(GCF-19, GCF-20, GCF-21, VCF-4, SCF-6 & SCF-7) DATE: 01.07.2020 **MAXIMUM MARKS: 100** TIMING: 31/4 Hours

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

Question No. 1 is Compulsory. Answer any four question from the remaining five questions. Wherever necessary, suitable assumptions should be made and disclosed by way of note forming part of the answer.

Working Notes should from part of the answer.

#### Answer 1:

{Yes, B can proceed against the assets of X. (1M)} (a)

> {According to section 68 of the Indian Contract Act, 1872 "If a person, incapable of entering into a contract, or any one whom he is legally bound to support, is supplied by another person with necessaries suited to his condition in life, the person who has furnished such supplies is entitled to be reimbursed from the property of such incapable person." (2M)}

> {Since the loan given to X is for the necessaries suited to the conditions in life of the minor, his assets can be sued to reimburse B. (1M)}

### **Answer:**

**Section 3** of the Companies Act, 2013 states that a company may be formed for any (b) lawful purpose by 7 or more persons in case of public company, 2 or more persons in case of private company and 1 person in case of a one person company. Hence, a company cannot be formed for an unlawful purpose or for carrying on illegal business.

**Section 9** of the Act further provides that from the date of incorporation mentioned in the certificate of incorporation, such subscribers to the memorandum and all other persons, as may from time to time, become members of the company, shall be a \( \) (2M) body corporate capable of exercising all the functions of an incorporated company under this Act. Under this Act a company can be formed for a lawful purpose. Hence, a company cannot be formed in the first place for an illegal business activity.

In the present case the Registrar was at fault in issuing the certificate of incorporation but the issue of the certificate of incorporation does not give the company the right to do illegal business.

On applying the above provisions in the present problem, the company's contention is wrong. Though a certificate of incorporation is a conclusive evidence of its formation and existence,, it does not render its illegal objectives as legal. In Bowman v. Secular Society Ltd., the court held that the statute does not provide that all or any of the objects specified in the memorandum, if otherwise illegal, would be rendered legal by the certificate. Therefore, the contention of the company that the nature of business cannot be gone into after the certificate of incorporation has been obtained is not tenable. Moreover, the illegality of its objects is adequate grounds for the Registrar to rectify his gross mistake and suo motto take necessary steps to cancel the certificate of incorporation.

(2M)

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### (c) Distinction between Sale and An Agreement to Sell

Basis of	Sale	Agreement to sell
difference		
Transfer of	The property in the goods	Property in the goods passes to the
property	passes to the buyer	the buyer immediately. buyer on
	immediately.	future date or on fulfillment of some
		condition.
Nature of	It is an executed contract. i.e.	It is an executory contract. i.e. contract
contract	contract for which	for which consideration is to be paid at
	consideration has been paid.	a future date.
Remedies for	The seller can sue the buyer for	The aggrieved party can sue for
breach	the price of the goods because	damages only and not for the price,
	of the passing of the property	unless the price was payable at a
	therein to the buyer.	stated date.
Liability of	A subsequent loss or	Such loss or destruction is the liability
parties	destruction of the goods is the	of the seller.
	liability of the buyer.	
Burden of risk	Risk of loss is that of buyer	Risk of loss is that of seller.
	since risk follows ownership.	
Nature of	Creates Jus in rem	Creates Jus in personam
rights		-
Right of resale	The seller cannot resell the	The seller may sell the goods since
	goods.	ownership is with the seller.

#### Answer 2:

### (a) DISCHARGE OF A CONTRACT

A contract is said to be discharged or performed in following cases:

- (1) **Discharge by Performance:** A contract is discharged by performance when both the parties of the contract have fulfilled their obligations under a contract. discharge by performance may be:
  - **(a) By Actual performance**: In case of actual performance both the parties have done what they have to do under the contract.
  - (b) **By attempted performance**: When the promisor offers to perform his obligation, but the promisee refuses to accept the performance, it amounts to attempted performance or tender.
- (2) **Discharge by Mutual Agreement :** The parties to a contract may discharge the contract by making the mutual agreement between them.

**Note:** In case of Novation, Rescission, alteration and Remission a contract is discharged by mutual agreement.

(3) Discharge by impossibility of performance: When a contract is impossible to perform then a contract is becomes is discharged.

Impossibility may exist from very start then in this case a contract will be void ab-initio i.e. void from beginning or there may be subsequent or supervening impossibility.

Supervening impossibility may take place due to:

- (a) Any change in law.
- **(b)** The destruction of the subject matter essential to that performance.
- (c) the non-existence or non-occurrence of particular state of things, which was naturally contempleted for performing the contract, as a result of some personal incapacity like dangerous malady
- (d) In case of declaration of war.

- (4) **Discharge by Lapse of Time :** A contract should be performed within a specified time otherwise it is discharged.
  - **Specified Period:** What is specified period it can be interpreted from contract or what is prescribed by the limitation Act.
  - **For Example:** If a creditor does not file a suit against the buyer for recovery of the price within three years, the debt becomes time-barred and hence irrecoverable.
- **(5) Discharge by Operation of Law:** A contract may be discharged by operation of law i.e. by death of the promisor, by insolvency, by merger.
- (6) In case of breach of contract
- (7) A promise may dispense with or **remit** the performance of the promise made to him or may accept any satisfaction he thinks fit. In the first case, the contract will be discharged by remission and in the second by accord and satisfaction (Section 63).
- (8) When a person neglects or refuses to provide the reasonable facilities to another party promisor so as to perform the promise then in this case promisor is also discharged from his liability.
- **(9)** Merger:-When inferior right get merged into superior right contract for inferior right gets discharged.

#### **Answer:**

(b) Distinction between LLP and Limited Liability Company (LLC)

	Basis	LLP	LLC
1.	Regulating Act	The LLP Act, 2008.	The Companies Act, 2013.
2.	Members/Part	The persons who contribute to	The persons who invest the
	ners	LLP are known as partners of	money in the shares are known
		the LLP.	as members of the company.
3.	Internal	The internal governance	The internal governance
	governance	structure of a LLP is governed	structure of a company is
	structure	by agreement between the	regulated by statute (i.e.,
		partners.	Companies Act, 2013).
4.	Name	Name of the LLP to contain	Name of the public company
		the word "Limited Liability	to contain the word "limited"
		partnership" or "LLP" as	and Private company to contain
		suffix.	the word" Private limited" as
			suffix.
5.	Number of	Minimum – 2 members	Private company:
	members/	Maximum – No such limit on	Minimum – 2 members
	partners	the members in the Act. The	Maximum – 200 members
		members of the LLP can be	Public company:
		individuals/or body corporate	Minimum – 7 members
		through the nominees.	Maximum – No such limit on the
			members.
			Members can be organizations,
			trusts, another business form or
			individuals.
6.	Liability of	Liability of a partners is	Liability of a member is limited
	members/	limited to the extent of agreed	to the amount unpaid on the
	partners	contribution except in case of	shares held by them.
		willful fraud.	

7.	Management	The business of the company managed by the partners including the designated partners authorized in the agreement.	The affairs of the company are managed by board of directors elected by the shareholders.
8.	Minimum number of directors/desi gnated partners	Minimum 2 designated partners.	Private Co. – 2 directors Public Co. – 3 directors

#### Answer 3:

### (a) Right of outgoing partner to carry on competing business (Section 36):

- An outgoing partner can carry on business competing with that of the firm and he may advertise such business in any manner which he deems fit.
- But he cannot use the firm name, Represent himself as carrying on the old business, and Solicit the customers of the old firm.
- A retiring partner may agree with the existing partners not to carry on a similar business within a specified period or within specified local limits. Such an agreement will not be in restraint of trade if the restraint is reasonable.

### Right of outgoing partner to share subsequent profits (Section 37)

- Where any partner has died or ceased to be a partner, and the surviving or continuing partners carry on the business of the firm with the property of the firm without any final settlement of accounts as between them then the outgoing partner or his estate, the or his representative has following options:
  - a) The right to such share of the profit made since he ceased to be a partner as may be attributable to the use of his share of the property of the firm
    Or
    - **b)** To interest @ 6% per annum on the amount of his share in the property of the firm.

#### **Answer:**

(b) BREACH OF CONTRACT: DAMAGES: Section 73 of the Indian Contract Act, 1872 lays down that when a contract has been broken the party who suffers by such breach is entitled to receive from the party who has broken the contract compensation for any loss or damage caused to him thereby which naturally arose in the usual course of things from such breach or which the parties knew when they made the contract to be likely to result from the breach of it.

The leading case on this point is "Hadley v. Baxendale" in which it was decided by the Court that the special circumstances under which the contract was actually made were communicated by the plaintiff to the defendant, and thus known to both the parties to the contract, the damages resulting from the breach of such contract which they would reasonably contemplate, would be the amount of injury which would ordinarily follow from the breach of contract under these special circumstances so known and communicated.

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-(2M)

(3M)

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The problem asked in this question is based on the provisions of Section 73 of the Indian Contract Act, 1872. In the instant case 'X' had intimated to 'Z' that he was purchasing water bottles from him for the purpose of performing his contract with 'Y'. Thus, 'Z' had the knowledge of the special circumstances. Therefore, 'X' is (2M) entitled to claim from 'Z'Rs. 500/- at the rate of 0.50 paise i.e. 1000 water bottles x 0.50 paise (difference between the procuring price of water bottles and contracted selling price to 'Y' ) being the amount of profit 'X' would have made by the performance of his contract with 'Y'.

If 'X' had not informed 'Z' of 'Y's contract then the amount of damages would have been the difference between the contract price and the market price on the day of \( (1M) \) default. In other words, the amount of damages would be Rs. 750/- (i.e. 1000 water bottles  $\times$  0.75 paise)

### Answer 4:

#### PASSING OF PROPERTY IN CASE OF UNASCERTAINED GOODS: (a)

In case of a contract for the sale of unascertained or future goods, ownership passes to the buyer when goods are ascertained.

The rules in Respect of Passing of Property of Unascertained Goods are as Follows:

- Goods by Description: In this case property passes to the buyer when the **(1)** goods are appropriated to the contract either by the seller with the assent of the buyer or by the buyer with the assent of the seller.
- Delivery to the carrier: Where the seller does not reserve the right of disposal of the property in the goods will pass to the buyer as soon as the goods  $\vdash$  (1M) are delivered to the carrier or any other sort of bailee, for the purpose of transmission to the buyer.

### Appropriation of goods:

-(½M) Appropriation of goods involves selection of goods with the intention of using them in performance of the contract and with the mutual consent of the seller and the buyer.

The essentials are:

- (a) The goods should conform to the description and quality stated in the contract.
- (b) The goods must be in a deliverable state.
- (c) The goods must be unconditionally (as distinguished from an intention to appropriate) appropriated to the contract either by delivery to the buyer or his agent or the carrier.
- (d) The appropriation must be made by:
  - (i) the seller with the assent of the buyer; or
  - (ii) the buyer with the assent of the seller.
- (e) The assents may be express or implied.
- (f) The assent may be given either before or after appropriation.

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### **Answer:**

As regards the question whether in the case of a registered firm (whose business (b) was carried on after its dissolution by death of one of the partners), a suit can be filed by the remaining partners in respect of any subsequent dealings or transactions without notifying to the Registrar of Firms, the changes in the constitution of the firm, it was decided that the remaining partners should sue in respect of such subsequent dealings or transactions even though the firm was not registered again  $\vdash$  (1M) after such dissolution and no notice of the partner was given to the Registrar.

The test applied in these cases was whether the plaintiff satisfied two the only requirements of Section 69 (2) of the Act namely,

- (i) the suit must be instituted by or on behalf of the firm which had been registered;
- (ii) the person suing had been shown as partner in the register of firms. In view of this position of law, the suit is in the case by B and C against X in the name and on behalf of A & Co. is maintainable.

Where a new partner is introduced, the fact is to be notified to Registrar who shall make a record of the notice in the entry relating to the firm in the Register of firms. Therefore, the firm cannot sue as D's (new partner's) name has not been entered in the register of firms. It was pointed out that in the second requirement, the phrase "person suing" means persons in the sense of individuals whose names appear in the register as partners and who must be all partners in the firm at the date of the suit.

### Answer 5:

**ACCEPTANCE OF DELIVERY OF GOODS (Section 42)** (a)

Acceptance is deemed to take place when the buyer-

- (a) intimates to the seller that he had accepted the goods; or
- (b) does any act to the goods, which is inconsistent with the ownership of the (3M) seller; or
- (c) retains the goods after the lapse of a reasonable time, without intimating to the seller that he has rejected them.

Note: Ordinarily, a seller cannot compel the buyer to return the rejected goods; but -(1M) the seller is entitled to a notice of the rejection.

**Note**: Where the seller is ready and willing to deliver the goods and requests the buyer to take delivery, and the buyer does not take delivery within a reasonable (1M)time, he is liable to the seller for any loss occasioned by the neglect or refusal to take delivery, and also reasonable charge for the care and custody of the goods.

### **Answer:**

Meaning of Guarantee Company: Where it is proposed to register a company with (b) limited liability, the choice before its promoters is either to limit their liability by the value of shares purchased by them or by limiting their liability by the amount of guarantees given by them. Section 2 (21) of the Companies Act, 2013 defines a (2M)Company Limited by Guarantee as a company having the liability of its members limited by the memorandum to such amount as the members may respectively undertake to contribute to the assets of the company in the event of its being wound up.

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Thus, the liability of the members of a guarantee company is limited to a stipulated amount in terms of individual guarantees given by members and mentioned in the memorandum. The members cannot be called upon to contribute more than such stipulated amount for which each member has given a guarantee in the memorandum of association. The articles of association of such company shall state the number of members with which the company isto be registered.

Similarities and dis-similarities between the Guarantee Company and the Company having share capital: The common features between a "guarantee company" and the "company having share capital" are legal entity and limited liability. In case of a company limited by shares, the liability of its members is limited to the amount remaining unpaid on the shares held by them. Both these type of companies have to state this fact in their memorandum that the members' liability is limited.

However, the dissimilarities between a 'guarantee company' and 'company limited by shares' is that in the former case the members will be called upon to discharge their liability only after commencement of the winding up of the company and only to the extent of amounts guaranteed by them respectively; whereas in the case of a company limited by shares, the members may be called upon to discharge their liability at any time, either during the life of the company or during the course of its winding up and the amount payable by the members will be limited to the unpaid amount on shares held by them respectively.

Further to note, the Supreme Court in Narendra Kumar Agarwal vs. SarojMaloo (1995) 6 SC C 114 has laid down that the right of a guarantee company to refuse to accept the transfer by a member of his interest in the company is on a different footing than that of a company limited by shares. The membership of a guarantee company may carry privileges much different from those of ordinary shareholders in companies limited by shares.

It is also clear from the definition of the guarantee company that it does not raise its initial working funds from its members. Therefore, such a company may be useful only where no working funds are needed or where these funds can be had from other sources like endowment, fees, charges, donations etc

#### Answer 6:

### (a) RULE RELATING TO SILENCE IN CASE OF FRAUD

**General Rule: -** Generally mere silence does not amount as fraud. A mere silence related to facts which likely affect the willingness of a person to enter into a contract is no fraud.

### **Example:**

A sells, by auction, to B, a horse which A knows to be unsound, A says nothing to B about the unsoundness of the horse. This is not fraud by A.

But following are the exceptions of this rule i.e. in following cases silence amounts as frauds: -

(i) Where it is the duty of the person to speak & if he remains silent.

**Note:** - Duty to speak arises when one party shows trust & confidence in another party or where one party has to depend up on the good sense of another party i.e. in case of insurance contract.

### **Example:**

B is A's daughter and has just come of age. Here, the relation between the parties would make it A's duty to tell B if the horse is unsound.

(2M)

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(2M)

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Where silence is equivalent to speech

**Example:** - A says to B, "If you do not deny it, I shall assume that the horse you are \( (11/2M) selling to me is sound." A says nothing. Here A's silence is equivalent to speech.

#### **Answer:**

(b) 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 <code>\( (1M) \)</code> 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.

If the ultra vires loan has been utilised in meeting lawful debt of the company then the lender steps into the shoes of the debtor paid off and consequently he would be entitled to recover his loan to that extent from the company.

The leading case through which this doctrine was enunciated is that of Ashbury Railway Carriage and Iron Company Limited v. Riche-(1875).

The facts of the case are:

The main objects of a company were:

- To make, sell or lend on hire, railway carriages and wagons; (a)
- (b) To carry on the business of mechanical engineers and general contractors.

The directors of the company entered into a contract with Riche, for financing the construction of a railway line in Belgium, and the company further ratified this act of the directors by passing a special resolution. The company however, repudiated the contract as being ultra-vires. And Riche brought an action for damages for breach of contract. His contention was that the contract was well within the meaning of the word general contractors and hence within its powers. Moreover it had been ratified by a majority of share-holders. However, it was held by the Court that the contract was null and void. It said that the terms general contractors was associated with mechanical engineers, i.e. it had to be read in connection with the company's main business.

The whole position regarding the doctrine of ultra vires can be summed up as:

- When an act is performed, which though legal in itself, is not authorized by (i) the object clause of the memorandum, or by the statute, it is said to be ultravires the company, and hence null and void.
- An act which is ultravires, the company cannot be ratified even by the (ii) unanimous consent of all the shareholders.
- An act which is ultravires the directors, but intravires the company can be (iii) ratified by the members of the company through a resolution passed at a general meeting.
- If an act is ultravires the Articles, it can be ratified by altering the Articles (iv) by a Special Resolution at a general meeting.

However, the disadvantages of this doctrine outweigh its main advantage, namely to provide protection to the shareholders and creditors. Although it may be useful to members in restraining the activities of the directors, it is only a nuisance in so far as it prevents the company from changing its activities in a direction which is agreed by all. Again, the purpose of doctrine of ultra vires has been defeated as now the object clause can be easily altered, by passing just a special resolution of the shareholders.

(1M)

Marks (1M Each)

(1M)

## PAPER: BUSINESS CORRESPONDENCE & REPORTING

The Question Paper comprises of 5 questions of 10 marks each. Question No. 7 is compulsory. Out of questions 8 to 11, attempt any three.

### SECTION-B: BUSINESS CORRESPONDENCE & REPORTING (40 MARKS)

### Answer 7:

(a) 1. a 2. d 4. b 5. c {1 M each}

### **Answer:**

(b) 1) The army captain was awarded the Param Vir Chakra posthumously.

 (b) After death

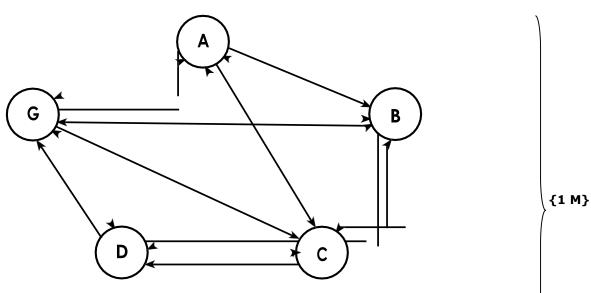
 2) Seeing the artist work with such finesse, the crowd cheered.

 (a) Expertise

 3) His parents were adamant about not sending their son for a two day trip.
 (b) Inflexible

### Answer:

(c) 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 members communicate and exchange information with each other freely, and without hindrance or hesitation.



# **Star Network**

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

### Answer 8:

- (a) Unemployment: No longer India's economy capital Hints:.
  - The world economy is facing 2 major challenges-unemployment and poverty.
  - Financial crisis caused by unemployment leads to an overall purchasing power resulting in poverty followed by an increasing burden of debt.
  - In India, the problems of underemployment, unemployment and poverty have always been the main hindrances to economic development.
  - Another colossal problem is the large population.
  - A critical aspect is the regional disparity.
  - Mass migration from rural to urban regions is adding to the problems of unemployment and poverty.
  - Economic reforms, changes in the industrial policy and better utilization of available resources will reduce the problem.
  - The government must initiate long term measures for poverty alleviation.

### Answer:

- (b) Barriers in Communication: There are multiple barriers in the communication process. These barriers result in distortion and misunderstanding of the intended communiqué. The barriers can be physical, psychological, emotional, cultural, linguistic etcetera.
  - 1. Physical barriers: These are a result of our surroundings. Noise, technical disturbances, outdated equipment, distant locations, office doors, separate areas for people of different areas, large office spaces, old technology and lack of appropriate infrastructure can lead to problems in transmission of message.
  - Organizational structure barriers: Communication problems occur when the systems, structures and processes in the organization are not clear or have gaps in them. If the chain of command is unclear, a person may not know whom to contact for a particular issue. Inappropriate information transmission systems, lack of supervision, and unclear role and responsibility demarcations lead to confusion and inefficiency.
  - 3. Language barriers: Language can create many obstacles in communication. Literally, people from different regions and countries may interpret the same words differently. Difficult words, subject specific terminology, unfamiliar expressions and ambiguous words having multiple meanings, create hurdles in communicating. It is also a fact that that the linguistic ability of various people in the work place is different. Some maybe proficient in the language while others may possess just basic skills. Therefore, it is important to use clear, simple easily understood language in most of your official communications.
  - 4. Cultural barriers: Understanding cultural aspects of communication refers 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. Multinational companies offer special courses and documents to familiarize their staff with the culture of the country where they are based for work.

In addition, every organization too has its own work culture. In fact, departments within the same company may also differ in their expectations,

(1 M Each for any 5 point)

(1/2 M Each for any 6 point) norms and ideologies. This can impact intra and inter organizational communication.

The same principle applies to families and family groups, where people have different expectations according to their background and traditions leading to friction and misunderstanding. A very simple example is of the way food is served by a member of a family. It can be the cause of appreciation or displeasure.

- 5. Emotional barriers: One of the chief barriers to open and free communications is the emotional barrier. Anger, fear of criticism or ridicule, mistrust of person, suspicion of intentions, jealousy, anxiety and many more feelings and sentiments we carry within us, affect our communication ability and quality. A person who is upset and disturbed cannot pass on or receive information appropriately and objectively. His emotions will colour his perception and assessment of the communication.
- 6. Attitude barriers- Personal attitudes of employees can affect communication within the organization. A proactive, motivated worker will facilitate the communication process, whereas a dissatisfied, disgruntled, shy, introvert or lazy employee can delay, hesitate in taking the initiative, or refuse to communicate. Attitude problems can be addressed by good management and regular interaction with staff members.
- 7. Perception Barriers- Each one of us perceives the world differently and this causes problems in communicating. The same content is seen and interpreted differently by two people and therein lies the root cause of miscommunications and misunderstandings.
- 8. Physiological barriers- Ill health, poor eyesight, hearing difficulties or any other physiological problems can be hurdles in effective interaction with others.
- 9. Technology barriers— In today's world, communication modes are primarily technology driven. This communication technology is being constantly upgraded or new formats emerge ever so frequently. Anyone who is not tech friendly struggles to communicate effectively via the medium.

  Moreover, an individual is faced with a huge amount of information every day in the form of emails, texts and social updates. Multitasking is the norm these days. The information overload and trying to accomplish too many things together can result in gaps in communication and miscommunications.
- 10. Gender barriers- Men and women communicate differently. The reason for this lies in the wiring of a man's and woman's brains. Men talk in a linear, logical and compartmentalized manner whereas the women use both logic and emotion, and are more verbose. This may be the cause of communication problem in an office where both men and women work side by side. Men can be held guilty of providing insufficient information, while women may be blamed for providing too much detail.

Gender bias is another factor in communication barriers. Due to traditional mindsets, many men find it difficult to take orders from, or provide information to women.

#### Answer:

- (c) 1. It was quite humorous to see the minister talk about health and fitness issues.
  - (a) Rotund
  - 2. The sage is leading a life in the mountain peaks.
    - (a) spiritual

{1 M ≻each}

### Answer 9:

(a) Date: July 09, 2019

Venue: Conference Hall, 2<sup>nd</sup> Floor, {1 M

Meeting Started at 02:00 PM

In attendance: Mr. Ram Swami Nathan, Head, Sales and Marketing, Mr. Prabhu Das, Product Head, Product lead, four members of the sales team.

Mr. Ram Swami Nathan, Head of Sales and Marketing informed the agenda of the meeting i.e., the sales decline in the product.

Ms. Reena Mathur, Sales lead gave a detailed analysis of the sales figures for the one year.

Her team including Mr. A. Mr. B, Ms. C, Ms. D elaborated on the market trend targets customers and their needs.

Mr. Prabhu Das, Product Head expressed concern over the matter, discussed a few changes in the sales strategy.

All the participants contented 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 August 02, 2019.

ATR to be submitted by July 26, 2019 to the Head Sales and Marketing.

#### **Answer:**

**(b)** Communication for humans is akin to breathing. From the first cry of the baby to the last breath of a person, communication is an essential part of life. However, good communication is an art that has be developed and honed. Effective communicators practice every aspect of the skill frequently.

It is affect that our everyday communication is often marred by confusion, misunderstandings, misconceptions, partial understanding and obscurity. Thus, several aspects must keep in mind while interacting with others for our communication to convey the intended message.

- 1. **Clear:** Any spoken or written communication should state the purpose of message clearly. The language should be simple. Sentences ought to be short as the core message is lost in long, convoluted sentences. Each idea or point must be explained in a separate bulleted points or paragraphs. Make it easy for the reader to grasp the intent of the communiqué.
- 2. **Concise:** Brevity is the essence of business communication. No one has the time to read long drawn out essays. Besides, the core content is lost in elaborate details. Avoid using too many irrelevant words or adjectives, for example, 'you see', 'I mean to say', etc. Ensure that there are no repetitions.
- 3. **Concrete:** The content of your communiqué should be tangible. Base it on facts and figures. Abstract ideas and thoughts are liable to misinterpretation. Make sure that there is just sufficient detail to support your case/ argument and bring focus to the main message.
- 4. **Coherent:** Coherence in writing and speech refers to the logical bridge between words, sentences, and paragraphs. Main ideas and meaning can be difficult for the reader to follow if the writer jumps from one idea to another and uses contradictory words to express himself. The key to coherence is sequentially organized and logically presented information which is easily understood. All content under the topic should be relevant, interconnected and present information in a flow.

(1 M for heading 1 M Each for 2 point)

- 5. **Complete:** A complete communication conveys all facts and information required by the recipient. It keeps in mind the receiver's intellect and attitude and conveys the message accordingly. A complete communication helps in building the company's reputation, aids in better decision making as all relevant and required information is available with the receiver.
- 6. **Courteous:** Courtesy implies that the sender is polite, considerate, respectful, open and honest with the receiver. The sender of the message takes into consideration the viewpoints and feelings of the receiver of the message. Make sure nothing offensive or with hidden negative tone is included.
- 7. **Listening for Understanding:** We are bombarded by noise and sound in all our waking hours. We 'hear' conversations, news, gossip and many other forms of speech all the time. However, most of it is not listened to carefully and therefore, not understood, partially understood or misunderstood. A good listener does not only listen to the spoken words, but observes carefully the nonverbal cues to understand the complete message. He absorbs the given information, processes it, understands its context and meaning and to form an accurate, reasoned, intelligent response.

The listener has to be objective, practical and in control of his emotions. Often the understanding of a listener is coloured by his own emotions, judgments, opinions, and reactions to what is being said.

While listening for understanding, we focus on the individual and his agenda. A perceptive listener is able to satisfy a customer and suggest solutions as per the needs of the client.

- 8. **Focus and Attention:** Everyday work environment has multiple activities going on simultaneously. The ringing of the phone, an incoming email, or a number of tasks requiring your attention, anxiety related to work, emotional distress etc. can distract you. Such distractions are detrimental to the communication process with an individual or a group of people. You may overlook or completely miss important points or cues in the interaction. Thus, keeping your focus and attention during the communiqué is imperative for effective communication.
- 9. **Emotional Awareness and Control:** "Human behavior is not under the sole control of emotion or deliberation but results from the interaction of these two processes," Lowenstein said.

However, emotions play a major role in our interactions with other people. They are a powerful force that affects our perception of reality regardless of how hard we try to be unbiased. In fact, intense emotions can undermine a person's capacity for rational decision-making, even when the individual is aware of the need to make careful decisions.

Consequently, emotional awareness is a necessary element of good communication. While interacting with another person or a group, it is important to understand the emotions you and he/she/they are bringing to the discussion. Managing your own and others emotions and communicating keeping in mind the emotional state of others helps in smooth interaction and breakdown of the communication process.

### **Answer:**

- **(c)** 1. The farmer is purchasing the horse.
  - 2. The police officer will give him a ticket for over speeding. {1 M each}

### Answer 10:

## (a) Language and Gender \{1 M}

The word 'gender' used in two contexts, first for grammatical gender and second biological gender. Language is influenced by gender. Women tend to use more standard language than men (perhaps due to their position in western societies). On the other hand they also tend to be at the forefront of linguistic innovations. A woman tends to good in verbalization.

### **Answer:**

(b) Informal communication: Informal Communication is the casual, friendly and unofficial. 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.

Informal communication is between family, friends, neighbors, members of the community and other social relations that are based on common interests, tastes and dispositions. Information can flow from any source in any direction.

Employees in an organization interact with each other outside the formal domain. Such communication is called 'grapevine' - gossip in the office. Employees of different departments and varied levels meet and discuss matters casually and informally. The grapevine satisfies the social needs of the people and helps in building relationships. It is also useful in addressing certain needs and grievances of employees.

#### Answer:

(c) 1. The obstacle course was run by me in record time.2. Costs would be reduced by us if we use less paper.

### Answer 11:

### (a) Writing Formal Letters and Official Communication

Kalu Sarai,
New Delhi
August 09, 2019
MR. Ramesh
Director, Sales and Marketing
XYZ Pvt. Limited
Dear Sir/Ma'am,

### Sub: Order Confirmation (No: XYZ/0012/Jun 2019)

I would like to take the opportunity to thank you for giving us a business opportunity. It is an honour for us to be serving your esteemed organization that enjoys a formidable reputation.

I would like to inform you that the 1800 units of machinery ordered vide Order no. XYZ/0012/Jun 2019, will be delivered as per the mutually decided date. In addition, our experts would come to install the machinery and give a detailed demo of its working. We would also provide a free for the next two years, taking care of any wear and tear or products damage. The products has two year warranty period. For any other query regarding the machinery ordered and its functioning, please feel free to contact us. We would be happy to serve you at the earliest.

Thanks and Regards,
Ashita Bhargava
Sr. Manager
Operations and Admin Department

(1 M)

-{2 M}

### Answer:

- (b) Verbal: Verbal communication involves the use of words and language in delivering the intended message. Though 'verbal' primarily refers to communication through the spoken medium, while categorizing 'types' of verbal communication the written and oral form of communication are included.
  - Written communication includes letters and documents, e-mails, reports, handbooks, brochures, various chat platforms, SMS and any form of written interaction between people. The written form of communication is essential and indispensable for formal business interactions (contracts, memos, press releases, formal business proposals etc.) and legal instructions and documentation. The effectiveness of written communication depends on the writing style, grammar, vocabulary, and clarity.
  - Oral Communication refers to communication through the spoken word, either face-to-face, telephonically, via voice chat, video conferencing or any other medium. Formal medium like lectures, conferences, seminars, meetings and informal conversations, chit-chat, gossip etc. are part of oral communications. Effective of oral communication depends on clear speech and the tone used by the speaker. Speaking in too high/ low volume or too fast/slow can also impair communication between people. Even non-verbal communications such as body language and visual cues effect the quality of interaction among individuals or group.

### Answer:

She said that she would be taking a test.
 The asked his manager if he should email that letter again.

{1 M each}

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