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

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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) T owes G, the following debts as per the table given below:

Amount of the Debt (in ₹)	*Position of Debt*
5,000	*Time barred on 01st July, 2023 as per the provisions of the Limitation Act,1963*
3,000	*Time barred on 01st July, 2023 as per the provisions of the Limitation Act,1963*
12,500	*Due on 1st April, 2022*
10,000	*Due on 15th July, 2023*
7,500	*Due on 25th November, 2023*

G makes payment on 1st April, 2023 mentioned as below without any notice regarding how to appropriate the amount/ payment.

(i) A cheque of ₹ 12,500

(ii) A cheque of ₹ 4,000.

In such a situation how the appropriation of the payment is done against the debts as per the provisions of the Indian Contract Act, 1872 by assuming that T also has not appropriated the amount received towards any particular debt. ***(4 Marks)***

(b) The State Government of X, a state in the country is holding 48 lakh shares of Y Limited. The paid up capital of Y Limited is ₹ 9.5 crore (95 lakh shares of ₹ 10 each). Y Limited directly holds 2,50,600 shares of Z Private Limited which is having share capital of ₹ 5 crore in the form of 5 lakh shares of ₹ 100 each. Z Private Limited claimed the status of a subsidiary company of ₹ 100 each. Z Private Limited claimed the status of a subsidiary company of Y Limited as well as a Government company. Advise as a legal advisor, whether Z Private Limited is a subsidiary company of Y Limited as well as a Government company under the provisions of the Companies Act, 2013? ***(4 Marks)***

(c) Discuss the various types of implied warranties as per the Sale of Goods Act, 1930.

(4 Marks)

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Answer

(a) As per the provisions of Section 59 of the Indian Contract Act, 1872, where a debtor, owing several distinct debts to one person, makes a payment to him, either with express intimation, or under circumstances implying that the payment is to be applied to the discharge of some particular debt, the payment, if accepted, must be applied accordingly.

As per the provisions of Section 61 of the Indian Contract Act, 1872, where neither party makes any appropriation, the payment shall be applied in discharge of the debts in order of time, whether they are or are not barred by the law in force for the time being as to the limitation of suits. If the debts are of equal standing, the payment shall be applied in discharge of each proportionably.

In the present case, G made two payments by way of two cheques. Also, neither G nor T said anything as to the appropriation of the amount towards any particular debt.

Since one of the issued cheques was exactly the amount of the debt due i.e. of ₹12,500, by applying the provisions of Section 59 we can say that this is a circumstance indicating for appropriation against that particular debt.

Cheque of ₹ 4,000 can be appropriated in terms of the provisions of Section 61 since neither of the parties, have made any appropriation. The amount will be appropriated in discharging of the debts in order of time against any lawful debt whether they are or are not barred by the law in force for the time being as to the limitation of suits.

Hence cheque of ₹ 12,500 will be appropriated against the debt of ₹ 12,500 which is due on 1st April, 2022.

As per the scenario given in the question, since two debts are persisting in order of time which were treated as time barred on 1st July 2023, the amount of ₹ 4,000 will be appropriated proportionately, i.e. in proportion of 5,000:3,000. Therefore as per the provisions of the Indian Contract Act, 1872, ₹2,500 will be appropriated for the first debt and ₹ 1,500 will be appropriated towards the second debt.

(b) According to Section 2(45) of the Companies Act, 2013, Government Company means any company in which not less than 51% of the paid-up share capital is held by-

(i) the Central Government, or

(ii) by any State Government or Governments, or

(iii) partly by the Central Government and partly by one or more State Governments, and the section includes a company which is a subsidiary company of such a Government company.

As per Section 2(87) of the Companies Act, 2013, "subsidiary company" in relation to any other company (that is to say the holding company), means a company in which the holding company—

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(i) controls the composition of the Board of Directors; or

(ii) exercises or controls more than one-half of the total voting power either at its own or together with one or more of its subsidiary companies.

In the instant case, the State Government of X, a state in the country is holding 48 Lakh shares in Y Limited which is below 51% of the paid up share capital of Y Limited i.e. 48.45 Lakh shares (51% of 95 Lakh shares). Hence Y Limited is not a Government Company.

Further, Y Limited directly holds 2,50,600 shares in Z Private Limited, which is more than one-half of the total shares of Z Limited i.e. 2,50,000 shares (50% of 5 Lakh shares). Thus, the Company controls more than one-half of the total voting power of Z Limited. Hence Z Private Limited is a subsidiary of Y Limited.

Therefore, we can conclude that Z Private Limited is a subsidiary of Y Limited but not a Government Company since Y Limited is not a Government Company.

(c) Various types of implied warranties are covered under Sections 14 and 16 of the Sale of Goods Act, 1930 which are as follows:

1. **Warranty as to undisturbed possession [Section 14(b)]:** An implied warranty that the buyer shall have and enjoy quiet possession of the goods. That is to say, if the buyer having got possession of the goods, is later on disturbed in his possession, he is entitled to sue the seller for the breach of the warranty.
2. **Warranty as to non-existence of encumbrances [Section 14(c)]:** An implied warranty that the goods shall be free from any charge or encumbrance in favour of any third party not declared or known to the buyer before or at the time the contract is entered into.
3. **Warranty as to quality or fitness by usage of trade [Section 16(3)]:** An implied warranty as to quality or fitness for a particular purpose may be annexed or attached by the usage of trade.
4. **Disclosure of dangerous nature of goods:** Where the goods are dangerous in nature and the buyer is ignorant of the danger, the seller must warn the buyer of the probable danger. If there is a breach of warranty, the seller may be liable in damages.

Question 2

(a) Explain the terms "Trafficking relating to public offices and titles" and "Stifling prosecution" as per the Indian Contract Act, 1872. ***(7 Marks)***

(b) Explain the provisions relating to the registration of changes in partners under the Limited Liability Partnership Act, 2008. ***(5 Marks)***

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Answer

(a) Trafficking relating to Public Offices and titles: An agreement to trafficking in public office is opposed to public policy, as it interferes with the appointment of a person best qualified for the service of the public. Public policy requires that there should be no money consideration for the appointment to an office in which the public is interested. The following are the examples of agreements that are void since they are tantamount to sale of public offices.

(1) An agreement to pay money to a public servant in order to induce him to retire from his office so that another person may secure the appointment is void.

(2) An agreement to procure a public recognition like Padma Vibhushan for reward is void.

Stifling Prosecution: An agreement to stifle prosecution i.e. "an agreement to present proceedings already instituted from running their normal course using force" tends to be a perversion or an abuse of justice, therefore, such an agreement is void. The principle is that one should not make a trade of felony. The compromise of any public offence is generally illegal.

For example, when a party agrees to pay some consideration to the other party in exchange for the later promising to forgo criminal charges against the former is an agreement to stifle prosecution and therefore is void.

Under the Code of Criminal Procedure, there is however, a statutory list of compoundable offences and an agreement to drop proceeding relating to such offences with or without the permission of the Court, as the case may be, in consideration the accused promising to do something for the complainant, is not opposed to public policy.

(b) Registration of changes in partners (Section 25 of the Limited Liability Partnership Act, 2008):

(1) Every partner shall inform the LLP of any change in his name or address within a period of 15 days of such change.

(2) A LLP shall—

(a) where a person becomes or ceases to be a partner, file a notice with the Registrar within 30 days from the date he becomes or ceases to be a partner; and

(b) where there is any change in the name or address of a partner, file a notice with the Registrar within 30 days of such change.

(3) A notice filed with the Registrar under sub-section (2)—

(a) shall be in such form and accompanied by such fees as may be prescribed;

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(b) shall be signed by the designated partner of the LLP and authenticated in a manner as may be prescribed; and

(c) if it relates to an incoming partner, shall contain a statement by such partner that he consents to becoming a partner, signed by him and authenticated in the manner as may be prescribed.

(4) If the LLP contravenes the provisions of sub-section (2) as regards intimation to the Registrar, the LLP and its every designated partner shall be liable to a penalty of ₹ 10,000.

(5) If the contravention referred to in sub-section (1) is made by any partner of the LLP, such partner shall be liable to a penalty of ₹ 10,000.

(6) Any person who ceases to be a partner of a LLP may himself file with the Registrar the notice referred to in sub-section (3) if he has reasonable cause to believe that the LLP may not file the notice with the Registrar and in case of any such notice filed by a partner, the Registrar shall obtain a confirmation to this effect from the LLP unless the LLP has also filed such notice.

However, where no confirmation is given by the LLP within 15 days, the registrar shall register the notice made by a person ceasing to be a partner under this section.

Question 3

(a) Discuss the rule regarding a partner's implied authority to bind the firm for his acts. Also, explain the situations when the partner has no implied authority to bind the firm.

(6 Marks)

(b) (i) A mobile phone was displayed in a shop with a price tag of ₹10,000 attached to the mobile display box. As the price displayed was very less as compared to M.R.P. of the mobile phone, Y, a customer rushed to the cash counter and asked the shopkeeper to receive the payment and pack up the mobile phone. The shopkeeper refused to hand over the mobile phone to Y in consideration of the price indicated in the price tag attached to the mobile phone. Y seeks your advice whether he can sue to shopkeeper for the above cause under the Indian Contract Act, 1872. ***(3 Marks)***

(ii) On 1st March 2023, T Readymade Dress Garments, Shimla enters into a contract with J Readymade Garments, Jaipur for the supply of different sizes of shirts 'S' (Small), 'M' (Medium), and 'L' (Large). As per the terms of the contract, 300 pieces of each category i.e. 'S' @₹900; 'M'@ 1,000 and 'L' @ 1,100 per piece have to be supplied on or before 31st May, 2023.

However, on 1st May, 2023, T Readymade Dress Garments, Shimla informed J Readymade Garments, Jaipur that the firm is not willing to supply the shirts at the

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above rate due to the rise of prices in the raw material cost. In the meantime, prices for similar shirts have gone up in the market to the tune of ₹ 1,000; ₹1,100; and ₹ 1,200 for 'S', 'M' and 'L' sizes respectively.

Examine the rights of J Readymade Garments, Jaipur in this regard as per the provisions of the Indian Contract Act, of 1872. ***(3 Marks)***

Answer

(a) As per the provisions of Sections 19(1) read with the provisions of Section 22 of the Indian Partnership Act, 1932, which deal with the implied authority of a partner, provide that the act of a partner which is done to carry on, in the usual way, business of the kind carried on by the firm, binds the firm, provided that the act is done in the firm name, or any manner expressing or implying an intention to bind the firm. Such an authority of a partner to bind the firm is called his implied authority.

As per the provisions of Section 20 of the Indian Partnership Act, 1932, the partners in a firm may, by contract between the partners, extend or restrict the implied authority of any partner. Notwithstanding any such restriction, any act done by a partner on behalf of the firm which falls within his implied authority binds the firm, unless the person with whom he is dealing knows of the restriction or does not know or believe that partner to be a partner.

As per the provisions of Section 21 of the Indian Partnership Act, 1932, a partner has authority, in an emergency, to do all such acts for the purpose of protecting the firm from loss as would be done by a person of ordinary prudence, in his own case, acting under similar circumstances, and such acts bind the firm.

As per the provisions of sub-section (2) of Section 19 the Indian Partnership Act, 1932, in the absence of any usage or custom of trade to the contrary, the implied authority of a partner does not empower him to-

(a) **Submit a dispute** relating to the business of the firm to arbitration;

(b) **open a banking account** on behalf of the firm in his own name;

(c) **compromise or relinquish** any claim or portion of a claim by the firm;

(d) **withdraw** a suit or proceedings filed on behalf of the firm;

(e) **admit any liability** in a suit or proceedings against the firm;

(f) **acquire immovable property** on behalf of the firm;

(g) **transfer immovable property** belonging to the firm; and

(h) **enter into partnership** on behalf of the firm.

(b) **(i)** An invitation to offer is different from offer. Quotations, menu cards, price tags, advertisements in newspaper for sale are not offer. These are merely invitations to public to make an offer. An invitation to offer is an act precedent to making an offer.

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Acceptance of an invitation to an offer does not result in the contract and only an offer emerges in the process of negotiation.

In the instant case, Y reaches to shop and selects a Mobile Phone with a price tag of ₹ 10,000 but the shopkeeper refused to hand over the mobile phone to Y in consideration of the price indicated in the price tag attached to the mobile phone.

On the basis of above provisions and facts, the price tag with the Mobile Phone was not offer. It is merely an invitation to offer. Hence, it is Y who is making the offer and not the shopkeeper. Shopkeeper has the right to reject Y's offer. Therefore, Y cannot sue the shopkeeper for the above cause.

(ii) As per the provisions of Section 39 of the Indian Contract Act, 1872, when a party to a contract has refused to perform, or disabled himself from performing, his promise in its entirety, the promisee may put an end to the contract, unless he has signified, by words or conduct, his acquiescence in its continuance.

J Readymade Garments in the given situation has two options, out of which he has to select any one:

(i) Either to treat the contract as rescinded and sue T Readymade Dress Garments for damages from breach of contract immediately without waiting until the due date of performance or

(ii) He may elect not to rescind but to treat the contract as still operative and wait for the time of performance and then hold the other party responsible for the consequences of non-performance.

Important Note: The answer can also be given as per Section 73 of the Indian Contract Act, 1872 which lays down that when a contract has been broken, the party who suffers by such breach is entitled to receive from the party who has broken the contract, compensation for any loss or damage caused to him thereby which naturally arose in the usual course of things from such breach or which the parties knew when they made the contract to be likely to result from the breach of it.

In the instant case, J Readymade Garments, Jaipur would be entitled to get the damages i.e. difference between the contract price and the market price on the day of default from T Readymade Dress Garments, Shimla. In other words, the amount of damages would be ₹ 90,000 [300 piece @ ₹ 100 (Small), 300 piece @ ₹ 100 (Medium) and 300 piece @ ₹ 100 (Large)].

Question 4

(a) Can an unpaid seller who has possession of goods exercise the Right of lien? If yes, mention such circumstances. When does he lose his right of line as per the provisions of the Sale of Goods Act, 1930? ***(6 Marks)***

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(b) Sate giving reasons whether the following are partnerships as per the provisions under the Indian Partnership Act,1932.

(i) X, Y, and Z agree to divide the profits equally, but the loss, if any, is to be borne by X alone. Is it case of partnership? ***(2 Marks)***

(ii) X, a publisher, agrees to publish a book at his own expense written by Y and to pay Y, half of the net profit. Does this create a relationship of partnership between X and Y? Is liable to a paper dealer for paper supplied to X to print Y's book? ***(2 Marks)***

(iii) A and B purchase a tea shop and incur additional expenses for purchasing utensils etc. each contributing half of the total expense. The shop is leased out on daily rent which is divided between both. Does this arrangement constitute a partnership between A and B? ***(2 Marks)***

Answer

(a) Seller's lien (Section 47 of the Sale of Goods Act, 1930): According to sub-section (1), the unpaid seller of goods who is in possession of them is entitled to retain possession of them until payment or tender of the price in the following cases, namely:-

(a) where the goods have been sold without any stipulation as to credit;

(b) where the goods have been sold on credit, but the term of credit has expired;

(c) where the buyer becomes insolvent.

According to sub-section (2), the seller may exercise his right of lien notwithstanding that he in possession of the goods as agent or bailee for the buyer.

As per the provisions of Section 48, where an unpaid seller has made part delivery of the goods, he may exercise his right of lien on the remainder, unless such part delivery has been made under such circumstances as to show an agreement to waive the lien.

Termination of lien (Section 49): According to sub-section (1), the unpaid seller of goods loses his lien thereon-

(a) when he delivers the goods to a carrier or other bailee for the purpose of transmission to the buyer without reserving the right of disposal of the goods;

(b) when the buyer or his agent lawfully obtains possession of the goods;

(c) by waiver thereof.

The unpaid seller of goods, having a lien thereon, does not lose his lien by reason only that he has obtained a decree for the price of the goods. [Sub-section (2)]

(b) (i) As per Section 4 of the Indian Partnership Act, 1932, "Partnership" is the relation between persons who have agreed to share the profits of a business carried on by all or any of them acting for all.

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Yes, it is a case of partnership.

Reason: The sharing of profits is an essential feature of partnership. There can be no partnership where only one of the partners is entitled to the whole of the profits of the business. Partners must agree to share the profits in any manner they choose. But an agreement to share losses is not an essential requirement. It is open to one or more partners to agree to share all the losses.

(ii) No, it is not a case of partnership

Reason: Sharing of profit, which is a prima facie evidence, exists but mutual agency among X and Y, which is an essential element, does not exist here. Since there is no partnership, the third party i.e. paper dealer cannot make Y liable for the paper supplied by him to X.

(iii) No, it is not a case of partnership

Reason: Persons who share amongst themselves the rent derived from a piece of land are not partners, rather they are co-owners. Because, neither there is existence of business, nor mutual agency is there.

Question 5

(a) (i) X, a furniture dealer, delivered furniture to Y under an agreement of sale, whereby Y had to pay the price of the furniture in three instalments. As per the terms of the agreement, the furniture will become the property of Y on payment of the last instalment. Before Y had paid the last instalment, he sold the furniture to Z, who purchased it in good faith. X brought a suit against Z for the recovery of the furniture on the ground that Z had no title to it. Decide the case on the basis of the provisions as per the Sale of Goods Act, 1930. ***(4 Marks)***

(ii) Against B's tender, R agrees to sell and deliver 1,000 kg tomatoes @ ₹100 per kg which shall be delivered on 15th July, 2023. Due to the rise of the prices of tomatoes in the market, R delivered only 700 kg of tomatoes on 15th July, 2023 and agrees to deliver the balance quantity in the next month. B accepted 700 kg of tomatoes sent by R. Later, R failed to deliver the balance quantity and so B refused to pay the price of 700 kg of tomatoes to R as he had failed to fulfill the tender conditions stipulated in the contract of sale.

Can B refuse to pay R as per the provisions of the Sale of Goods Act, 1930?

(2 Marks)

(b) Explain the kinds of share capital as per the Companies Act, 2013. Also explain when the capital shall be deemed to be preference capital. ***(6 Marks)***

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Answer

(a) (i) As per section 30(2) of the Sale of Goods Act, 1930, where a buyer with the consent of the seller obtains possession of the goods before the property in them has passed to him, he may sell, pledge or otherwise dispose of the goods to a third person, and if such person obtains delivery of the goods in good faith and without notice of the lien or other right of the original seller in respect of the goods, he would get a good title to them.

In the instant case, furniture was delivered to Y under an agreement that price was to be paid in three instalments; the furniture to become property of Y on payment of third instalment. Y sold the furniture to Z before the third instalment was paid. Here, Z acquired a good title to the furniture, since he purchased the furniture in good faith.

Hence, X will not succeed in his suit for the recovery of the furniture as Z acquired a good title of the furniture.

(ii) According to Section 37(1) of the Sale of Goods Act, 1930, where the seller delivers to the buyer a quantity of goods less than he contracted to sell, the buyer may reject them, but if he accepts the goods so delivered, he shall pay for them at the contract rate.

In the instant case, R delivered 700 kg of tomatoes on 15th July, 2023 and agrees to deliver 300 kg in the next month. Later R failed to deliver the balance quantity and B (buyer) refused to pay the price of 700 kg of tomatoes.

Considering the above provisions, we can conclude that B cannot refuse to pay for 700 kg of tomatoes to R.

Important Note: The answer can also be given as per Section 34 of the Sale of Goods Act, 1930, which provides that a delivery of part of goods, in progress of the delivery of the whole has the same effect, for the purpose of passing the property in such goods, as a delivery of the whole.

In the instant case, R delivered 700 kg of tomatoes on 15th July, 2023 and agrees to deliver 300 kg in the next month. Later R failed to deliver the balance quantity and B (buyer) refused to pay the price of 700 kg of tomatoes.

Considering the above provisions, we can conclude that B cannot refuse to pay for 700 kg of tomatoes to R.

(b) Kinds of share capital: Section 43 of the Companies Act, 2013 provides the kinds of share capital. According to the said provision, the share capital of a company limited by shares shall be of two kinds, namely:—

1. **''Equity share capital'',** with reference to any company limited by shares, means all share capital which is not preference share capital;

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Equity share capital— can be

(i) with voting rights; or

(ii) with differential rights as to dividend, voting or otherwise in accordance with such rules as may be prescribed;

2. **''Preference share capital'',** with reference to any company limited by shares, means that part of the issued share capital of the company which carries or would carry a preferential right with respect to—

(a) **payment of dividend,** either as a fixed amount or an amount calculated at a fixed rate, which may either be free of or subject to income-tax; and

(b) **repayment,** in the case of a winding up or repayment of capital, of the amount of the share capital paid-up or deemed to have been paid-up, whether or not, there is a preferential right to the payment of any fixed premium or premium on any fixed scale, specified in the memorandum or articles of the company;

Capital shall be deemed to be preference capital, despite that it is entitled to either or both of the following rights, namely:—

(a) that in **respect of dividends**, in addition to the preferential rights to the amounts specified as above, it has a right to participate, whether fully or to a limited extent, with capital not entitled to the preferential right aforesaid;

(b) that in **respect of capital**, in addition to the preferential right to the repayment, on a winding up, of the amounts specified above, it has a right to participate, whether fully or to a limited extent, with capital not entitled to that preferential right in any surplus which may remain after the entire capital has been repaid.

Question 6

(a) "Mere silence does not amount to fraud". Explain the statement as per the provisions contained in the Indian Contract Act, 1872. ***(5 Marks)***

(b) State the rules that should be observed by the partners in settling the accounts of the firm after dissolution under the Indian Partnership Act, 1932? ***(4 Marks)***

(c) MTK Private Limited is a company registered under the Companies Act, 2013 on 5th January, 2021. The company has not started its business till now. On 7th April, 2023, a notice has been received from ROC for non-filing of FORM No-INC-20A. Identify under which category MTK Private Limited company is classified. Explain the definition of the category of the company in detail. ***(3 Marks)***

Answer

(a) Mere silence not amounting to fraud: Mere silence as to facts likely to affect the willingness of a person to enter into a contract is no fraud; but where it is the duty of a person to speak, or his silence is equivalent to speech, silence amounts to fraud.

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It is a rule of law that mere silence does not amount to fraud. A contracting party is not duty bound to disclose the whole truth to the other party or to give him the whole information in his possession affecting the subject matter of the contract.

The rule is contained in explanation to Section 17 of the Indian Contract Act which clearly states the position that mere silence as to facts likely to affect the willingness of a person to enter into a contract is not fraud.

Exceptions to this rule:

(i) Where the circumstances of the case are such that, regard being had to them, it is the duty of the person keeping silence to speak. Duty to speak arises when one contracting party reposes trust and confidence in the other or where one party has to depend upon the good sense of the other (e.g. Insurance Contract).

(ii) Where the silence is, in itself, equivalent to speech.

(b) Mode of Settlement of partnership accounts (Section 48 of the Indian Partnership Act, 1932): In settling the accounts of a firm after dissolution, the following rules shall, subject to agreement by the partners, be observed:-

(i) Losses, including deficiencies of capital, shall be paid first out of profits, next out of capital, and, lastly, if necessary, by the partners individually in the proportions in which they were entitled to share profits;

(ii) The assets of the firm, including any sums contributed by the partners to make up deficiencies of capital, must be applied in the following manner and order:

(a) in paying the debts of the firm to third parties;

(b) in paying to each partner rateably what is due to him from capital;

(c) in paying to each partner rateably what is due to him on account of capital; and

(d) the residue, if any, shall be divided among the partners in the proportions in which they were entitled to share profits.

(c) "Inactive company" means a company which has not been carrying on any business or operation, or has not made any **significant accounting transaction** during the last two financial years, or has not filed financial statements and annual returns during the last two financial years. [Explanation (i) to Section 455 of the Companies Act, 2013]

"Significant accounting transaction" means any transaction other than—

(a) payment of fees by a company to the Registrar;

(b) payments made by it to fulfil the requirements of this Act or any other law;

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(c) allotment of shares to fulfil the requirements of this Act; and

(d) payments for maintenance of its office and records.

[Explanation (ii) to Section 455 of the Companies Act, 2013]

In the instant case, MTK Private Limited was registered on 5th January, 2021 and has not started its business till now. On 7th April, 2023, a notice has been received from ROC for non-filing of Form No. INC-20A. Since the Company has not started its business and a period of more than two years have already elapsed, it will be treated as an inactive 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) *Read the passage carefully and answer the questions given below:*

There are several indicators of a developed nation. It is economically, agriculturally and technologically advanced. There is all round prosperity. The benefits of prosperity reach the common people. They have a reasonable life span and enjoy the basic comforts and good health. They are able to educate and feed their children well. Poverty, illiteracy, ignorance, disease and inequalities are reduced to a minimum. Quality goods are produced in abundance and exports keep on rising. The nation is able to protect its sovereignty as it is self -reliant in defence and has a standing in the international forum. India, even after more than seventy – six years since independence is branded as a developing country. Achieving a developed status means the major transformation of our national economy to make it one of the largest economy of the world, where people live well and above the poverty line. The transformation can be materialised within the next 15 to 20 years as India has the necessary potential. Our natural resources are richer as compared to those of many other countries. We have abundant supplies of all the ores and minerals. We have rich bio-diversity, abundant sunshine, varied agro-climatic conditions and plenty of rainfall all over India. The country either already has the necessary technologies or can develop them easily. Our people and our farmers not only have a great learning capability but most of them also have an entrepreneurial and competitive spirit. Avenues to channelize this spirit constructively and productively are required. We need the will to take action and commit ourselves to be one of the world leaders. We must resolve to work hard with a long-term vision. Technology is the highest wealth generator in the shortest possible time. It can provide us with infrastructure and help transform education and training, food and processing, industries and agriculture. It is the key to achieving quality products in an increasingly competitive market and to continually upgrading human skills. It is the only vital input for ensuring health security and better living conditions for people. It can enable us to double cereals by 2030 and to make arrangements for their storage, transportation, distribution and marketing. It can make us leaders in machine tool industries. Through software engineering, we can enter computer- aided design and computer aided manufacturing. Therefore, the major role in India's development is to be played by the vast pool of our talented scientists, researchers and technologists. They should shed pessimism and think big because they are the only ones who understand the forces of technological modernization. They should take it as a challenge to make India a developed country. They must spearhead the

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movement by talking about what can be done and encouraging people that difficulties can be overcome. They must extend all possible help to industries, business managers, administrators, and others.

(i) Mention the basic fields in which a developed country is advanced. **(1 Mark)**

(ii) What is required for achieving the developed status for India? **(1 Mark)**

(iii) "Technology is the highest wealth generator in the shortest time". How? **(1 Mark)**

(iv) Who can play a major role in India's development? **(1 Mark)**

(v) How can India enter computer–aided design and manufacturing? **(1 Mark)**

(b) Read the passage:

How does television affect our lives? It can be very helpful to people who carefully choose the shows that they watch. Television can increase our knowledge of the outside world; there are high quality programmes that help us understand many fields of study, science, medicine, and the arts and so on. Moreover, television benefits very old people who can't often leave the house, as well as patients in hospital. It also offers non-native speakers the advantage of daily informal language practice. They can increase their vocabulary and practice listening.

On the other hand, there are several serious disadvantages to television. Of course, it provides us with a pleasant way to relax and spend our free time, but in some countries, people watch the 'boob-tube' for an average of six hours or more a day. Many children stare at a television screen for more hours each day they do anything else, including studying and sleeping. It's clear that the tube has a powerful influence on their lives and that its influence is often negative.

Recent studies show that after only thirty seconds of watching television, a person's brain 'relaxes' the same way that it does just before the person falls asleep. Another effect of television on the human brain is that it seems to cause poor concentration. Children who view a lot of television can often concentrate on a subject for only fifteen to twenty minutes. They can pay attention only for the amount of time between commercials.

Another disadvantage is that television often causes people to become dissatisfied with their own lives. Real life does not seem as exciting to these people as the lives of actors on the screen. To many people, television becomes more real than reality and their own lives boring. Also many people get upset or depressed when they can't solve problems in real life as quickly as televisions actors seem to.

Before a child is fourteen years old, he or she views eleven thousand murders on the tube. He or she begins to believe that there is nothing strange about fights, killings and other kings of violence. Many studies show that people become more violent after certain programmes. They may even do the things that they saw in a violent show.

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

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(3 Marks)

(ii) Write a summary giving a suitable title. ***(2 Marks)***

Answer

(a) 1. A developed country is economically, agriculturally and technologically advanced.

2. Major transformation of our national economy to make it one of the largest economies of the world is required for achieving a developed status for India.

Alternative Solution**:** Major transformation of our national economy to make it one of the largest economies of the world is required for achieving a developed status for India, where people live well and above the poverty line.

Alternative Solution: To achieve the developed status for India, a major transformation of our national economy should take place to make it one of the largest economies of the world, where people live well and above the poverty line.

3. It can provide us with infrastructure and help to transform education and training, food and processing, industries and agriculture.

4. Vast pool of talented scientists, researchers and technologists can play a major role in India's development.

5. Through software engineering, India can enter computer-aided design and manufacturing.

(b) (i) Note Making:

1. Benefits of T.V.
   - 1.1 Inc. our know. of o/s world
   - 1.2 High qty. prog
     - 1.2.1 Fields – science, medicine, arts
   - 1.3 Old people – can't leave house, patients – hospitalised.
   - 1.4 Non-native speakers – daily informal lang. Prac.
   - 1.5 Inc. vocabulary, listening
   - 1.6 Way to Relax
2. Disadvantages of T.V./Boob-Tube on body
   - 2.1 Long Duration of viewing – affects eyes
   - 2.2 Human brain
     - 2.2.1. gets drained
     - 2.2.2. poor concentration

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2.3 Effects of violent shows on adults/behaviour

3. Effects of T.V. on children
   - 3.1 Lack of concentration in studies
   - 3.2. gets used to violence
   - 3.3. Loses discretion/understanding
4. Other effects
   - 4.1 People become dissatisfied
   - 4.2 Unable to diff. b/w reel and real life
   - 4.3 Real life seems boring
   - 4.4 Imitate actors
   - 4.5 get upset/depressed – unable to solve problems

Key Abbreviations:

1. Inc. – increases
2. o/s – outside
3. qty – quality
4. prog - programme
5. know – knowledge
6. lang. – language
7. prac. – practice
8. T.V. – television
9. difft. – differentiate
10. b/w – between

(ii) The impact of Television

Summary: Watching television increases knowledge of the outside world, science, medicine and different arts. It helps old people and patients to recreate. It assists in informal language, practice, improving vocabulary and practice listening. However, watching television for more than six hours a day and continuously staring at screens has a negative influence on students. It affects the human brain and leads to poor concentration. Life becomes boring as television seems more real than reality. People can feel depressed when they are unable to solve problems as quickly as actors do. Television normalizes violence which can make children violent.

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Question 8

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

(b) (i) Select the suitable antonym for the word given under:

TYRANNY

(1) Hatred

(2) Mystery

(3) Autonomy

(4) Oppression ***(1 Mark)***

(ii) Correct the following sentence:

If he came to me, I would have given him a pen. ***(1 Mark)***

(iii) Root of the word 'Anthropology' is:

(1) Study

(2) Anthrop

(3) Mankind

(4) Man ***(1 Mark)***

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

English education and English language have done immense goods to India, in spite of their glaring drawbacks. The notions of democracy and self-government are the boon of English education. Those who fought and died for mother India's freedom were nursed in the cradle of English thought and culture. The West has made contribution to the East. The history of Europe has fired the hearts of our leaders. Our struggle for freedom has been inspired by the struggles for freedom in England America and France. If our leaders were ignorant of English and if they had not studied this language, how could they have been inspired by these heroic struggles for freedom in other lands? English, therefore, did us great good in the past and if properly studies will do immense good in future.

English is spoken throughout the world. For international contact, our commerce and trade, for the development of our practical ideas, for the scientific studies, English is indispensable "English is very rich in literature," our own literature has been made richer by this foreign language. It will really be a fatal day if we altogether forget Shakespeare, Milton, Keates and Shaw. ***(5 Marks)***

Answer

(a) Verbal communication: It involves the use of words and languages in delivering the intended message. Though 'verbal' primarily refers to communication through the spoken

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medium, while categorizing types of verbal communication, the written and oral forms of communication are both included. Verbal communication is the easiest, fastest, and the most successful form of communication.

(b) **(i)** (3) Autonomy

(ii) If he came to me, I would give him a pen.

Alternate Solution: If he had come to me, I would have given him a pen.

(iii) (2) Anthrop

(c) **Precis:**

Importance of English in India's independence and development

Despite of various drawbacks, English education has done great good to India. The ideas of democracy and self-government are its gifts. Nursed in English education, the Indian leaders were inspired by the Western thought, culture and freedom struggles. They fought for and won their motherland's freedom. Being spoken throughout the world, english is necessary for international contact, trade, commerce and science. English is rich in literature; its masterminds cannot be neglected.

Alternative:

Importance of English in India's independence and development

Despite its numerous shortcomings, English education has contributed significantly to India. Among its invaluable gifts are the ideals of democracy and self-government. Leaders nurtured in English education played vital role in the attainment of India's independence since they were inspired by Western thought, culture, and freedom struggles. Given its global prevalence, English serves as an essential medium for international communication, trade, commerce, and science.

Question 9

(a) What do you mean by Star Network Communication? ***(2 Marks)***

OR

"Coherence" is an important feature of Communication. Discuss. ***(2 Marks)***

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

FERRY

(1) Bargain

(2) Celebrate

(3) Transport

(4) Drown ***(1 Mark)***

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(ii) *Change the following sentence to indirect speech:*

My friend said to me, "Has your father returned from Kolkata"? ***(1 Mark)***

(iii) *Change the following sentence into Passive Voice:*

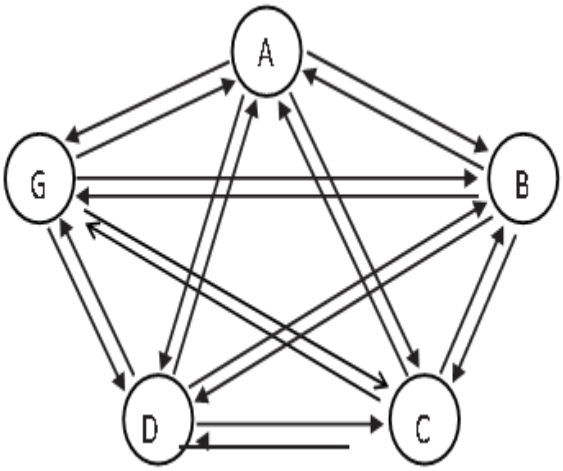
"Please sit here and wait till return". ***(1 Mark)***

(c) *Prepare the Minutes of a Meeting, presided by a committee under the chairmanship of the Managing Director Ms. U; Product Head and Sales Head of LHO Private Limited, a Garment Company. The main agenda of the meeting was introducing a new Denim Jeans, analysing the cost, discussing the sales and marketing strategies.* ***(5 Marks)***

Answer

(a) **Star Network:** Star network communication has multiple channels of communication open between all members. This network propagates group communication, and is essential where teamwork is involved. The members communicate and exchange information with each other freely and without hindrance or hesitation.

The usefulness of all networks depends on the structure and size of the company and the manner of communication between the employees. Good communication relies on the sincerity of the employees within the company as well as properly defined processes in the organisation. These parameters help the organisation to achieve its objectives.



OR

Coherence: Coherence in writing and speech refers to the logical bridge between words, sentences, and paragraphs. Main ideas and meaning can be difficult for the reader to follow if the writer jumps from one idea to another and use contradictory words to express himself/herself. The key to coherence is sequentially organised and logically

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presented information, which is easily understood. All content under the topic should be relevant, interconnected and present information in a flow.

(b) **(i)** (3) Transport

(ii) My friend asked / enquired me if my father had returned from Kolkata.

Alternative Solution: My friend asked me whether my father had returned from Kolkata.

(iii) You are requested to sit here and wait here till I return.

Alternative Solution: You are requested to sit here and wait till I return.

Alternative Solution: You are requested to sit here and wait until I return.

(c) **Minutes of Meeting:**

Meeting - Launching of New Product-Denim Jeans

Date: xx/xx/xxxx

Meeting Time- 3.00 P.M.

Location: Conference Room, Head office of LHO Private Limited

Attendance: Managing Director Ms. U, the Product Head, the Sales Head

Agenda: Discussion on introducing new product range, analysing cost, sales and Marketing strategies.

Ms. U the Managing Director, gave an introduction about the new product range - **Denim jeans.**

The Product Head spoke about the new product, its quality, how it is superior to others in the segment available with other brands in market.

The Sales Head gave a detailed analysis of cost, fixed and variable overheads, other expenditure related to market the product and development strategy in collaboration with the sales team.

All the attendees approved the plan and appreciated it

Madam Managing Director declared an open house for participants to put up their concerns, and finally gave vote of thanks.

Conclusion: Proposal for launching the new Product Denim Jeans approved.

Question 10

(a) How does organization structure become a barrier to communication? Explain. ***(2 Marks)***

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

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They forced him to steal the money out of his dad's room. ***(1 Mark)***

(ii) Change the sentence form Passive to Active Voice

Let the class not be disturbed. ***(1 Mark)***

(iii) Change the following sentence into direct speech.

The boys exclaimed with joy that they had won the match. ***(1 Mark)***

(c) You are a Finance Manager of XYZ Limited, A to Z Complex, Technology Nager, FF State, India (e-mail: atz@gmail.com, Tel.: XXXXX). Your company is going to distribute 500 laptops to a research institute under its Corporate Social Responsibility (CSR), initiatives. Write an enquiry letter to Z Tech Limited, NK Complex, FF State, India for supply of 500 Laptops making comprehensive enquiry about configuration, costs, delivery and terms and conditions etc. ***(5 Marks)***

Answer

(a) Organizational structure barriers:

Communication problems occur when the systems, structures and processes in the organization are not clear or have gaps in them. If the chain of command is unclear, a person may not know whom to contact for a particular issue. Inappropriate information transmission systems, lack of supervision, and unclear role and responsibility demarcations lead to confusion and inefficiency.

(b) (i) He was forced by them to steal the money out of his dad's room.

Alternative Solution: He was forced to steal the money out of his dad's room.

Alternative Solution: He was forced to steal the money from his dad's room by them.

Alternative Solution: He was forced to steal the money out of his dad's room by them.

(ii) Do not disturb the class.

Alternative Solution: Don't disturb the class.

(iii) The boys said, "Hurrah! We have won the match"!

Alternative Solution: The boys exclaimed/shouted/rejoiced, "We have won the match"!

Alternative Solution: The boys cried out with joy "We have won the match"!

Alternative Solution: The boys said "We are so happy to have won the match"!

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(c) XYZ Limited

A to Z Complex, Technology Nagar: FF State, India

E-mail: aaaaa@tmail.com. Tel.: xxxxxxxxxx

Date: 2nd January, 2024

To

The Marketing Manager,

Z Tech Limited,

NK Complex, FF State, India

Dear Sir,

Subject: Enquiry for Laptops

We are a leading firm engaged in manufacturing and marketing of hi-tech solar panels in the country. As part of our Corporate Social Responsibility (CSR), we intend to donate laptops to a research institute engaged in further development of technology in the area storage of solar energy for its further use. Since your organisation is one of the leading manufacturers of Computers and Laptop, kindly send us the latest catalogue covering various models with the optimised rates indicating the configurations, costs, delivery terms & conditions etc. Please also mention the discount that you can offer as we are in the process of purchasing around 500 Laptops.

You may reply by e-mail in the next four working days to the undersigned. We look forward to hear from you.

Regards,

ABC

(Finance Manager)

XYZ Limited

Mob: XXXXXXXXXX

Email- atz@gmail.com

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Question 11

(a) What is Para language in communication? Explain it. ***(2 Marks)***

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

(i) 'Gift of the gab'

(1) Talent for speaking

(2) To win a prize

(3) To get some thing free

(4) To distribute gifts ***(1 Mark)***

(ii) A red -letter day

(1) An important day

(2) An auspicious day

(3) A dangerous day

(4) An unimportant day ***(1 Mark)***

(iii) Select the correct meaning of the collocations given below:

Dollar diplomacy

(1) Make money

(2) Go bankrupt

(3) Profit earnings

(4) Cash Flow ***(1 Mark)***

(c) The number of women in the police force seems insufficient especially when we see the increasing involvement of woman in terrorist activities. Write an article in 250 words for "The Hindustan Chronicle" on the need of having more women in the police force.

(5 Marks)

Answer

(a) **Paralanguage**: The way one says something, more than the actual words used, reveal the intent of the message. The voice quality, intonation, pitch, stress, tone and style of speaking, communicates approval, interest or lack of it.

(b) **(i)** (1) Talent for speaking

(ii) (1) An important day

(iii) (2) Go bankrupt

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(c) Article Writing

Need of having more Women in the Police Force

OR

Need of Women in Police Force

-By XYZ

Women empowerment and participation has seen a radical improvement in the recent few decades. Women are no longer confined to their homes and have come forward to excel in almost all fields, at par with men. However, it has been observed that the number of women in the police force seems insufficient, especially when we compare to their increasing number in terrorist activities. Women have proved their worth in the police force as they are more committed to the cause they work for and are less corrupt.

The Government needs to increase the reserved quota for the recruitment of women in the police force. Women should be given incentives to join the police force, and this will prove favourable as they bring with them a distinctly different skill set that is bound to change the way the police is perceived in our community. As the job description of the police expands beyond crime-fighting into community service, the presence of more women in the police force will surely help to enhance the image of the police officers, improve community relations and foster a more flexible and less violent approach for maintaining law and order. Their number is abysmally low in the police forces in spite of women being the major portion of our workforce. To combat this situation, we need more women in the police force. They would play a critical role in addressing gender-based violence. It affects women as well as children sometimes, as they do not feel free to open up in front of male police officers. Therefore, the women force is required to understand the grievances of the victims and the security challenges faced by women.

Generally, men are recruited in large numbers in police force. At the same time, it is important that the recruitment of women in the police forces should take place more actively. Despite the hidden barriers, women should be given chance to enter the force with appropriate training.

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