

**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 form part of the answer.**

**Answer 1:**

**(a) ACTS BEYOND IMPLIED AUTHORITY (SECTION 19)**

**Following are the acts beyond implied authority of a partner:**

- Submit a dispute relating to the business of the firm to arbitration when it is not the ordinary business of partnership firm to submit a dispute to an arbitration.
- Open a bank account on behalf of the firm in his own name.
- Compromise or relinquish any claim or portion of a claim by the firm against a third party (i.e., an outsider).
- Withdraw a suit or proceedings filed on behalf of the firm.
- Admit any liability in a suit or proceedings against the firm.
- Acquire immovable property on behalf of the firm.
- Transfer immovable property belonging to the firm, and
- Enter into partnership on behalf of the firm.

} 1 M for Correct 6 Pts}

**Answer:**

**(b)** {N's suit will not be valid because the performance of a promise is contingent upon the mere will and pleasure of the promisor;} **{1 M}** {hence, there is no contract. As per section 29 of the Indian Contract Act, 1872 – agreements, the meaning of which is not certain, or capable of being made certain, are void". } **{2 M}**

**Answer:**

**(c)** An agreement in restraint of trade/business/profession is void under Section 27 of the Indian Contract Act, 1872. But an agreement of service by which a person binds himself during the term of the agreement not to take service with anyone else directly or indirectly to promote any business in direct competition with that of his employer is not in restraint of trade. Therefore X can be restrained by an injunction from practicing on his own account in Ludhiana.

} 2 M}

} 1 M}

**Answer 2:**

**(a)** Appropriation of Payments: In case where a debtor owes several debts to the same creditor and makes payment which is not sufficient to discharge all the debts, the payment shall be appropriated (i.e. adjusted against the debts) as per the provisions of Section 59 to 61 of the Indian Contract Act, 1872.

(i) As per the provisions of 59 of the Act, where a debtor owing several distinct debts to one person, makes a payment to him either with express intimation or under circumstances implying that the payment is to be applied to the discharge of some particular debt, the payment, if accepted, must be applied accordingly. Therefore, the contention of Mr. Datural is correct and he can specify the manner of appropriation of repayment of debt.

} 2 M}

(ii) As per the provisions of 60 of the Act, where the debtor has omitted to intimate and there are no other circumstances indicating to which debt the payment is to be applied, the creditor may apply it at his discretion to any lawful debt actually due and payable to him from the debtor, where its

} 2 M}

recovery is or is not barred by the law in force for the time being as to the limitation of suits.

Hence in case where Mr. Datumal fails to specify the manner of appropriation of debt on part repayment, Mr. Sonumal the creditor, can appropriate the payment as per his choice.

- (iii) As per the provisions of 61 of the Act, where neither party makes any appropriation, the payment shall be applied in discharge of the debts in order of time, whether they are or are not barred by the law in force for the time being as to the limitation of suits. If the debts are of equal standing, the payments shall be applied in discharge of each proportionately. { 2 M }

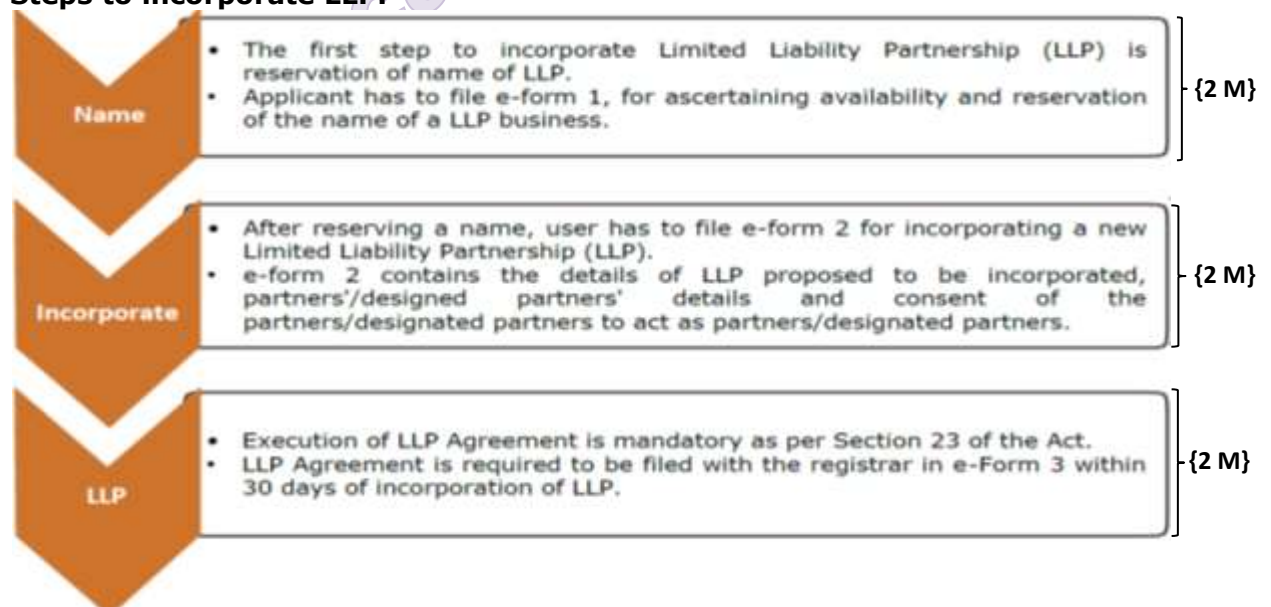
Hence in case where neither Mr. Datumal nor Mr. Sonumal specifies the manner of appropriation of debt on part repayment, the appropriation can be made in proportion of debts.

**Answer:**

- (b)** (i) As per Section 20 of the Indian Contract Act, 1872, an agreement under by mistake of fact are void. In this case, there is mistake of fact as to the existence of the subject- matter, i.e., with respect to the selling of horse which was dead at the time of the agreement. It is unknown to both the parties. Therefore, it is a void agreement.
- (ii) 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 goodwill, not to carry on same business, provided that the conditions must be reasonable regarding the duration and place of the business. Since in the given case, restraint to carry on business was forever and anywhere in India, so the agreement in question is void. { 2 M Each }
- (iii) As per section 2(j) of the Contract Act, "A contract which ceases to be enforceable by law becomes void when it ceases to be enforceable". In the present case, Mr. X agrees to write a book with a publisher. After few days, X dies in an accident. Here the contract becomes void due to the impossibility of performance of the contract.

**Answer 3:**

**(a) Steps to incorporate LLP.**



**Answer:**

- (b) Doctrine of Indoor Management:** The Doctrine of Indoor Management is the exception to the doctrine of constructive notice. The aforesaid doctrine of constructive notice does in no sense mean that outsiders are deemed to have notice of the internal affairs of the company. For instance, if an act is authorised by the articles or memorandum, an outsider is entitled to assume that all the detailed formalities for doing that act have been observed. This can be explained with the help of a landmark case **The Royal British Bank vs. Turquand**. This is the doctrine of indoor management popularly known as **Turquand Rule**.
- FACTS of The Royal British Bank vs. Turquand**  
 Mr. Turquand was the official manager (liquidator) of the insolvent Cameron's Coalbrook Steam, Coal and Swansea and Loughor Railway Company. It was incorporated under the Joint Stock Companies Act, 1844. The company had given a bond for £ 2,000 to the Royal British Bank, which secured the company's drawings on its current account. The bond was under the company's seal, signed by two directors and the secretary. When the company was sued, it alleged that under its registered deed of settlement (the articles of association), directors only had power to borrow up to an amount authorized by a company resolution. A resolution had been passed but not specifying how much the directors could borrow.
- Held, it was decided** that the bond was valid, so the Royal British Bank could enforce the terms. {1<sup>1/2</sup> M}
- The above mentioned doctrine of Indoor Management or Turquand Rule has limitations of its own. That is to say, it is inapplicable to the following cases, namely:
- (a) Actual or constructive knowledge of irregularity:** The rule does not protect any person when the person dealing with the company has notice, whether actual or constructive, of the irregularity. {1<sup>1/2</sup> M}  
 In **Howard vs. Patent Ivory Manufacturing Co.** where the directors could not defend the issue of debentures to themselves because they should have known that the extent to which they were lending money to the company required the assent of the general meeting which they had not obtained.
- (b) Suspicion of Irregularity:** The doctrine in no way, rewards those who behave negligently. Where the person dealing with the company is put upon an inquiry, for example, where the transaction is unusual or not in the ordinary course of business, it is the duty of the outsider to make the necessary enquiry. {1<sup>1/2</sup> M}  
 The protection of the "Turquand Rule" is also not available where the circumstances surrounding the contract are suspicious and therefore invite inquiry. Suspicion should arise, for example, from the fact that an officer is purporting to act in matter, which is apparently outside the scope of his authority. Where, for example, as in the case of **Anand Bihari Lal vs. Dinshaw & Co.** the plaintiff accepted a transfer of a company's property from its accountant, the transfer was held void. The plaintiff could not have supposed, in absence of a power of attorney that the accountant had authority to effect transfer of the company's property.
- (c) Forgery:** The doctrine of indoor management applies only to irregularities which might otherwise affect a transaction but it cannot apply to forgery which must be regarded as nullity. {1<sup>1/2</sup> M}  
 Forgery may in circumstances exclude the '**Turquand Rule**'. The only clear illustration is found in the **Ruben v Great Fingall Consolidated**. In this case

the plaintiff was the transferee of a share certificate issued under the seal of the defendant's company. The company's secretary, who had a fixed the seal of the company and forged the signature of the two directors, issued the certificate.

The plaintiff contended that whether the signature were genuine or forged was apart of the internal management, and therefore, the company should be estopped from denying genuineness of the document. But it was held, that the rule has never been extended to cover such a complete forgery.

**Answer 4:**

- (a) **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). {2.5 M}
- 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. {1.5 M}
- Therefore, even with the death of all members (i.e. 5), ABC (Pvt.) Ltd. does not cease to exist. {1 M}

**Answer:**

- (b) A lien is a right to retain possession of goods until the payment of the price. It is available to the unpaid seller of the goods who is in possession of them where-
- (i) the goods have been sold without any stipulation as to credit;
  - (ii) the goods have been sold on credit, but the term of credit has expired;
  - (iii) the buyer becomes insolvent.
- The unpaid seller can exercise 'his right of lien even if the property in goods has passed on to the buyer. He can exercise his right even if he is in possession of the goods as agent or bailee for the buyer. {1 M}
- Termination of lien:** An unpaid seller losses his right of lien thereon-
1. 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;
  2. When the buyer or his agent lawfully obtains possession of the goods;
  3. Waiver.
  4. Estoppel.
- He can exercise right of lien even if he has obtained decree of court for price of goods. {1 M}
- {1/2 M Each}

**Answer 5:**

- (a) A partner may not be expelled from a firm by a majority of partners except in exercise, in good faith, of powers conferred by contract between the partners. It is, thus, essential that: {4 M}

- (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.

If all these conditions are not present, the expulsion is not deemed to be in bonafide interest of the business of the firm.

The test of good faith as required under Section 33(1), Indian Partnership Act, 1932 includes three things:

- That the expulsion must be in the interest of the partnership.
- That the partner to expelled is served with a notice.
- That he is given an opportunity of being heard.

If a partner is otherwise expelled, the expulsion is null and void. Therefore, expulsion of Partner B is not valid.

{1 M}

**Answer:**

- (b) Right of stoppage of goods in transit:** The problem is based on section 50 of the Sale of Goods Act, 1930 dealing with the right of stoppage of the goods in transit available to an unpaid seller. The section states that the right is exercisable by the seller only if the following conditions are fulfilled.

- (i) The seller must be unpaid
- (ii) He must have parted with the possession of goods
- (iii) The goods must be in transit
- (iv) The buyer must have become insolvent
- (v) The right is subject to the provisions of the Act.

{4 M}

Applying the provisions to the given case, Ram being still unpaid, can stop the 100 bales of cloth sent by railway as these goods are still in transit.

{1 M}

**Answer:**

- (c)** Mr. Bhushan can reject the goods. In case of sale by sample as well as by description, goods must not only correspond to sample but also to description i.e. Darjeeling tea; **(Section 15 of the Sale of Goods Act, 1930).**

{1 M}

No amount of exemption clauses can compel a person to buy a thing different from contracted to buy.

In a contract for sale of goods by sample as well as description the Goods should be according to both. In this case this condition is breached so Bhushan is entitled to return the tea and claim refund of money.

{1 M}

**Answer 6:**

- (a)** According to section 2(68) of the Companies Act, 2013, "Private company" means a company having a minimum paid-up share capital as may be prescribed, and which by its articles, except in case of One Person Company, limits the number of its members to two hundred.

However, where two or more persons hold one or more shares in a company jointly, they shall, for the purposes of this clause, be treated as a single member.

{2 M}

It is further provided that -

- (A) Persons who are in the employment of the company; and
- (B) persons who, having been formerly in the employment of the company, were members of the company while in that employment and have continued to be members after the employment ceased,

Shall not be included in the number of members.

In the instant case, Flora Fauna Limited may be converted into a private company only if the total members of the company are limited to 200.

{1 M}

Total Number of members



(i)	Directors and their relatives	190
(ii)	5 Couples (5*1)	5
(iii)	Others	5
	Total	200

Therefore, there is no need for reduction in the number of members since existing number of members are 200 which does not exceed maximum limit of 200. } {1 M}

**Answer:**

- (b) Parties must intend to create legal obligations:** There must be an intention on the part of the parties to create legal relationship between them. Social or domestic type of agreements are not enforceable in court of law and hence they do not result into contracts. But it will make a valid contract if it is out of natural loves affection and agreement is in writing signed & registered. } {2 M}
- In the given question, Mr. Ramesh promised to pay Rs. 50,000 to his wife so that she can spend the same on her birthday. However, subsequently, Mr. Ramesh failed to fulfill the promise, for which Mrs. Lali wants to file a suit against Mr. Ramesh. Here, in the given circumstance wife will be able to recover the amount as it was out of natural loves affection and the agreement is in writing, signed and registered and there is nearby relationship between the parties. } {1 M}

**Answer:**

- (c) Distinction between Right of Lien and Right of Stoppage in Transit**
- (i) The essence of a right of lien is to retain possession whereas the right of stoppage in transit is right to regain possession. } {1 M Each}
- (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, & (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 in transit.

**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) Women in entrepreneurship } {1 M}**
- According to the sixth Economic Census 2013-14, only 14% of the businesses in India are owned by women and are smaller as compared to men owned businesses. Out of these, 83% do not have any hired workforce. However, many women entrepreneurs have carved a niche for themselves these are Kiran Mazumdar Shaw, Falguni Nayar and Ritu Dalmia. Self help groups and NGOs have helped women entrepreneurs in the rural sector. Still due to socio - cultural biases, it is onerous for married women in India to be an entrepreneur. Managing a male workforce and accessing financial support are even bigger challenges. Policy interventions, mentoring women entrepreneurs by specialists can encourage women who intend to foray into entrepreneurship and specialized networking platforms for women can provide the much-needed support. } {2 M}

**Answer:**

**(b) Direct - Indirect**

- |  |   |                  |
|--|---|------------------|
| <ol style="list-style-type: none"> <li>1. The work will be finished by them in a fortnight.</li> <li>2. Why was such a message written by your friend?</li> <li>3. Instructions will be given to you by the examiner.</li> </ol> | } | {Each Point 1 M} |
|--|---|------------------|

**Answer:**

- (c)** As we know, lacking language knowledge can create impediment in communication. Language varies individual to individual, place to place, region to region, and country wise. Same words may have different meaning in other language. Even jargon, unfamiliar expressions, and ambiguous words create hurdles in communication. This is fact that no two people speak or write alike. Some people use well-formed words while some of them is used ill-formed words.
- {1 M}
- {1 M}

**Answer 8:**

**(a)** XYZ Bank  
Sector-19  
Nerul  
Navi Mumbai-06  
10 December, 20XX

Chief Finance Officer  
XP Ltd  
Dadar  
Mumbai-14

{1 M}

Dear Sir/Ma'am,

Subject: Opening of our New Branch at Nerul, Navi Mumbai

We are happy to announce the grand opening of our bank's 150 branch in the Nerul, Navi Mumbai.

As a privileged customer, we are pleased to offer you extra benefits for an account opening in the new branch.

The new branch has locker facility and six ATM machines in your area. In view of our long-term association, we would not charge you any fees for locker facility.

Kindly visit the new branch. Contact details are given below:

{3 M}

88, Jame Jamshed Road  
Dadar  
Ph.: 011-255-90000  
Mumbai-14

Yours  
R.P. Aneja  
(Brach Manager)

{1 M}

**Answer:**

- (b)** The Characteristics of Effective Communication:  
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 a fact 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.
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

{Any 3 points each 1 M}



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," Loewenstein said.

However, emotions play a major role in our interactions with other people. They are a powerful force that affect 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) Select the suitable antonym for the given words. } {Each Point 1 M}
1. (c)
  2. (b)

**Answer 9:**

- (a) Date: 16 December 20XX  
Venue: Conference Room, II Floor  
Meeting Started at 04:00 P.M.

Mr. A, Head of the Sales and Marketing, gave an introduction and purpose of the meeting.

Mr. B, Product head spoke about the new product.

Ms. C, Regional Manager, Business, gave a detailed project report. (market surveys, future aspects challenges included).

Participants approved of Ms. C's report. Appreciated he meticulous detailing.

Mr. D, Marketing Head discussed the market scenario, demand and supply and customer interest.

Mr. E, Head Finance, gave details of costing, Finance team led by Mr. F, Mr. G, and Ms. H were part of the presentation.

The Head, Sales and Marketing declared an open house for participants to put up their concerns, and finally gave a vote of thanks.

Proposals for more funds put forward. Tender to be released.

ATR will be submitted by 22 December, 20XX.

} {Any 10 points Each 1/2 M}

**Answer:**

- (b) 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. } {2 M}
- 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. } {1 M}

**Answer:**

- (c) Active-Passive Voice
1. The work will be finished by them in a fortnight.
  2. Instructions will be given to you by the examiner.
- } {Each Point 1 M}

**Answer 10:**

**(a)** A-12F-Block,  
C-16/A, Sector-04  
Juinagar  
Navi Mumbai- 400705  
prashantkr.@gmail.com  
09 December, 20XX

The HRD  
S.R. Pvt Ltd.  
Andheri East  
Mumbai- 400069

Dear Sir/Ma'am,

Subject: Application for the Post of Trainee Finance

This is with reference to your advertisement in 'Hindustan Times' dated 06 December, 20XX, for the post of Trainee Finance in your organization. I wish to apply for the same.

I am conscientious, punctual and open to learning. I have just completed CA Intermediate from ICAI. I am looking for positions as Trainee (Finance/Tax/Audit) for articleship. If given the opportunity, I am open to learning and prepared to work hard to enrich my knowledge.

I am enclosing my résumé herewith for your reference. I shall be available for an interview through online or face to face on any day of your convenience.

I look forward to a positive response!

Your Sincerely,  
Prashant Kumar

Enclosure:

1. Résumé

Curriculum Vitae

RAVI PRAKASH GOEL  
A-12F-Block,  
C-16/A, Sector-04  
Juinagar  
Navi Mumbai- 400705  
Mob.: +91-XXXXXX XXXXX  
Email: prashantkr.@gmail.com  
Profile:

- Hardworking, punctual, strong team player
- Confident working with computers and technology

Educational Qualifications:

S. No.	Examination / Degree/Course	Subject / Stream	Institute / College	Board / University	Year of Passing	Percentage/ Division
1	CA Intermediate	Finance, Taxation, Auditing	ICAI, New Delhi	ICAI, New Delhi	Nov 2019	65%
2	Higher Secondary	Commerce	St. Holly Public	CBSE	2014	87%

{2 M}

{3 M}

			School, Mumbai			
3	Secondary	Commerce	St. Mary Public School, Mumbai	CBSE	2012	85%

Professional Skills:

- Finance, Taxation, Auditing

Intrapersonal Skills:

- Excellent Communication Skills
- Highly organized and efficient
- Ability to work independently
- Ability to work in team
- Proven leadership skills and ability to motivate

Language Known:

- English, Hindi, Marathi (Comm.)

Hobbies:

- Reading Novels, Travelling, Interacting with people

Personal Details:

- Father's Name: XYZ
- Mother's Name: XYX
- DoB: XYZ
- Gender: Male
- Nationality: XYZ
- Marital Status: Single/Married

References:

Tripti Sharma  
 Assistant Professor  
 ABC College of Commerce  
 XYZ University  
 Email:xyz@gmail.com

CA. Sanjay Mishra  
 XYZ Associates,  
 Email: \*\*\*\*\*@gmail.com

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

Date: XX December, 20XX

Place: Mumbai

(PRASHANT KUMAR)

**Answer:**

**(b)** Idioms

- 1) Option d
  - 2) Option b
  - 3) Option d
- {Each Point 1 M}

**Answer:**

- (c)** Star Network: has multiple channels of network in communication. This network allows a group communication and is useful especially where teamwork is involved. {1 M}
- 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. {1 M}

**Answer 11:**

**(a)** Passage 1

1. Globalisation, liberalisation, development of e-commerce and emerging global markets are forcing capital markets across the worldwide for integration.
2. (a)
3. (b)
4. (b)
5. Increasing complexity of business transactions and globalisation of capital markets call for a single set of high-quality accounting standards.

{Each Point 1 M}

**Answer:**

**(b)** 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.

{Each Point 1 M}

**Answer:**

**(c)** Select the suitable synonym for the given words.

- 1- (a)
- 2- (b)

{Each Point 1 M}

\*\*