mainly protective, there ought to be but few brightly coloured animals. There are, however, not a few cases in which vivid colours are themselves protective. The kingfisher itself, though so brightly coloured, is by no means easy to see. The blue harmonizes with the water, and the bird as it darts along the stream looks almost like a flash of sunlight.*

*Desert animals are generally the colour of the desert. Thus, for instance, the lion, the antelope, and the wild donkey are all sand-coloured. "Indeed," says Canon Tristram, "in the desert, where neither tree, brushwood, nor even undulation of the surface affords the slightest protection to its foes, a modification of colour assimilated to that of the surrounding country is necessary. Hence, without exception, the upper plumage of every bird, and the fur of all the smaller mammals and the skin of all the snakes and lizards, is of one uniform sand colour."*

*The next point is the colour of the mature caterpillars, some of which are brown. This probably makes the caterpillar even more conspicuous among the green leaves than would otherwise be the case. Let us see, then, whether the habits of the insect will throw any light upon the riddle.*

*What would you do if you were a big caterpillar? Why, like most other defenceless creatures, you would feed by night, and lie concealed by day. So do these caterpillars. When the morning light comes, they creep down the stem of the food plant, and lie concealed among the thick herbage and dry sticks and leaves, near the ground, and it is obvious that under such circumstances the brown colour really becomes a protection. It might indeed be argued that the caterpillars, having become brown, concealed themselves on the ground, and that we were reversing the state of things. But this is not*

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*so, because, while we may say as a rule 'that large caterpillars feed by night and lie concealed by day, it is by no means always the case that they are brown; some of them still retaining the green colour.*

*We may then conclude that the habit of concealing themselves by day came first, and that the brown colour is a later adaptation.*

*(i) Make Notes, using headings, Sub-headings, and abbreviations whenever necessary.* ***(3 Marks)***

*(ii) Write a summary.* ***(2 Marks)***

**Answers**

**(a)** (i) We create our entire world the way we think. Thoughts are the causes and the conditions are the effect. If our thoughts are pure and noble, our actions will naturally follow the same pattern. If our thoughts are filled with jealously, hatred and greed, our actions will reflect the same attributes. Thus, every thought seed is generated and affect our action.

(ii) We can alter our environment to create our mood. When, for instance, we are depressed, if we sit by ourselves trying to think cheerful thoughts, we often do not succeed. But if we mix with people who are cheerful, we can bring about a change in our mood and thoughts. So, we need to change our environment to change our mood.

(iii) Introspection

**(b) (i) Note Making (Animal Kingdom)**

**Notes:**

1. Cl. of anmls
   - 1.1 adpt to surround envnt
   - 1.2 Cl. change nec for safety and survival
   - 1.3 Cl. adptn makes them less consip.
2. The kngfshr
   - 2.1 Brightly clred
   - 2.2 But harmonizes with blue cl. of water
   - 2.3 is rarely visible
3. Dsrt anmls
   - 3.1 Lion, antelope, wild donkey are sand clred
   - 3.2 No trees necessitate cl adptn for safety

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3.3 Snakes and lizards are of sand Cl.

4. The Ctrplr

3.4 Mature ones are brown

3.5 Defnsls- creatures

3.6 The brown Cl conceals them among herbage and leaves

3.7 Feed by night and lie concled in day

**List of / Key to abbreviations used:**

a. Cl - Colour

b. Anmls - Animals

c. envnt. - Environment

d. adpt - Adapted

e. Nec - Necessary

f. Adptn - Adaption

g. Consip - Conspicuous

h. Kngfshr - kingfisher

i. Dsrt - Desert

j. Clred - Coloured

k. Defnsls - Defenceless

l. Ctrplr - Caterpillar

m. Concled - concealed

**(ii) Summary:**

Colour Camouflage is a necessity for the animal kingdom required for its existence and survival. Animals adapt to the colour of their surroundings to become less visible to their enemies. The Kingfisher's blue colour adapts to the colour of water as it dives into it. Desert animals like lion, antelope and wild donkey are sand coloured making them less visible to their opponents. The caterpillar although of green colour adapts the colour brown for their safety. The brown colour helps to conceal itself in herbage and ground. Therefore, colour acts as a dense mechanism for all animals. It allows them to hide from predators and catch their prey.

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**Question 8**

*(a) Courteousness is the important characteristics of effective communication. Comment.*

***(2 Marks)***

*(b) (i) Choose the correct meaning of given word: PATHOS.*

*(1) Five*

*(2) Emotion*

*(3) Fidelity*

*(4) Bitter* ***(1 Marks)***

*(ii) Select the suitable antonym for the- given word: ELEGANT*

*(1) Stylish*

*(2) Bombastic*

*(3) Palatial*

*(4) Gauche* ***(1 Marks)***

*(iii) Change the following sentence into direct speech:*

*The policeman asked the stranger who he was.* ***(1 Marks)***

*(c) Write Precis and give appropriate title to the passage given below:*

*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, perhaps at some time shortly, 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 and gaping crevices appear in busy streets.*

*A modern city when struck is reduced -to a nibble. A quake strikes plains, seas and mountains causing all round destruction. Scientists are trying to find out means to combat earthquakes, to predict the origin of the quake so that precaution can be taken to save man and property from destruction.*

*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*

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*past 1755: Lisbon, capital of Portugal - the city was destroyed entirely and 450 killed; 1970: Peru - 50,000 killed.*

*In 1968, an earthquake struck Alaska. As this is a relatively unpopulated part, only a few people were killed. But this likely 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 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 be taken at that time to save lives and property.* ***(5 Marks)***

**Answer**

**(a)** Courtesy implies that the sender is polite, considerate, respectful, open and honest with the receiver. The sender of the message takes into consideration the viewpoints and feelings of the receiver of the message. Make sure nothing offensive or with hidden negative tone is included.

**(b)** **(i)** (2) Emotion

**(ii)** (4) Gauche

**(iii)** The policeman said to / inquired the stranger, "Who are you?"

**(c)** **Precis:**

**Title:** Disaster in Earthquake/Earthquake Damages/ Losing the Ground: Nature of Earthquakes / Earthquake- Great enemy of mankind

An earthquake causes great damage to life and property without recognising any boundaries or political affiliations, small or big cities. It is a great enemy of mankind. Statistics show that the immense loss of life is due to quakes, including those in Peru and Portugal and they were so terrible that they could move the entire continent. The Alaska earthquake of 1968 killed few people, but the state moved over 80 feet farther west into the Pacific Ocean. Scientists are finding ways to combat the disaster, but the problem is that it strikes without warning, and only precautionary measures can be taken to save lives and property.

**Question 9**

*(a) How attitude barriers affect communication in the organization?* ***(2 Marks)***

*OR*

*Explain the term Aesthetic communication.*

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

***ALTER EGO***

*(1) Self-esteem*

*(2) Second self*

*(3) Competitor*

*(4) Egocentric* ***(1 Marks)***

*(ii) Choose the word which best expresses the meaning of the given word:*

***AMBIVALENT***

*(1) Uncertain*

*(2) Definite*

*(3) Dramatic*

*(4) Pensive* ***(1 Marks)***

*(iii) Change the following sentence into indirect speech:*

*The Tutor rebuked Sonu saying "If you do not finish your project, I'll call your mother."* ***(1 Marks)***

*(c) Hectic Schedule of academic leads to neglect of sports and co-curricular activities. It badly affects the moulding of personality of an individual and his overall development. Keeping in view the need for sports and co-curricular activities, write an article in about 200 words.* ***(5 Marks)***

**Answer**

**(a) (i) Attitude Barrier -** Personal attitude of employees can affect communication within the organization. A proactive, motivated worker will facilitate the communication process, whereas a dissatisfied, disgruntled, shy, introvert or lazy employee can delay, hesitate in taking the initiative, or refuse to communicate. Attitude problems can be addressed by good management and regular interaction with staff members.

**OR**

**(ii) Aesthetic Communication-** Communicate / sharing our thoughts through art forms such as dancing, painting, sculpting, music are also means of communication and is called aesthetic communication. They distinctly convey the ideas and thoughts of the artist.

**(b) (i)** (2) Second self

**(ii)** (1) Uncertain

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**(iii)** The Tutor scolded/rebuked Sonu and said that he would call his mother, if he did not finish his project. / The Tutor scolded/rebuked Sonu and said that, if he did not finish his project, he would call his mother.

**(c) Article**

Need for sports and co-curricular activities / Sports and co-curricular activities-Impact on personality

**By.... (Writer's / Author's name)**

It is a well-pronounced dictum that a sound mind dwells in a sound body. So, for the harmonious development of personality, one needs both physical and co-curricular activities along with the academics. Sports and co-curricular activities are meant to bring social and intellectual skills, moral values, and character appeal among students. Co-curricular activities fuel learning by stimulating creative thoughts, developing interest and talents, and offering the chance to switch off and do something one really enjoys. Further participation in sports develops personality traits like cooperation, teamwork, leadership, competition, and adventure. Ignorance of any of these aspects of life is detrimental. But in the modern field of education, our students are much burdened by the hectic schedule of academics. They are too pre-occupied to even eat or engage in other activities. Such an unhealthy state of work is very dangerous for their growth.

If they continue to fail to develop the other traits of personality at the expense of education, their lives will become a stumbling block not only for the individual but for the nation as well.

So, our educators should think along the healthy lines of developing a balanced personality among all because the insufficiency of one or more traits makes life troublesome.

**Question 10**

*(a) Explain any two types of formal communication.* ***(2 Marks)***

*(b) (i) Change the sentence from active to passive voice:*

*She said to me, "It has been raining heavily and you cannot go.* ***(1 Marks)***

*(ii) Change the sentence from passive to active voice:*

*The girls who had not done their homework were punished by the teacher.* ***(1 Marks)***

*(iii) Change the following sentence to Indirect Speech:*

*Had he delivered the letter?* ***(1 Marks)***

*(c) Write an article of about 250 words on the topic "Why is the new generation worried a lot?"* ***(5 Marks)***

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**Answer**

**(a)** **Formal communication**- Formal communication, both oral and written, follows certain rules, principles and conventions. The hierarchy in the organization has to be followed. Formal format, style and language have to be used. The communication pattern can be vertical, horizontal or diagonal.

**Vertical**: Information can flow upwards or downwards in the organization. Data that is collected flows up to the top levels of management for review and decision making, while instructions and orders are passed down from the management/ seniors to the subordinates for implementation.

**Horizontal**: Horizontal communication involves two employees of the organization at the same level. For example, the managers of a project in a company may hold a regular daily, weekly, or monthly meeting to discuss the progress of a project.

**Diagonal:** Cross-functional communication between employees at different levels of the organizational hierarchy is described as diagonal communication. Diagonal communication is increasingly common in larger organizations. It reduces the chances of distortion or misinterpretation by encouraging direct communication between the relevant parties. For example, a Junior Engineer reports directly to the General Manager regarding the progress on a project.

**Note:** Out of the above three, any two can be given as a part of main answer.

**(b) (i) Active to passive voice:**

I was said / told by her that it had been raining heavily and I could not go..

**OR**

**Direct to indirect speech:**

She said to / told me that it had been raining heavily and I could not go

**(ii)** The teacher punished the girls who had not done their homework.

**(iii) Indirect speech:**

Someone asked whether / if he had delivered the letter.

**OR**

**Active to passive voice:** Had the letter been delivered by him? /If /Whether the letter had been delivered by him?

**(c) Article:**

**'Why is the new generation worried a lot?'**

**By.....(Author / Writer's name)**

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Recently the Harvard Business Review published a study on mental health in the workplace that paints a bleak picture of anxiety among young people. In the survey, majority of those aged between 24 and 39, said they'd left a job partly for mental health reasons. For those between 18-23, the percentage spikes to 75 percent, as compared to 20 percent among the general population.

It is a well-established fact that we have stepped forward and progressed commendably with the fast-developing nations of the world. Indian minds are earning a lot of name and fame in far-away nations. Curing fatal diseases is no longer a dream. We communicate with our near and dear ones on the screen, however, far they may be. Our tickets are booked online. With the advancement of science and technology, with just one click on the internet we get any required information.

Thus, we are leading a life of luxury and freedom as well as rest and repose. Despite all this, our youngsters are a worried lot. The basic reason being that we are not safe, protected and free. We are living under constant fear. There are not adequate resources for employment. Terrorists and extremists are bent on disrupting the peace and harmony among people. Thus, there prevails a sense of chaos, dissatisfaction, terror, disruption, confusion, fear and anxiety. We are blindly following western civilization while losing our moral and social values. Many social evils have entered our lives. All these reasons have made the modern generation a worried lot.

**Question 11**

*(a) What do you mean by grapevine communication?* ***(2 Marks)***

*(b) Select the correct meaning of Idioms/Phrases given below:*

*(i) Grasping at Straws*

*(1) Totally calm.*

*(2) Totally desperate.*

*(3) Totally fake.*

*(4) Totally real.* ***(1 Marks)***

*(ii) You've got your work cut out for you.*

*(1) Easy task.*

*(2) Settled task.*

*(3) Good Task.*

*(4) Difficult task.* ***(1 Marks)***

*(iii) Change the sentence into passive voice.*

*One should keep one's promises.* ***(1 Marks)***

*(iv) Choose the word which best expresses the meaning of the given word:*

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*Blandishment*

*(1) Flattery*

*(2) Terrifying*

*(3) Funny*

*(4) Denial* ***(1 Marks)***

*(c) You are Mr. M, a general manager in P Mall. Write an official email to the employees of P Mall about the introduction of new dress code and office timings as part of marketing strategy with effect from 22.12.2022.* ***(4 Marks)***

**Answer**

**(a)** Employees in an organization interact with each other outside the formal domain. Such communication is called grapevine communication (gossip in the office). Employees of different departments and varied levels meet and discuss matters casually and informally. The grapevine satisfies the social needs of the people and help in building relationships. It is also useful in addressing certain needs and grievances of employees.

**(b)** **(i)** (2) Totally desperate

**(ii)** (4) Difficult task

**(iii)** Promises should be kept. / One's promises should be kept / One's promises should be kept by himself / herself.

**(iv)** (1) Flattery

**(c)** From: mpmall@gmail.com

To: E-mail addresses of the employees

CC/BCC: Mr. G, Mr. H and other departmental heads

Subject: Implementation of a new dress code and shift in office hours for all employees from December 22, 2022 onwards.

Dear Sir/Madam,

Greetings of the Day!

As you are all aware, our mall has developed a new marketing strategy, and the following changes will take effect on December 22, 2022.

(a) A new dress code has been introduced for employees in the mall, as below:

(i) Sky blue shirt and black pants for male employees on weekdays and striped shirt and blue pants on weekends.

(ii) Male employees should wear a Kurta-Pajama on festivals.

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(iii) During the week, female employees are expected to wear white shirts and red skirts and striped shirts and white skirts on weekends.

(iv) Female employees should wear traditional clothes such as saree during festivals.

(b) New office hours have been introduced, i.e., the day begins at 11 a.m. and ends at 10.30 p.m.

Kindly follow / adhere to the dress code and office timings meticulously.

Thank you and best wishes

Mr. M,

General Manager

P Mall, New Delhi

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