

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

### SECTION A – BUSINESS LAW

Question No. 1 is compulsory.

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

#### Question 1

- (a) A, B, C and D are the four partners in a firm. They jointly promised to pay ₹ 6,00,000 to F. B and C have become insolvent. B was unable to pay any amount and C could pay only ₹ 50,000. A is compelled to pay the whole amount to F. Decide the extent to which A can recover the amount from D with reference to the provisions of the Indian Contract Act, 1872. **(4 Marks)**
- (b) AK Private Limited has borrowed ₹ 36 crores from BK Finance Limited. However, as per memorandum of AK Private Limited the maximum borrowing power of the company is ₹ 30 crores. Examine, whether AK Private Limited is liable to pay this debt? State the remedy, if any available to BK Finance Limited. **(4 Marks)**
- (c) "A breach of condition can be treated as a breach of warranty". Explain this statement as per relevant provisions of the Sale of Goods Act, 1930. **(4 Marks)**

#### Answer

##### (a) Joint promisors (Section 42 of the Indian Contract Act, 1872)

When two or more persons have made a joint promise, then unless a contrary intention appears by the contract, all such persons must jointly fulfil the promise.

##### Any one of joint promisors may be compelled to perform (Section 43)

As per Section 43 of the Indian Contract Act, 1872, when two or more persons make a joint promise, the promisee may, in the absence of express agreement to the contrary, compel any one or more of such joint promisors to perform the whole of the promise.

If any one of two or more joint promisors makes default in such contribution, the remaining joint promisors must bear the loss arising from such default in equal shares.

In the instant case, A, B, C and D have jointly promised to pay ₹ 6,00,000 to F. B and C become insolvent. B was unable to pay any amount and C could pay only ₹ 50,000. A is compelled to pay the whole amount to F.

Hence, A is entitled to receive ₹ 50,000 from C and ₹ 2,75,000 from D, as worked out below:

**From C ₹ 50,000=** (C's Liability ₹ 1,50,000 Less: Amount he could not pay ₹ 1,00,000).

**From D ₹ 2,75,000**= (D's Liability ₹1,50,000+1/2 of liability of B (Loss) (1,50,000\*1/2) i.e. ₹ 75,000+1/2 of C's liability (Loss) (1,00,000\*1/2) i.e., ₹ 50,000) In other words, equal proportion i.e., ₹ 5,50,000 (i.e. ₹6,00,000-₹50,000) / 2.

Thus, total amount A can receive from C and D comes to ₹3,25,000 (50,000+2,75,000)

- (b) This case is governed by the 'Doctrine of Ultra Vires'. According to this doctrine, any act done or a contract made by the company which travels beyond the powers of the company conferred upon it by its Memorandum of Association is wholly void and inoperative in law and is therefore not binding on the company. This is because, the Memorandum of Association of the company is, in fact, its charter; it defines its constitution and the scope of the powers of the company. Hence, a company cannot depart from the provisions contained in the memorandum however imperative may be the necessity for the departure. Hence, any agreement ultra vires the company shall be null and void.

**(i) Whether AK Private Limited is liable to pay the debt?**

As per the facts given, AK Private Limited borrowed ₹ 36 crores from BK Finance Limited which is beyond its borrowing power of ₹ 30 crores.

Hence, contract for borrowing of ₹ 36 crores, being ultra vires the memorandum of association and thereby ultra vires the company, is void. AK Private Limited is not, therefore, liable to pay the debt.

**(ii) Remedy available to BK Finance Limited:**

In light of the legal position explained above, BK Finance Limited cannot enforce the said transaction and thus has no remedy against the company for recovery of the money lent. BK Finance limited may take action against the directors of AK Private Limited as it is the personal liability of its directors to restore the borrowed funds. Besides, BK Finance Limited may take recourse to the remedy by means of 'Injunction', if feasible.

- (c) Section 13 of the Sale of Goods Act, 1930 specifies cases where a breach of condition be treated as a breach of warranty. As a result of which the buyer loses his right to rescind the contract and can claim damages only.

In the following cases, a contract is not avoided even on account of a breach of a condition:

- (i) Where the buyer altogether waives the performance of the condition. A party may for his own benefit, waive a stipulation. It should be a voluntary waiver by buyer.
- (ii) Where the buyer elects to treat the breach of the conditions, as one of a warranty. That is to say, he may claim only damages instead of repudiating the contract. Here, the buyer has not waived the condition but decided to treat it as a warranty.

- (iii) Where the contract is non-severable and the buyer has accepted either the whole goods or any part thereof. Acceptance means acceptance as envisaged in Section 72 of the Indian Contract Act, 1872.
- (iv) Where the fulfilment of any condition or warranty is excused by law by reason of impossibility or otherwise.

**Question 2**

- (a) Explain any five circumstances under which contracts need not be performed with the consent of both the parties. **(7 Marks)**
- (b) State the rules regarding registered office of a Limited Liability Partnership (LLP) and change therein as per provisions of the Limited Liability Partnership Act, 2008. **(5 Marks)**

**Answer**

- (a) Under following circumstances, the contracts need not be performed with the consent of both the parties:
  - (i) **Novation:** Where the parties to a contract substitute a new contract for the old, it is called novation. A contract in existence may be substituted by a new contract either between the same parties or between different parties the consideration mutually being the discharge of old contract. Novation can take place only by mutual agreement between the parties. On novation, the old contract is discharged and consequently it need not be performed. (Section 62 of the Indian Contract Act, 1872)
  - (ii) **Rescission:** A contract is also discharged by rescission. When the parties to a contract agree to rescind it, the contract need not be performed. (Section 62)
  - (iii) **Alteration:** Where the parties to a contract agree to alter it, the original contract is rescinded, with the result that it need not be performed. In other words, a contract is also discharged by alteration. (Section 62)
  - (iv) **Remission:** Every promisee may dispense with or remit, wholly or in part, the performance of the promise made to him, or may extend the time for such performance or may accept instead of it any satisfaction which he thinks fit. In other words, a contract is discharged by remission. (Section 63)
  - (v) **Rescinds voidable contract:** When a person at whose option a contract is voidable rescinds it, the other party thereto need not perform any promise therein contained in which he is the promisor.
  - (vi) **Neglect of promisee:** If any promisee neglects or refuses to afford the promisor reasonable facilities for the performance of his promise, the promisor is excused by such neglect or refusal as to any non-performance caused thereby. (Section 67)

**(b) Registered office of LLP and Change therein (Section 13 of the Limited Liability Partnership Act, 2008)**

- (i) Every LLP shall have a registered office to which all communications and notices may be addressed and where they shall be received.
- (ii) A document may be served on a LLP or a partner or designated partner thereof by sending it by post under a certificate of posting or by registered post or by any other manner, as may be prescribed, at the registered office and any other address specifically declared by the LLP for the purpose in such form and manner as may be prescribed.
- (iii) A LLP may change the place of its registered office and file the notice of such change with the Registrar in such form and manner and subject to such conditions as may be prescribed and any such change shall take effect only upon such filing.
- (iv) If the LLP contravenes any provisions of this section, the LLP and its every partner shall be punishable with fine which shall not be less than ₹ 2000, but which may extend to ₹ 25000.

**Question 3**

- (a) *Define partnership and name the essential elements for the existence of a partnership as per the Indian Partnership Act, 1932. Explain any two such elements in detail.*

**(3 + 3 = 6 Marks)**

- (b) *Examine the validity of the following contracts as per the Indian Contract Act, 1872 giving reasons.*

- (i) *X aged 16 years borrowed a loan of ₹ 50,000 for his personal purposes. Few months later he had become major and could not pay back the amount borrowed, on due date. The lender wants to file a suit against X.*
- (ii) *J contracts to take in cargo for K at a foreign port. J's government afterwards declares war against the country in which the port is situated and therefore the contract could not be fulfilled. K wants to file a suit against J.*

**(6 Marks)****Answer**

- (a) (i) **Definition of Partnership:** '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. (Section 4 of the Indian Partnership Act, 1932)

The definition of the partnership contains the following five elements which must co-exist before a partnership can come into existence:

1. Association of two or more persons
2. Agreement

3. Business
4. Agreement to share Profits
5. Business carried on by all or any of them acting for all

(ii) **ELEMENTS OF PARTNERSHIP**

The definition of the partnership contains the following five elements which must co-exist before a partnership can come into existence:

1. **Association of two or more persons:** Partnership is an association of 2 or more persons. Again, only persons recognized by law can enter into an agreement of partnership. Therefore, a firm, since it is not a person recognized in the eyes of law cannot be a partner. Again, a minor cannot be a partner in a firm, but with the consent of all the partners, may be admitted to the benefits of partnership.

The Partnership Act is silent about the maximum number of partners but Section 464 of the Companies Act, 2013 read with the relevant Rules has now put a limit of 50 partners in any association / partnership firm.

2. **Agreement:** It may be observed that partnership must be the result of an agreement between two or more persons. There must be an agreement entered into by all the persons concerned. This element relates to voluntary contractual nature of partnership. Thus, the nature of the partnership is voluntary and contractual. An agreement from which relationship of Partnership arises may be express. It may also be implied from the act done by partners and from a consistent course of conduct being followed, showing mutual understanding between them. It may be oral or in writing.
3. **Business:** In this context, we will consider two propositions. First, there must exist a business. For the purpose, the term 'business' includes every trade, occupation and profession. The existence of business is essential. Secondly, the motive of the business is the "acquisition of gains" which leads to the formation of partnership. Therefore, there can be no partnership where there is no intention to carry on the business and to share the profit thereof.
4. **Agreement to share profits:** 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 element. It is open to one or more partners to agree to share all the losses. However, in the event of losses, unless agreed otherwise, these must be borne in the profit-sharing ratio.
5. **Business carried on by all or any of them acting for all:** The business must be carried on by all the partners or by anyone or more of the partners acting

for all. This is the cardinal principle of the partnership Law. In other words, there should be a binding contract of mutual agency between the partners. An act of one partner in the course of the business of the firm is in fact an act of all partners. Each partner carrying on the business is the principal as well as the agent for all the other partners. He is an agent in so far as he can bind the other partners by his acts and he is a principal to the extent that he is bound by the act of other partners. It may be noted that the true test of partnership is mutual agency rather than sharing of profits. If the element of mutual agency is absent, then there will be no partnership.

- (b) (i) According to Section 11 of the Indian Contract Act, 1872, every person is competent to contract who is of the age of majority according to the law to which he is subject and therefore, a minor is not competent to contract and any agreement with or by a minor is void from the very beginning. A minor cannot ratify it on attaining the majority as the original agreement is void ab initio.

According to Section 68 of the Act, a claim for necessities supplied to a minor is enforceable by law.

Necessaries mean those things that are essentially needed by a minor. They cannot include luxuries or costly or unnecessary articles.

In the present case, X, the borrower, was minor at the time of taking the loan, therefore, the agreement was void ab initio. Attaining majority thereafter will not validate the contract nor X can ratify it. The loan was for personal purposes and not for necessities supplied to him. Hence, the lender cannot file a suit against X for recovery of the loan as it is not enforceable by law.

- (ii) As per Section 56 of the Indian Contract Act, 1872 the subsequent or supervening impossibility renders the contract void. Supervening impossibility may take place owing to various circumstances as contemplated under that section, one of which is the declaration of war subsequent to the contract made. In the instant case the contract when made between J and K was valid but afterwards J's government declares war against the country in which the port is situated as a result of which the contract becomes void. Hence, K cannot file a suit against J for performance of the contract.

#### Question 4

- (a) *Distinguish between 'Sale' and 'Hire Purchase' under the Sale of Goods Act, 1930.*

**(6 Marks)**

- (b) *State whether the following are partnerships:*

- (i) *A and B jointly own a car which they used personally on Sundays and holidays and let it on hire as taxi on other days and equally divide the earnings.*
- (ii) *Two firms each having 12 partners combine by an agreement into one firm.*

- (iii) A and B, co-owners, agree to conduct the business in common for profit.
- (iv) Some individuals form an association to which each individual contributes ₹ 500 annually. The objective of the association is to produce clothes and distribute the clothes free to the war widows.
- (v) A and B, co-owners share between themselves the rent derived from a piece of land.
- (vi) A and B buy commodity X and agree to sell the commodity with sharing the profits equally. **(6 Marks)**

**Answer**

- (a) The main points of distinction between the 'Sale' and 'Hire-Purchase' are as follows:

Sr. No.	Basis of difference	Sale	Hire-Purchase
1	Time of passing property	Property in the goods is transferred to the buyer immediately at the time of the contract	Property in goods passes to the hirer upon payment of the last installment.
2	Position of the property	The position of the buyer is that of the owner of the goods	The position of the hirer is that of a bailee till he pays the last installment.
3	Termination of contract	The buyer cannot terminate the contract and is bound to pay the price of the goods	The hirer may, if he so likes, terminate the contract by returning the goods to its owner without any liability to pay the remaining installments.
4	Burden of Risk of Insolvency of the buyer	The seller takes the risk of any loss resulting from the insolvency of the buyer	The owner takes no such risk, for if the hirer fails to pay an installment, the owner has right to take back the goods.
5	Transfer of title	The buyer can pass a good title to a bona fide purchaser from him	The hirer cannot pass any title even to a bona fide purchaser.
6	Resale	The buyer in sale can resell the goods	The hire purchaser cannot resell unless he has paid all the installments.

- (b) (i) No, this is not a case of partnership because the sharing of profits or of gross returns accruing from property holding joint or common interest in the property would not by itself make such persons partners.

**Alternatively, this part can also be answered as below:**

Yes, this is a case of partnership, as the car is used personally only on Sundays and holidays and used for most of the days as a Taxi. Hence, it is inferred that the main purpose of owning the car is to let it for business purpose. Also, there is an agreement for equally dividing the earnings.

- (ii) Yes, this is a case of partnership because there is an agreement between two firms to combine into one firm.
- (iii) Yes, this is a case of partnership because A & B, co-owners, have agreed to conduct a business in common for profit.
- (iv) No, this is not a case of partnership as no charitable association can be floated in partnership.
- (v) No, this is not a case of partnership as they are co-owners and not the partners. Further, there exist no business.
- (vi) Yes, this is a case of partnership as there exist the element of doing business and sharing of profits equally.

#### Question 5

- (a) (i) TK ordered timber of 1 inch thickness for being made into drums. The seller agreed to supply the required timber of 1 inch. However, the timber supplied by the seller varies in thickness from 1 inch to 1.4 inches. The timber is commercially fit for the purpose for which it was ordered. TK rejects the timber. Explain with relevant provisions of the Sale of Goods Act, 1930 whether TK can reject the timber.

**(3 Marks)**

- (ii) AB sold 500 bags of wheat to CD. Each bag contains 50 Kilograms of wheat. AB sent 450 bags by road transport and CD himself took remaining 50 bags. Before CD receives delivery of 450 bags sent by road transport, he becomes bankrupt. AB being still unpaid, stops the bags in transit. The official receiver, on CD's insolvency claims the bags. Decide the case with reference to the provisions of the Sale of Goods Act, 1930.

**(3 Marks)**

- (b) What do you mean by the term Capital? Describe its classification in the domain of Company Law.

**(1 + 5 = 6 Marks)**

**Answer**

**(a) (i) Condition as to quality or fitness [Section 16(1) of the Sale of Goods Act, 1930]:**

The condition as to the reasonable fitness of goods for a particular purpose may be implied if the buyer had made known to the seller the purpose of his purchase and relied upon the skill and judgment of the seller to select the best goods and the seller has ordinarily been dealing in those goods.

There is implied condition on the part of the seller that the goods supplied shall be reasonably fit for the purpose for which the buyer wants them, provided the following conditions are fulfilled:

- (a) The buyer should have made known to the seller the particular purpose for which goods are required.
- (b) The buyer should rely on the skill and judgement of the seller.
- (c) The goods must be of a description dealt in by the seller, whether he be a manufacturer or not.

In the instant case, as the timber supplied by the seller is commercially fit for the purposes for which it was ordered, it means the implied condition on the part of the seller is fulfilled.

Hence, TK cannot reject the timber.

**Alternatively, the above answer can also be provided as under:**

According to Section 15 of the Sale of Goods Act, 1930 where there is a contract for the sale of goods by description, there is an implied condition that the goods shall correspond with the description. The buyer is not bound to accept and pay for the goods which are not in accordance with the description of goods.

Thus, it has to be determined whether the buyer has undertaken to purchase the goods by their description, i.e., whether the description was essential for identifying the goods where the buyer had agreed to purchase. If that is required and the goods tendered do not correspond with the description, it would be breach of condition entitling the buyer to reject the goods.

In the instant case, as the timber supplied by seller varies in thickness from 1 inch to 1.4 inches, it does not correspond with the description ordered by TK i.e. of 1 inch, TK may reject the timber.

**(ii) Right of stoppage in transit (Section 50 of the Sale of Goods Act, 1930):**

Subject to the provisions of this Act, when the buyer of goods becomes insolvent, the unpaid seller who has parted with the possession of the goods has the right of stopping them in transit, that is to say, he may resume possession of the goods as long as they are in the course of transit and may retain them until paid or tendered price of the goods.

When the unpaid seller has parted with the goods to a carrier and the buyer has become insolvent, he can exercise this right of asking the carrier to return the goods back, or not to deliver the goods to the buyer.

In the instant case, CD, the buyer becomes insolvent, and 450 bags are in transit. AB, the seller, can stop the goods in transit by giving a notice of it to CD. The official receiver, on CD's insolvency cannot claim the bags.

- (b) (i) **Meaning of capital:** The term capital has variety of meanings. But in relation to a company limited by shares, the term 'capital' means 'share capital'. Share capital means capital of the company expressed in terms of rupees divided into shares of fixed amount.
- (ii) **Classification of capital:** In the domain of Company Law, the term capital can be classified as follows:
- (a) **Nominal or authorised or registered capital:**  
This expression means such capital as is authorised by memorandum of a company to be the maximum amount of share capital of the company.
  - (b) **Issued capital:** It means such capital as the company issues from time to time for subscription.
  - (c) **Subscribed capital:** As such part of the capital which is for the time being subscribed by the members of a company.
  - (d) **Called up capital:** As such part of the capital which has been called for payment. It is the total amount called up on the shares issued.
  - (e) **Paid-up capital:** It is the total amount paid or credited as paid up on shares issued. It is equal to called up capital less calls in arrears.

#### Question 6

- (a) *What is meant by 'Quasi-Contract'? State any three salient features of a quasi-contract as per the Indian Contract Act, 1872.* **(5 Marks)**
- (b) *"Sharing in the profits is not conclusive evidence in the creation of partnership". Comment.* **(4 Marks)**
- (c) *BC Private Limited and its subsidiary KL Private Limited are holding 90,000 and 70,000 shares respectively in PQ Private Limited. The paid-up share capital of PQ Private Limited is ₹ 30 Lakhs (3 Lakhs equity shares of ₹ 10 each fully paid). Analyse with reference to provisions of the Companies Act, 2013 whether PQ Private Limited is a subsidiary of BC Private Limited. What would be your answer if KL Private Limited is holding 1,60,000 shares in PQ Private Limited and no shares are held by BC Private Limited in PQ Private Limited?* **(3 Marks)**

**Answer**

- (a) **Meaning of 'Quasi Contract':** Under certain special circumstances obligation resembling those created by a contract is imposed by law although the parties have never entered into a contract. Such obligations imposed by law are referred to as 'Quasi Contracts'. Such a contract resembles with a contract so far as result or effect is concerned but it has little or no affinity with a contract in respect of mode of creation. These contracts are based on the doctrine that a person shall not be allowed to enrich himself unjustly at the expense of another.

**The salient features of Quasi-contract:**

1. It does not arise from any agreement of the parties concerned but it is imposed by law.
2. The right under it is always a right to money and generally though not always to a liquidated sum of money.
3. It is a right which is available not against all the world, but against a particular person or persons only, so that in this respect it resembles a contractual right.

- (b) **“Sharing in the profits is not conclusive evidence in the creation of partnership”**

Sharing of profit is an essential element to constitute a partnership. But it is only a prima facie evidence and not conclusive evidence, in that regard. The sharing of profits or of gross returns accruing from property by persons holding joint or common interest in the property would not by itself make such persons partners. Although the right to participate in profits is a strong test of partnership, and there may be cases where, upon a simple participation in profits, there is a partnership, yet whether the relation does or does not exist must depend upon the whole contract between the parties.

Where there is an express agreement between partners to share the profit of a business and the business is being carried on by all or any of them acting for all, there will be no difficulty in the light of provisions of Section 4, in determining the existence or otherwise of partnership.

But the task becomes difficult when either there is no specific agreement or the agreement is such as does not specifically speak of partnership. In such a case for testing the existence or otherwise of partnership relation, Section 6 has to be referred.

According to Section 6, regard must be had to the real relation between the parties as shown by all relevant facts taken together. The rule is easily stated and is clear but its application is difficult. Cumulative effect of all relevant facts such as written or verbal agreement, real intention and conduct of the parties, other surrounding circumstances etc., are to be considered while deciding the relationship between the parties and ascertaining the existence of partnership.

Hence, the statement is true / correct that mere sharing in the profits is not conclusive evidence.

(c) Section 2(87) defines “subsidiary company” in relation to any other company (that is to say the holding company), means a company in which the holding company—

- (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:

For the purposes of this section —

(I) a company shall be deemed to be a subsidiary company of the holding company even if the control referred to in sub-clause (i) or sub-clause (ii) is of another subsidiary company of the holding company;

(II) “layer” in relation to a holding company means its subsidiary or subsidiaries.

In the instant case, BC Private Limited together with its subsidiary KL Private Limited is holding 1,60,000 shares (90,000+70,000 respectively) which is more than one half in nominal value of the Equity Share Capital of PQ Private Limited. Hence, PQ Private Limited is subsidiary of BC Private Limited.

- (ii) In the second case, the answer will remain the same. KL Private Limited is a holding 1,60,000 shares i.e., more than one half in nominal value of the Equity Share Capital of PQ Private Limited (i.e., holding more than one half of voting power). Hence, KL Private Limited is holding company of PQ Private Company and BC Private Limited is a holding company of KL Private Limited.

Hence, by virtue of Chain relationship, BC Private Limited becomes the holding company of PQ Private Limited.

**SECTION-B : BUSINESS CORRESPONDENCE AND REPORTING**

Question No. 7 is compulsory.

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

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

**Question 7**

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

*Academics has always been an essential part of human development. It prepares us to survive in the outside world and establish an identity of our own. In India, from an early age, we have been taught that education is limited to the boundaries of academics only; the idea of getting out into the field, for gaining practical experience, is always considered a hoax. This has hindered students' development. But, the truth is that education represents a considerably broader field than we know of it. Our teaching, from the basics, has been focused on getting good grades and job offers, rather than being creative and unique.*

*In the 21<sup>st</sup> century, the pure academic type of education is slowly paving way for a whole new type. The paradigm shift in the whole education system is evident. People have now come to understand that education is a 360 degree activity that should focus on students' overall development, rather than restricting him/her to the classroom. Co-curricular activities that take place outside the classroom but reinforce or supplement classroom curriculum, in some ways, have become a point of focus today. Participating in such activities helps youngsters grow mentally, socially and individually. Intellectual development of a student is developed in the classroom, but for the aesthetic development such as team-building, character building, and physical growth, students must step out into the outside world.*

*Similarly, in colleges and institutions, there is a need for practical exposure so that the students can experience the actual working of an industry: Catering to this change, most professional colleges including B schools have started providing practical exposure to students through regular guest lectures, industrial visits, conferences, seminars, cultural festivals, and so on. With industry visits, students are able to better identify their prospective areas of work in the overall organizational function.*

*Through such events, students are made to participate and coordinate different events wherein, they get to know how exactly things are managed. Co-curricular or extra-curricular activities provide practical exposure and opportunities to implement what students learn in the classroom. This helps in developing the overall personality of the*

students, inculcating various soft-skills in them, which otherwise are difficult to teach. Clearly, life beyond academics creates creative and empowered professionals.

- (i) What has not been the focus of education from earlier times? **(1 Mark)**
- (ii) Where should students go for aesthetic development? **(1 Mark)**
- (iii) What kind of co-curricular activities have become points of focus today? **(1 Mark)**
- (iv) What will give children a better insight into industry? **(1 Mark)**
- (v) Why are soft skills difficult to teach in the classroom? **(1 Mark)**
- (b) Read the Passage:
- (i) Make notes, using headings, sub-headings and abbreviation wherever necessary giving a suitable title. **(3 Marks)**
- (ii) Write a summary. **(2 Marks)**

Keeping cities clean, free of any kind of pollution, is essential for keeping their residents healthy. Our health depends not just on personal hygiene and nutrition, but critically also on how clean we keep our cities and their surroundings. The spread of dengue, chikungunya and corona virus are intimately linked to the deteriorating state of public health conditions in our cities as well.

The waste management to keep cities clean is now getting attention through the Swachh Bharat Mission. People are now more aware of the importance of cleanliness and necessary safety precautions to be observed on day to day basis.

However, much of the attention begins and stops with the brooms and the dustbins, extending at most to the collection and transportation of the mixed waste to some distant or not so distant place, preferably out of sight. The challenge of processing and treating the different streams of solid waste, and safe disposal of the residuals in scientific landfills, has received much less attention in municipal solid waste management than is expected from a health point of view. One of the problems is that instead of focusing on waste management for health, we have got sidetracked into "waste for energy". If only we were to begin by not mixing the biodegradable component of solid waste (close to 60 percent of the total) in our cities with the dry waste, and instead use this stream of waste for composting and producing a gas called methane.

#### Answer

- (a) (i) From earlier times, the focus has not been on getting out into the field for gaining hands on experience thus curbing the creativity, innovation and uniqueness of young professionals. In short, being creative and unique has not been the focus of

education from earlier times.

- (ii) Students must / should step out into the outside world for aesthetic development.
- (iii) In present times, co-curricular activities taking place outside the classroom that reinforce or supplement classroom curriculum are becoming the focal point.
- (iv) Students gain valuable exposure into their prospective areas of work in industry through industry visits. They acquire essential people skills through regular guest lectures, conferences, seminars and cultural festivals.
- (v) Soft-skills cannot be taught in the classroom as they require students to confront case scenarios/studies that give them the opportunity to implement concepts learnt in classrooms to real life issues/challenges and deal with them effectively. Thus, Soft skills are developed only through practical exposure and opportunities to implement what they have learnt in classroom.

**(b) (i) Note Making**

Title: Pollution & Public Health / Waste Management

1. Pb. Hlth. depends upon
  - 1.1 Per. Hygn
  - 1.2 Ntrtn
  - 1.3 Clnlns of cities
2. Poor Pb. Hlth causes
  - 2.1 Dengue
  - 2.2 Chikangunya
  - 2.3 Corona
3. Swacch Bharat Mission is
  - 3.1 adrsg. waste mgmt.
  - 3.2 gnrtng. awrns. about
    - 3.2.3 clnlns.
    - 3.2.4 safety prctns.
  - 3.3 ltd. to
    - 3.3.1 placing dustbins
    - 3.3.2 cln. & trnsptn. Of waste
4. Waste mgmt..
  - 4.1 challenges

- 4.1.1 prcng. & trtng. Solid waste
- 4.1.2 safe disposal of residuals
- 4.2 Focus
  - 4.2.1 is waste for energy
  - 4.2.2 should be for hlth.
- 5. Plausible Solution
  - 5.1 seg. Bio-deg. Waste for
    - 5.1.1 composting
    - 5.1.2 producing methane

**Key to Abbreviations**

1. Pb.: public
2. Hlth.: health
3. &: and
4. Per.: personal
5. Hyg.: hygiene
6. Ntrtn.: nutrition
7. Clnlns.: cleanliness
8. Adrsg.: addressing
9. Mgmt.: management
10. gnrtnng.: generating
11. awrns.: awareness
12. prctns.: precautions
13. cln.: collection
14. trnsptn.: trAnswErportation
15. prcng. : processing
16. trtng.: treating
17. seg.:segregating
18. deg.: degradable

(ii) **Summary**

Public health largely depends upon personal hygiene, nutrition and cleanliness around cities. Poor public health causes widely transmissible diseases such as dengue, chikangunya and corona. Swacch Bharat Mission is not only addressing the issue of waste management but also spreading awareness about cleanliness and safety precautions related to the issue but it is limited to placing dustbins and collection as well as transportation of waste. Its focus is waste for energy rather than health. Possible solution entails segregating bio-degradable waste to produce compost and methane.

**Question 8**

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

**(2 Marks)**

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

**Sloppy**

(1) *Drunk*

(2) *Careless*

(3) *Tired*

(4) *Untrustworthy*

**(1 Mark)**

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

**Fallacy**

(1) *Truth*

(2) *Liberal*

(3) *Tolerant*

(4) *Persist*

**(1 Mark)**

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

*Alex said, "I am working day and night".*

**(1 Mark)**

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

*The most alarming of man's assaults upon the environment is the contamination of air, earth, rivers and sea with lethal materials. This pollution is for the most part irrevocable; the chain of evil it initiates is for the most part irreversible. In this contamination of the environment, chemicals are the sinister partners of radiation in changing the very nature of the world; radiation released through nuclear explosions into the air, comes to the earth in rain, lodges into the soil, enters-the grass or wheat grown there and reaches the bones of a human being, there to remain until his death. Similarly, chemicals sprayed on*

*crops lie long in soil, entering living organisms, passing from one to another in a chain of poisoning and death. Or they pass by underground streams until they emerge and combine into new forms that kill vegetation, sicken cattle, and harm those who drink from once pure wells.*

*It took hundreds of millions of years to produce the life that now inhabits the earth and reached a state of adjustment and balance with its surroundings. The environment contained elements that were hostile as well as supporting. Even within the light of the sun, there were short-wave radiations with power to injure. Given time, life has adjusted and a balance reached. For time is the essential ingredient, but in the modern world there is no time.*

*The rapidity of change and the speed with which new situations are created follow the heedless pace of man rather than the deliberate pace of nature. Radiation is no longer the bombardment of cosmic rays: it is now the unnatural creation of man's tampering with the atom. The chemicals to which life is asked to make adjustments are no longer merely calcium and silica and copper and all the rest of the minerals washed out of the rocks and carried in the rivers to the sea; they are the synthetic creations of man's inventive mind, brewed in his laboratories, and having no counterparts in nature. (5 Marks)*

#### Answer

- (a) A complete communication conveys all the facts and information necessary and sufficient about the subject required by the recipient. It keeps in mind the receiver's intellect and attitude and conveys the message accordingly. Lack of relevant information leads to ambiguity, leaving room for assumptions and defeating the principal objective of the intended communication. Hence, completeness is an important characteristic of effective communication.
- (b) (i) (2) / Careless  
(ii) (1) / Truth  
(iii) Alex said that he / she had been working day and night.
- (c) Précis

**Title: Mankind:** The destroyer of nature's balance/legacy / **Chemicals:** Boon or Bane for environment / **Chemicals:** Threat to Mankind

Mankind has polluted air, water and earth with life threatening materials. The irreversible damage caused to the environment is due to chemicals that find their way into the soil and vegetation through acid rain led by nuclear explosions. Chemicals sprayed on crops seep through into the underground water streams and wells, causing deadly diseases in cattle and humans alike. As humans we must realize that the evolution of life in its current form that is in perfect sync with nature took millions of years. Man is destroying

this natural balance at a frantic pace by polluting nature with radiations and toxic synthetic materials that are non-biodegradable.

**Question 9**

(a) *What is the informal communication?* (2 Marks)

OR

*State the common networks used in organisations.* (2 Marks)

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

**Defray**

(1) *Sudden*

(2) *Rash*

(3) *Disclaim*

(4) *Spend* (1 Mark)

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

**Immaculate**

(1) *Spotless*

(2) *Tarnished*

(3) *Defiled*

(4) *Pleasing* (1 Mark)

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

*He said to her, "Are you coming to the party?"* (1 Mark)

(c) *You are a student of Mother's Global Institute. Your institute celebrated the annual day on 30<sup>th</sup> November 2021. Draft a report on annual day celebration to be included in your institute's annual magazine.* (5 Marks)

**Answer**

(a) Informal Communication is casual, friendly and unofficial. It can be between family, friends, neighbours, members of the community and people working together in an organization. It is spontaneous conversation and exchange of information between two or more persons without conforming to the prescribed official rules, processes, systems, formalities and chain of command.

OR

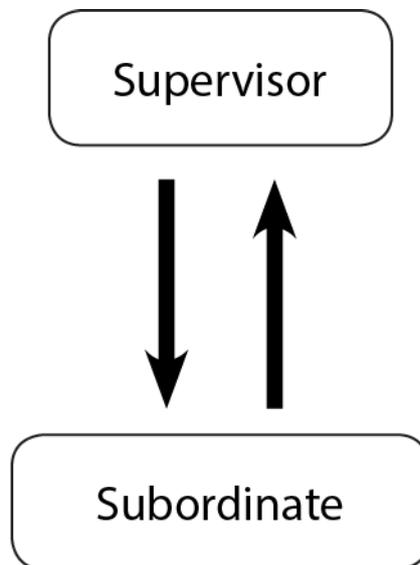
The most common networks followed in organisations are the following:

- (i) **Vertical network:** The vertical network is a formal network. It is usually between a higher ranking employee and a subordinate. In this two-way communication, immediate feedback is possible.
- (ii) **Circuit network:** When two persons communicate with each other sending messages and feedback, they form a communication circuit. Therefore it is known as circuit network.
- (iii) **Chain network:** The communication pattern that follows the chain of command from the senior to the junior is called the chain network.
- (iv) **Wheel and spoke network:** This is an organization where there is a single controlling authority who gives instructions and orders to all employees working under him/her and getting back the report from them.
- (v) **Star network:** The star communication network has multiple channels of communication open between all members. This network propagates group communication and is essential where teamwork is involved.

The usefulness of all networks depends on the structure and size of the company, and the manner of communication between the employees.

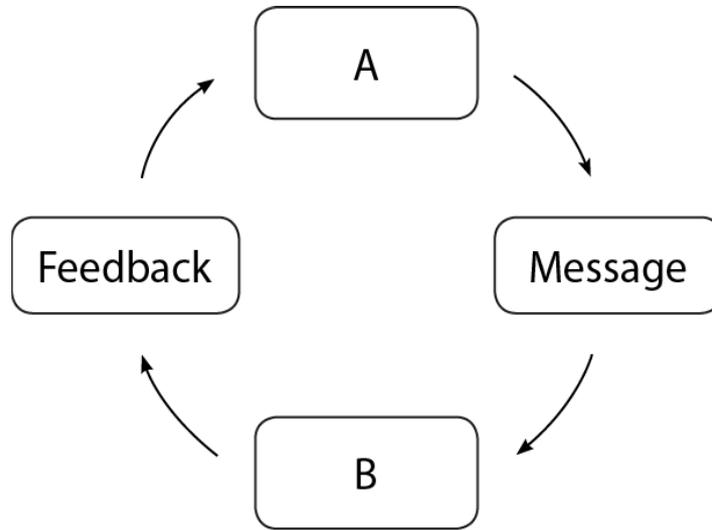
The above said network may be explained by diagram as below:

1. **Vertical Network:**



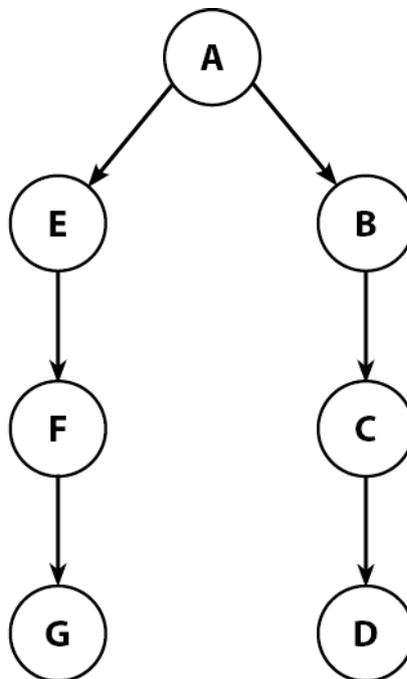
**Vertical Network**

2. Circuit Network:



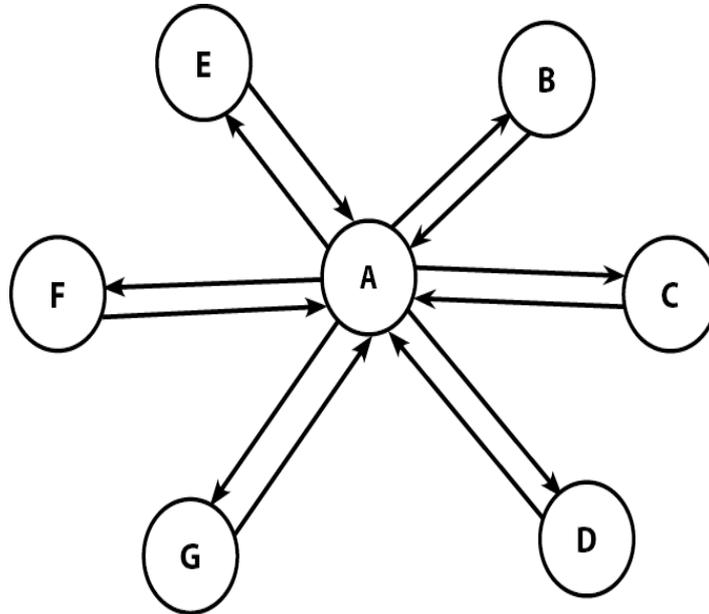
**Circuit Network**

3. Chain Network:

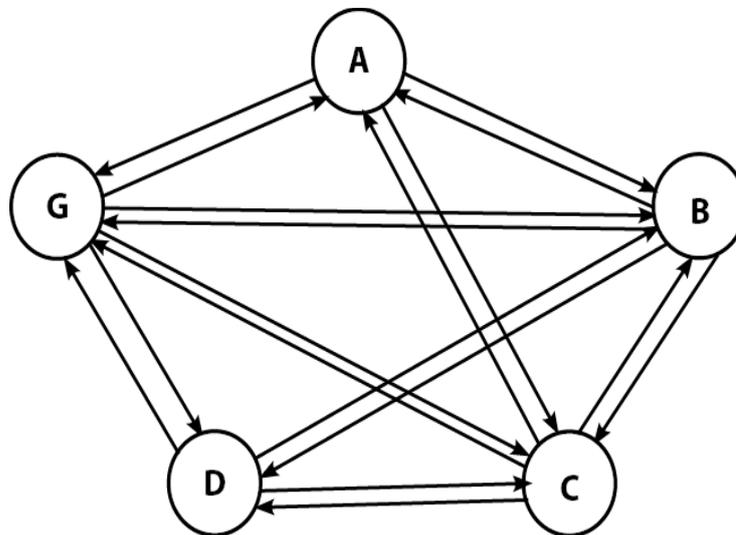


**Chain of Command**

## 4. Wheel &amp; Spoke Network:

**Wheel and Spoke Network**

## 5. Star Network:

**Star Network**

- (b) (i) (4) / Spend  
(ii) (1) / Spotless  
(iii) He asked / enquired of her if / whether she was coming to the party.

(c) **Report**

**Annual Day Celebrations: A gala event / Annual Day Celebrations**

Our beloved alma mater / Mother's Global Institute celebrated its 20th Annual Day on November 30, 2021 at the school auditorium with great fanfare. As many as 1000 guests comprising students, parents and alumni attended the event. The programme commenced at 10 AM with the Chief Guest, Municipal Councillor Sh. XYZ lighting the ceremonial lamp with Director, Dr. ABC, in presence of senior staff members followed by Saraswati Vandana rendered by the middle school choir. The Chief Guest addressed the large audience, motivating the students to concentrate on holistic personality development. He congratulated the school teaching staff, students and authorities for delivering excellent results in the grade X and XII consecutively for 3 years despite the sudden onslaught of the pandemic.

It was then time for a cultural extravaganza based on the theme 'Unity in Diversity'. The junior school students (grade II to IV) highlighted their dancing skills, captivating the audience with a dance parody based on folk dances of India from Bhangra to Bihu and Ghoomer to Garba. The stage came alive with their colourful costumes and vibrant moves. The middle school choir enthralled the audience with soulful renditions of the popular patriotic numbers 'Jai Ho' and 'Suno Gaur se duniya walon' and 'India Wale'. Audience was swaying to the foot-tapping music and gave a thunderous applause amid encore requests. A thematic play was presented by the senior school students of grade XI and XII that showcased the cultural and civilizational ethos of our nation.

The chief guest then gave away prizes to the meritorious students, winners of the Painting & Debate Competition held on 'Bal Diwas' on November 14, 2021 and House Captain of the 'Ganges' House for winning maximum medals at the recently held sports meet. The programme ended with The Principal Dr. Mrs. BNM delivering vote of thanks to the Chief Guest. The guests were ushered to the school grounds where Winter Carnival was organized and refreshments were served. It was a fun day well spent amid entertainment galore, giggles and laughter.

**Question 10**

- (a) *Write about the cultural barriers in communication.* **(2 Marks)**  
(b) (i) *Change the sentence from active to passive voice.*  
*By this time tomorrow we will have signed the deal.* **(1 Mark)**  
(ii) *Change the sentence from passive to active voice.*

*The minister was welcomed by the people.* (1 Mark)

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

*She said to me, "Do you know this man?"* (1 Mark)

(c) (i) *As a Finance head of Zeeta Private Limited, draft a circular to be distributed to all employees of finance department informing them to attend a meeting to finalise financial statements for the quarter ending 30th September 2021.* (3 Marks)

(ii) *Write a formal email to the Reporting Manager (E-mail: RM@kkpvt.com) as the Assistant Manager (E-mail: AM@kkpvt.com) of KK Private Limited to request for leave of one week for personal work.* (2 Marks)

### Answer

(a) Cultural barriers refer to having knowledge of different cultures in order to communicate effectively with cross culture people. Understanding various cultures in this era of globalization is an absolute necessity as the existence of cultural differences between people from various countries, regions tribes and religions, where words and symbols may be interpreted differently can result in communication barriers and miscommunications.

(b) (i) By this time tomorrow the deal will have been signed. / By this time tomorrow the deal will have been signed by us / The deal will have been signed by this time tomorrow.

(ii) The people welcomed the minister.

(iii) She asked me if / whether I knew that man.

(c) (i) **Meeting:**

#### Zeeta Private Limited

Circular No. XXI

December 15, 2021

#### Meeting : Finance Department

As per past practice, the meeting to finalize financial statements for the last quarter ending September 30, 2021 is being held as per the under mentioned schedule. All employees of the department are directed to attend the same mandatorily.

All are requested to note the details and make themselves available without fail. No leave shall be granted/approved except under emergent circumstances.

Defaulters will be liable for explanation and strict action will be taken against them.

Schedule:

Date: Dec XX, 2021

Time: 9:30 AM

Venue: Conference Hall, 2nd Floor

PQR

Head, Finance

(ii) Mail:

From: AM@kkpvt.com

To: RM@kkpvt.com

Subject: Request for Leave (One week)

Dear Sir,

Greetings! This is to inform to your good self that I have few urgent tasks to be completed in the coming week. Owing to the same I shall not be able to attend office for a week. However, I shall be available over telephone, if required.

I request you to grant me leave for a week starting from December 20 till 24, 20XX. I shall join office w. e. f December 27, 20XX positively.

Looking forward to your kind approval.

Best Regards,

RST

Assistant Manager,

KK Private Limited,

C-9 Sector-3,

DD Nagar, New Delhi-1100XX

**Question 11**

- (a) *Explain horizontal communication.* **(2 Marks)**
- (b) *Select the correct meaning of Idiom/Phrases given below:*
- (i) *Notch up*
- (1) *To win or create a record.*
- (2) *To look disappointed.*

- (3) *To get annoyed.*
- (4) *To be agitated.* **(1 Mark)**
- (ii) *To play second fiddle*
- (1) *To be happy, cheerful and healthy*
- (2) *To reduce importance of one's senior*
- (3) *To support the role and view of another person*
- (4) *To do back seat driving* **(1 Mark)**
- (iii) *Change the sentence into passive voice:*
- Mohan will tell you later.* **(1 Mark)**
- (iv) *Choose the word which best expresses the meaning of the given word:*
- Novice**
- (1) *Beginner*
- (2) *Concrete*
- (3) *Reality*
- (4) *Veteran* **(1 Mark)**
- (c) *You are Vishnu Shreshth, 16 KY Nagar, Delhi. You wish to apply for the post of the Marketing Manager in a reputed\* firm in Mumbai. Write a letter on 1<sup>st</sup> December 2021 to the Public Relations Officer, ZZ Enterprises, Mumbai, applying for the job. Write the letter including your bio-data.* **(4 Marks)**

**Answer**

- (a) Horizontal communication involves communication between two entities of an organization at the same level. For example, the managers of a project in a company may hold a regular daily, weekly or monthly meeting to discuss the progress of the project.
- (b) (i) (1) / To win or create a record
- (ii) (3) / To support the role and view of another person / None.
- (iii) You will be told by Mohan later. / You will be told later by Mohan.
- (iv) (1) / Beginner

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\* *reputable to be read as reputed in the Question Paper.*

**(c) Cover Letter**

Vishnu Shreshth  
16, KY Nagar  
Delhi  
e-mail: vish\_shreshth @ymail.com  
December 01, 2021  
Public Relations Officer  
ZZ Enterprises,  
339, Coral Street  
Mumbai

Sir / Madam,

**SUBJECT: Application for the post of Marketing Manager**

This is with reference to your advertisement in 'The Times of India' dated November 15, 2021 for the post of Marketing Manager. I wish to apply for the same. I am confident that my extensive experience, dynamism and teamwork skills make me a strong candidate for the said profile.

My zest for learning, ability to confront and overcome challenges, positivity and clear communication skills have helped strengthen our team's efficiency and sense of community.

I look forward to the opportunity to present myself in person for an interview/discussion. Thank you so much for your time and consideration.

Yours Sincerely,

Signature

(Vishnu Shreshth)

- Encl.:   1.   Photograph  
          2.   Testimonials & Certificates.  
          3.   Resume / Biodata

**Resume / Bio-data**

Vishnu Shreshth

16, KY Nagar, Delhi

Tel: 954XXXXXXX / email: vish\_shreshth @ymail.com

**Career Objective**

Seeking to work for a progressive organisation as a Marketing Manager which will provide opportunities to utilize my skills & abilities.

**Education**

Marketing Management, Master of Business Administration, Completed, June 2016

ABC College

BBA/MBA

Delhi

**Work Experience**

May 2016 - present

**Marketing Manager**

XYZ Ltd

Delhi,

**Job Responsibilities**

- Develop and Evaluate marketing strategy, based on market characteristics, cost to achieve customer satisfaction.
- Formulate, direct and coordinate marketing activities and policies to promote products and services, working with advertising and promotion managers
- Direct the hiring, training, and performance evaluations of marketing and sales staff and oversee their daily activities
- Negotiate contracts with vendors and distributors to manage product distribution, establishing distribution networks and developing distribution strategies

**Competency Areas:**

- Strategy, Execution & Leadership
- Market Analysis/ Research/ Roadmap

- Vendor Coordination/ Management
- Work Force Supervision
- Marketing Campaign Development
- Target Achievement
- Training
- Team Building

**Computer Proficiency**

- MS Office – Word, Excel and PowerPoint
- Internet Applications

**Languages**

English, Hindi, Marathi

**References**

Available upon request

**Declaration**

I solemnly declare that all the above information is correct to the best of my knowledge and belief.

Date:      Signature

Place:    (Vishnu Shreshth)