

# PMQ

Roll. No. ....

Time allowed : 3 Hours

Total No. of Question -11

Maximum Marks : 100

## Test Paper with Solutions

### **BUSINESS LAW & BUSINESS CORRES. & REPORTING SECTION** **CA-Foundation (May 2023) | Examination**

#### Disclaimer Clause :

- These Solutions are prepared by the Expert Faculty Team of RESONANCE .
- Views and Answers provided may differ from ICAI due to difference in assumptions taken in support of the answers .
- In such case answers as provided by "ICAI" will be deemed as final .

#### **IMPORTANT INSTRUCTIONS TO CANDIDATES**

1. Questions Section A are to be answered in the medium opted by the candidate. If a candidate has not opted for Hindi medium, his/her answers in Hindi will not be evaluated.
2. Questions in Section B, are to be answered in English only, by all the opted candidates, including those who have Hindi medium.
3. Answer to both the Sections are to be written in the same answer book.

#### **SECTION A — (60 Marks)**

**Question No. 1 is compulsory.**

**Answer any FOUR questions out of the remaining FIVE questions.**

1. (a) Radha invited her ten close friends to celebrate her 25<sup>th</sup> birthday party on 1<sup>st</sup> January 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 provisions of the Indian Contract Act, 1872.  
Would your answer differ if he said party has been a "Contributory 2023 New year celebration Party" organized by Radha?

**(4 Marks)**

**Answer :** **Parties must intend to create legal obligations:**

There must be an intention on the part of the parties to create legal relationship between them. Social or domestic type of agreements are not enforceable in court of law and hence they do not result into contracts. (Balfour v. Balfour)

Offer must be such as in law is capable of being accepted and giving rise to legal relationship. If the offer does not intend to give rise to legal consequences and creating legal relations, it is not considered as a valid offer in the eye of law. A social invitation, even if it is accepted, does not create legal relations because it is not so intended.

Radha invited his friend, it is a social agreement and not create legal relationship. Suit of Radha is not maintainable.

If it is a contributory new year celebration party then again it is social agreement and not maintainable.

1. (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)**

**Answer :** Associate company [Section 2(6)]: 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.

Explanation. — For the purpose of this clause —

- (a) 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;
- (b) the expression “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.

The term “Total Share Capital”, means the aggregate of the -

- (a) Paid-up equity share capital; and
- (b) Convertible preference share capital.

Total share capital of ABC Ltd. -100 Cr.

XYZ Ltd. control Equity share capital- 15 Cr.

XYZ Ltd. control Convertible preference share capital- 10 Cr.

XYZ Ltd. control Total Share Capital= 25 Cr. means 25% of ABC Ltd. hence XYZ Ltd. is an Associate company of ABC Ltd.

1. (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 :** Payment of the price by the buyer is an important ingredient of a contract of sale. If the parties totally ignore the question of price while making the contract, it would not become an uncertain and invalid agreement. It will rather be a valid contract and the buyer shall pay a reasonable price. In the given case, X and Y have entered into a contract for sale of car but they did not fix the price of the car. X refused to sell the car to Y on this ground. Y can legally demand the car from X and X can recover a reasonable price of the car from Y.

Damages for non-delivery [Section 57]: 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. (a) As per the 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)

**Answer.** Though under the Indian Contract Act, 1872, the consideration for an agreement may proceed from a third party, the third party cannot sue on contract. Only a person who is party to a contract can sue on it. Thus, the concept of stranger to consideration is a valid and is different from stranger to a contract.

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, he may file the 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.

2. (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.** Unlimited liability in case of fraud (Section 30): (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) 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 which may extend to 2 years and
  - with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 5 Lakhs.
- (3) 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.

3. (a) Explain about the registration procedure of partnership firm prescribed under the Indian Partnership Act, 1932.

(6 Marks)

Answer :

**APPLICATION FOR REGISTRATION (SECTION 58):**

- (1) 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:-** Note: '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 bracket and word (Registered) immediately after its name.

3. (b) (i) Mr. A the employer produced 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)

**Answer :** Undue influence (Section 16) 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".

A person is deemed to be in position to dominate the will of another:

- (a) Where he holds a real or apparent authority over the other; or
- (b) Where he stands in a fiduciary relationship to the other; or
- (c) Where he makes a contract with a person whose mental capacity is temporarily or permanently affected by reason of age, illness or mental or bodily distress for example, an old illiterate person.

Thus contract between A and B is voidable contract.

3. (b) (ii) Mr. S promise Mr. M to paint a family picture for ₹20,000 and assures to his assignment by 15 March, 2023. Unfortunately, Mr. S died in a road accident on 1 March, 2023. 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 15 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 :**

Performance by Legal Representatives: A contract which involves the use of personal skill or is founded on personal consideration comes to an end on the death of the promisor. As regards any other contract the legal representatives of the deceased promisor are bound to perform it unless a contrary intention appears from the contract (Section 37, para 2). But their liability under a contract is limited to the value of the property they inherit from the deceased.

In this contract legal representatives of the deceased promisor Mr.S are bound to perform It.

**Second case-**

Mr.S promise to deliver some photographs against Rs. 10,000. S may perform this promise either himself or causing someone else to pay the money to B. If S dies before the time appointed for the delivery of goods, Mr.S's representative shall be bound to deliver the goods to M.

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

**(6 Marks)**

**Answer :**

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

1. Damages for non-delivery [Section 57]: 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 of 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.
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 treat breach of condition as breach of warranty, the buyer is not entitled to reject the goods only on the basis of such breach of warranty. But he 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) Nothing in this Act shall affect the right of the seller or the buyer to recover interest or special damages, in any case where by law interest or special damages may be recoverable, 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.

4. (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)**

**Answer :** Liabilities of an outgoing partner (SECTION 32): As we have already stated earlier, a retiring partner continues to be liable to 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 partner.

The liability of a retired partner to the third parties continues until a public notice of his retirement has been given. As regards the liability for acts of the firm done before his retirement, the retiring partner remains liable for the same, unless there is an agreement made by him with the third party concerned and the partners of the reconstituted firm.

R retire from the firm and continues to be liable to Mr.S for purchase of 25 fans after his retirement because public notice is not given by him.

Partner by holding out (Section 28): Partnership by holding out is also known as partnership by estoppel. Where a man holds himself out as a partner, or allows others to do it, he is then stopped from denying the character he has assumed and upon the faith of which creditors may be presumed to have acted. A person may himself, by his words or conduct have induced others to believe that he is a partner or he may have allowed others to represent him as a partner. The result in both the cases is identical.

Mr. E is become Partner by holding out and also for 25 fans.

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

**(2 Marks)**

**Answer :** An 'Auction Sale' is a mode of selling property by inviting bids publicly and the property is sold to the highest bidder. An auctioneer is an agent governed by the Law of Agency. When he sells, he is only the agent of the seller. He may, however, sell his own property as the principal and need not disclose the fact that he is so selling.

Legal Rules of Auction sale: Section 64 of the Sale of Goods Act, 1930 provides following rules to regulate the sale by auction:

- (a) Where goods are sold in lots: Where goods are put up for sale in lots, each lot is prima facie deemed to be subject of a separate contract of sale.
- (b) Completion of the contract of sale: The sale is complete when the auctioneer announces its completion by the fall of hammer or in any other customary manner and until such announcement is made, any bidder may retract from his bid.

Auction sale was complete on 7 March 2023 by the fall of hammer.

5. (a) (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)

Answer.

**Sale by sample [Section 17]:** 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,
- (c) the goods shall be free from any defect rendering them un-merchantable, which would not be apparent on reasonable examination of the sample. This condition is applicable only with regard to defects, which could not be discovered by an ordinary examination of the goods. If the defects are latent, then the buyer can avoid the contract. This simply means that the goods shall be free from any latent defect i.e. a hidden defect. Yes Mr.M can reject the goods because condition was not fulfilled.

**Rule related to Acceptance of Delivery of Goods (Section 42):**

Acceptance is deemed to take place when the buyer-

- (a) intimates to the seller that he had accepted the goods; or
- (b) does any act to the goods, which is inconsistent with the ownership of the seller; or
- (c) retains the goods after the lapse of a reasonable time, without intimating to the seller that he has rejected them.

K and L cannot reject the goods and repudiate the contract because they sell the goods which is inconsistent with the ownership of the seller. But they can claim damages.

5. (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 :

"lifting the veil" means looking behind the company as a legal person, i.e., disregarding the corporate entity and paying regard, instead, to the realities behind the legal facade. Where the Courts ignore the company and concern themselves directly with the members or managers, the corporate veil may be said to have been lifted. Only in appropriate circumstances, the Courts are willing to lift the corporate veil and that too, when questions of control are involved rather than merely a question of ownership.

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:** In the law relating to trading with the enemy where the test of control is adopted. The leading case in this point is Daimler Co. Ltd. vs. Continental Tyre & Rubber Co..
- (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. [S. Berendsen Ltd. vs. Commissioner of Inland Revenue]
- (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 (The Workmen Employed in Associated Rubber Industries Limited, Bhavnagar vs. The Associated Rubber Industries Ltd., Bhavnagar and another).
- (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. [Gilford Motor Co. vs. Home]

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

**(5 Marks)**

- Answer :** Distinction between a Void Contract and a Voidable Contract. These are elaborated hereunder:
1. **Meaning-** A Contract 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 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

6. (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)**

- Answer :**
- (i) Right to take part in the conduct of the Business [Section 12(a)]: Every partner has the right to take part in the business of the firm. This is because partnership business is a business of the partners and their management powers are generally co-extensive.
  - (ii) Right to be consulted [section 12(c)]: Where any difference arises between the partners with regard to the business of the firm, it shall be determined by the views of the majority of them,



and every partner shall have the right to express his opinion before the matter is decided. But no change in the nature of the business of the firm can be made without the consent of all the partners.

- (iii) Right of access to books [Section 12 (d)]: Every partner whether active or sleeping is entitled to have access to any of the books of the firm and to inspect and take out of copy thereof. The right must, however, be exercised bona fide.
- (iv) Right of legal heirs/ representatives/ their duly authorised agents [Section 12(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.

6. (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 :** Small Company: Small company given under the Section 2(85) of the Companies Act, 2013 which means a company, other than a public company—

- (i) paid-up share capital of which does not exceed 2 crores rupees or such higher amount as may be prescribed which shall not be more than ten crore rupees; and
- (ii) turnover of which as per profit and loss account for the immediately preceding financial year does not exceed 20 crore rupees or such higher amount as may be prescribed which shall not be more than one hundred crore rupees:

Hence ABC Ltd can avail the status of Small Company.

## **SECTION B – (40 Marks)**

**Questions No. 7 is compulsory**

**Answer the THREE questions out of the remaining Four questions**

7. (a) **Read the following carefully and answer the questions given below :**

Air pollution is an issue which concerns us all alike. Air pollution 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 pollutions are the dusts of various inorganic origins. Although we often talk of the outdoor air 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 bright 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 is 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 the fact that there are over 3,000 chemical constituents in tobacco smoke, which have been identified. These are harmful for human health.

Mircoorganisms and allergens are of special significance in the causation and spread of diseases. Most of the ineffective 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 most persistent and serious. These are attributed to exposures to allergens from various fungi, moulds, hay and other organic materials. Indoor air ventilations 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 pollutant? (1 Mark)

**Ans.** Air pollutant is present any substance which is usually not found in air or which is present in an amount that exceeds its usual concentration in air.

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

**Ans.** We feel suffocated in a closed environment due to lack of oxygen. Accumulation of carbon dioxide exhaled out of lungs and more exposure to carbon monoxide are also the reasons of suffocation.

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

**Ans.** Sick building syndrome can be 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.

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

**Ans.** Indoor smoking is hazardous in the way that there are 3000 chemical constituents in tobacco smoke which are harmful to human health.

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

**Ans.** To overcome the dangers of Indoor air pollution, the houses should be properly ventilated with more and more greenery around them. Smoking of tobacco and burning of coal inside the houses should be avoided.

7. (b) **Read the passage :**

Effective speaking depends on effective listening. It takes energy to concentrate on hearing and to concentrate on understating what has been heard. Incompetent listeners fall 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 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 and sub-headings the speaker is referring to.

Note-taking has been recommend as an aid to the listener. It also helps the speaker. It gives him confidence when he seek 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 features 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)**

- Ans.** (1) Ess, speaking depends on :
- 1.1. eff listening
  - 1.2. Concen on listening
  - 1.3. Concern on understanding that you hear
- (2) Reasons why incompetent listeners fail :
- 2.1 their attention drifts
  - 2.2 They find counter arguments
  - 2.3 They compete & then filter 2.4 react
- (3) Ways for a listener to be more off.
- 3.1 Concen on the msg reed
  - 3.2 mental alertness
  - 3.3 phys. alertness positioning body

- (4) Impce of postune:  
 4.1 helps listeners in concern  
 4.2 Seen by sper as + ve feature among his listeners

List of Abbreviations

•	Eff	—	effective
•	concen	—	concentrating
•	msg	—	message
•	reed	—	received
•	Phys	—	Physical
•	+ ve	—	positive
•	Impce	—	Importance
•	Spkr	—	Speaker

(ii) Write a summary.

**(2 Marks)**

**Ans.** Effective speaking and effective listening are two sides of the same coin, both equally important. On the same coin, both equally important an incompetent listener will always fail as he drifts away from content, competes and finally filters what the speaker is saying to be good listener concentration is important combined with mental & physical alertness. The importance of other factors like note taking and posture cannot be ignored. All these are effective skills and are viewed on a positive feature by the speaker among his listeners. They have an impact not only on the listeners but also on the speaker.

(a) **Comment on following statement:**

**"Communication does not simply involve sending of a message by a person."**

**(2 Marks)**

**Ans.** Communication does not simply involve sending of a message by a person but it is a quick way of sending message to people anywhere in the world using IT devices. It is a two-way means of communication information in the form of thoughts, opinion with the purpose of building an understanding

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

Choose the word which best expresses the meaning of the given word:

- (1) Willing
- (2) Inflexible
- (3) Poor
- (4) Unfavourable

**(1 Mark)**

**Ans. (2) Inflexible**

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

**The study of coding-decoding involves various \_\_\_\_\_**

- (1) Healthy
- (2) Obvious
- (3) Verbose
- (4) Cryptic

**(1 Mark)**

**Ans. (4) cryptic**

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

**He said, "I clean my teeth twice a day."**

**(1 Mark)**

**Ans. He said that he cleans his teeth twice a day.**

(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 19<sup>th</sup> 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 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 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 altering 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)**

**Ans. "Human evolution and emotion"**

The emotions that people express and respond to Stimuli in the environment have an evolutionary basis Emotions are thought to be the result of repeated encounters with a particular event, According to evolution, emotions such as fear, love, finishing anger and hatred are result of continuous reactions to certain situations, some expressions are often constructed or adapted as a form of self-defense.

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

Or

What do you mean by Visual communication?

(2 Marks)

**Ans.** Concreteness while communicating one should be very specific concreteness is an important aspect of effective communication. It is about being specific and definite rather than general. It boosts up the confidence level.

Or

Visual communication I nothing but using visuals like charts, graphs, diagrams to represent information

(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)

**Ans. (1) Like**

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

**MESSY**

- (1) Organised
- (2) Dirty
- (3) Hygienic
- (4) Clean

(1 Mark)

**Ans. (2) Dirty**

(iii) Change the following sentence into direct speech:

**She said that she would buy a new house if she had been rich.**

(1 Mark)

**Ans. She said, "I would buy a New house if I were rich"**

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

(5 Mark)

**Ans. Report "Climate Change"**

July – 30, 2023 : Climate change refers to the change in the environment conditions of the earth. This happens due to many internal and external factors. The climate change has become a global concern over the last few decades these climatic changes affect life on the earth in various way. Climate change in a region's typical temperature or weather. Because of it, human are experiencing more unwelcome rainfall hotter summers and harsher winters than ever as a result. The temperature may sharply increase as result of climate change. In India temperature has risen by 0.7 °C (1.3 °F) between 1901 and 2018. In may 2022 server heatwave was recorded in India. The temperature reached 51°C

Burning fossils fules, cutting down trees and farming livestock are increasingly influencing the climate and the global temperature. Due to this climate changes disturb the sun's activity or large volcanic eruptions. The climate change affects the social and

environmental determinations of health clean air, safe drinking water. sufficient food and secure shelter. If protective steps are not taken it will be very fatal for mankind.

10. (a) Define Wheel and Spoke Network in Communication.

(2 Marks)

**Ans.** The wheel and spoke network is another form of a communication network in an organization. It takes place in many directions with central person, it is single controlling authority in which instructions and orders are given to all employees working under him / her.

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

(1 Mark)

**Ans. you are requested to help me  
Please help me.**

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

**Ans. Thousands of individuals will have lost jobs due to the pandemic.  
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)

**Ans. The teacher said to the boys, "Let us go swimming since it is so warm."**

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

(6 Marks)

**Ans.**

B -128  
Rajeev Gandhi Nagar  
New Delhi

July 1st, 2023  
Times of India  
New Delhi

Subject : About advantage & disadvantage of using internet.

Sir,

With extremely regard. I beg to draw your kind attention towards increasing habit of using internet by the youth today. Sir ! I am worried about my younger brother's habit of excessive use of Internet for completing his home-work At one hand using Internet is very useful in this age of technology It is the greatest mean of increasing knowledge. Everything is easy today.

Through the use of the Internet, home work can be conveniently planned and supervised with online resources we know that over the years, the internet has become the best tool for learning for the youth.

However, there are advantages and disadvantages of Internet for the youth. On the other hand internet also plays a fatal role. Because of excessive use of Internet, the youth become isolated from social stream. They hardly create time for friends and family. Cyber bullying among the youth is one of the disadvantages of the Internet The youth may become very dependent on the Internet. They disregard their school work by wasting too much time online. It causes Distraction. The Youth have lost the ability to understand and Communicate Today it has become Necessary to guide the youth about using Internet.

Therefore I request you to publish in you esteemed Newspaper providing proper guideline to the youth about Internet.

Thank You !

Your Faithfully  
Bhupendra

11. (a) How 'Emotions' of a person become barrier of communication?

(2 Marks)

**Ans.** Emotional barriers to communication are usually due to lack of emotional awareness or control, often referred to as emotional intelligence by better understanding our inner emotions, we can communicate more productivity in the workplace and our everyday lives.

(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)

**Ans. (2) subject of disbute**

(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)

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

(iii) Correct the following sentence :

**I cannot explain that why I like her so much.**

(1 Mark)

**Ans. I cannot explain why I like her so much.**



- (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 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)

**Ans.**

**Resume**

Cover Letter

123, Mahaveer Nagar  
Indore, Madhya Pradesh  
June 30, 2023

The manager  
Saha and company

**Subject :** For the recruitment of an Article Assistant.

Sir,

This is with reference to your Notice on the website of C.A. firm of your company posted on 24 February, 2023. I wish to apply for the same I am an energetic person. I have good command over my working capacity. I have completed my degree as C.A. I always enjoy taking new challenges. If you provide a chance to work, I will prove my performance. I am giving my Bio-data as follows.

I look forward to positive reply.

Yours Sincerely  
Karunesh Vijay

**ENCLOSURE**

1. Testimonials
2. Resume

1.	Name	—	Karunesh Vijay
2.	Father's Name	—	Sh N.K. Vijay
3.	Mother's Name	—	Smt Sunita Vijay
4.	Address	—	H.NO. – 123 Mahaveer Nagar, Indore
5.	D.O.B	—	29.3.1991
6.	Nationality	—	Indian
7.	Marital Status	—	Unmarried
8.	Academic qualification	—	B.com, M.com C.A.
9.	Language Known	—	Both Hindi and English

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