

PAPER – 2: BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING

SECTION A: BUSINESS LAWS

PART – I: RELEVANT AMENDMENTS APPLICABLE FOR NOVEMBER 2018 EXAMINATION

Applicability of Relevant Amendments/ Circulars/ Notifications/ Regulations etc.

For November 2018 examinations for Paper 2, Section A: Business Laws, the significant amendments made in the respective subject for the period 1st November, 2017 to 30th April, 2018 are relevant and applicable for said examinations.

This RTP of November 2018 examination is very important to the students to update themselves with the relevant amendments pertaining to the Business Laws.

Students are advised to refer the following publications –

1.	Study Material (Edition July 2017) containing Legislative amendments issued upto 30th April, 2017.
2.	RTP of November 2018 examination containing a gist of all the significant legislative amendments from 1st May 2017 to 30th April, 2018 along with the suggested sample questions and answers for understanding and practice.

Following are the relevant amendments/ Chapters of the Study material:

S. No.	Subject Matter
1.	The Ministry of Corporate Affairs vide Notification S.O. 3086(E) dated 20th September, 2017 has notified the proviso to clause (87) of section 2 of the Companies Act, 2013 w.e.f. 20th September, 2017. [Proviso to clause (87) of Section 2 of the Companies Act, 2013 is covered on Page No. 5.12, Chapter 5 of the study material]
2.	The Ministry of Corporate Affairs vide the Companies (Amendment) Act, 2017 dated 9th February, 2018 has inserted the word "and" in clause (71) of section 2, in sub-clause (a), after the word "company". [Section 2(71) of the Companies Act, 2013 is covered on Page No. 5.12, chapter 5 of the study material]
3.	The Ministry of Corporate Affairs vide the Companies (Amendment) Act, 2017 dated 9th February, 2018 has inserted the following Explanation in clause (46) of section 2: 'Explanation- For the purposes of this clause, the expression "company" includes any body corporate.' [Section 2(46) of the Companies Act, 2013 is covered on Page No. 5.12, chapter 5 of the study material]

4.	The Ministry of Corporate Affairs vide the Companies (Amendment) Act, 2017 dated 9 th February, 2018 has inserted the words “other than this Act or the previous company law” after the words “State Act” in clause (A) in proviso to clause (72) of section 2. [Section 2(72) of the Companies Act, 2013 is covered on Page No. 5.17, chapter 5 of the study material]
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PART II: QUESTIONS AND ANSWERS

QUESTIONS

The Indian Contract Act, 1872

1. (i) Ramaswami proposed to sell his house to Ramanathan. Ramanathan sent his acceptance by post. Next day, Ramanathan sends a telegram withdrawing his acceptance. Examine the validity of the acceptance according to the Indian Contract Act, 1872 in the light of the following:
 - (a) The telegram of revocation of acceptance was received by Ramaswami before the letter of acceptance.
 - (b) The telegram of revocation and letter of acceptance both reached together.
- (ii) “An anticipatory breach of contract is a breach of contract occurring before the time fixed for performance has arrived”. Discuss stating also the effect of anticipatory breach on contracts.
2. (i) Mr. Balwant, an old man, by a registered deed of gift, granted certain landed property to Ms. Reema, his daughter. By the terms of the deed, it was stipulated that an annuity of ₹ 20, 000 should be paid every year to Mr. Sawant, who was the brother of Mr. Balwant. On the same day Ms. Reema made a promise to Mr. Sawant and executed in his favour an agreement to give effect to the stipulation. Ms. Reema failed to pay the stipulated sum. In an action against her by Mr. Sawant, she contended that since Mr. Sawant had not furnished any consideration, he has no right of action.

Examining the provisions of the Indian Contract Act, 1872, decide, whether the contention of Ms. Reema is valid?
- (ii) A coolie in uniform picks up the luggage of R to be carried out of the railway station without being asked by R and R allows him to do so. Examine whether the coolie is entitled to receive money from R under the Indian Contract Act, 1872<

3. (i) Point out with reason whether the following agreements are valid or void:
- (a) Kamala promises Ramesh to lend ₹ 500,000 in lieu of consideration that Ramesh gets Kamala's marriage dissolved and he himself marries her.
 - (b) Sohan agrees with Mohan to sell his black horse. Unknown to both the parties, the horse was dead at the time of agreement.
 - (c) Ram sells the goodwill of his shop to Shyam for ₹ 4,00,000 and promises not to carry on such business forever and anywhere in India.
 - (d) In an agreement between Prakash and Girish, there is a condition that they will not institute legal proceedings against each other without consent.
 - (e) Ramamurthy, who is a citizen of India, enters into an agreement with an alien friend.
- (ii) Ajay, Vijay and Sanjay are partners of software business and jointly promises to pay ₹ 6,00, 000 to Kartik. Over a period of time Vijay became insolvent, but his assets are sufficient to pay one-fourth of his debts. Sanjay is compelled to pay the whole. Decide whether Sanjay is required to pay whole amount himself to Kartik in discharging joint promise under the Indian Contract Act, 1872.
4. (i) Define consideration. State the characteristics of a valid consideration.
- (ii) "Mere silence does not amount to fraud". Discuss.

The Sale of Goods Act, 1930

5. (i) Ram consults Shyam, a motor-car dealer for a car suitable for touring purposes to promote the sale of his product. Shyam suggests 'Maruti' and Ram accordingly buys it from Shyam. The car turns out to be unfit for touring purposes. What remedy Ram is having now under the Sale of Goods Act, 1930?
- (ii) Referring to the provisions of the Sale of Goods Act, 1930, state the rules provided to regulate the "Sale by Auction."
6. (i) Referring to the provisions of the Sale of Goods Act, 1930, state the circumstances under which when goods are delivered to the buyer "on approval" or "on sale or return" or other similar terms, the property therein passes to the buyer.
- Ms. Preeti owned a motor car which she handed over to Mr. Joshi on sale or return basis. After a week, Mr. Joshi pledged the motor car to Mr. Ganesh. Ms. Preeti now claims back the motor car from Mr. Ganesh. Will she succeed? Referring to the provisions of the Sale of Goods Act, 1930, decide and examine what recourse is available to Ms. Preeti.
- (ii) State briefly the essential element of a contract of sale under the Sale of Goods Act, 1930.

7. (i) "There is no implied warranty or condition as to quality or fitness for any particular purpose of goods supplied under a contract of sale." Discuss the significance and State exceptions, if any.
- (ii) Explain the provisions of law relating to unpaid seller's 'right of lien' and distinguish it from the "right of stoppage the goods in transit".

The Indian Partnership Act, 1932

8. (i) Ram & Co., a firm consists of three partners A, B and C having one third share each in the firm. According to A and B, the activities of C are not in the interest of the partnership and thus want to expel C from the firm. Advise A and B whether they can do so quoting the relevant provisions of the Indian Partnership Act, 1932.
- (ii) What is Partnership Deed? What are the particulars that the partnership deed may contain?
9. (i) State the modes by which a partner may transfer his interest in the firm in favour of another person under the Indian Partnership Act, 1932. What are the rights of such a transferee?
- (ii) State the grounds on which a firm may be dissolved by the Court under the Indian Partnership Act, 1932?

The Limited Liability Partnership Act, 2008

10. (i) State the essential elements to incorporate a LLP?
- (ii) Differentiate between a LLP and a partnership firm?

The Companies Act, 2013

11. (i) ABC Pvt. Ltd., is a Private Company having five members only. All the members of the company were going by car to Mumbai in relation to some business. An accident took place and all of them died. Answer with reasons, under the Companies Act, 2013 whether existence of the company has also come to the end?
- (ii) Define OPC (One Person Company) and state the rules regarding its membership. Can it be converted into a non-profit company under Section 8 or a private company?
12. (i) Briefly explain the doctrine of "ultravires" under the Companies Act, 2013. What are the consequences of ultravires acts of the company?
- (ii) Examine the following whether they are correct or incorrect along with reasons:
- (a) A company being an artificial person cannot own property and cannot sue or be sued.
- (b) A private limited company must have a minimum of two members, while a public limited company must have at least seven members.

ANSWERS

1. (i) The problem is related with the communication and time of acceptance and its revocation. As per Section 4 of the Indian Contract Act, 1872, the communication of an acceptance is complete as against the acceptor when it comes to the knowledge of the proposer.

An acceptance may be revoked at any time before the communication of the acceptance is complete as against the acceptor, but not afterwards.

Referring to the above provisions:

- (a) Yes, the revocation of acceptance by Ramanathan (the acceptor) is valid.
- (b) If Ramaswami opens the telegram first (and this would be normally so in case of a rational person) and reads it, the acceptance stands revoked. If he opens the letter first and reads it, revocation of acceptance is not possible as the contract has already been concluded.
- (ii) An anticipatory breach of contract is a breach of contract occurring before the time fixed for performance has arrived. When the promisor refuses altogether to perform his promise and signifies his unwillingness even before the time for performance has arrived, it is called Anticipatory Breach.

Section 39 of the Indian Contract Act, 1872 deals with **anticipatory breach of contract** and provides as follows: "When a party to a contract has refused to perform or disable himself from performing, his promise in its entirety, the promisee may put an end to the contract, unless he has signified, by words or conduct, his acquiescence in its continuance."

Effect of anticipatory breach: The promisee is excused from performance or from further performance. Further he gets an option:

- (1) To either treat the contract as "rescinded and sue the other party for damages from breach of contract immediately without waiting until the due date of performance; or
- (2) He may elect not to rescind but to treat the contract as still operative, and wait for the time of performance and then hold the other party responsible for the consequences of non-performance. But in this case, he will keep the contract alive for the benefit of the other party as well as his own, and the guilty party, if he so decides on re-consideration, may still perform his part of the contract and can also take advantage of any supervening impossibility which may have the effect of discharging the contract.

2. (i) In India, consideration may proceed from the promisee or any other person who is not a party to the contract. The definition of consideration as given in section 2(d) makes that proposition clear. According to the definition, when at the desire of the promisor, the promisee or any other person does something such an act is consideration. In other words, there can be a stranger to a consideration but not stranger to a contract.

In the given problem, Mr. Balwant has entered into a contract with Ms. Reema, but Mr. Sawant has not given any consideration to Ms. Reema but the consideration did flow from Mr. Balwant to Ms. Reema and such consideration from third party is sufficient to enforce the promise of Ms. Reema, the daughter, to pay an annuity to Mr. Sawant. Further the deed of gift and the promise made by Ms. Reema to Mr. Sawant to pay the annuity were executed simultaneously and therefore they should be regarded as one transaction and there was sufficient consideration for it.

Thus, a stranger to the contract cannot enforce the contract but a stranger to the consideration may enforce it. Hence, the contention of Ms. Reema is not valid.

- (ii) **Implied Contracts:** Implied contracts come into existence by implication. Most often the implication is by law and or by action. Section 9 of the Indian Contract Act, 1872 contemplates such implied contracts when it lays down that in so far as such proposal or acceptance is made otherwise than in words, the promise is said to be implied.

In the present case, it is an implied contract and R must pay for the services of the coolie.

3. (i) **Validity of agreements**

- (a) *Void Agreement:* As per Section 23 of the Indian Contract Act, 1872, an agreement is void if the object or consideration is against the public policy.
- (b) *Void Agreement:* As per Section 20 of the Indian Contract Act, 1872 the contracts caused by mistake of fact are void. There is mistake of fact as to the existence of subject-matter.
- (c) *Void Agreement:* As per Section 27 of the Indian Contract Act, 1872 an agreement in restraint of trade is void. However, a buyer can put such a condition on the seller of good will, not to carry on same business. However, the conditions must be reasonable regarding the duration and the place of the business.
- (d) *Void Agreement:* An agreement in restraint of legal proceedings is void as per Section 28 of the Indian Contract Act, 1872.
- (e) *Valid Agreement:* An agreement with alien friend is valid, but an agreement with alien enemy is void.

- (ii) 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.

Each of two or more joint promisors may compel every other joint promisor to contribute equally with himself to the performance of the promise, unless a contrary intention appears from the contract.

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.

Therefore, in the instant case, Sanjay is entitled to receive ₹ 50,000 from Vijay's assets and ₹ 2,75,000 from Ajay.

4. (i) Definition of Consideration- Section 2(d) of the Indian Contract Act, 1872

“When at the desire of the promisor, the promisee or any other person has done, or abstained from doing, or does or abstains from doing or promises to do or abstain from doing something, such an act or abstinence or promise is called consideration for the promise.”

The essential characteristics of a valid consideration are as follows:

- (1) Consideration must move at the desire of the promisor (*Durga Prasad v. Baldeo*)
- (2) It may proceed from the promisee or any other person on his behalf.
- (3) It may be executed or executory.
- (4) It may be past, present or future.
- (5) Consideration need not be adequate
- (6) Performance of what one is legally bound to perform
- (7) Consideration must be real and not illusory

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

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

The rule is contained in explanation to Section 17 of the Indian Contract Act, 1872 which clearly states the position that mere silence as to facts likely to affect the willingness of a person to enter into a contract is not fraud.

Exceptions to this rule:

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

5. (i) **Condition and warranty (Section 12):** A stipulation in a contract of sale with reference to goods which are the subject thereof may be a condition or a warranty. [Sub-section (1)]

“A condition is a stipulation essential to the main purpose of the contract, the breach of which gives rise to a right to treat the contract as repudiated”. [Sub-section (2)]

“A warranty is a stipulation collateral to the main purpose of the contract, the breach of which gives rise to a claim for damages but not to a right to reject the goods and treat the contract as repudiated”. [Sub-section (3)]

Whether a stipulation in a contract of sale is a condition or a warranty depends in each case on the construction of the contract. A stipulation may be a condition, though called a warranty in the contract. [Sub-section (4)]

In the instant case, the term that the ‘car should be suitable for touring purposes’ is a condition of the contract. It is so vital that its non-fulfilment defeats the very purpose for which Ram purchases the car.

Ram is therefore entitled to reject the car and have refund of the price.

- (ii) **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.
 - (c) **Right to bid may be reserved:** Right to bid may be reserved expressly by or on behalf of the seller and where such a right is expressly reserved, but not otherwise, the seller or any one person on his behalf may bid at the auction.
 - (d) **Where the sale is not notified by the seller:** Where the sale is not notified to be subject to a right to bid on behalf of the seller, it shall not be lawful for the seller to

bid himself or to employ any person to bid at such sale, or for the auctioneer knowingly to take any bid from the seller or any such person; and any sale contravening this rule may be treated as fraudulent by the buyer.

- (e) **Reserved price:** The sale may be notified to be subject to a reserve or upset price; and
 - (f) **Pretended bidding:** If the seller makes use of pretended bidding to raise the price, the sale is voidable at the option of the buyer.
6. (i) As per the provisions of section 24 of the Sale of Goods Act, 1930, when goods are delivered to the buyer on approval or "on sale or return" or other similar terms, the property therein passes to the buyer-
- (a) when the buyer signifies his approval or acceptance to the seller or does any other act adopting the transaction;
 - (b) if he does not signify his approval or acceptance to the seller but retains the goods without giving notice of rejection, then, if a time has been fixed for the return of the goods, on the expiration of such time, and, if no time has been fixed, on the expiration of a reasonable time; or
 - (c) he does something to the good which is equivalent to accepting the goods e.g. he pledges or sells the goods.

Referring to the above provisions, we can analyse the situation given in the question.

Since, Mr. Joshi, who had taken delivery of the Motor car on Sale or Return basis and pledged the motor car to Mr. Ganesh, has attracted the third condition that he has done something to the good which is equivalent to accepting the goods e.g. he pledges or sells the goods. Therefore, the property therein (Motor car) passes to Mr. Joshi. Now in this situation, Ms. Preeti cannot claim back her Motor Car from Mr. Ganesh, but she can claim the price of the motor car from Mr. Joshi only.

(ii) **Essentials of Contract of Sale**

The following elements must co-exist so as to constitute a contract of sale of goods under the Sale of Goods Act, 1930:

- (i) There must be at least two parties.
- (ii) The subject matter of the contract must necessarily be goods covering only movable property. It may be either existing goods, owned or possessed by the seller or future goods.

- (iii) A price in money (not in kind) should be paid or promised. But there is nothing to prevent the consideration from being partly in money and partly in kind.
 - (iv) A transfer of property in goods from seller to the buyer must take place. The contract of sale is made by an offer to buy or sell goods for a price by one party and the acceptance of such offer by other.
 - (v) A contract of sale must be absolute or conditional [section 4(2)].
 - (vi) All other essential elements of a valid contract must be present in the contract of sale, e.g. competency of parties, legality of object and consideration etc.
7. (i) The statement given in the question is the fundamental principle of law of sale of goods, sometime expressed by the maxim 'Caveat Emptor' meaning thereby 'Let the buyer be aware'. In other words, it is no part of the seller's duty in a contract of sale of goods to give the buyer an article suitable for a particular purpose, or of particular quality, unless the quality or fitness is made an express terms of the contract. The person who buys goods must keep his eyes open, his mind active and should be cautious while buying the goods. If he makes a bad choice, he must suffer the consequences of lack of skill and judgement in the absence of any misrepresentation or guarantee by the seller.

There are, however, certain exceptions to the rule which are stated as under:

1. **Fitness as to quality or use:** Where the buyer makes known to the seller the particular purpose for which the goods are required, so as to show that he relies on the seller's skill or judgment and the goods are of a description which is in the course of seller's business to supply, it is the duty of the seller to supply such goods as are reasonably fit for that purpose.
2. **Goods purchased under patent or brand name:** In case where the goods are purchased under its patent name or brand name, there is no implied condition that the goods shall be fit for any particular purpose.
3. **Goods sold by description:** Where the goods are sold by description there is an implied condition that the goods shall correspond with the description. If it is not so then seller is responsible.
4. **Goods of Merchantable Quality:** Where the goods are bought by description from a seller who deals in goods of that description there is an implied condition that the goods shall be of merchantable quality. The rule of Caveat Emptor is not applicable. But where the buyer has examined the goods this rule shall apply if the defects were such which ought to have not been revealed by ordinary examination.

5. **Sale by sample:** Where the goods are bought by sample, this rule of Caveat Emptor does not apply if the bulk does not correspond with the sample.
6. **Goods by sample as well as description:** Where the goods are bought by sample as well as description, the rule of Caveat Emptor is not applicable in case the goods do not correspond with both the sample and description or either of the condition.
7. **Trade Usage:** An implied warranty or condition as to quality or fitness for a particular purpose may be annexed by the usage of trade and if the seller deviates from that, this rule of Caveat Emptor is not applicable.
8. **Seller actively conceals a defect or is guilty of fraud:** Where the seller sells the goods by making some misrepresentation or fraud and the buyer relies on it or when the seller actively conceals some defect in the goods so that the same could not be discovered by the buyer on a reasonable examination, then the rule of Caveat Emptor will not apply. In such a case, the buyer has a right to avoid the contract and claim damages.

(ii) Right of lien of an unpaid seller

The legal provisions regarding the right of lien of an unpaid seller has been stated from Sections 47 to 49 of the Sale of Goods Act, 1930 which may be enumerated as follows:

- (i) According to Section 47, the unpaid seller of the goods who is in possession of them is entitled to retain possession of them until payment or tender of the price in the following cases namely:
 - (a) where the goods have been sold without any stipulation as to credit.
 - (b) where the goods have been sold on credit, but the term of credit has expired;
or
 - (c) where the buyer becomes insolvent.The seller may exercise his right of lien notwithstanding that he is in possession of the goods as agent or bailee for the buyer.
- (ii) Section 48 states that where an unpaid seller has made part delivery of the goods, he may exercise his right of lien on the remainder, unless such part delivery has been made under such circumstances as to show an agreement to waive the lien.
- (iii) **According to Section 49 the unpaid seller loses his lien on goods:**
 - (a) when he delivers the goods to a carrier or other bailee for the purpose of transmission to the buyer without reserving the right of disposal of the goods.
 - (b) when the buyer or his agent lawfully obtains possession of the goods;

(c) by waiver thereof.

The unpaid seller of the goods, having a lien thereon, does not lose his lien by reason only that he has obtained a decree to the price of the goods.

Right of lien and Right to stoppage the goods in transit; distinction:

- (i) The essence of a right of lien is to retain possession whereas the right of stoppage in transit is right to regain possession.
 - (ii) Seller should be in possession of goods under lien while in stoppage in transit (i) Seller should have parted with the possession (ii) possession should be with a carrier and (iii) Buyer has not acquired the possession.
 - (iii) Right of lien can be exercised even when the buyer is not insolvent, but it is not the case with right of stoppage in transit.
 - (iv) Right of stoppage in transit begins when the right of lien ends. Thus, the end of the right of lien is the starting point of the right of stoppage the goods in transit.
8. (i) It is not possible for the majority of partners to expel a partner from the firm without satisfying the conditions as laid down in Section 33 of the Indian Partnership Act, 1932. The essential conditions before expulsion can be done are:
- (i) the power of expulsion must have existed in a contract between the partners;
 - (ii) the power has been exercised by a majority of the partners; and
 - (iii) It has been exercised in good faith.
- The test of good faith includes:
- (a) that the expulsion must be in the interest of the partnership;
 - (b) that the partner to be expelled is served with a notice; and
 - (c) that the partner has been given an opportunity of being heard.
- Thus, in the given case A and B the majority partners can expel the partner only if the above conditions are satisfied and procedure as stated above has been followed.
- (ii) **Partnership Deed:** Partnership is the result of an agreement. No particular formalities are required for an agreement of partnership. It may be in writing or formed verbally. But it is desirable to have the partnership agreement in writing to avoid future disputes. The document in writing containing the various terms and conditions as to the relationship of the partners to each other is called the 'partnership deed'. It should be drafted with care and be stamped according to the provisions of the Stamp Act, 1899. Where the

partnership comprises immovable property, the instrument of partnership must be in writing, stamped and registered under the Registration Act.

Partnership deed may contain the following information:

1. Name of the partnership firm.
2. Names of all the partners.
3. Nature and place of the business of the firm.
4. Date of commencement of partnership.
5. Duration of the partnership firm.
6. Capital contribution of each partner.
7. Profit Sharing ratio of the partners.
8. Admission and Retirement of a partner.
9. Rates of interest on Capital, Drawings and loans.
10. Provisions for settlement of accounts in the case of dissolution of the firm.
11. Provisions for Salaries or commissions, payable to the partners, if any.
12. Provisions for expulsion of a partner in case of gross breach of duty or fraud.

A partnership firm may add or delete any provision according to the needs of the firm.

9. (i) Section 29 of the Indian Partnership Act, 1932 provides that a share in a partnership is transferable like any other property, but as the partnership relationship is based on mutual confidence, the assignee of a partner's interest by sale, mortgage or otherwise cannot enjoy the same rights and privileges as the original partner.

The rights of such a transferee are as follows:

- (1) During the continuance of partnership, such transferee is not entitled

- (a) to interfere with the conduct of the business,
- (b) to require accounts, or
- (c) to inspect books of the firm.

He is only entitled to receive the share of the profits of the transferring partner and he is bound to accept the profits as agreed to by the partners, i.e., he cannot challenge the accounts.

- (2) On the dissolution of the firm or on the retirement of the transferring partner, the transferee will be entitled, against the remaining partners:

- (a) to receive the share of the assets of the firm to which the transferring partner was entitled, and
 - (b) for the purpose of ascertaining the share,
- he is entitled to an account as from the date of the dissolution.

By virtue of Section 31, no person can be introduced as a partner in a firm without the consent of all the partners. A partner cannot by transferring his own interest, make anybody else a partner in his place, unless the other partners agree to accept that person as a partner. At the same time, a partner is not debarred from transferring his interest. A partner's interest in the partnership can be regarded as an existing interest and tangible property which can be assigned.

(ii) **DISSOLUTION BY THE COURT (SECTION 44):** Court may, at the suit of the partner, dissolve a firm on any of the following ground:

- (a) *Insanity/unsound mind:* Where a partner (not a sleeping partner) has become of unsound mind, the court may dissolve the firm on a suit of the other partners or by the next friend of the insane partner. Temporary sickness is no ground for dissolution of firm.
- (b) *Permanent incapacity:* When a partner, other than the partner suing, has become in any way permanently incapable of performing his duties as partner, then the court may dissolve the firm. Such permanent incapacity may result from physical disability or illness etc.
- (c) *Misconduct:* Where a partner, other than the partner suing, is guilty of conduct which is likely to affect prejudicially the carrying on of business, the court may order for dissolution of the firm, by giving regard to the nature of business. It is not necessary that misconduct must relate to the conduct of the business. The important point is the adverse effect of misconduct on the business. In each case nature of business will decide whether an act is misconduct or not.
- (d) *Persistent breach of agreement:* Where a partner other than the partner suing, wilfully or persistently commits breach of agreements relating to the management of the affairs of the firm or the conduct of its business, or otherwise so conduct himself in matters relating to the business that it is not reasonably practicable for other partners to carry on the business in partnership with him, then the court may dissolve the firm at the instance of any of the partners. Following comes in to category of breach of contract:
 - Embezzlement,

- Keeping erroneous accounts
 - Holding more cash than allowed
 - Refusal to show accounts despite repeated request etc.
- (e) *Transfer of interest*: Where a partner other than the partner suing, has transferred the whole of his interest in the firm to a third party or has allowed his share to be charged or sold by the court, in the recovery of arrears of land revenue, the court may dissolve the firm at the instance of any other partner.
- (f) *Continuous/Perpetual losses*: Where the business of the firm cannot be carried on except at a loss in future also, the court may order for its dissolution.
- (g) *Just and equitable grounds*: Where the court considers any other ground to be just and equitable for the dissolution of the firm, it may dissolve a firm. The following are the cases for the just and equitable grounds-
- (i) Deadlock in the management.
 - (ii) Where the partners are not in talking terms between them.
 - (iii) Loss of substratum.
 - (iv) Gambling by a partner on a stock exchange.
10. (i) **Essential elements to incorporate LLP** - Under the LLP Act, 2008, the following elements are very essential to form a LLP in India:
- (i) To complete and submit incorporation document in the form prescribed with the Registrar electronically;
 - (ii) To have at least two partners for incorporation of LLP [Individual or body corporate];
 - (iii) To have registered office in India to which all communications will be made and received;
 - (iv) To appoint minimum two individuals as designated partners who will be responsible for number of duties including doing of all acts, matters and things as are required to be done by the LLP. Atleast one of them should be resident in India.
 - (v) A person or nominee of body corporate intending to be appointed as designated partner of LLP should hold a Designated Partner Identification Number (DPIN) allotted by MCA.
 - (vi) To execute a partnership agreement between the partners *inter se* or between the LLP and its partners. In the absence of any agreement the provisions as set out in First Schedule of LLP Act, 2008 will be applied.

(vii) LLP Name.

(ii) **Distinction between LLP and Partnership Firm:** The points of distinction between a limited liability partnership and partnership firm are tabulated as follows:

	Basis	LLP	Partnership firm
1.	Regulating Act	The Limited Liability Partnership Act, 2008.	The Indian Partnership Act, 1932.
2.	Body corporate	It is a body corporate.	It is not a body corporate,
3.	Separate legal entity	It is a legal entity separate from its members.	It is a group of persons with no separate legal entity.
4.	Creation	It is created by a legal process called registration under the LLP Act, 2008.	It is created by an agreement between the partners.
5.	Registration	Registration is mandatory. LLP can sue and be sued in its own name.	Registration is voluntary. Only the registered partnership firm can sue the third parties.
6.	Perpetual succession	The death, insanity, retirement or insolvency of the partner(s) does not affect its existence of LLP. Members may join or leave but its existence continues forever.	The death, insanity, retirement or insolvency of the partner(s) may affect its existence. It has no perpetual succession.
7.	Name	Name of the LLP to contain the word limited liability partners (LLP) as suffix.	No guidelines. The partners can have any name as per their choice.
8.	Liability	Liability of each partner limited to the extent to agreed contribution except in case of willful fraud.	Liability of each partner is unlimited. It can be extended upto the personal assets of the partners.
9.	Mutual agency	Each partner can bind the LLP by his own acts but not the other partners.	Each partner can bind the firm as well as other partners by his own acts.
10.	Designated partners	At least two designated partners and atleast one	There is no provision for such partners under the Indian partnership Act, 1932.

		of them shall be resident in India.	
11.	Common seal	It may have its common seal as its official signatures.	There is no such concept in partnership
12.	Legal compliances	Only designated partners are responsible for all the compliances and penalties under this Act.	All partners are responsible for all the compliances and penalties under the Act.
13.	Annual filing of documents	LLP is required to file: (i) Annual statement of accounts (ii) Statement of solvency (iii) Annual return with the registration of LLP every year.	Partnership firm is not required to file any annual document with the registrar of firms.
14.	Foreign partnership	Foreign nationals can become a partner in a LLP.	Foreign nationals cannot become a partner in a partnership firm.
17.	Minor as partner	Minor cannot be admitted to the benefits of LLP.	Minor can be admitted to the benefits of the partnership with the prior consent of the existing partners.

11. (i) **Death of all members of a Private Limited Company, Under the Companies Act, 2013:** The most distinguishing feature of a company is its being a separate entity from the shareholders and promoters who form it. This lends stability and perpetuity to the company form of business organization. In short, a company is brought into existence by a process of law and can be terminated or wound up or brought to an end only by a process of law. Its life is not impacted by the death, insolvency or retirement of any or all shareholder(s) or director(s).

The provision for transferability or transmission of the shares helps to preserve the perpetual existence of a company by allowing the constitution and identity of shareholders to change.

In the present case, ABC Pvt. Ltd. does not cease to exist even by the death of all its shareholders. The legal process will be for the successors of the deceased shareholders to get the shares registered in their names by way of the process which is called "transmission of shares". The company will cease to exist only when it is wound up by a due process of law.

Therefore, even with the death of all members (i.e. 5), ABC (Pvt.) Ltd. does not cease to exist.

- (ii) **One Person Company (OPC) [Section 2(62) of the Companies Act, 2013]:** The Act defines one person company (OPC) as a company which has only one person as a member.

Rules regarding its membership:

- Only one person as member.
- The memorandum of OPC shall indicate the name of the other person, who shall, in the event of the subscriber's death or his incapacity to contract, become the member of the company.
- The other person whose name is given in the memorandum shall give his prior written consent in prescribed form and the same shall be filed with Registrar of companies at the time of incorporation.
- Such other person may be given the right to withdraw his consent.
- The member of OPC may at any time change the name of such other person by giving notice to the company and the company shall intimate the same to the Registrar.
- Any such change in the name of the person shall not be deemed to be an alteration of the memorandum.
- Only a natural person who is an Indian citizen and resident in India (person who has stayed in India for a period of not less than 182 days during the immediately preceding one calendar year)-
 - shall be eligible to incorporate a OPC;
 - shall be a nominee for the sole member of a OPC.
- No person shall be eligible to incorporate more than one OPC or become nominee in more than one such company.

- No minor shall become member or nominee of the OPC or can hold share with beneficial interest.

OPC cannot be incorporated or converted into a company under section 8 of the Act. Though it may be converted to private or public companies in certain cases. OPC cannot convert voluntarily into any kind of company unless two years have expired from the date of incorporation, except where the paid up share capital is increased beyond fifty lakh rupees or its average annual turnover during the relevant period exceeds two crore rupees.

12. (i) **Doctrine of ultra vires:** The meaning of the term *ultra vires* is simply “beyond (their) powers”. The legal phrase “*ultra vires*” is applicable only to acts done in excess of the legal powers of the doers. This presupposes that the powers in their nature are limited.

It is a fundamental rule of Company Law that the objects of a company as stated in its memorandum can be departed from only to the extent permitted by the Act, thus far and no further. In consequence, any act done or a contract made by the company which travels beyond the powers not only of the directors but also of the company is wholly void and inoperative in law and is therefore not binding on the company. On this account, a company can be restrained from employing its fund for purposes other than those sanctioned by the memorandum. Likewise, it can be restrained from carrying on a trade different from the one it is authorised to carry on.

The impact of the doctrine of *ultra vires* is that a company can neither be sued on an *ultra vires* transaction, nor can it sue on it. Since the memorandum is a “public document”, it is open to public inspection. Therefore, when one deals with a company one is deemed to know about the powers of the company. If in spite of this you enter into a transaction which is *ultra vires* the company, you cannot enforce it against the company.

An act which is *ultra vires* the company being void, cannot be ratified by the shareholders of the company. Sometimes, act which is *ultra vires* can be regularised by ratifying it subsequently.

- (ii) (a) **A company being an artificial person cannot own property and cannot sue or be sued**

Incorrect: A company is an artificial person as it is created by a process other than natural birth. It is legal or judicial as it is created by law. It is a person since it is clothed with all the rights of an individual.

Further, the company being a separate legal entity can own property, have banking account, raise loans, incur liabilities and enter into contracts. Even members can contract with company, acquire right against it or incur liability to it. It can sue and be sued in its own name. It can do everything which any natural person can do except be sent to jail, take an oath, marry or practice a learned profession. Hence, it is a legal person in its own sense.

- (b) **A private limited company must have a minimum of two members, while a public limited company must have at least seven members.**

Correct: Section 3 of the Companies Act, 2013 deals with the basic requirement with respect to the constitution of the company. In the case of a public company, any 7 or more persons can form a company for any lawful purpose by subscribing their names to memorandum and complying with the requirements of this Act in respect of registration. In exactly the same way, 2 or more persons can form a private company.

SECTION - B: BUSINESS CORRESPONDENCE AND REPORTING**Chapter-1****Communication**

- 1) Define the term 'communication'. How is it relevant in daily life?
- 2) Explain the Star Network in the channel of communication.
- 3) Based on communication channels, what are the different kinds of communication methods? Explain.
- 4) What is the 'chain of command' in communication? What are its drawbacks?

Chapter 2**Sentence Types: Active Passive Voice, Direct Indirect Speech**

- A) Change the following sentences into passive voice.
- 1) May God bless you with health and happiness.
 - 2) Ravi sent the report on Monday.
 - 3) Angela wore a pink frock for her birthday party.
 - 4) Elizabeth will give all books to the orphans.
 - 5) My aunt prepares delicious desserts.
- B) Change the following Direct speech into Indirect speech.
- 1) The fans said, 'We want India to win'
 - 2) The Minister announced, 'Our party introduces the GST from tomorrow'
 - 3) The BCCI said, 'We wish the Under 19 cricket team for the its world cup win'
 - 4) The master yelled at the servant, 'Get lost and don't show your face'
 - 5) Elders always say, 'If you work hard, you will succeed'

Chapter -3 Vocabulary**A) Select the suitable synonym for the given words:**

- 1) Concise
(a) Important (b) Better (c) Precise (d) Interesting
- 2) Ill will
(a) Sad (b) Lazy (c) Good will (d) Hatred

- 3) Stimulate
(a) Effects (b) Activate (c) Irritate (d) Captivate
- 4) Recede
(a) Move back (b) Accept (c) Deviate (d) Agree
- 5) Exorbitant
(a) Light (b) Exclusive (c) Enormous (d) Easy

B) Select the suitable antonym for the given word:

- 1) Cyclical
(a) Recurrent (b) Unidirectional (c) Appearing (d) Vehicular
- 2) Inept
(a) Aptitude (b) long lasting (c) Inappropriate (d) Skilled
- 3) Cumbersome
(a) Manageable (b) Clumsy (c) Quantitative (d) Moderate
- 4) Drastic
(a) Severe (b) Useless (c) Forceless (d) Emergency
- 5) Tangible
(a) Limited (b) Impalpable (c) Thematic (d) Peaceful

C) Select the correct meaning of the given idioms:

- 1) Face the music
(a) Escape from the situation
(b) Act violently
(c) Enjoy the music
(d) Face the challenges/ consequences
- 2) Food for thought
(a) Incomplete information
(b) Good knowledge
(c) Uncensored words
(d) Baseless facts

- 3) Sell like hotcakes
 - (a) A difficult campaign
 - (b) Controversial marketing
 - (c) Good baker
 - (d) Fast selling / in huge numbers

D) Fill in the blanks with the most suitable choice:

- 1) The judge ordered a death sentence when the accused was found _____
 - (a) Transparent
 - (b) Abusing
 - (c) Culpable
 - (d) Empirical
- 2) The scam was basically because of _____ of funds by the senior members of the organization.
 - (a) Misappropriation
 - (b) credibility
 - (c) Movement
 - (d) Allotment
- 3) His first move was to _____ the enemy team and then behead each one.
 - (a) Announce
 - (b) Seize
 - (c) Complete
 - (d) Harvest

Chapter 4

Comprehension Passages

Read the following comprehension passages and answer the following questions

Passage 1

Some polar bears in the Arctic are shedding weight during the time they should be beefing up, a study shows. It's the climate change diet and scientists say it's not good. They blame global warming for the dwindling ice cover on the Arctic Ocean that bears need for hunting seals each spring. The scientists spied on polar bears by equipping nine female white giants with tracking collars that had video cameras and the bear equivalent of a Fitbit during three recent springs. The bears were also weighed.

What the scientists found is that five of the bears lost weight and four lost 1.3 to 2.5kg per day. The average polar bear studied weighed about 175kg. One bear lost 23kg in just nine days. "You're talking a pretty amazing amount of mass to lose," said US Geological Survey (USGS) wildlife biologist Anthony Pagano, lead author of the study. Researchers studied the bears for 10 days in April, when they are supposed to begin putting on weight so they can later have cubs, feed them and survive through the harsh winter. But because the ice is shrinking, the bears are having a harder time catching seal pups even during prime hunting time, Pagano said. The US Fish and Wildlife Service lists polar bears as a threatened species. Polar bears hunt from the ice. They often wait for seals to pop out of holes to get air and at other times they swim after seals. If there is less sea ice

and it is broken apart, bears have to travel more — often swimming — and that has serious consequences, such as more energy use, hypothermia and risk of death, said University of Alberta biology professor Andrew Derocher. It was found that on the ice, the polar bears burn up 60% more energy than thought, based on these first real-life measurements done on the ice.

- 1) Give the passage a suitable title
 - a) Polar Bears in danger
 - b) Arctic ice melting
 - c) Seals, no more a prey!
 - d) Change in climate
- 2) Give a suitable antonym for the word 'dwindling' mean, as used in the passage.
 - a) Flourish
 - b) Cover up
 - c) Reduce
 - d) Amount
- 3) Which of the following sentences is true according to the passage?
 - a) Seals pop out of ice for fun.
 - b) Dwindling ice is a major concern for the polar bears
 - c) Global warming has nothing to do with the receding ice cover
 - d) Less ice means easy catch of seals for bears
- 4) Polar bears hunt for
 - a) Seals
 - b) Other bears
 - c) Ice glaciers
 - d) Both a and b
- 5) What is the primary aim of the study by scientists, in the passage?
 - a) Polar bears have stopped eating seals
 - b) Polar bears are losing weight in a season when they should be gaining it.
 - c) The dwindling ice cover on the Arctic Ocean.
 - d) Only a and b.

Passage 2

Bitcoins and other cryptocurrencies will see increasing use in India, according to industry players, who say that, right now, the sector is too small to be regulated by the Reserve Bank of India (RBI) or Finance Ministry. Bitcoin companies also say that volatility in the cryptocurrency's price is likely to continue since it is still attracting new investors with inadequate knowledge about the market, with speculation separately fuelling the price gyrations.

"The fluctuation has always been there, but suddenly there has been a surge because of a few reasons," said Vivek Steve Francis, CEO of Coinome. "One, things that are happening in the market. Some countries have legalised cryptocurrencies like Japan and Korea, and in the U.S. they have announced that there will be bitcoin futures trading. So, this not only gives a legal standing to it, it also opens the door to speculation."

"The second thing is that people are seeing others put in ₹1 lakh and making 10% the very next day, so that is also bringing a lot of laymen into this, which may or may not be a good thing," Mr. Francis added.

Another reason for the price volatility, something that will continue for some time, is the disaggregated nature of the bitcoin market. "Since bitcoin is widely distributed and the majority of it is not owned by a limited number of people, that makes it volatile," Ashish Agarwal, founder of Bitsachs, said. "As far as the future is concerned, I won't want to comment on the price, but adoption will increase. Now, the serious investors are eyeing bitcoin. No newspaper or serious person would have mentioned bitcoin five years ago, but now all eyes are on it."

While the RBI has cautioned against its use, informing users, holders, investors and traders dealing with virtual currencies that they are doing so at their own risk, Securities and Exchange Board of India Chairman Ajay Tyagi recently said the cryptocurrency had so far not posed any systemic risk. He added that the government had formed a panel to examine it.

- 1) What does the word 'volatile' means (Since bitcoin is widely distributed and the majority of it is not owned by a limited number of people, that makes it volatile.....)
 - a) Violent
 - b) Unstable
 - c) High
 - d) Irrational
- 2) Give a synonym for the word 'gyrations' as used in the first paragraph.
 - a) Evolution
 - b) Cyclone

- c) Spinning
 - d) Rising
- 3) What is the primary reason for laymen to start believing in bitcoin?
- a) It's easy to use nature
 - b) The fact that the value increases by 10% the very next day
 - c) There is no check on bitcoin transactions
 - d) Japan has legalized it
- 4) What are the reasons mentioned for the volatility in the crypto currency price?
- a) Legalized in few countries.
 - b) Fast money
 - c) New investors
 - d) Inadequate market knowledge and new investors.
- 5) According to Mr. Ashish Agarwal, which of the following statements said by him are false?
- a) The adoption of bitcoin will decrease as buyers are no more interested
 - b) He does not want to comment on the bitcoin price
 - c) Few years back, this concept was not discussed
 - d) People now seem to show interest in bitcoin.

Chapter 5 Note Making

Read the following passage/news story and make proper notes following the guidelines of Note making.
(Source: internet, newspaper articles)

- 1) Information technology clients are no more in the 'business as usual' mode. And, 'less is more' is the new mantra for IT spending. These two philosophies now rule the thinking of clients spending on technology. The IT services industry has also been facing challenges in getting retail and banking clients to spend on technology. Mr. Subramaniam dwells on these headwinds and new opportunities:

We can't have teams that do only programming. We need more all-rounders. People should have functional knowledge, the ability to co-relate and understand the experience being delivered to the client. Coding is important. But you also have to ensure that we are coding for scale, that there are vulnerabilities in your code; you should know how to test, how to document. More than anything else, make sure that your code does not freeze other pieces of code. In a jigsaw puzzle, you can't

worry only about your piece. Earlier, it was possible. Now you have to understand big picture; understand what you are trying to deliver in terms of experience.

- 2) The potential is enormous, and we have not lived up to it. Yes, trade is more than \$2 billion, but most of that comes from trade in a few items like potash and phosphate and we would like to diversify. Jordan could be a market and would welcome investment from Indian companies, including in ICT, infrastructure and energy. His Majesty is looking forward to his visit in early 2018, as soon as possible, and we hope to create momentum to put us on a fast track of ties.

You spoke of opportunities, but equally Jordan is in a region in turmoil. Jordan itself houses millions of refugees from Palestine and Syria. How will this change in 2018?

For us, the core issue remains the Palestinian-Israeli conflict and there cannot be peace and stability in the region without a resolution to the conflict on the basis of a two-state solution that would allow an independent sovereign Palestinian state with Occupied (East) Jerusalem as its capital, on the lines of the 1967 situation, and that would allow a peaceful Israel as well. We want every country to support this. India has always had a very clear position in favour of a just, lasting peace, and we encourage India to be more engaged and would like to see more of an Indian role [in the peace process.

Chapter 7

Précis Writing

Read the following passages and write a précis for the same. Follow the basic rules of précis writing while writing.

- 1) The Goods and Services Tax (GST) is a vast concept that simplifies the giant tax structure by supporting and enhancing the economic growth of a country. GST is a comprehensive tax levy on manufacturing, sale and consumption of goods and services at a national level [1]The Goods and Services Tax Bill or GST Bill, also referred to as The Constitution (One Hundred and Twenty-Second Amendment) Bill, 2014, initiates a Value added Tax to be implemented on a national level in India. GST will be an indirect tax at all the stages of production to bring about uniformity in the system.

On bringing GST into practice, there would be amalgamation of Central and State taxes into a single tax payment. It would also enhance the position of India in both, domestic as well as international market. At the consumer level, GST would reduce the overall tax burden, which is currently estimated at 25-30%. Under this system, the consumer pays the final tax but an efficient input tax credit system ensures that there is no cascading of taxes- tax on tax paid on inputs that go into manufacture of goods

In order to avoid the payment of multiple taxes such as excise duty and service tax at Central level and VAT at the State level, GST would unify these taxes and create a uniform market throughout

the country. Integration of various taxes into a GST system will bring about an effective cross-utilization of credits. The current system taxes production, whereas the GST will aim to tax consumption.

- 2) A code of business conduct, sometimes called a code of ethics, is a management tool for setting out an organization's values, responsibilities and ethical obligations. The code of conduct provides employees with guidance for handling difficult ethical situations related to the business. Businesses develop their own codes, based on their core values, and no two codes are the same. To be truly effective, the code of conduct must also be embedded in the business, so employees know how it applies to them.
- 3) Virtual reality is an artificial environment that is created with software and presented to the user in such a way that the user suspends belief and accepts it as a real environment. On a computer, virtual reality is primarily experienced through two of the five senses: sight and sound. The simplest form of virtual reality is a 3-D image that can be explored interactively at a personal computer, usually by manipulating keys or the mouse so that the content of the image moves in some direction or zooms in or out. More sophisticated efforts involve such approaches as wrap-around display screens, actual rooms augmented with wearable computers, and haptics devices that let you feel the display images.

Chapter 8

Article Writing

Write an article on the following topics. (Word limit: 300 words)

- 1) Growing health problems in the youth today: Causes and Consequences.
Include words: lifestyle, lethargy, physical work, internet, obsession
- 2) Discuss about the repercussions of allowing students in school to have a feedback system for their teachers
- 3) Let's change the environment by.....

Chapter 9

Report Writing

- 1) An NGO working for the cause of the underprivileged had set up a one day workshop in your college. As member of the Organizing committee, write a report for your college magazine giving details of the workshop.
(250-300 words)

- 2) As the School Captain, write a report for your school magazine, about a cultural fest held in your school last week. Mention the various schools that participated, the cultural programmes, the food stalls et al. (250-300 words)

Chapter-10

- 1) As the Manager, Supply Chain Division, of an FMCG company write an enquiry letter to your counterpart of an Oil Manufacturing company, stating your queries regarding oil prices at bulk rate.
- 2) As the HR Manager of your organization, draft a circular for all the employees of your company, informing them about a charity cultural event being organized over the weekend in the office campus. Mention a few events and request for active participation.

Chapter 11

Formal Mails

- 1) You have opened a new catering company supplying food and snacks. As the owner, write a mail to an organization, telling about your services. You would be interested in supplying Food and Beverage to their employees, as part of a regular tiffin system. Mention prices and other necessary details.
- 2) On behalf of your CA firm, write a formal mail to all your clients requesting them to provide all the necessary information, needed for e filling of IT returns. State that details should be sent well in time, before the last date i.e. 31st July, 2018.

Chapter 12

Resume Writing

- 1) Draft a cover letter in reply to the below advt., published in The Hindustan Times, dated 13/2/18.

Applications are invited for the post of an Accountant in a private firm, Agro power Ltd, New Delhi.
The applicant must have an experience of about four years in a similar role with good knowledge of Tally. Salary offered will be competitive with the industry. Please send your detailed CV's with a cover letter to the following address:
Agro Power Ltd,
Sukhdev Vihar
New Delhi 110025
For any queries, drop a mail to hr@agropower.com

- 2) Prepare a detailed resume in the functional format for a candidate applying for the post of a sales manager in an FMCG company. Include past experiences, with emphasis on the sales background.

Other inputs: Name: Manish Reddy

Experience: over 10 years, (divide it into two jobs)

Current designation: Senior Sales Executive

Chapter 13

Meetings

- 1) Your company, primarily into FMCG has witnessed a gradual decline in a consumer product over the last six months. Prepare the minutes of the meeting for the same. Members in the meeting: Head of the Sales and Marketing, Product Head, Product lead and few team members.
- 2) As an employee of a CA firm, prepare the agenda of an upcoming Partner's visit, in tabular form. Include senior executives in the meeting, discuss the agenda for the meeting and how the one day visit of the Partner needs to be planned.

ANSWERS

Chapter -1 Communication

- 1) Communication is a process of exchanging information, ideas, thoughts, feelings and emotions through speech, signals, writing, or behavior.

Communication is relevant in daily life as we experience it in all walks of life. While talking to friends, family and office colleagues, while passing on a piece of information, while starting a campaign or a protest march; at every step we want to communicate a message. The audience differs and the purpose differs; yet communication happens.

- 2) **Star Network:** has multiple channels of network in communication. This network allows a group communication and is useful especially where teamwork is involved. The members communicate and exchange information with each other freely, and without hindrance or hesitation. The usefulness of all networks depends on the structure and size of the company, and the manner of communication between the employees.
- 3) Based on Communication channels, there are three kinds of categories:
- **Verbal:** Verbal communication involves the use of words and language in delivering the intended message

- **Non Verbal:** Nonverbal communication is the process of communicating by sending and receiving wordless messages. These messages can aid verbal communication, convey thoughts and feelings contrary to the spoken words or express ideas and emotions on their own.
 - **Visual:** Visual communication through visual aids such as signs, typography, drawing, graphic design, illustration, colour and other electronic resources usually reinforces written communication. Visuals like graphs, pie charts and other diagrammatic presentations convey clearly and concisely a great deal of information. They are an essential part of official presentations these days.
- 4) **Chain of Command:** The communication pattern that follows the chain of command from the senior to the junior is called the chain network. Communication starts at the top, like from a CEO, and works its way down to the different levels of employees. It involves a lot of organizational hierarchy.
- Drawbacks:** The chain network often takes up time, and communication may not be clear. It creates a lot of miscommunication as the message travels a long path.

Chapter-2 Sentence Types

A) Active to Passive

- 1) May you be blessed by God with health and happiness.
- 2) The report was sent by Ravi on Monday.
- 3) A pink frock was worn by Angela for her birthday party.
- 4) All books will be given to the orphans by Elizabeth.
- 5) Delicious desserts are prepared by my aunt.

B) Direct to Indirect Speech.

- 1) The fans cheered that they wanted India to win.
- 2) The Minister announced that their party would introduce GST from the next day.
- 3) The BCCI congratulated the U 19 cricket team for its World Cup win.
- 4) The master yelled at the servant to get lost and not show his face.
- 5) Elders always say that if you work hard, you will succeed. (Universal truth)

Chapter-3 Vocabulary

A) Synonyms

- 1) Option c
- 2) Option d

- 3) Option b
- 4) Option a
- 5) Option c
- B) Antonyms
 - 1) Option b
 - 2) Option d
 - 3) Option a
 - 4) Option c
 - 5) Option b
- C) Idioms
 - 1) Option d
 - 2) Option b
 - 3) Option d
- D) Fill in the blanks:
 - 1) Option c
 - 2) Option a
 - 3) Option b

Chapter -4 Comprehension Passages**Passage-1**

- 1) Option a
- 2) Option a
- 3) Option b
- 4) Option a
- 5) Option b

Passage-2

- 1) Option b
- 2) Option c
- 3) Option b

- 4) Option d
- 5) Option a

Chapter-5 Note Making

Passage -1

IT industry needs a big picture (Heading)

- I) Major changes in IT business
 - a) No more usual stuff
 - b) Less signifies more
- II) Maj. challenges: Retails and Banking sec.
- III) What is now expctd?
 - a) Broader view
 - b) Feel the exprnc
 - c) Can't be an individual task
 - d) Coding to be co-rltd.

Key Used:

- 1) IT= information technology
- 2) Maj= major
- 3) Sec= sector
- 4) Expctd= expected
- 5) Exprnc= experience
- 6) Rltd= related

Passage 2

Jordan as a potential market (Heading)

- I) A good plc for bsns.
 - a) Trade mr thn 2 mill.
 - b) Potash and phosphate: primarily
- II) Need and appeal to diversify
- III) Inviting Indian giants to invest in

- a) ICT
 - b) Infrstrc
 - c) Energy
- IV) Need to wrk on Palestine-Syria conflict
- a) Build peaceful ties
 - b) Reslv the cnflt
 - c) Create indpndt Palest. State
 - d) Req. sprt from Ind.

Key Used:

- 1) Plc- place
- 2) Bsns= business
- 3) Mr= more
- 4) Thn= than
- 5) Infrstrc= infrastructure
- 6) Wrk= work
- 7) Reslv= resolve
- 8) Cnflt= conflict
- 9) Indpndt= independent
- 10) Req= request
- 11) Sprt= support

Chapter -7 Précis Writing

- 1) One Tax for all: GST (Title)

Goods and Service Tax (GST) is a complete tax structure of an indirect form, levied on manufacturing and sale of goods and services. It aims to combine all taxes into one, thus reducing the burden of the consumer. GST unifies the market sector throughout the country with the aim to tax consumption and not production.

- 2) Code of Ethics: in Business (Title)

Code of Ethics is a management tool that helps an employee understand the organization's values, responsibilities and moral obligations. Each organization is entitled to have its own code and should teach its employees to implement the same.

3) More on Virtual Reality (Title)

Virtual reality is a technology-based concept that allows the user to believe what is shown to him and accept it as reality. Primarily based on the sense of sight and sound, virtual reality builds a 3-D image or displays an augmented set up on screen to enable the user to get a real time feel of the artificial environment thus created.

Chapter -8 Article Writing

1) Hints:

- Causes of health issues: a crisp list
- Office work
- Lifestyle
- Eating habits
- Growing economy
- Money splurge
- Effects: direct effects
- Diseases
- Physical health issues
- Strain on eyes
- Young deaths

2) Hints

- School children till class 8th not very mature
- Decision making skills are poor
- Not suitable for them to judge elders, especially teachers
- Lot of misunderstanding happens at that age
- Do not accept criticism easily
- Students of class 9th to 12th are better.
- They can have a feedback system.
- Have grown with certain values and understanding of life
- Hence capability of differentiating between right and wrong.

- Feedback gives a power which should not be misused, for personal grudge

3) Hints

- A very open ended topic.
- Environment needs a little more care and concern.
- The world can definitely be a better place to live
- Reduce, Reuse, Recycle
- A community effort is required
- Sincere efforts of keeping the surroundings clean

Chapter-9 Report Writing

Report-1

Hints:

- Mention a heading, name of the NGO
- Venue, Date
- The purpose of the workshop
- How many members came from the NGO; how did they go ahead with the workshop
- The audience and its reaction
- Games, pamphlets, information shared during the session.
- Motivational talks
- Conclusion

Report-2

Hints:

- Have a good heading
- Mention the time, date, venue
- Divide the report into three paragraphs:
- What/When/Where/ Who was invited

- Purpose of the event (learn about the cultural diversity)
- Describe the event in details (name of schools that participated, the dances and other cultural programmes performed, the food stalls, the game stalls)
- Enthusiasm in the student community
- Conclude with an optimistic view.

Chapter-10

Writing Formal Letters and Official Communication

- 1) XYZ Company
Chennai

Date: 10th Jan, 2018

Manager, Finance
Oil India Ltd
Chennai

Dear Sir/Ma'am

Sub: Enquiry for prices for bulk orders

This is regarding the requirement of oil, for our well known chips brand, Aunty Chips. We would like to enquire the rates for bulk order of refined oil, produced by your company.

We are an established brand in the FMCG sector, hence we feel the association would be mutually beneficial.

Kindly send the pricing details, also stating the mode of delivery.

Looking forward to your response.

Thanks and Regards,

Manager, Supply Chain Division

XYZ company

Circular

Circular No. XXXIV

3rd Jan, 2018

Cultural Event for Charity

For all employees

This is an official communication informing about a cultural event being organized in the office premises on the coming weekend (6th and 7th Jan, 2018).

The events would be as follows:

- Singing competition
- Dance competition
- Stand up Comedy
- Dumb charades
- Food stalls

Participation fees is ₹ 50/ per member. Family and friends are cordially invited.

The proceeds of the event will be given to Aaroyga NGO, working for the benefit of old citizens.

Please get in touch with the HR team for more registration and details. Looking forward to an active participation.

Sheela Mishra

Manager, HR

Chapter-11 Writing Formal Mails

Mail-1

To: admin@simantechsystems.comCC/BCC: hr@simantechsystems.com

Subject: Introducing our tiffin supply plan

Dear Sir/Ma'am,

We are pleased to announce our entry into the Food and Beverage sector. We are a group of entrepreneurs with a passion for food. We would like to associate with your organization, for supply of tiffins at a regular basis, at various timings.

We prepare food in hygienic conditions following international standards. Please have a look at the attachments with the details of menu and prices. Our food cost is competitive with no compromise in quality.

We would like to visit your office with our food samples for tasting. Please suggest a possibility.

Looking forward to a positive response.

1 attachment enclosed.

Thanks and Regards,

Team Food Passion

Mail-2

To: lmn@candidsweets.com, abc@yahoo.com, jkl@gmail.comCC/BCC: ca@gmail.com, ca@kp.com

Subject: submit details for e-filing of returns

Dear Clients,

You would know, 31st July, 2018 is the last date for filing e-returns. As your responsible chartered accountant, I request you all on behalf of my team to provide the necessary details i.e. Form-16 and other related information required for the same. This will enable us work better and avoid last minute troubles and delays.

Hope to get cooperation from you all.

Thanks and Regards,
ABCD Kumar
(Chartered Accountant)

Chapter-14 Resume Writing

1) Cover letter

Your address

Date

Manager

Agro Power Ltd,

Sukhdev Vihar

New Delhi 110025

Dear Sir,

Subject: Application for the post of Accountant

This is with reference to your advertisement in Hindustan Times dated 13/2/18 for the post of **Accountant** in your esteemed organization.

My abilities and experience in Accounts makes me a suitable candidate for the job. I have worked for over 6 years as a **Junior Accountant** in the leading MNC **XYZ Ltd**. I am proficient in **Tally** as well as **MS-Excel** and good knowledge of other software tools in Accounts.

I am task oriented, self motivated and can assure utmost sincerity and dedication towards the role assigned to me. Given a chance, I hope to be an asset to your organization.

Thanks for considering my candidature.

Sincerely,

Your signature

(Name)

2) **Functional format Resume**

Name: Manish Reddy

Phone: 040-123456

Email:-mreddy@gmail.com

Address: 123, Chennai Road, Chennai

Date of Birth: 1st January 1985

CAREER OBJECTIVE: Seeking a challenging career with a progressive organization that provides an opportunity to utilize my sales and marketing skills & experience in the FMCG sector.

PERSONAL SKILLS

Excellent convincing skills

Highly sales driven

Ability to work independently or as part of a team

Proven leadership skills and ability to motivate

EDUCATION

B.com from Hindu College, Delhi University

PGDIM from Symbiosis University, Pune

ACHIEVEMENTS

Y Awarded the 'Best Sales person' Award in the company

Awarded a cash prize for two consecutive months for over achieving sales target.

PROFESSIONAL EXPERIENCE

XYZ Pvt Ltd, Chennai

Worked as a Junior Sales Executive

Responsible for daily sales with a predicted target

Experience: 5 years

Auromatic Brothers

Worked as Senior Sales Executive

Responsible for monthly sales target

Led a team of twenty members.

Experience: 5 years.

REFERENCES: Can be provided on request.

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

Date:

Place: (Manish Reddy)

Chapter-13 Meetings

Date: 21st July, 2018

Venue: Conference Hall, 3rd Floor

Meeting started at 12 : 00 AM.

In attendance : Mr. Raju Murthy Head , Sales and Marketing, Mr. Kishore Sandhu, Product Head, Product lead, three members of the Sales team

Mr. Raju Murthy, Head of Sales and Marketing informed the agenda of the meeting i.e the sales decline in the product

Ms. Seema Thakur, Sales Lead gave a detailed analysis of the sales figures for the last six months. Her team including Mr. X, Mr. Y and Mr. Z elaborated on the market trends, target customers and their needs.

Mr. Kishore Sandhu, Product Head expressed concern over the matter; discussed a few changes in the sales strategy.

All the participants consented to the concerns raised and decided to submit their reports.

The Head of Sales and Marketing proposed a vote of thanks and declared the next meeting to discuss reports to be held on Aug 2, 2018.

ATR to be submitted by 24th July, 2018 to the Head of Sales and Marketing.

2) Tabular Agenda:

Time	Topic	Attendees	Speaker	Duration
8:30 am	Introduction and Welcome note	Name of the participants	Director, Finance	10 minutes
8:40 am	Speech	Name of the participants	Honourable Mr. Partner	25 mins.
9:05 am	Discussion on new audit trends	Name of the participants	Sr. Manager, Audit	25 mins
9:30 am	Tea/Breakfast	Tea/Breakfast		30 mins
10:00 am	Discussion on adapting new technology	Name of the participants	Sr. Manager, Technology	20 mins
10: 20 am	Open House	All participants	All members	20 mins
10:40 am	Vote of Thanks	All participants	Director	10 mins.