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CA Foundation 2023 Suggested Answers · Paper 2 Business Laws and Business Correspondence and Reporting (Old Scheme)

EXAM
CA Foundation

YEAR
2023

TYPE
Suggested Answers

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

DATE
June 2023

PAPER – 2: BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING

SECTION A – BUSINESS LAWS

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

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

Question 1

(a) Radha invited her ten close friends to celebrate her 25th birthday party on 1st January, 2023 at 7.30 P.M. at a well-known "Hi-Fi Restaurant" at Tonk Road, Jaipur. All invited friends accepted the invitation and promised to attend the said party. On request of the hotel manager, Radha deposited ₹ 5,000/- as non-refundable security for the said party. On the scheduled date and time, three among ten invited friends did not turn up for the birthday party and did not convey any prior communication to her. Radha, enraged with the behaviour of the three friends, wanted to sue them for loss incurred in the said party. Advise as per the provisions of the Indian Contract Act, 1872.

Would your answer differ if the said party had been a "Contributory 2023 New Year celebration Party" organized by Radha? ***(4 Marks)***

(b) ABC Limited has allotted equity shares with voting rights to XYZ Limited worth ₹ 15 crores and convertible preference shares worth ₹ 10 crores during the financial year 2022-23. After that the total share capital of the company is ₹ 100 crores.

Comment on whether XYZ Limited would be called an Associate Company as per the provisions of the Companies Act, 2013? Also define an Associate Company. ***(4 Marks)***

(c) Mr. A contracted to sell his swift car to Mr. B. Both missed to discuss the price of the said swift car. Later, Mr. A refused to sell his swift car to Mr. B on the ground that the agreement was void being uncertain about the price. Does Mr. B have any right against Mr. A under the Sale of Goods Act, 1930? ***(4 Marks)***

Answer

(a) As per one of the requirements of Section 10 of the Indian Contract Act, 1872, there must be an intention on the part of the parties to create legal relationship between them. Social or domestic agreements are not enforceable in court of law and hence they do not result into contracts.

In the instant case, Radha cannot sue her three friends for the loss incurred in the said party as the agreement between her and her ten friends was a social agreement, and the parties did not intend to create any legal relationship.

If the said party organised by Radha had been a “Contributory 2023 New year celebration party”, then Radha could have sued her three friends for the loss incurred in the said party as the agreement between her and her friends would have legal backing;

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on the basis of which Radha deposited the advance amount and the parties here intended to create legal relationship.

(b) **Associate company [Section 2(6) of the Companies Act, 2013]** in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

The expression "significant influence" means control of at least twenty per cent of total voting power, or control of or participation in business decisions under an agreement.

The term "joint venture" means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

In the instant case, ABC Limited has allotted equity shares with voting rights to XYZ Limited worth ₹ 15 crore and convertible preference shares worth ₹10 crore during the financial year 2022-23 out of the total share capital of ABC Limited of ₹ 100 crore.

Since XYZ Limited is holding only 15% significant influence (₹ 15 crore equity shares with voting rights) in ABC Limited, which is less than twenty per cent, XYZ Limited is not an Associate company of ABC Limited.

Important Note:

It can be assumed that the convertible preference shareholders are having voting rights and due to this, XYZ Limited is holding overall 25% paid up share capital in ABC Limited (with voting rights). Hence, XYZ limited is having significant control over ABC Limited and therefore XYZ is an Associate company of ABC Limited.

(c) As per the provisions of Section 2(10) of the Sale of Goods Act, 1930, price is the consideration for sale of goods and therefore is a requirement to make a contract of sale. Section 2(10) is to be read with Section 9 of the Sale of Goods Act, 1930.

According to Section 9 of the Sale of Goods Act, 1930, the price in a contract of sale may be fixed by the contract or may be left to be fixed in manner thereby agreed or may be determined by the course of dealing between the parties.

Even though both the parties missed to discuss the price of the car while making the contract, it will be a valid contract, rather than being uncertain and void; the buyer shall pay a reasonable price in this situation.

In the given case, Mr. A and Mr. B have entered into a contract for sale of a motor car, but they did not fix the price of the same. Mr. A refused to sell the car to Mr. B on this ground. Mr. B can legally demand the car from Mr. A and Mr. A can recover a reasonable price of the car from Mr. B.

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Question 2

(a) As per the general rule, "Stranger to a contract cannot file a suit in case of breach of contract". Comment and explain the exceptions to this rule as per the provisions of the Indian Contract Act, 1872. ***(7 Marks)***

(b) Discuss the liabilities of Limited Liability Partnership (LLP) and its partners in case of fraud as per the provisions of the Limited Liability Partnership Act, 2008. ***(5 Marks)***

Answer

(a) Under the Indian Contract Act, 1872, the consideration for an agreement may proceed from a third party; but the third party cannot sue on contract. Only a person who is party to a contract can sue on it.

The aforesaid rule, that **stranger to a contract cannot sue is known as a "doctrine of privity of contract",** is however, subject to certain exceptions. In other words, even a stranger to a contract may enforce a claim in the following cases:

(1) **In the case of trust,** a beneficiary can enforce his right under the trust, though he was not a party to the contract between the settler and the trustee.

(2) **In the case of a family settlement,** if the terms of the settlement are reduced into writing, the members of family who originally had not been parties to the settlement, may enforce the agreement.

(3) **In the case of certain marriage contracts/arrangements,** a provision may be made for the benefit of a person, who may file a suit though he is not a party to the agreement.

(4) **In the case of assignment of a contract,** when the benefit under a contract has been assigned, the assignee can enforce the contract but such assignment should not involve any personal skill.

(5) **Acknowledgement or estoppel** – Where the promisor by his conduct acknowledges himself as an agent of the third party, it would result into a binding obligation towards third party.

(6) **In the case of covenant running with the land,** the person who purchases land with notice that the owner of land is bound by certain duties affecting land, the covenant affecting the land may be enforced by the successor of the seller.

(7) **Contracts entered into through an agent:** The principal can enforce the contracts entered by his agent where the agent has acted within the scope of his authority and in the name of the principal.

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(b) Unlimited liability in case of fraud (Section 30 of the Limited Liability Partnership Act, 2008):

(1) In case of fraud:

- In the event of an act carried out by a LLP, or any of its partners,
- with intent to defraud creditors of the LLP or any other person, or for any fraudulent purpose,
- the liability of the LLP and partners who acted with intent to defraud creditors or for any fraudulent purpose
- shall be unlimited for all or any of the debts or other liabilities of the LLP.

However, in case any such act is carried out by a partner, the LLP is liable to the same extent as the partner, unless it is established by the LLP that such act was without the knowledge or the authority of the LLP.

(2) **Punishment:** Where any business is carried on with such intent or for such purpose as mentioned in sub-section (1), every person who was knowingly a party to the carrying on of the business in the manner aforesaid shall be punishable with

- imprisonment for a term up to 5 years and
- with fine which shall not be less than ₹ 50,000, but which may extend to ₹ 5 Lakhs.

(3) **Compensations on commission of fraud:** Where a LLP or any partner or designated partner or employee of such LLP has conducted the affairs of the LLP in a fraudulent manner, then without prejudice to any criminal proceedings which may arise under any law for the time being in force, the LLP and any such partner or designated partner or employee shall be liable to pay compensation to any person who has suffered any loss or damage by reason of such conduct.

However, such LLP shall not be liable if any such partner or designated partner or employee has acted fraudulently without knowledge of the LLP.

Question 3

(a) Explain about the registration procedure of a partnership firm as prescribed under the Indian Partnership Act, 1932. ***(6 Marks)***

(b) (i) Mr. A, the employer induced his employee Mr. B to sell his one room flat to him at less than the market value to secure promotion. Mr. B sold the flat to Mr. A. Later on, Mr. B changed his mind and decided to sue Mr. A. Examine the validity of the contract as per the provisions of the Indian Contract Act, 1872. ***(2 Marks)***

(ii) Mr. S promises Mr. M to paint a family picture for ₹ 20,000 and assures to complete his assignment by 15th March, 2023. Unfortunately, Mr. S died in a road accident on

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1st March, 2023 and his assignment remains undone. Can Mr. M bind the legal representative of Mr. S for the promise made by Mr. S? Suppose Mr. S had promised to deliver some photographs to Mr. M on 15th March, 2023 against a payment of ₹10,000 but he dies before that day. Will his representative be bound to deliver the photographs in this situation?

Decide as per the provisions of the Indian Contract Act, 1872. ***(4 Marks)***

Answer

(a) Application for Registration (Section 58 of the Indian Partnership Act, 1932): The registration of a firm may be effected at any time by sending by post or delivering to the Registrar of the area in which any place of business of the firm is situated or proposed to be situated, a statement in the prescribed form and accompanied by the prescribed fee, stating-

(a) The firm's name

(b) The place or principal place of business of the firm,

(c) The names of any other places where the firm carries on business,

(d) the date when each partner joined the firm,

(e) the names in full and permanent addresses of the partners, and

(f) the duration of the firm.

The statement shall be signed by all the partners, or by their agents specially authorised in this behalf.

(1) Each person signing the statement shall also verify it in the manner prescribed.

(2) A firm name shall not contain any of the following words, namely:-

'Crown', 'Emperor', 'Empress', 'Empire', 'Imperial', 'King', 'Queen', 'Royal', or words expressing or implying the sanction, approval or patronage of Government except when the State Government signifies its consent to the use of such words as part of the firm-name by order in writing.

Registration (Section 59): When the Registrar is satisfied that the provisions of section 58 (above mentioned provisions) have been duly complied with, he shall record an entry of the statement in a register called the Register of Firms and shall file the statement.

The Firm when registered shall use the brackets and word (Registered) immediately after its name.

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(b) (i) According to section 16 of the Indian Contract Act, 1872, a contract is said to be induced by 'undue influence' where the relations subsisting between the parties are such that one of the parties is in a position to dominate the will of the other and he uses that position to obtain an unfair advantage over the other.

When consent to an agreement is caused by undue influence, the contract is voidable at the option of the party, whose consent was so caused.

Hence, the contract between Mr. A and Mr. B is voidable at the option of Mr. B as it was induced by undue influence by Mr. A and therefore Mr. B can sue Mr. A.

(ii) The parties to a contract must either perform, or offer to perform, their respective promises, unless such performance is dispensed with or excused under the provisions of this Act, or of any other law.

Promises bind the representatives of the promisors in case of the death of such promisors before performance, unless a contrary intention appears from the contract. (Section 37 of the Indian Contract Act, 1872).

As per the provisions of Section 40 of the Indian Contract Act, 1872, if it appears from the nature of the case that it was the intention of the parties to any contract that any promise contained in it should be performed by the promisor himself, such promise must be performed by the promisor. In other cases, the promisor or his representative may employ a competent person to perform it.

In terms of the provisions of Section 40 stated above, in case where Mr. S has to paint a family picture for Mr. M, Mr. M cannot ask the legal representative of Mr. S to complete the painting work on Mr. S's death, since painting involves the use of personal skill.

In terms of the provisions of Section 37 stated above, in case where Mr. S had promised to deliver some photographs to Mr. M, the legal representatives of Mr. S shall be bound to deliver the photographs in this situation.

Question 4

(a) Describe in brief the rights of the buyer against the seller in case of breach of contract of Sale. ***(6 Marks)***

(b) P, Q and R are partners in a partnership firm. R retires from the firm without giving public notice. P approached S, an electronic appliances trader, for purchase of 25 fans for his firm. P introduced E, an employee of the firm, as his partner to S. S believing E and R as partners supplied 25 fans to the firm on credit. S did not receive the payment for the fans even after the expiry of the credit period. Advise S, from whom he can recover the payment as per the provisions of the Indian Partnership Act, 1932. ***(6 Marks)***

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Answer

(a) If the seller commits a breach of contract, the buyer gets the following rights against the seller:

1. **Damages for non-delivery [Section 57 of the Sale of Goods Act, 1930]:** Where the seller wrongfully neglects or refuses to deliver the goods to the buyer, the buyer may sue the seller for damages for non-delivery.
2. **Suit for specific performance (Section 58):** Where the seller commits breach of the contract of sale, the buyer can appeal to the court for specific performance. The court can order for specific performance only when the goods are ascertained or specific and where damages would not be an adequate remedy.
3. **Suit for breach of warranty (Section 59):** Where there is breach of warranty on the part of the seller, or where the buyer elects to or is forced to treat breach of condition as breach of warranty, the buyer is not by reason only of such breach of warranty entitled to reject the goods on the basis of such breach of warranty; but the buyer may –
   (i) set up against the seller the breach of warranty in diminution or extinction of the price; or
   (ii) sue the seller for damages for breach of warranty.
4. **Repudiation of contract before due date (Section 60):** Where either party to a contract of sale repudiates the contract before the date of delivery, the other may either treat the contract as:
   - subsisting and wait till the date of delivery, or
   - he may treat the contract as rescinded and sue for damages for the breach.
5. **Suit for interest:**
   (1) The buyer is entitled to recover interest or special damages, or to recover the money paid where the consideration for the payment of it has failed.
   (2) In the absence of a contract to the contrary, the court may award interest at such rate as it thinks fit on the amount of the price to the buyer in a suit by him for the refund of the price in a case of a breach of the contract on the part of the seller from the date on which the payment was made.

(b) According to sub-section (3) of Section 32 of the Indian Partnership Act, 1932, a retiring partner along with the continuing partners continue to be liable to any third party for acts of the firm after his retirement until public notice of his retirement has been given either by himself or by any other partner. But the retired partner will not be liable to any third party if the latter deals with the firm without knowing that the former was a partner.

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As per the provisions of Section 28, where a man holds himself out as a partner or allows others to do it, when in fact he is not a partner, he is liable like a partner in the firm to anyone who on the faith of such representation has given credit to the firm.

In the instant case, since Mr. R has not given the public notice of his retirement from the partnership firm and Mr. S believes that Mr. R is a partner, Mr. R will be liable to Mr. S under the provisions of Section 32.

Also Mr. E, who has been introduced as a partner of the firm to which Mr. E has not presumably denied, will also be liable for the payment of 25 fans supplied to the firm on credit along with other partners in terms of the provisions of Section 28 as stated above.

Over and above R and E, P and Q being the partners of the firm along with the firm will also be held liable to S.

Therefore, S can recover the payment from the Firm, P, Q, R and E.

Question 5

(a) (i) An auction sale of the certain goods was held on 7th March, 2023 by the fall of hammer in favour of the highest bidder X. The payment of auction price was made on 8th March, 2023 followed by the delivery of goods on 10th March, 2023. Based upon on the provisions of the Sale of Goods Act, 1930, decide when the auction sale is complete. ***(2 Marks)***

(ii) Certain goods were sold by sample by J to K, who in turn sold the same goods by sample to L and L by sample sold the same goods to M. M found that the goods were not according to the sample and rejected the goods and gave a notice to L. L sued K and K sued J. Can M reject the goods? Also advise K and L as per the provisions of the Sale of Goods Act, 1930. ***(4 Marks)***

(b) Explain the concept of 'Corporate Veil'. Briefly state the circumstances when the corporate veil can be lifted as per the provisions of the Companies Act, 2013. ***(6 Marks)***

Answer

(a) (i) According to Section 64 of the Sale of Goods Act, 1930, the sale is complete when the auctioneer announces its completion by the fall of hammer or in any other customary manner.

In the given question, the auction sale is complete on 7th March, 2023.

(ii) As per the provisions of Sub-Section (2) of Section 17 of the Sale of Goods Act, 1930, in a contract of sale by sample, there is an implied condition that:

(a) the bulk shall correspond with the sample in quality;

(b) the buyer shall have a reasonable opportunity of comparing the bulk with the sample.

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In this case, M received the goods by sample from L but since the goods were not according to the sample, **M can reject the goods and can sue L.**

With regard to K and L, L can recover damages from K and K can recover damages from J. But, for both K and L, it will not be treated as a breach of implied condition as to sample as they have accepted and sold the goods according to Section 13(2) of the Sale of Goods Act, 1930.

(b) **Corporate Veil:** Corporate Veil refers to a legal concept whereby the company is identified separately from the members of the company. Due to this, members of a company are shielded from liability connected to the company's actions.

Lifting of Corporate Veil: The following are the cases where company law disregards the principle of corporate personality or the principle that the company is a legal entity distinct and separate from its shareholders or members:

(1) **To determine the character of the company i.e. to find out whether co-enemy or friend:** It is true that, unlike a natural person, a company does not have mind or conscience; therefore, it cannot be a friend or foe. It may, however, be characterised as an enemy company, if its affairs are under the control of people of an enemy country. For this purpose, the Court may examine the character of the persons who are really at the helm of affairs of the company.

(2) **To protect revenue/tax:** In certain matters concerning the law of taxes, duties and stamps particularly where question of the controlling interest is in issue. Where corporate entity is used to evade or circumvent tax, the Court can disregard the corporate identity.

(3) **To avoid a legal obligation:** Where it was found that the sole purpose for the formation of the company was to use it as a device to reduce the amount to be paid by way of bonus to workmen, the Supreme Court upheld the piercing of the veil to look at the real transaction.

(4) **Formation of subsidiaries to act as agents:** A company may sometimes be regarded as an agent or trustee of its members, or of another company, and may therefore be deemed to have lost its individuality in favour of its principal. Here the principal will be held liable for the acts of that company.

(5) **Company formed for fraud/improper conduct or to defeat law:** Where the device of incorporation is adopted for some illegal or improper purpose, e.g., to defeat or circumvent law, to defraud creditors or to avoid legal obligations.

Question 6

(a) Distinguish between Void Contract and Voidable Contract according to the Indian Contract Act, 1872. ***(5 Marks)***

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(b) *What are the rights of partners with respect to conduct of the business of a firm as prescribed under the Indian Partnership Act, 1932?* ***(4 Marks)***

(c) *ABC Private Limited is a registered company under the Companies Act, 2013 with paid up capital of ₹ 35 lakhs and turnover of ₹ 2.5 crores. Whether the ABC Private Limited can avail the status of a Small Company in accordance with the provisions of the Companies Act, 2013? Also discuss the meaning of a Small Company.* ***(3 Marks)***

Answer

(a) The differences between void contract and voidable contract are as follows:

S. No.	Basis	Void Contract	Voidable Contract
1	**Meaning**	A Contract which ceases to be enforceable by law becomes void when it ceases to be enforceable.	An agreement which is enforceable by law at the option of one or more of the parties thereto, but not at the option of the other or others, is a voidable contract.
2	**Enforceability**	A void contract cannot be enforced at all.	It is enforceable only at the option of aggrieved party and not at the option of the other party.
3	**Cause**	A contract becomes void due to change in law or change in circumstances beyond the contemplation of parties.	A contract becomes a voidable contract if the consent of a party was not free.
4	**Performance of contract**	A void contract cannot be performed.	If the aggrieved party does not, within reasonable time, exercise his right to avoid the contract, any party can sue the other for claiming the performance of the contract.
5	**Rights**	A void contract does not grant any legal remedy to any party.	The party whose consent was not free has the right to rescind the contract within a reasonable time. If so rescinded it becomes a void contract. If it is not rescinded it becomes a valid contract.

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(b) Conduct of the Business (Section 12 of the Indian Partnership Act, 1932): Subject to contract between the partners-

(a) every partner has a right to take part in the conduct of the business;

(b) every partner is bound to attend diligently to his duties in the conduct of the business;

(c) any difference arising as to ordinary matters connected with the business may be decided by majority of the partners, and every partner shall have the right to express his opinion before the matter is decided, but no change may be made in the nature of the business without the consent of all partners; and

(d) every partner has a right to have access to and to inspect and copy any of the books of the firm.

(e) in the event of the death of a partner, his heirs or legal representatives or their duly authorised agents shall have a right of access to and to inspect and copy any of the books of the firm.

(c) Small Company: Small Company as defined under Section 2(85) of the Companies Act, 2013 means a company, other than a public company—

(i) **paid-up share capital** of which does not exceed **₹ 4 crore** or such higher amount as may be prescribed which shall not be more than ₹ 10 crore; and

(ii) **turnover** of which as per profit and loss account for the immediately preceding financial year does not exceed ₹ **40 Crore** or such higher amount as may be prescribed which shall not be more than ₹ 100 crore:

Exceptions: This clause shall not apply to:

(A) a holding company or a subsidiary company;

(B) a company registered under section 8; or

(C) a company or body corporate governed by any special Act.

In the instant case, since the paid-up capital of ABC Private Limited is ₹ 35 Lakhs and turnover is ₹ 2.5 crore, it can avail the status of a small company as both the requirements with regard to paid-up share capital as well as turnover are fulfilled by the Company.

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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) *Answer any THREE questions out of the remaining Four questions.*

Read the passage carefully and answer the questions given below:

Air pollution is an issue which concerns us all alike. Air pollutant is defined as a substance which is present in air while normally it is not there or present in an amount exceeding the normal concentrations. It could either be gaseous or a particulate matter. The important and harmful polluting gases are carbon monoxide, carbon dioxide, ozone and oxides of sulphur and nitrogen. The common particulate pollutants are the dusts of various inorganic or organic origins. Although we often talk of the outdoor air pollution caused by industrial and vehicular exhausts, the indoor pollution may prove to be as or a more important cause of health problems.

Recognition of air pollution is relatively recent. It is not uncommon to experience a feeling of 'suffocation' in a closed environment. It is often ascribed to the lack of oxygen. Fortunately, however, the composition of air is remarkably constant all over the world. There is about 79 percent nitrogen and 21 percent oxygen in the air and the other gas forming a very small fraction. It is true that carbon dioxide exhaled out of lungs may accumulate in a closed and overcrowded place. But such an increase is usually small and temporary unless the room is really airtight. Exposure to poisonous gases such as carbon monoxide may occur in a closed room, heated by burning coal inside. This may also prove to be fatal.

What is more common in a poorly ventilated home is a vague constellation of symptoms described as the sick-building syndrome. It is characterized by a general feeling of malaise, headache, dizziness and irritation of mucous membranes. It may also be accompanied by nausea, itching, aches, pains and depression. Sick building syndrome is getting commoner in big cities with the small houses, which are generally over furnished.

By products of fuel combustion are important in houses with indoor kitchens. It is not only the burning of dried dung and fuel wood which is responsible, but also kerosene and liquid petroleum gas. Oxides of both nitrogen and sulphur are released from their combustion.

Smoking of tobacco in the closed environment is an important source of indoor pollution. It may not be high quantitatively, but significantly hazardous for health. It is because of

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the fact that there are over 3,000 chemical constituents in tobacco smoke, which have been identified. These are harmful for human health.

Microorganisms and allergens are of special significance in the causation and spread of diseases, Most of the infective illnesses may involve more persons of a family living in common indoor environment. These include viral and bacterial diseases like tuberculosis.

Besides infections, allergic and hypersensitivity disorders are spreading fast. Although asthma is the most common form of respiratory allergic disorders, pneumonias are not uncommon, but more persistent and serious. These are attributed to exposures to allergens from various fungi, moulds, hay and other organic materials. Indoor air ventilation systems, coolers, air conditioners, dampness, decay, pet animals, production or handling of the causative items are responsible for these hypersensitivity diseases.

Obviously, the spectrum of pollution is very wide and our options are limited. Indoor pollution may be handled relatively easily by an individual. Moreover, the good work must start from one's own house.

(i) What is an air pollutant? ***(1 Mark)***

(ii) Why do we feel suffocated in a closed environment? ***(1 Mark)***

(iii) How the sick building syndrome can be characterized? ***(1 Mark)***

(iv) How is indoor smoking very hazardous? ***(1 Mark)***

(v) How can one overcome the dangers of indoor air pollution? ***(1 Mark)***

(b) Read the passage:

Effective speaking depends on effective listening. It takes energy to concentrate on hearing and to concentrate on understanding what has been heard. Incompetent listeners fail in a number of ways. First, they may drift. Their attention drifts from what the speaker is saying. Second, they may counter. They find counter-arguments to whatever a speaker may be saying. Third, they compete. Then, they filter. They exclude from their understanding those parts of the message which do not readily fit with their own frame of reference. Finally, they react. They let personal feelings about a speaker or subject override the significance of the message which is being sent.

What can a listener do to be more effective? The first key to effective listening is the art of concentration. If a listener positively wishes to concentrate on receiving a message his chances of success are high.

It may need determination. Some speakers are difficult to follow, either because of voice problems or because of the form in which they send a message. There is then a particular need for the determination of a listener to concentrate on what is being said.

Concentration is helped by alertness. Mental alertness is helped by physical alertness. It is not simply physical fitness, but also positioning of the body, the limbs and the head.

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Some people also find it helpful to their concentration if they hold the head slightly to one side. One useful way for achieving this is intensive note-taking, by trying to capture the critical headings and sub-headings the speaker is referring to.

Note-taking has been recommended as an aid to the listener. It also helps the speaker. It gives him confidence when he sees that listeners are sufficiently interested to take notes; the patterns of eye-contact when the note-taker looks up can be very positive; and the speaker's timing is aided-he can see when a note-taker is writing hard and can then make effective use of pauses.

Posture too is important. Consider the impact made by a less competent listener who pushes his chair backwards and slouches. An upright posture helps a listener's concentration. At the same time it is seen by the speaker to be a positive feature amongst his listeners. Effective listening skills have an impact on both the listener and the speaker.

(i) Make notes, using headings, sub-headings and abbreviation whenever necessary. ***(3 Marks)***

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

Answer

(a) (i) An air pollutant is a substance which is present in air while normally it is not there or present in an amount exceeding the normal concentrations.

(ii) We feel suffocated in a closed environment due to the lack of oxygen.

(iii) The sick building syndrome can be characterized by a general feeling of malaise, headaches, dizziness and irritation of mucous membranes. It may also be accompanied by nausea, itching, aches, pains and depression.

(iv) Indoor smoking is very hazardous because over 3000 chemicals constituents are present in tobacco smoke, which are harmful for human health.

(v) Indoor pollution can be handled easily by an individual by starting the good work from one's own house. It can be avoided through well ventilated houses, not smoking tobacco inside the houses and not burning coal inside the closed rooms.

(b) (i) The Art of effective Listening

1. Eff. speaking depends on:

1.1 eff. Listening

1.2 concen. on listening

1.3 concen. on understanding what you hear

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2. Reasons why incompetent lstnr. fail :
   - 2.1 their attention drifts
   - 2.2 they find counter arguments
   - 2.3 they compete & then filter
   - 2.4 they react
3. Ways for a lstnr. to be more eff.:
   - 3.1 concen. on the msg. recd.
   - 3.2 determination
   - 3.3 phys. alertness-positioning body
   - 3.4 note-taking-aid
     - 3.4.1 helps spkr.
     - 3.4.2 gives him confidence
     - 3.4.3 encourages eye contact
4. Impact of posture
   - 4.1 helps lstnr. in concen.
   - 4.2 seen by spkr. as a +ve feature among his lstnr.

Key to Abbreviations

Eff.	effective
Lstnr	listener
Concen.	concentrating
Msg.	message
Recd.	received
Phys.	physical
+ve	positive
Spkr.	speaker

(ii) Summary:

Title: The Art of Effective Listening

Effective speaking and effective listening are two sides of the same coin, both are equally important. An incompetent listener will always fail as he drifts away from

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counters, competes and finally filters what the speakers is saying. In order to be a good listener, concentration is importantly combined with mental and physical alertness. The importance of other factors like note-taking and posture cannot be ignored. All these are vital for effective listening skills and are viewed as a positive feature by the speaker amongst his listeners. These skills have an impact not only on the listener but also on the speaker.

Question 8

(a) Comment on following statement:

"Communication does not simply involve sending of a message by a person." ***(2 Marks)***

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

ADAMANT

(1) Willing

(2) Inflexible

(3) Poor

(4) Unfavourable ***(1 Mark)***

(ii) Fill in the blanks with the most suitable option:

The study of coding-decoding involves various _____ clues.

(1) Healthy

(2) Obvious

(3) Verbose

(4) Cryptic ***(1 Mark)***

(iii) Change the following sentence to indirect speech:

He said, "I clean my teeth twice a day." ***(1 Mark)***

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

Almost every organism has the tendency to react to certain stimuli for survival. This reaction to each and every situation has an evolutionary basis of adaptation. The study of human emotions dates back to the 19th century and psychologists have since then discovered many reasons for every emotion, yet these are just theories. The arousal of emotions and their assumed structures is said to occur due to repeated encounters with a situation followed by the adaptation of the encounter. Human emotions have been linked to adaptively regulate emotion gathering mechanisms. The emotion of fear which is associated with ancient parts of the brain has presumably evolved among our pre-mammal ancestors while the emotion of a mother's love called the 'filial emotion' has

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seen to evolve among early mammals. Various emotions work as manipulative strategies that favour survival. Feigning emotions by an accused person may help him be saved from the punishment. An exaggerated display of anger is also associated with manipulating or threatening someone.

Despite there being several emotions for various events, ironically the most interesting emotion is the emotion of disgust. Disgust is aroused when the body senses a danger to the immunity or the physiology of the human. The disgusted memory is associated with alerting the brain of a potentially dangerous substance. A few studies have shown that the encoding triggered in adaptive memory for problems is stronger than any other behaviour. This makes us instantly have a disgusted expression at the sight of something that makes us uncomfortable or uneasy. These expressions are also closely linked to self-protective communication. ***(5 Marks)***

Answer

(a) Communication does not simply involve sending of a message by a person rather it is a process of exchanging information, ideas, thoughts and emotions through speech, signal, writing or behaviour. For effective communication the sender is required to select the appropriate medium and mode of communication for sending the message. He/she must communicate his message in a manner which is understandable and acceptable by the receiver. This requires selection of appropriate language and suitable time for communication by the sender. Communication is supposed to be complete and effective only when the listener responds relevantly and appropriately.

(b) (i) (2) Inflexible

(ii) (4) cryptic

(iii) He said that he cleans his teeth twice a day.

(c) précis

Title: **Human Evolution and Emotions**

The emotions that humans express and how they react to stimuli in the environment has an evolutionary basis. Emotions are assumed to be a result of repeated encounters with a certain event. According to evolution, emotions like fear, love, feigning, anger, and disgust are results of consistent reactions in particular situations. Encoding triggered in adaptive memory for problems results in having a disgusted expression that makes us uncomfortable. Some expressions are often built up or adapted as a form of self-protection.

Question 9

(a) Concreteness is an important characteristic of effective communication. Comment.

(2 Marks)

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Or

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

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

RELISH

(1) Like

(2) Abhore

(3) Hate

(4) Loathe ***(1 Mark)***

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

MESSY

(1) Organised

(2) Dirty

(3) Hygienic

(4) Clean ***(1 Mark)***

(iii) Change the following sentence into direct speech:

She said that she would buy a new house if she had been rich. ***(1 Mark)***

(c) Write a report in 250 words on the topic: "Climate Change". ***(5 Marks)***

Answer

(a) The content of one's communiqué should be tangible and based on data. Abstract ideas and thoughts are liable to misinterpretation. It should be made sure that there is just sufficient detail to support one's case /argument with focus to the main message.

OR

Visual communication through visual aids such as signs, typography, drawing, graphic design, illustration, colour and other electronic resources usually reinforces written communication altogether. Visual communication is a powerful medium, due to which the print and audio visual media makes effective use of visuals to convey their message. Visuals like graphs, pie charts and other diagrammatic presentations convey clearly and concisely a great deal of information. They are an essential part of official presentations these days.

(b) (i) (1) Like

(ii) (2) Dirty

(iii) She said, "I would buy a new house if I were rich**,"**

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(c) Climate Change

By—Raman Gupta

Climate change is basically a change in the pattern of the climate that lasts for a few decades to centuries. Various factors lead to the changes in the climate conditions on the earth. These factors are also referred to as forcing mechanisms. These mechanisms are either external or internal.

External forcing mechanisms can either be natural such as the variation in the earth's orbit, variation in solar radiation, volcanic eruptions, plate tectonics, etc. or can be caused due to human activities such as greenhouse gases, carbon emission, etc. Internal forcing mechanisms, on the other hand, are the natural processes that occur within the climate system. These include the ocean-atmosphere variability as well as the presence of life on the earth.

Human activities such as deforestation, use of land and use of methods that lead to the increase in carbon in the atmosphere have been a major cause of climate change in the recent past. It is important to keep a check on such activities in order to control climatic changes and ensure environmental harmony.

Climate change has a negative impact on the forests, wildlife, water systems as well as the polar region on the earth. A number of species of plants and animals have gone extinct due to the changes in the climate on the earth and several others have also been affected adversely.

As per researchers, human activities have contributed majorly to this change during the last few decades. In order to control climate change and maintain a healthy environment on the earth, human influences on the same need to be controlled.

Question 10

(a) Define Wheel and Spoke Network in communication. ***(2 Marks)***

(b) (i) Change the sentence from Active to Passive Voice:

Please help me. ***(1 Mark)***

(ii) Change the sentence from Passive to Active Voice:

Jobs will have been lost by thousands of individuals due to the pandemic. ***(1 Mark)***

(iii) Change the following sentence to direct Speech:

The teacher suggested the boys that they should go swimming since it was so warm. ***(1 Mark)***

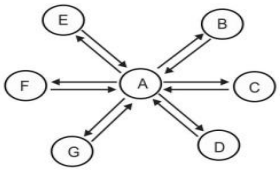
(c) You are Bhupendra, a resident of B-128 Rajeev Gandhi Nagar, New Delhi. You are worried about your younger brother's habit of excessive use of Internet for completing his homework. Write a letter to the Editor of a popular newspaper, expressing your opinion

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on the advantages, disadvantages of the dependence of youth for utilizing Internet as a homework tool in the present times. Also send it by email (assume emails of yourself and the receiver appropriately). ***(5 Marks)***

Answer

(a) **Wheel and Spoke Network**: There is a single controlling authority who gives instructions and orders to all employees working under him / her in this communication network. All employees get instructions directly from the leader and report back to him / her. It is direct and efficient for the small business / company, but inappropriate way of communication in a large organization with many people. A company with many employees needs more decision makers or nothing would get done.



Wheel and Spoke Network

(b) (i) You are requested to help me.

(ii) Thousands of individuals will have lost their jobs due to the pandemic.

(iii) The teacher said to the boys, "Since it is so warm let us go swimming."

(c) B-128, Rajeev Gandhi Nagar

New Delhi

(Email : bhupendra@gmail.com)

10 February, 2023

The Editor

The Hindustan Times

New Delhi

(Email: hindustantimes@yahoo.com)

Subject: Expressing concern over students' craze for using internet as homework tool.

Sir,

Through the columns of your esteemed newspaper, I wish to highlight the problem of growing dependence of the present generation on the internet as a homework tool.

In many ways, internet is a boon for the students. It is one of the quickest ways to find information on any topic. Students have access to a variety of sources to gather information on any topic. This enriches their knowledge and may expose them to

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additional valid information. Time required to get answers to queries is very less. Therefore, students have more time on hand to indulge in recreation activities.

However, it seems that internet has more disadvantages than advantages. There are chances that some websites may contain inaccurate and inappropriate information too. Besides reading habit of students, understanding skills are deteriorating as they just copy information. They display lack of interest in listening to the teacher in school. The concept of hard work seems to be disappearing amongst the youth of the present generation, which is a dangerous sign.

Excess of anything is bad. A balanced, sensible and guided use of internet is required so that our present generation enjoys the fruit of technology positively. I hope you will publish my views in public interest.

Bhupendura

A concerned citizen

(PS: Above communication has been also sent from my email: bhupendra@gmail.com to you at hindustantimes@yahoo.com)

Question 11

(a) How 'Emotions' of a person become barrier of communication? ***(2 Marks)***

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

(i) Bone of contention

(1) To be cautious

(2) Subject of dispute

(3) Area of agreement

(4) Of least importance ***(1 Mark)***

(ii) Face the music

(1) To anticipate good response of something you have done

(2) To accept award for something you have done

(3) To accept criticism for something you have done

(4) To wait for result of something you have done ***(1 Mark)***

(iii) Correct the following sentence:

I cannot explain that why I like her so much. ***(1 Mark)***

(c) You are Karunesh Vijay, a resident of 123 Mahaveer Nagar, Indore, Madhya Pradesh. You came across a notice on the website of a. CA Firm 'Saha and Company' posted on

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24 February, 2023, for the recruitment of an Article Assistant. Prepare a resume along with a cover letter in response to this notice. ***(5 Marks)***

Answer

(a) **Emotional barrier in Communication:** Emotions play a very vital role in our life. Both encoding and decoding of message are influenced by our emotions. A message received when we are emotionally charged up will have a different meaning for us than when we are calm and composed. It is one of the chief barriers to open and free communications. A person who is upset and disturbed cannot pass on or receive information appropriately and objectively.

(b) (i) (2) Subject of dispute

(ii) (3) To accept criticism for something you have done.

(iii) I cannot/can't explain why I like her so much.

(c) **Cover Letter**

Karunesh Vijay

123 Mahaveer Nagar, Indore,

Madhya Pradesh

Phone Number: +91 9910838521

Email. Id: kv99@gmail.com

Date: 28-02-2023

To

The Managing Partner,

Shah & Company

Connaught Place,

New Delhi.

Subject: Application for the position of an Article Assistant

Dear Sir,

This is with reference to the notice posted on your website dated 24-02-2023 for requirement of Article Assistants. I wish to apply for the same. As regards my qualification, I am enclosing my resume to enable you to assess my suitability for the same. If given an opportunity, I will prove to deliver my duties to the best of my abilities.

I will be readily available for personal interaction any time at your convenience in case my candidature is considered for the aforesaid post.

Looking forward for a favorable reply,

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Thanking you,

Yours sincerely

Karunesh Vijay.

Enclosures:

"Resume"

For the position of an Article Assistant

Name:	Karunesh Vijay
Father's name:	Dr. Mohan Lal Vijay
Permanent Address:	123, Mahaveer Nagar, Indore, Madhya Pradesh
Contact:	Phone Number: +91 9910838521 Email. Id: kv99@gmail.com
Date of Birth:	01-02-2002
Nationality:	Indian

Qualification:

S. No	Qualification	Institution	Board/ University	Year of Passing	Percentage/ Division
1.	Class X	Delphi Public School, Indore, Madhya Pradesh	CBSE	2017	84.5
2.	Class XII	Delphi Public School, Indore, Madhya Pradesh	CBSE	2019	87.5
3.	CA Foundation	ICAI	ICAI	2020	73.00
4.	CA Intermediate	ICAI	ICAI	2022	72.59

Technical Skill:

Very well versed with MS- Excel

Can work in all versions of tally

Good analytical Skill

Good communication and Interpersonal Skill

Training:

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1. Information Technology Training: Completed ITT (100 hours) conducted by ICAI in virtual mode
2. Orientation program: Completed OP (100 hours) conducted by ICAI in virtual mode

Languages known: English/ Hindi

I declare that the details mentioned are true to the best of my knowledge and belief.

Date: 28-02-2023 (Karunesh Vijay)

Place: Indore, MP

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