

# RTP COMPILER

**LAW & BCR RTPs of  
CA Foundation  
up to December 2023**

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**PAPER – 2: BUSINESS LAWS AND BUSINESS CORRESPONDENCE AND REPORTING**

**SECTION A: BUSINESS LAWS**

**PART – I: RELEVANT AMENDMENTS APPLICABLE FOR MAY 2018 EXAMINATION**

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

For May 2018 examinations for Paper 2, Section A: Business Laws, the significant amendments made in the respective subject for the period 1<sup>st</sup> May 2017 to 31<sup>st</sup> October, 2017 are relevant and applicable for said examinations.

This RTP of May 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 30 <sup>th</sup> April, 2017.
2.	RTP of May 2018 examination containing a gist of all the significant notified legislative amendments from 1st May 2017 to 31st October, 2017 along with the suggested sample questions and answers for understanding and practice.

Following is the relevant amendment:

S. No.	Subject Matter
1.	The Ministry of Corporate Affairs vide Notification S.O. 3086(E) dated 20 <sup>th</sup> September, 2017 has notified the proviso to clause (87) of section 2 of the Companies Act, 2013 w.e.f. 20 <sup>th</sup> 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]

**PART II: QUESTIONS AND ANSWERS**

**QUESTIONS**

**The Indian Contract Act, 1872**

- (i) 'X' agreed to become an assistant for 2 years to 'Y' who was practicing Chartered Accountant at Jodhpur. It was also agreed that during the term of agreement 'X' will not practice as a Chartered Accountant on his own account within 20 kms of the office of 'Y' at Jodhpur. At the end of one year, 'X' left the assistantship of 'Y' and started practice on his own account within the said area of 20 kms.



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**FOUNDATION EXAMINATION: MAY, 2018**

Referring to the provisions of the Indian Contract Act, 1872, decide whether 'X' could be restrained from doing so?

- (ii) A stranger to a contract cannot sue, however in some cases even a stranger to contract may enforce a claim. Explain.
2. (i) PM Ltd., contracts with Gupta Traders to make and deliver certain machinery to them by 30<sup>th</sup> June 2017 for ₹ 21.50 Lakhs. Due to labour strike, PM Ltd. could not manufacture and deliver the machinery to Gupta Traders. Later Gupta Traders procured the machinery from another manufacturer for ₹ 22.75 lakhs. Gupta Traders was also prevented from performing a contract which it had made with Zenith Traders at the time of their contract with PM Ltd. and were compelled to pay compensation for breach of contract. Calculate the amount of compensation which Gupta Traders can claim from PM Ltd., referring to the legal provisions of the Indian Contract Act, 1872.
- (ii) A student was induced by his teacher to sell his brand new car to the latter at less than the purchase price to secure more marks in the examination. Accordingly the car was sold. However, the father of the student persuaded him to sue his teacher. State on what ground the student can sue the teacher?
3. (i) Explain the term "coercion" and describe its effect on the validity of a contract?  
(ii) "Though a minor is not competent to contract, nothing in the Contract Act prevents him from making the other party bound to the minor". Discuss.  
(iii) A received certain goods from B promising to pay ₹ 1,00,000. Later on, A expressed his inability to make payment. C, who is known to A, pays ₹ 60,000 to B on behalf of A. However, A was not aware of the payment. Now B is intending to sue A for the amount of ₹ 1,00,000. Discuss whether the contention of B is right?
4. Decide with reasons whether the following agreements are valid or void under the provisions of the Indian Contract Act, 1872:
  - (i) Vijay agrees with Saini to sell his black horse for ₹ 3,00,000. Unknown to both the Parties, the horse was dead at the time of the agreement.
  - (ii) Sarvesh sells the goodwill of his shop to Vikas for ₹ 10,00,000 and promises not to carry on such business forever and anywhere in India.
  - (iii) Mr. X agrees to write a book with a publisher. After few days, X dies in an accident.

**The Sale of Goods Act, 1930**

5. (i) Explain the term "Delivery and its form" under the Sale of Goods Act, 1930.  
(ii) Describe the consequences of "destruction of goods" under the Sale of Goods Act, 1930, where the goods have been destroyed after the agreement to sell but before the sale is affected.





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6. (i) Describe the term “unpaid seller” under the Sale of Goods Act, 1930? When can an unpaid seller exercise the right of stoppage of goods in transit?  
(ii) Explain the “condition as to Merchantability” and “condition as to wholesomeness” under the Sale of Goods Act, 1930.
7. (i) J the owner of a Fiat car wants to sell his car. For this purpose he hand over the car to P, a mercantile agent for sale at a price not less than ₹ 50, 000. The agent sells the car for ₹ 40, 000 to A, who buys the car in good faith and without notice of any fraud. P misappropriated the money also. J sues A to recover the Car. Decide given reasons whether J would succeed.  
(ii) Explain the term “Caveat-Emptor” under the Sale of Goods Act, 1930? What are the exceptions to this rule?

**The Indian Partnership Act, 1932**

8. (i) Whether a minor may be admitted in the business of a partnership firm? Explain the rights of a minor in the partnership firm.  
(ii) A & Co. is registered as a partnership firm in 2015 with A, B and C partners. In 2016, A dies. In 2017, B and C sue X in the name and on behalf of A & Co., without fresh registration. Decide whether the suit is maintainable. Whether your answer would be same if in 2017 B and C had taken a new partner D and then filed a suit against X without fresh registration?
9. (i) A, B and C are partners in a firm. As per terms of the partnership deed, A is entitled to 20 percent of the partnership property and profits. A retires from the firm and dies after 15 days. B and C continue business of the firm without settling accounts. Explain the rights of A's legal representatives against the firm under the Indian Partnership Act, 1932?  
(ii) State the differences between Partnership and Hindu Undivided Family.

**The Limited Liability Partnership Act, 2008**

10. (i) What do you mean by Limited Liability Partnership (LLP)? What are the advantages for forming a LLP for doing business?  
(ii) List the differences between the Limited Liability Partnership and the Limited Liability Company.

**The Companies Act, 2013**

11. (i) Explain the concept of "Dormant Company" as envisaged in the Companies Act, 2013.  
(ii) The Articles of Association of XYZ Ltd. provides that Board of Directors has authority to issue bonds provided such issue is authorized by the shareholders by a necessary resolution in the general meeting of the company. The company was in dire need of



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funds and therefore, it issued the bonds to Mr. X without passing any such resolution in general meeting. Can Mr. X recover the money from the company? Decide referring the relevant provisions of the Companies Act, 2013.

12. (i) State whether a non-profit organization be registered as a company under the Companies Act, 2013? If so, what procedure does it have to adopt?
- (ii) When a company is registered, it is clothed with a legal personality. Explain.

**SUGGESTED ANSWERS / HINTS**

1. (i) **Agreement in Restraint of Trade:** Section 27 of the Indian Contract Act, 1872 deals with agreements in restraint of trade. According to the said section, every agreement by which any person is restrained from exercising a lawful profession, trade or business of any kind, is to that extent void. However, in the case of the service agreements restraint of trade is valid. In an agreement of service by which a person binds himself during the term of 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, so it is a valid contract.

In the instant case, agreement entered by 'X' with 'Y' is reasonable, and do not amount to restraint of trade and hence enforceable.

Therefore, 'X' can be restrained by an injunction from practicing on his own account in within the said area of 20 Kms for another one year.

- (ii) **Stranger to a contract cannot sue is known as a "doctrine of privity of contract".** This rule is however, subject to certain exceptions. In other words, even a stranger to a contract may enforce a claim in the following cases:
- (1) **In the case of trust**, a beneficiary can enforce his right under the trust, though he was not a party to the contract between the settler and the trustee.
  - (2) **In the case of a family settlement**, if the terms of the settlement are reduced into writing, the members of family who originally had not been parties to the settlement may enforce the agreement.
  - (3) **In the case of certain marriage contracts, or arrangements**, a provision may be made for the benefit of a person. The person may enforce the agreement though he is not a party to the agreement.
  - (4) **In the case of assignment of a contract**, when the benefit under a contract has been assigned, the assignee can enforce the contract.
  - (5) **Acknowledgement or estoppel** – where the promisor by his conduct acknowledges himself as an agent of the third party, it would result into a binding obligation towards third party.



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(6) **In the case of covenant running with the land**, the person who purchases land with notice that the owner of land is bound by certain duties affecting land, the covenant affecting the land may be enforced by the successor of the seller.

(7) **Contracts entered into through an agent**: The principal can enforce the contracts entered by his agent where the agent has acted within the scope of his authority and in the name of the principal.

2. (i) Section 73 of the Indian Contract Act, 1872 provides for compensation for loss or damage caused by breach of contract. According to it, when a contract has been broken, the party who suffers by such a 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.

Such compensation is not to be given for any remote and indirect loss or damage sustained by reason of the breach.

It is further provided in the explanation to the section that in estimating the loss or damage from a breach of contract, the means which existed of remedying the inconvenience caused by the non-performance of the contract must be taken into account.

Applying the above principle of law to the given case, PM Ltd. is obliged to compensate for the loss of ₹ 1.25 lakhs (i.e. ₹ 22.75 lakhs - ₹ 21.50 lakhs) which had naturally arisen due to default in performing the contract by the specified date.

Regarding the amount of compensation which Gupta Traders were compelled to make to Zenith Traders, it depends upon the fact whether PM Ltd. knew about the contract of Gupta Traders for supply of the contracted machinery to Zenith Traders on the specified date. If so, PM Ltd. is also obliged to reimburse the compensation which Gupta Traders had to pay to Zenith Traders for breach of contract. Otherwise PM Ltd. is not liable for that.

- (ii) Yes, the student can sue his teacher on the ground of undue influence under the provisions of Indian Contract Act, 1872. A contract brought as a result of coercion, undue influence, fraud or misrepresentation would be voidable at the option of the person whose consent was caused.
3. (i) **“Coercion”** is the committing or threatening to commit any act forbidden by the Indian Penal Code 1860, or the unlawful detaining or threatening to detain any property, to the prejudice of any person whatever, with the intention of causing any person to enter into an agreement. (Section 15 of the Indian Contract Act, 1872).

It is also important to note that it is immaterial whether the Indian Penal Code, 1860 is or is not in force at the place where the coercion is employed.



**Effects on validity:** According to section 19 of the Act, when consent to an agreement is caused by coercion, the contract is voidable at the option of the party, whose consent was so caused. The aggrieved party, whose consent was so caused can enforce the agreement or treat it as void and rescind it. It is seen that in all these cases though the agreement amounts to a contract, it is voidable. The injured party might insist on being placed in the same position in which he might have been had the vitiating circumstances not been present.

Where a contract is voidable and the party entitled to avoid it decides to do so by rescinding it, he must restore any benefit which he might have received from the other party. He cannot avoid the contract and at the same time enjoy the benefit under the rescinded/avoided contract. (Section 64)

- (ii) **Minor can be a beneficiary or can take benefit out of a contract** : Though a minor is not competent to contract, nothing in the Contract Act prevents him from making the other party bound to the minor.

**For example:** A promissory note duly executed in favour of a minor is not void and can be sued upon by him, because he though incompetent to contract, may yet accept a benefit.

A minor cannot become partner in a partnership firm. However, he may with the consent of all the partners, be admitted to the benefits of partnership (Section 30 of the Indian Partnership Act, 1932).

- (iii) As per Section 41 of the Indian Contract Act, 1872, when a promisee accepts performance of the promise from a third person, he cannot afterwards enforce it against the promisor. That is, performance by a stranger, accepted by the promisee, produces the result of discharging the promisor, although the latter has neither authorized nor ratified the act of the third party. Therefore, in the present instance, B can sue only for the balance amount i.e. ₹ 40,000 and not for the whole amount.
4. (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**.
- (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.



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5. (i) **Delivery and its forms:** Delivery means voluntary transfer of possession from one person to another [Section 2(2)]. As a general rule, delivery of goods may be made by doing anything, which has the effect of putting the goods in the possession of the buyer, or any person authorized to hold them on his behalf.

**Forms of delivery:** Following are the kinds of delivery for transfer of possession:

- (a) **Actual delivery:** When the goods are physically delivered to the buyer.
  - (b) **Constructive delivery:** When it is effected without any change in the custody or actual possession of the thing as in the case of delivery by attornment (acknowledgement) e.g., where a warehouseman holding the goods of A agrees to hold them on behalf of B, at A's request.
  - (c) **Symbolic delivery:** When there is a delivery of a thing in token of a transfer of something else, i.e., delivery of goods in the course of transit may be made by handing over documents of title to goods, like bill of lading or railway receipt or delivery orders or the key of a warehouse containing the goods is handed over to buyer.
- (ii) **Destruction of Goods-Consequences:** In accordance with the provisions of the Sale of Goods Act, 1930 as contained in Section 7, a contract for the sale of specific goods is void if at the time when the contract was made; the goods without the knowledge of the seller, perished or become so damaged as no longer to answer to their description in the contract, then the contract is *void ab initio*. This section is based on the rule that where both the parties to a contract are under a mistake as to a matter of fact essential to a contract, the contract is void.

In a similar way Section 8 provides that an agreement to sell specific goods becomes void if subsequently the goods, without any fault on the part of the seller or buyer, perish or become so damaged as no longer to answer to their description in agreement before the risk passes to the buyer. This rule is also based on the ground of impossibility of performance as stated above.

It may, however, be noted that section 7 and 8 apply only to specific goods and not to unascertained goods. If the agreement is to sell a certain quantity of unascertained goods, the perishing of even the whole quantity of such goods in the possession of the seller will not relieve him of his obligation to deliver the goods.

6. (i) **Unpaid Seller :** According to Section 45 of the Sale of Goods Act, 1930 the seller of goods is deemed to be an 'Unpaid Seller' when-
- (a) the whole of the price has not been paid or tendered.
  - (b) a bill of exchange or other negotiable instrument has been received as conditional payment, and it has been dishonoured.





**Right of stoppage of goods in transit**

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

However, the right of stoppage in transit is exercised only when the following conditions are fulfilled:

- (a) The seller must be unpaid.
- (b) The seller must have parted with the possession of goods.
- (c) The goods must be in the course of transit.
- (d) The buyer must have become insolvent.
- (e) The right is subject to provisions of the Act.

**(ii) Condition as to Merchantability [Section 16(2) of the Sale of Goods Act, 1930]:**

Where goods are bought by description from a seller who deals in goods of that description (whether he is the manufacturer or producer or not), there is an implied condition that the goods shall be of merchantable quality.

Provided that, if the buyer has examined the goods, there shall be no implied condition as regards defects which such examination ought to have revealed.

The expression “merchantable quality”, though not defined, nevertheless connotes goods of such a quality and in such a condition a man of ordinary prudence would accept them as goods of that description. It does not imply any legal right or legal title to sell.

**Example:** If a person orders motor horns from a manufacturer of horns, and the horns supplied are scratched and damaged owing to bad packing, he is entitled to reject them as unmerchantable.

**Condition as to wholesomeness:** In the case of eatables and provisions, in addition to the implied condition as to merchantability, there is another implied condition that the goods shall be wholesome.

**Example:** A supplied F with milk. The milk contained typhoid germs. F’s wife consumed the milk and was infected and died. Held, there was a breach of condition as to fitness and A was liable to pay damages.

7. (i) The problem in this case is based on the provisions of the Sale of Goods Act, 1930 contained in the proviso to Section 27. The proviso provides that a mercantile agent is one who in the customary course of his business, has, as such agent, authority either to sell goods, or to consign goods, for the purpose of sale, or to buy goods, or to raise money on the security of goods [Section 2(9)]. The buyer of goods from a mercantile agent, who has no authority from the principal to sell, gets a good title to the goods if the following conditions are satisfied:



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- (1) The agent should be in possession of the goods or documents of title to the goods with the consent of the owner.
- (2) The agent should sell the goods while acting in the ordinary course of business of a mercantile agent.
- (3) The buyer should act in good faith.
- (4) The buyer should not have at the time of the contract of sale notice that the agent has no authority to sell.

In the instant case, P, the agent, was in the possession of the car with J's consent for the purpose of sale. A, the buyer, therefore obtained a good title to the car. Hence, J in this case, cannot recover the car from A.

- (ii) **Caveat emptor**' means "let the buyer beware", i.e. in sale of goods the seller is under no duty to reveal unflattering truths about the goods sold. Therefore, when a person buys some goods, he must examine them thoroughly. If the goods turn out to be defective or do not suit his purpose, or if he depends upon his skill and judgment and makes a bad selection, he cannot blame any body excepting himself.

The rule is enunciated in the opening words of section 16 of the Sale of Goods Act, 1930 which runs thus: "Subject to the provisions of this Act and of any other law for the time being in force, there is no implied warranty or condition as to the quality or fitness for any particular purpose of goods supplied under a contract of sale"

The rule of caveat emptor does not apply in the following cases:

- (a) **Fitness for buyer's purpose:** Where the buyer, expressly or by implication, makes known to the seller the particular purpose for which he requires the goods and relies on the seller's skill or judgment and the goods are of a description which it is in the course of the seller's business to supply, the seller must supply the goods which shall be fit for the buyer's purpose. [Section 16(1)].
- (b) **Sale under a patent or trade name:** In the case of a contract for the sale of a specified article under its patent or other trade name, there is no implied condition that the goods shall be reasonably fit for any particular purpose [Section 16(1)].
- (c) **Merchantable quality:** Where goods are bought by description from a seller who deals in goods of that description (whether he is in the manufacturer or producer or not), there is an implied condition that the goods shall be of merchantable quality. But if the buyer has examined the goods, there is no implied condition as regards defects which such examination ought to have revealed. [Section 16(2)].
- (d) **Usage of trade:** An implied warranty or condition as to quality or fitness for a particular purpose may be annexed by the usage of trade. [Section 16(3)].



- (e) **Consent by fraud:** Where the consent of the buyer, in a contract of sale, is obtained by the seller by fraud or where the seller knowingly conceals a defect which could not be discovered on a reasonable examination, the doctrine of caveat emptor does not apply.
8. (i) **Minor as a partner:** A minor is incompetent to do the contract and such contract is void-ab-initio. Therefore, a minor cannot be admitted in the business of the partnership firm because the partnership is formed on a contract. Though a minor cannot be a partner in a firm, he can nevertheless be admitted to the benefits of partnership under section 30 of the Indian Partnership Act, 1932. He may be validly have a share in the profit of the firm but this can be done with the consent of all the partners of the firm.

**Rights of the minor in the firm:**

- (a) a minor has a right to his agreed share of the profits and of the firm.
- (b) he can have access to, inspect and copy the accounts of the firm.
- (c) he can sue the partners for accounts or for payments of his share but only, when severing his connection with the firm, and not otherwise. The amount of share shall be determined by a valuation made in accordance with the rules upon a dissolution.
- (d) on attaining majority he may within 6 months elect to become a partner or not to become a partner. If he elects to become a partner, then he is entitled to the share to which he was entitled as a minor. If he does not, then his share is not liable for any acts of the firm after the date of the public notice served to that effect.
- (ii) As regards the question whether in the case of a registered firm (whose business 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 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 the only two requirements of Section 69 (2) of the Act namely,

- (a) the suit must be instituted by or on behalf of the firm which had been registered;
- (b) 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.

Now, in 2017, B and C had taken a new partner, D, and then filed a suit against X without fresh registration. Where a new partner is introduced, the fact is to be notified



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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.

9. (i) Section 37 of the Indian Partnership Act, 1932 provides that where a partner dies or otherwise ceases to be a partner and there is no final settlement of account between the legal representatives of the deceased partner or the firms with the property of the firm, then, in the absence of a contract to the contrary, the legal representatives of the deceased partner or the retired partner are entitled to claim either.
- (1) Such shares of the profits earned after the death or retirement of the partner which is attributable to the use of his share in the property of the firm; or
  - (2) Interest at the rate of 6 per cent annum on the amount of his share in the property.

Based on the aforesaid provisions of Section 37 of the Indian Partnership Act, 1932, in the given problem, A's Legal representatives shall be entitled, at their option to:

- (a) the 20% shares of profits (as per the partnership deed); or
- (b) interest at the rate of 6 per cent per annum on the amount of A's share in the property.

(ii) **Differences between the Partnership & Joint Hindus Family.**

Basis of difference	Partnership	Joint Hindu family
Mode of creation	Partnership is created necessarily by an agreement.	The right in the joint family is created by status means its creation by birth in the family.
Death of a member	Death of a partner ordinarily leads to the dissolution of partnership.	The death of a member in the Hindu undivided family does not give rise to dissolution of the family business.
Management	All the partners are equally entitled to take part in the partnership business.	The right of management of joint family business generally vests in the Karta, the



		governing male member or female member of the family. <sup>1</sup>
<b>Authority to bind</b>	Every partner can, by his act, bind the firm.	The Karta or the manager, has the authority to contract for the family business and the other members in the family.
<b>Liability</b>	In a partnership, the liability of a partner is unlimited.	In a Hindu undivided family, only the liability of the Karta is unlimited, and the other co-partners are liable only to the extent of their share in the profits of the family business.
<b>Calling for accounts on closure</b>	A partner can bring a suit against the firm for accounts, provided he also seeks the dissolution of the firm.	On the separation of the joint family, a member is not entitled to ask for account of the family business.
<b>Governing Law</b>	A partnership is governed by the Indian Partnership Act, 1932.	A Joint Hindu Family business is governed by the Hindu Law.
<b>Minor's capacity</b>	In a partnership, a minor cannot become a partner, though he can be admitted to the benefits of partnership, only with the consent of all the partners.	In Hindu undivided family business, a minor becomes a member of the ancestral business by the incidence of birth. He does not have to wait for attaining majority.
<b>Continuity</b>	A firm subject to a contract between the partners gets dissolved by death or insolvency of a partner.	A Joint Hindu family has the continuity till it is divided. The status of Joint Hindu family is not thereby affected by the death of a member.
<b>Number of Members</b>	In case of Partnership number of members should not exceed 50	Members of HUF who carry on a business may be unlimited in number.

<sup>1</sup> **Joint Hindu Family:** The amendment in the Hindu Succession Act, 2005, entitled all adult members - Hindu males and females to become coparceners in a HUF. They now enjoy equal rights of inheritance due to this amendment. On 1st February 2016, Justice Najmi Waziri gave a landmark judgement which allowed the eldest female coparceners of an HUF to become its Karta.





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<b>Share in the business</b>	In a partnership each partner has a defined share by virtue of an agreement between the partners.	In a HUF, no coparceners has a definite share. His interest is a fluctuating one. It is capable of being enlarged by deaths in the family diminished by births in the family.
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10. (i) **LLP:** A LLP is a new form of legal business entity with limited liability. It is an alternative corporate business vehicle that not only gives the benefits of limited liability at low compliance cost but allows its partners the flexibility of organising their internal structure as a traditional partnership. The LLP is a separate legal entity and, while the LLP itself will be liable for the full extent of its assets, the liability of the partners will be limited.

LLP is an alternative corporate business form that gives the benefits of limited liability of a company and the flexibility of a partnership.

Since LLP contains elements of both 'a corporate structure' as well as 'a partnership firm structure' LLP is called a hybrid between a company and a partnership.

**Advantages of LLP form:**

- (a) LLP is organized and operates on the basis of an agreement.
- (b) It provides flexibility without imposing detailed legal and procedural requirements
- (c) It enables professional/technical expertise and initiative to combine with financial risk taking capacity in an innovative and efficient manner.
- (d) It is easy to form
- (e) In LLP form, all partners enjoy limited liability
- (f) Flexible capital structure is there in this form
- (g) It is easy to dissolve

- (ii) **Distinction between LLP and Limited Liability Company:** The points of distinction between a limited liability partnership and Limited Liability Company are tabulated as follows:

	Basis	LLP	Limited Liability Company
1.	Regulating Act	The LLP Act, 2008.	The Companies Act, 2013.
2.	Members/Partners	The persons who contribute to LLP are known as partners of the LLP.	The persons who invest the money in the shares are known as members of the company.



3.	Internal governance structure	The internal governance structure of a LLP is governed by contract agreement between the partners.	The internal governance structure of a company is regulated by statute (i.e., Companies Act, 2013).
4.	Name	Name of the LLP to contain the word "Limited Liability partnership" or "LLP" as suffix.	Name of the public company to contain the word "limited" and Pvt. Co. to contain the word "Private limited" as suffix.
5.	No. of members/partners	Minimum - 2 members Maximum - No such limit on the members in the Act. The members of the LLP can be individuals/or body corporate through the nominees.	Private company: Minimum - 2 members Maximum 200 members Public company: Minimum - 7 members Maximum - No such limit on the members. Members can be organizations, trusts, another business form or individuals.
6.	Liability of members/partners	Liability of a partners is limited to the extent of agreed contribution in case of intention is fraud.	Liability of a member is limited to the amount unpaid on the shares held by them.
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/designated partners	Minimum 2 designated partners.	Pvt. Co. - 2 directors Public co. - 3 directors

11. (i) **Dormant Company (Section 455 of the Companies Act, 2013)**

Where a company is formed and registered under this Act for a future project or to hold an asset or intellectual property and has no significant accounting transaction, such a company or an inactive company may make an application to the Registrar in such manner as may be prescribed for obtaining the status of dormant company.



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“Inactive company” means a company which has not been carrying on any business or operation, or has not made any significant accounting transaction during the last two financial years, or has not filed financial statements and annual returns during the last two financial years.

“Significant accounting transaction” means any transaction other than -

- (a) payment of fees by a company to the Registrar;
  - (b) payments made by it to fulfil the requirements of this Act or any other law;
  - (c) allotment of shares to fulfil the requirements of this Act; and
  - (d) payments for maintenance of its office and records.
- (ii) According to the Doctrine of Indoor Management, 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. As per the case of *the Royal British Bank vs. Turquand* [1856] 6E & B 327, the directors of R.B.B. Ltd. gave a bond to T. The articles empowered the directors to issue such bonds under the authority of a proper resolution. In fact, no such resolution was passed. Notwithstanding that, it was held that T could sue on the bonds on the ground that he was entitled to assume that the resolution had been duly passed. This is the doctrine of indoor management, popularly known as Turquand Rule.

Since, the given question is based on the above facts, accordingly here in this case Mr. X can recover the money from the company considering that all required formalities for the passing of the resolution have been duly complied.

12. (i) Yes, a non-profit organization be registered as a company under the Companies Act, 2013 by following the provisions of section 8 of the Companies Act, 2013. Section 8 of the Companies Act, 2013 deals with the formation of companies which are formed to

- promote the charitable objects of commerce, art, science, sports, education, research, social welfare, religion, charity, protection of environment etc.

Such company intends to apply its profit in

- promoting its objects and
- prohibiting the payment of any dividend to its members.

The Central Government has the power to issue license for registering a section 8 company.

- (a) Section 8 allows the Central Government to register such person or association of persons as a company with limited liability without the addition of words ‘Limited’ or ‘Private limited’ to its name, by issuing licence on such conditions as it deems fit.



- (b) The registrar shall on application register such person or association of persons as a company under this section.
- (c) On registration the company shall enjoy same privileges and obligations as of a limited company.
- (ii) When a company is registered, it is clothed with a legal personality. It comes to have almost the same rights and powers as a human being. Its existence is distinct and separate from that of its members. A company can own property, have bank account, raise loans, incur liabilities and enter into contracts.
  - (a) It is at law, a person different altogether from the subscribers to the memorandum of association. Its personality is distinct and separate from the personality of those who compose it.
  - (b) Even members can contract with company, acquire right against it or incur liability to it. For the debts of the company, only its creditors can sue it and not its members.

A company is capable of owning, enjoying and disposing of property in its own name. Although the capital and assets are contributed by the shareholders, the company becomes the owner of its capital and assets. The shareholders are not the private or joint owners of the company's property.



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**SECTION B: BUSINESS CORRESPONDENCE AND REPORTING**

**QUESTIONS**

**Note:** Chapter 6 is meant for reading only therefore, questions from the chapter are not included here.

**Chapter-1**

**Communication**

1. List at least 5 barriers of communication. Explain any two of them in your own words.
2. Differentiate between the Vertical Network and the Wheel and spoke method of communication.

**Chapter 2**

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

- (A) Change the following sentences into passive voice.
- (1) Raj uses a pen to sketch figures
  - (2) Anita will perform a solo dance at the annual day.
  - (3) Prof Johnson teaches Psychology
  - (4) The public threw stones on the thief.
  - (5) Who wrote this essay?
- (B) Change the following Direct speech into Indirect speech.
- (1) He said, 'I have lost all games'
  - (2) Teacher said, 'Please use a blue pen for your homework'
  - (3) Children said, 'Good morning Ma'am'.
  - (4) Serena said, 'How intelligent Clara is'
  - (5) My father said, 'Where are you going?'

**Chapter -3 Vocabulary**

**(A) Select the suitable synonym for the given words:**

- (1) Annotate  
(a) Verify                      (b) Footnotes              (c) Announce              (d) Cut off
- (2) Fraught  
(b) Scam                      (b) Smelly                      (c) Rare                      (d) Full of





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- (3) Divulge  
 (a) Dig into      (b) Varied      (c) Reveal      (d) Deep
- (4) Peroration  
 (a) Conclusion      (b) Audience      (c) Cheating      (d) Priority
- (5) Embezzle  
 (a) Shine      (b) Pilfer      (c) Busy      (d) Shocked

**(B) Select the suitable antonym for the given word:**

- (1) Concealed  
 (a) To hide      (b) Uninteresting      (c) Known      (d) Related
- (2) Supremacy  
 (a) Primarily      (b) Inferiority      (c) Dominance      (d) Leadership
- (3) Applaud  
 (a) Organize      (b) Compose      (c) About      (d) Condemn
- (4) Acquisition  
 (a) Forfeit      (b) Revival      (c) permission      (d) Fulfilment
- (5) Adamant  
 (a) Resolute      (b) Steadfast      (c) Flexible      (d) Extinct

**(C) Select the correct meaning of the given idioms:**

- (1) Man of action  
 (a) Full of aggression  
 (b) One who performs  
 (c) Insubstantial person  
 (d) More talks than action
- (2) Acid test  
 (a) Difficult job  
 (b) Useless task  
 (c) Decisive test  
 (d) Unknown work

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

- (1) With the economy going down, people who are rich might become \_\_\_\_\_  
 (a) Endemic      (b) Healthy      (c) Destitute      (d) Considerable



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- (2) Religion teaches us to respect all \_\_\_\_\_ rights of a human being.
- (a) Business (b) Fundamental (c) Behavioural (d) Conceptual

**Chapter 4**

**Comprehension Passages**

**Read the following comprehension passages and answer the following questions**

**Passage 1**

Nearly 3 lakh Indian- Americans are likely to be impacted by the Trump administration's sweeping plans that put the nation's 11 million undocumented immigrants at risk of deportation.

President Donald Trump has laid the groundwork for potentially deporting millions of undocumented immigrants by issuing new guidance that drastically broadens the ways in which federal immigration laws should be enforced. According to the Department of homeland Security (DHS), it will no longer exempt classes or categories of removable aliens from potential enforcement. The Department personnel would have full authority to arrest or apprehend an alien whom an immigration officer has probable cause to believe is in violation of the immigration laws.

The DHS has issued two memos, which among other things, tightens deportation of illegal immigrants. The emphasis is on criminal aliens, though, but opens up the door for others too. Indian Americans as per unofficial figures account for nearly 3 lakh illegal aliens.

- (1) What is the risk discussed in the passage?
- (a) Trump's winning the election  
(b) President Trump does not like Asians  
(c) President Trump plans to deport many immigrants, especially those that do not have proper documents.  
(d) Population explosion in USA
- (2) What new authority has been granted to the DHS ?
- (a) The President will intervene in DHS matters directly.  
(b) The DHS personnel can arrest someone he/she believes is violating laws of immigration.  
(c) The DHS can directly intervene in population matters  
(d) No new authority has been granted.
- (3) According to approximation how many India Americans account for illegal aliens?
- (a) Above 3 lakhs  
(b) Below 3 lakhs



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- (c) Nearly 11 million
- (d) Around 3 lakhs.
- (4) What does the word 'apprehend' mean in the second paragraph?
  - (a) Capture
  - (b) Concern
  - (c) Allow
  - (d) Intimate
- (5) Select a suitable antonym for the word 'exempt' as used in the passage.
  - (a) accountable
  - (b) released
  - (c) free
  - (d) preventive

**Passage 2**

It is not the brain that determines whether a person is a lefty or a righty, but the spinal cord. Until now, it had been assumed that differences in gene activity of the right and left hemisphere might be responsible for a person's handedness people's tendency to naturally favour the use of one hand over the other.

But a recent study demonstrated that gene activity in the spinal cord is asymmetrical already in the womb and could be linked to the handedness of a person. According to the ultrasounds carried out in the 1980's, a preference for moving the left or right hand develops in the womb from the eighth week of pregnancy. From the 13<sup>th</sup> week of pregnancy, unborn children prefer to suck their right or left thumb. Arm and hand movement are initiated via the motor cortex in the brain. It sends a corresponding signal to the spinal cord, which in turn translates the command into a motion. However, the motor cortex is not connected to the spinal cord from the beginning. In fact, even before the earliest indication of hand preference appear, the spinal cord has not yet formed a connection with the brain. In addition, environmental factors were found to be controlling whether spinal cord activity was greater on the left or right side.

- (1) Give the passage a suitable title
  - (a) Right or Left: functioning of the brain
  - (b) Righty or a Lefty .....who decides?
  - (c) Environmental factors controlling us
  - (d) Right handedness/ Left handedness
- (2) Arm and hand movement are started via \_\_\_\_\_
  - (a) Spinal cord



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- (b) Thumb movement
  - (c) Motor cortex in the brain
  - (d) Not specified.
- (3) Which of the following statement is false?
- (a) Environmental factors do not control spinal cord activity
  - (b) Motor cortex is not connected to the spinal cord in the beginning
  - (c) Preference for moving right/left thumb starts in the eighth week of pregnancy
  - (d) Parents have no say in making a child lefty or righty.
- (4) What sends a corresponding signal to the spinal cord, which in turn translates the command into a motion?
- (a) Brain
  - (b) Spinal cord
  - (c) Motor cortex
  - (d) Arms
- (5) Select a suitable synonym for the word 'asymmetrical' as used in the passage.
- (a) antonymous
  - (b) intentional
  - (c) disproportional
  - (d) composed

**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) Tsunamis are monster waves that can grow to be more than 100 feet (30 meters) high. They are typically caused by earthquakes; identifying other seismic zones – a region high in seismic activity such as tremors and earthquakes – with these features could help researchers identify areas that could produce catastrophic waves, the scientists added.

Major tsunamis often result at the shallow portions of sub-duction zones, the areas where one of the tectonic plates that make up Earth's surface dives below another. These crash zones are dangerously active, and these tectonic interactions can cause the world's biggest earthquakes and worst tsunamis.

In the past 20 years or so, researchers have discovered that the seismic zones that lead to tsunamis often have three key features. First, the boundary where the tectonic plates meet is often rough instead of smooth. This keeps the plates from easily slipping



past each other, allowing energy to build up between the plates. When this built-up energy finally gets released, it can trigger a major earthquake, according to the researchers.

Second, these danger zones may also possess hard rock rather than sediment near the seafloor and on both sides of the plate boundary. This can permit more motion from an earthquake to occur near the seafloor, for more powerful tsunamis, the researchers said.

A third key feature seen with the 2011 Tohoku earthquake is a series of cracks or faults rooted in the plate boundary. These faults may suggest that the plate boundary is especially active in its shallow portions and more prone to generating tsunamis.

- (2) On June 23, registered voters of the United Kingdom will voice their opinion whether the nation should 'Remain' in or 'Leave' the European Union.

Though he managed to get the EU's nod for restrictions on certain welfare benefits for new migrants, British Prime Minister David Cameron was unable to bring unity within his Conservative Party, and thus decided to seek public opinion on the issue.

While Mr. Cameron wishes his country remain in the EU, former London Mayor and MP Boris Johnson campaigns for Britain's exit, or Brexit as it is being referred to.

The Labour Party too is divided. While the Labour chief Jeremy Corbyn supports staying with the EU, a group calling itself Lexit (Left for Exit) is campaigning for leaving the bloc citing the EU's Cold War origins and pro-market stand.

While the Scottish National Party (SNP) bats for 'Remain', hardline U.K. Independence Party (UKIP) wants exit from the EU.

## 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) At some point in our lives, we tend to turn to prayer, seeking divine blessings, to overcome problems. When the problems don't go away, we attribute these problems to our destiny and look for solutions from external sources of power. According to Lord Krishna, out of the four categories of people, Aarta (the sufferers), Jignyanshu, seeker of the truth; Arthaarthi, seeker of materialistic benefits and finally, Jnani, the wise; it is the wise whose quality of prayer is pure as it happens in a higher realm of consciousness.

Prayer is a dynamic phenomenon and its complexities need to be understood properly. It is a process to connect with the Universal source of energy, which is our life force. People sometimes complain that their prayers are not always answered. So they resort to other sources of power to get blessings and protection.

- (2) The issue of war and peace has always been a focal issue in all periods of history and at all levels and relations among nations. The concern of the humankind for peace can be assessed by taking into account the fact that all religions, all religious scriptures and





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several religious ceremonies are committed to the cause of peace and all these advocate an elimination of war. The Shanti Path recited by the Hindus, the sermons of Pope and the commands of all the holy scriptures of the Christians, Muslims, Hindus, Sikhs and all other communities hold out a sacred commitment to peace.

Yet the international community fully realized the supreme importance of the virtue of peace against the evil of war only after having suffered the most unfortunate and highly destructive two World Wars in the first half of the 20th century. The blood soaked shreds of humanity that lay scattered in several hundred battle grounds, particularly on the soils of Hiroshima and Nagasaki, cried for peace, peace and peace on the earth.

**Chapter 8**

**Article Writing**

**Write an article on the following topics. (Word limit: 350-400 words)**

- (1) Discuss the pros and cons of the Demonetisation policy.
- (2) Do we need a dress code in offices?

**Chapter 9**

**Report Writing**

- (1) Your college organised a seminar on 'Digital Marketing: an upcoming field in Business'. Write a report for the college magazine, stating the details of the event (250-300 words)
- (2) Write a report for a local daily newspaper on Republic Day Celebrations held in ABC school. (250-300 words)

**Chapter 10**

**Formal Letters and Official Communication**

**Part 1 Formal Letters**

As the Manager, HR of Net Solutions Ltd, Mumbai, draft a complaint letter to the Administration Head of Food for you Solutions, Mumbai, stating your concern about the bad quality of food being supplied to your company's cafeteria.

**Part 2 Official Communication**

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 are Ms. Rakhi Singhvi, Head Sales and Marketing, OCB international Pvt. Ltd, a hardware product company. Write a formal mail to Mr. Mukesh Tiwari of Candid Sweets,



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apologising for the delay in the delivery of the order placed by them. State genuine reasons and commit a suitable date for the final delivery.

- (2) As the HR head of Axis Telecom Pvt. Ltd, write an appointment mail to Mr. Anshul Malik, informing him about his selection for 'Team Lead', Sales and Marketing division. Write a job appointment mail, stating salary, joining date, joining location and other required information.

### Chapter 12

#### Resume Writing

- (1) 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

- (2) Prepare a chronological resume of commerce background student, having worked in a firm for 1 year, and gained experience in general management skills. The candidate has cleared IPCC, Group 1.

### Chapter 13

#### Meetings

- (1) Prepare the Minutes of a Meeting, presided by the Chairman of HKU Pvt Ltd, an FMCG company. The main agenda of the meeting was introducing a new product, fixing a cost, discussing the Sales and Marketing and the advertising strategies. Speakers involved were: the chairperson, the Product Head, the Sales Head and the Creative Director.
- (2) Submit an Action Taken Report, based on a meeting held to discuss the failure of long pending dues by an old client. Mention clearly what decision was taken.

## ANSWERS

### Chapter-1

#### Communication

##### 1. Barriers in communication:

- Physical Barriers
- Cultural Barriers
- Language Barriers



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- Technology Barriers
- Emotional Barriers

**Technology Barriers:** Being a technology driven world, all communication is dependent on good and extensive use of technology. However, there might arise technical issues, like server crash, overload of information etc which lead to miscommunication or no communication at all.

**Language Barriers:** It's a cosmopolitan set up, where people of different nationalities move from their home to other countries for work. As a result, it is difficult to have a common language for communication. Hence, diversity gives rise to many languages and it acts as a barrier at times.

**2. Vertical Network and Wheel & Spoke Network**

Vertical Network	Wheel and Spoke Network
A formal network. It is usually between a higher ranking employee and a subordinate.	A network with a single controlling authority who gives instructions and orders to all employees working under him/her.
A two way communication happens	Two way communication happens but useful only in small organizations.

**Chapter 2 Sentence Types**

(A) Active to Passive

- (1) A pen is used by Raj to sketch figures
- (2) A solo dance will be performed by Anita at the annual day.
- (3) Psychology is taught by Prof. Johnson
- (4) Stones were thrown by the public on the thief.
- (5) By whom was this essay written?

(B) Direct to Indirect Speech.

- (1) He said that he had lost all games.
- (2) Teacher requested the children to use a blue pen for their homework.
- (3) Children wished Ma'am a good morning.
- (4) Serena exclaimed how intelligent Clara was.
- (5) My father asked me where was I going?

**Chapter 3 Vocabulary**

**A: Synonyms**

- (1) Annotate means to make notes. Correct answer is b) Footnotes



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- (2) Fraught means in abundance. Correct answer is d) Full of
- (3) Divulge means to let out. Correct answer is c) Reveal
- (4) Peroration means the end. Correct answer is a) Conclusion
- (5) Embezzle means wrong use, especially used for funds. Correct answer is b) Pilfer

**B: Antonyms**

- (1) Conceal means to hide. Correct answer is c) Known.
- (2) Supremacy means dominance/ Correct answer is b) Inferiority
- (3) Applaud means to appreciate. Correct answer is d) Condemn
- (4) Acquisition means to get/possess. Correct answer is a) forfeit
- (5) Adamant means steadfast, unbending. Correct answer is c) Flexible

**C: Idioms**

- (1) Correct answer is b; One who performs and not just talks.
- (2) Correct answer is c; Decisive test. A test/task which will make things clear

**D: Fill in the blanks**

- (1) Correct answer is c) Destitute. It means poor.
- (2) Correct answer is b) Fundamental. It means basic.

**Chapter: 4 Reading Comprehension**

**Passage 1**

- (1) Option c
- (2) Option b
- (3) Option d
- (4) Option a
- (5) Option a

**Passage 2**

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



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**Chapter 5 Note Making**

**Note 1**

Tsunami (Heading)

- (I) What is a Tsunami? (Sub heading)
  - (a) Monster waves
  - (b) Go to a hght of 30 m
- (II) Causes and occrnc of a Tsunami
  - (a) Earthquakes undr the sea
  - (b) Occur in high seismic zones
  - (c) Also occur in shallow areas with tectonic plate movmnt.
- (III) Key ftrs of Seismic Zones
  - (a) Bndry of tectonic plates rough
  - (b) Prsnc of hard rock than sediment nr sea bed
  - (c) Series of cracks in the plate bndry

**Key Used**

- (1) Hght= height
- (2) Occrnc= occurrence
- (3) Undr= under
- (4) Movmnt=movement
- (5) Ftrs= features
- (6) Bndry= boundary
- (7) Prsnc= presence

**Note 2**

- (I) Agenda for Br. Natnls
  - (a) Remain with or exit Europe
  - (b) To be dcd by voting
- (II) Who supports/ remain with EU
  - (a) British PM
  - (b) Labour chief
  - (c) SNP



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- (III) Who wants to exit?
- (a) Former London Mayor
  - (b) A group termed Lexit
  - (c) UKIP

**Key Used**

- (1) Br= British
- (2) Natnls= nationals
- (3) Dcd= decided
- (4) SNP= Scottish National Party
- (5) UKIP= United Kingdom Independent Party

**Chapter 7 Précis Writing**

- (1) What is a Prayer? (Title)

A prayer is a complex phenomenon, which is primarily made use of in times of need. According to the Lord himself, those that are wise make the purest form of prayers. People resort to external help when they feel their prayers are not being answered; the reason unknown to them.

- (2) All religions preach Peace on Earth (Title)

All religions across the globe have one common teaching, Peace on Earth. The religious scriptures and ceremonies aim towards eliminating war and spreading the cause of humanity. The realization happened little too late, only after the occurrence of major destructive events like world war and nuclear bombings.

**Chapter 8 Article Writing**

- (1) Hints:

- What is demonetisation?
- What was the aim behind implementing it?
- What were the immediate causes?
- What are the expected long term effects of this new policy?
- How well has it been accepted in the public?
- Expected pros and cons, in the student's personal opinion.

- (2) Hints:

- Need for a discipline
- Need to follow a protocol



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- Need to be independent
- Moral policing
- Relates to the work profile
- Free society, 21 st century

**Chapter-9**

**Report Writing**

- (1) Report for College magazine

**Hints:**

The Computer Science Department organized a seminar on “Digital Marketing: An upcoming field in business” on (date) at the (venue)

- Chief Guest for the event
- Speakers invited
- Who presided over the event from the college( HOD /Principal)
- Details of the event in chronological sequence
- Key points of the speech delivered by the Chief Guest
- Key points as stated by each speaker
- Valedictory Session
- Vote of thanks

- (2) Report for The Newspaper

**Hints:**

From the local correspondent, B. Nagar,

ABC Senior Secondary School celebrated the Republic Day on Jan 25, 2018 with great fanfare amid colorful display of culture and heritage from across the nation.

- Chief Guest for the event
- Speakers invited
- Who presided over the event from the college (HOD /Principal)
- Details of the event in chronological sequence
  - March past by all the houses the senior school
  - Group Dance performance by Junior school
  - Group Song by the senior school choir group
  - Group Dance performance by senior school





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- Prize Distribution
- Key points of the speech delivered by the Chief Guest
- Valedictory Session
- Vote of thanks

**Chapter 10 Formal Mails and Official Communication**

**Part 1 Formal Letters**

(1) Manager Operations and Admin

Net Solutions

Mumbai

13<sup>th</sup> Feb, 2018

Administration Head

Food for you Solutions

Mumbai

Dear Sir/Madam

**Sub: Complaint against food quality**

This with reference to the food supplied to our cafeteria by your company's kitchen. Unfortunately, for the past few weeks, we have observed a degradation in the quality of food items, especially rice, wheat flour and pulses.

A few of our employees complained of ill health after having consumed your food. I presume stale food is not being sent to us.

Kindly assure that the raw material you use is of high quality standards and is ISI approved.

I sincerely request you to look into this matter as it involves the health of people working for us, for which we are solely responsible.

Thanks and Regards,

Name

Manager, Ops and Admin



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**Net Solutions**

(1) 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 (6<sup>th</sup> and 7<sup>th</sup> Jan, 2018).

The events would be as follows:

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

Participation fees is Rs 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**

(1) Formal mail

To: mukeshtiwari@candidsweets.com

CC/BCC: hr@candidsweets.com

Subject: Apologies for in delivery

Dear Mr. Mukesh Tiwari,

This is wrt Order No. 365, placed on 17<sup>th</sup> January, 2018. I sincerely apologise for the timely delivery of the aforesaid order.

We have been facing some manufacturing issues over the last two months. Efforts are being to resolve the issues. I assure you delivery of your products by the 10<sup>th</sup> of next month.



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Regret the inconvenience caused.

For any discussion, please feel free to write back.

Regards,

Ms. Rekha Sanghvi,  
Head Sales & Marketing  
OCB International Pvt. Ltd.  
Tel: -----

(2) To: [anshulmalik@ccc.com](mailto:anshulmalik@ccc.com)

Subject: appointment letter

Dear Mr Anshul,

We are pleased to offer you the role of 'Team Lead', Sales and Marketing Division at our organization.

Regarding the joining details, please read as follows:

**Joining date:** 22<sup>nd</sup> Feb, 2018

**Location:** Mumbai

**Salary:** 25 lacs per annum (refer to attachment for details)

We will reimburse your relocation expenses against bills provided by the Logistic services used by. We would station you at our guest house for the first 15 days, from the date of joining.

Please consider this as an official appointment letter. Feel free to contact us for any further queries.

Two attachments with Salary and Accommodation details.

Thanks and Regards,

XYZ,

HR Head,

Axis Telecom

Tel: -----



**PAPER – 2 : BUSINESS LAWS AND BUSINESS CORRESPONDENCE AND REPORTING 33**

**Chapter 12**

**Resume Writing**

(1) Functional format Resume

Name: Manish Reddy

Phone: 040-123456

Email:-mreddy@gmail.com

Address: 123, Chennai Road, Chennai

Birthday: 1<sup>st</sup> January

**CAREER OBJECTIVE:** Seeking a challenging career with a progressive organization that provides an opportunity to utilize my sales and marketing I skills & abilities 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**

• 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.



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Experience: 5 years.

**REFERENCES:** Will be provided upon request.

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

Date: Place: (Manish Reddy)

(2) Chronological Resume

Name

Address

Phone Number

Email

**OBJECTIVE:** To be associated with an organisation that will offer to me tremendous opportunities for growth in career and provide a challenging environment that will utilise my accounting skills and abilities to the maximum.

**SUMMARY:**

- Have cleared IPCC, Group 1
- Have an years experience of working in an office
- Possess good management skills
- Can work under pressure situations
- Willingness to learn more is the driving factor.

**EXPERIENCE:**

2017 to present day Junior Manager  
Name the company, address

**EDUCATION:**

Begin from recent education moving back to college and then lastly school.

2017: CA IPCC, Group 1

2016: B. com (h), Kirori Mal College, DU

2014: class XII th, DAV Model School, Pitam Pura, New Delhi

2012: class Xth, DAV Model School, Pitam pura, New Delhi

**SKILLS:** Well versed with MS Office

Working knowledge of Tally





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**(2) Action Taken Report (ATR)**

As per the meeting held on 12<sup>th</sup> Jan, 2018 at the Southern Region branch office of CP finance Ltd, following actions have been reported:

- The client had complied to clear the pending dues by 10<sup>th</sup> Jan, 2018.
- The client has asked for more time. Reason mentioned: losses incurred in business.
- On the basis of being an old client, with no such bad record, order passed to provide more time for payment.
- Expected payment till 31<sup>st</sup> January, 2018.

Undersigned

Director, Sales & Marketing

Director, Business





**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]



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4.	<p>The Ministry of Corporate Affairs vide the Companies (Amendment) Act, 2017 dated 9<sup>th</sup> 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.</p> <p>[Section 2(72) of the Companies Act, 2013 is covered on Page No. 5.17, chapter 5 of the study material]</p>
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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



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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.



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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.



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2. (i) In India, consideration may proceed from the promise 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 the 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.



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- (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.





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**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



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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.



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- (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.



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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;



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(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



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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:



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- (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,





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- 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.



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		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.



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- 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.



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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.



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**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



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- 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





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- 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



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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



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- 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



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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



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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-Dimage 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)



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- 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. 31<sup>st</sup> 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](mailto:hr@agropower.com)



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- 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





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- **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



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- 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



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- 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



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- 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.



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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.



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- 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



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- 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: 10<sup>th</sup> 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.



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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 (6<sup>th</sup> and 7<sup>th</sup> 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.com](mailto:admin@simantechsystems.com)

CC/BCC: [hr@simantechsystems.com](mailto: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@candid sweets.com](mailto:lmn@candid sweets.com), abc@yahoo.com, jkl@gmail.com

CC/BCC: [ca@gmail.com](mailto:ca@gmail.com), ca@kp.com

Subject: submit details for e-filing of returns

Dear Clients,

You would know, 31<sup>st</sup> 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.



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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)



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**2) Functional format Resume**

Name: Manish Reddy

Phone: 040-123456

Email:-mreddy@gmail.com

Address: 123, Chennai Road, Chennai

Date of Birth: 1<sup>st</sup> 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**

• 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



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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: 21<sup>st</sup> July, 2018

Venue: Conference Hall, 3<sup>rd</sup> 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 24<sup>th</sup> July, 2018 to the Head of Sales and Marketing.



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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.



**PAPER – 2: BUSINESS LAWS& BUSINESS CORRESPONDENCE AND REPORTING**

**SECTION A: BUSINESS LAWS**

**PART – I: RELEVANT AMENDMENTS APPLICABLE FOR MAY 2019 EXAMINATION**

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

For May 2019 examinations for Paper 2, Section A: Business Laws, the significant amendments made in the respective subject for the period 1<sup>st</sup> May, 2018 to 31<sup>st</sup> October, 2018 are relevant and applicable for said examinations.

This RTP of May 2019 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 May 2019 examination containing a gist of all the significant legislative amendments from 1st May, 2017 to 31 <sup>st</sup> October, 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 9 <sup>th</sup> 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 9 <sup>th</sup> 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 <sup>th</sup> February, 2018 has inserted the words “other than this Act or the



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	<p>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]</p>
5.	<p>The MCA vide the Companies (Amendment) Act, 2017 has made the following change in section 2(6) (effective from 7th May 2018) "for the Explanation:- For the purposes of this clause, "significant influence" means control of at least twenty per cent of total share capital, or of business decisions under an agreement the following Explanation shall be substituted, namely:- Explanation.—For the purpose of this clause,— (a) the expression "significant influence" means control of at least twenty per cent. of total voting power, or control of or participation in business decisions under an agreement; (b) the expression "joint venture" means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement" [Section 2(6) of the Companies Act, 2013 is covered on page no. 5.13, chapter 5 of the study material]</p>
6.	<p>The MCA vide the Companies (Amendment) Act, 2017 has made the following change in section 7(1)(c) (effective from 27<sup>th</sup> July, 2018)  In section 7 in sub-section (1), in item (c): for the words "an affidavit", the words "a declaration" shall be substituted. [Section 7(1)(c) of the Companies Act, 2013 is covered on page no. 5.19, chapter 5 of the study material]</p>

**Part II: Questions and Answers**

**Questions**

**The Indian Contract Act, 1872**

1. (i) P sells by auction to Q a horse which P knows to be unsound. The horse appears to be sound but P knows about the unsoundness of the horse. Is this contract valid in the following circumstances:
  - (a) If P says nothing about the unsoundness of the horse to Q.
  - (b) If P says nothing about it to Q who is P's daughter who has just come of age.



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- (c) If Q says to P “If you do not deny it, I shall assume that the horse is sound.” P says nothing.
- (ii) Comment on the following statements:
- (a) Acceptance must be absolute and unqualified.
- (b) Acceptance must be in the prescribed mode.
2. (i) (a) Explain the concept of ‘misrepresentation’ in matters of contract.
- (b) Sohan induced Suraj to buy his motorcycle saying that it was in a very good condition. After taking the motorcycle, Suraj complained that there were many defects in the motorcycle. Sohan proposed to get it repaired and promised to pay 40% cost of repairs. After a few days, the motorcycle did not work at all. Now Suraj wants to rescind the contract. Decide giving reasons.
- (ii) X received certain goods from Y and promised to pay ₹ 60,000. Later on, X expressed his inability to make payment. Z, who is known to X, pays ₹ 40,000 to Y on behalf of X. However, X was not aware of the payment. Now Y is intending to sue X for the amount of ₹ 60,000. Can Y do so? Advise.
3. (i) “No consideration, no contract” Comment.
- (ii) Explain the meaning of ‘Contingent Contracts’ and state the rules relating to such contracts.

**The Sale of Goods Act, 1930**

4. (i) For the purpose of making uniform for the employees, Mr. Yadav bought dark blue coloured cloth from Vivek, but did not disclose to the seller the purpose of said purchase. When uniforms were prepared and used by the employees, the cloth was found unfit. However, there was evidence that the cloth was fit for caps, boots and carriage lining. Advise Mr. Yadav whether he is entitled to have any remedy under the sale of Goods Act, 1930?
- (ii) Ram sells 200 bales of cloth to Shyam and sends 100 bales by lorry and 100 bales by Railway. Shyam receives delivery of 100 bales sent by lorry, but before he receives the delivery of the bales sent by railway, he becomes bankrupt. Ram being still unpaid, stops the goods in transit. The official receiver, on Shyam’s insolvency claims the goods. Decide the case with reference to the provisions of the Sale of Goods Act, 1930.
5. (i) State briefly the essential element of a contract of sale under the Sale of Goods Act, 1930.
- (ii) Distinguish between a ‘Condition’ and a ‘Warranty’ in a contract of sale. When shall a ‘breach of condition’ be treated as ‘breach of warranty’ under the provisions of the Sale of Goods Act, 1930? Explain.
6. What are the rules related to Acceptance of Delivery of Goods?





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**FOUNDATION EXAMINATION: MAY, 2019**

**The Indian Partnership Act, 1932**

7. (i) P, X, Y and Z are partners in a registered firm A & Co. X died and P retired. Y and Z filed a suit against W in the name and on behalf of firm without notifying to the Registrar of firms about the changes in the constitution of the firm. Is the suit maintainable?
- (ii) Ram, Mohan and Gopal were partners in a firm. During the course of partnership, the firm ordered Sunrise Ltd. to supply a machine to the firm. Before the machine was delivered, Ram expired. The machine, however, was later delivered to the firm. Thereafter, the remaining partners became insolvent and the firm failed to pay the price of machine to Sunrise Ltd.
- Explain with reasons:
- (i) Whether Ram's private estate is liable for the price of the machine purchased by the firm?
- (ii) Against whom can the creditor obtain a decree for the recovery of the price?
8. (i) What is the procedure of registration of a partnership firm under the Indian Partnership Act, 1932?
- (ii) What do you mean by "implied authority" of the partners in a firm? Point out the extent of partner's implied authority in case of emergency, referring to the provisions of the Indian Partnership Act, 1932.

**The Limited Liability Partnership Act, 2008**

9. What is the meaning of the Limited Liability Partnership? State the various characteristics of it?

**The Companies Act, 2013**

10. Flora Fauna Limited was registered as a public company. There are 230 members in the company as noted below:

(a)	Directors and their relatives	190
(b)	Employees	15
(c)	Ex-Employees (Shares were allotted when they were employees)	10
(d)	5 couples holding shares jointly in the name of husband and wife (5*2)	10
(e)	Others	5

The Board of Directors of the company propose to convert it into a private company. Also advise whether reduction in the number of members is necessary.

11. (i) F, an assessee, was a wealthy man earning huge income by way of dividend and interest. He formed three Private Companies and agreed with each to hold a bloc of



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investment as an agent for them. The dividend and interest income received by the companies was handed back to F as a pretended loan. This way, F divided his income into three parts in a bid to reduce his tax liability.

Decide, for what purpose the three companies were established? Whether the legal personality of all the three companies may be disregarded.

- (ii) Can a non-profit organization be registered as a company under the Companies Act, 2013? If so, what procedure does it have to adopt?

**SUGGESTED ANSWERS/HINTS**

1. (i) According to section 17 of the Indian Contract Act, 1872, mere silence as to facts likely to affect the willingness of a person to enter into a contract is not fraud, unless the circumstances of the case are such that, regard being had to them, it is the duty of the person keeping silence to speak, or unless his silence is, in itself, equivalent to speech. Hence, in the instant case,
  - (a) This contract is valid since as per section 17 mere silence as to the facts likely to affect the willingness of a person to enter into a contract is not fraud. Here, it is not the duty of the seller to disclose defects.
  - (b) This contract is not valid since as per section 17 it becomes P's duty to tell Q about the unsoundness of the horse because a fiduciary relationship exists between P and his daughter Q. Here, P's silence is equivalent to speech and hence amounts to fraud.
  - (c) This contract is not valid since as per section 17, P's silence is equivalent to speech and hence amounts to fraud.
- (ii) (a) **Acceptance must be absolute and unqualified:** As per section 7 of the Indian Contract Act, 1872 acceptance is valid only when it is absolute and unqualified and is also expressed in some usual and reasonable manner unless the proposal prescribes the manner in which it must be accepted. If the proposal prescribes the manner in which it must be accepted, then it must be accepted accordingly.
 

**Example:** 'A' enquires from 'B', "Will you purchase my car for ` 2 lakhs?" If 'B' replies "I shall purchase your car for ` 2 lakhs, if you buy my motorcycle for ` 50000/-, here 'B' cannot be considered to have accepted the proposal. If on the other hand 'B' agrees to purchase the car from 'A' as per his proposal subject to availability of valid Registration Certificate / book for the car, then the acceptance is in place though the offer contained no mention of R.C. book. This is because expecting a valid title for the car is not a condition. Therefore, the acceptance in this case is unconditional.



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(b) **Acceptance must be in the prescribed mode:** Where the mode of acceptance is prescribed in the proposal, it must be accepted in that manner. But if the proposer does not insist on the proposal being accepted in the manner prescribed after it has been accepted otherwise, i.e., not in the prescribed manner, the proposer is presumed to have consented to the acceptance.

**Example:** If the offeror prescribes acceptance through messenger and offeree sends acceptance by email, there is no acceptance of the offer if the offeror informs the offeree that the acceptance is not according to the mode prescribed. But if the offeror fails to do so, it will be presumed that he has accepted the acceptance and a valid contract will arise.

2. (i) (a) **Misrepresentation:** According to Section 18 of the Indian Contract Act, 1872, misrepresentation means and includes-
  - (1) the positive assertion, in a manner not warranted by the information of the person making it, of that which is not true, though he believes it to be true;
  - (2) any breach of duty which, without an intent to deceive, gains an advantage to the person committing it, or any one claiming under him; by misleading another to his prejudice or to the prejudice of any one claiming under him;
  - (3) causing, however, innocently, a party to an agreement to make a mistake as to the substance of the thing which is the subject of the agreement.

(b) In the instant case, the aggrieved party, in case of misrepresentation by the other party, can avoid or rescind the contract [Section 19, Indian Contract Act, 1872]. The aggrieved party loses the right to rescind the contract if he, after becoming aware of the misrepresentation, takes a benefit under the contract or in some way affirms it. Accordingly, in the given case, Suraj could not rescind the contract, as his acceptance to the offer of Sohan to bear 40% of the cost of repairs impliedly amount to final acceptance of the sale.
- (ii) As per section 41 of the Indian Contract Act, 1872, when a promisee accepts performance of the promise from a third person, he cannot afterwards enforce it against the promisor. That is, performance by a stranger, accepted by the promisee, produces the result of discharging the promisor, although the latter has neither authorised nor ratified the act of the third party. Therefore, in the instant case, Y can sue X only for the balance amount i.e. 20,000 and not for the whole amount.
3. (i) **No consideration, no contract:** Every agreement, to be enforceable by law must be supported by valid consideration. An agreement made without any consideration is void. A gratuitous promise may form a subject of a moral obligation and may be binding in honour but it does not cause a legal responsibility. No consideration, no



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contract is a general rule. However, Section 25 of the Indian Contract Act, 1872 provides some exceptions to this rule, where an agreement without consideration will be valid and binding. These exceptions are as follows:

- (a) **Agreement made on account of natural love and affection** : Section 25 (1) provides that if an agreement is (i) in writing (ii) registered under the law and (iii) made on account of natural love and affection (iv) between the parties standing in a near relation to each other, it will be enforceable at law even if there is no consideration. Thus, where A, for natural love and affection, promises to give his son, B, ₹ 10,000 in writing and registers it. This is a valid contract.
  - (b) **Compensation for services voluntarily rendered:** Section 25(2) provides that something which the promisor was legally compelled to do; (iii) and the promisor was in existence at the time when the act was done whether he was competent to contract or not (iv) the promisor must agree now to compensate the promise. Thus when A finds B's purse and gives it to him and B promises to give A ₹ 50, this is a valid contract.
  - (c) **Promise to pay time-barred debts [Section 25 (3)]:** Where there is an agreement, made in writing and signed by the debtor or by his agent, to pay wholly or in part a time barred debt, the agreement is valid and binding even though there is no consideration. If A owes B ₹ 1,000 but the debt is lapsed due to time-bar and A further makes a written promise to pay ₹ 500 on account of this debt, it constitutes a valid contract.
  - (d) **Contract of agency (Section 185):** No consideration is necessary to create an agency.
  - (e) **Completed gift (Explanation 1 to Section 25):** A completed gift needs no consideration. Thus, if a person transfers some property by a duly written and registered deed as a gift he cannot claim back the property subsequently on the ground of lack of consideration.
- (ii) **Essential characteristics of a contingent contract:** A contract may be absolute or contingent. A contract is said to be absolute when the promisor undertakes to perform the contract in all events. A contingent contract, on the other hand "is a contract to do or not to do something, if some event, collateral to such contract does or does not happened (Section 31). It is a contract in which the performance becomes due only upon the happening of some event which may or may not happen. For example, A contracts to pay B ₹ 10,000 if he is elected President of a particular association. This is a contingent contract. The essential characteristics of a contingent contract may be listed as follows:
- (i) There must be a contract to do or not to do something,



- (ii) The performance of the contract must depend upon the happening or non-happening of some event.
- (iii) The happening of the event is uncertain.
- (iv) The event on which the performance is made to depend upon is an event collateral to the contract i.e. it does not form part of the reciprocal promises which constitute the contract. The event should neither be a performance promised, nor the consideration for the promise.
- (v) The contingent event should not be the mere will of the promisor. However, where the event is within the promisor's will, but not merely his will, it may be a contingent contract.

The rules regarding the contingent contract are as follows:

- (1) Contingent contract dependent on the happening of an uncertain future cannot be enforced until the event has happened. If the event becomes impossible, such contracts become void. (Section 32).
  - (2) Where a contingent contract is to be performed if a particular event does not happening performance can be enforced only when happening of that event becomes impossible (Section 33).
  - (3) If a contract is contingent upon, how a person will act at an unspecified time the event shall be considered to become impossible; when such person does anything which renders it impossible that he should so act within any definite time or otherwise than under further contingencies. (Section 34, 35).
  - (4) The contingent contracts to do or not to do anything if an impossible event happens, are void whether or not the fact is known to the parties (Section 36).
4. (i) **Fitness of Cloth:** As per the provision of Section 16(1) of the Sale of Goods Act, 1930, an implied condition in a contract of sale that an article is fit for a particular purpose only arises when the purpose for which the goods are supplied is known to the seller, the buyer relied on the seller's skills or judgement and seller deals in the goods in his usual course of business. In this case, the cloth supplied is capable of being applied to a variety of purposes, the buyer should have told the seller the specific purpose for which he required the goods. But he did not do so. Therefore, the implied condition as to the fitness for the purpose does not apply. Hence, the buyer will not succeed in getting any remedy from the seller under the Sale of Goods Act, 1930.
- (ii) **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



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- (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.

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.

**5. (i) 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
- (iii) A price in money (not in kind) should be paid or promised.
- (iv) A transfer of property in goods from seller to the buyer must take place.
- (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.

**(ii) Difference between Condition and Warranty**

- (i) A condition is a stipulation essential to the main purpose of the contract whereas a warranty is a stipulation collateral to the main purpose of the contract.
- (ii) Breach of condition gives rise to a right to treat the contract as repudiated whereas in case of breach of warranty, the aggrieved party can claim damage only.
- (iii) Breach of condition may be treated as breach of warranty whereas a breach of warranty cannot be treated as breach of condition.

According to Section 13 of the Sale of Goods Act, 1930 a breach of condition may be treated as breach of warranty in following circumstances:

- (i) Where a contract of sale is subject to any condition to be fulfilled by the seller, the buyer may waive the condition,
- (ii) Where the buyer elects to treat the breach of condition as breach of a warranty.
- (iii) Where the contract of sale is non-severable and the buyer has accepted the whole goods or any part thereof.
- (iv) Where the fulfillment of any condition or warranty is excused by law by reason of impossibility or otherwise.



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6. **Rules related to acceptance of delivery:** Acceptance is deemed to take place when the buyer-
- intimates to the seller that he had accepted the goods; or
  - does any act to the goods, which is inconsistent with the ownership of the seller; or
  - retains the goods after the lapse of a reasonable time, without intimating to the seller that he has rejected them (Section 42).

Ordinarily, a seller cannot compel the buyer to return the rejected goods; but the seller is entitled to a notice of the rejection. 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 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 (Sections 43 and 44).

7. (i) As regards the question whether in the case of a registered firm (whose business 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 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 the only two requirements of Section 69 (2) of the Act namely,
  - the suit must be instituted by or on behalf of the firm which had been registered.
- (ii) **Partnership Liability:** The problem in question is based on the provisions of the Indian Partnership Act, 1932 contained in Section 35. The Section provides that where under a contract between the partners the firm is not dissolved by the death of a partner, the estate of a deceased partner is not liable for any act of the firm done after his death. Therefore, considering the above provisions, the problem may be answered as follows:
- Ram's estate in this case will not be liable for the price of the Machinery purchased.
  - The creditors in this case can have only a personal decree against the surviving partners and decree against the partnership assets in the hands of those partners. However, since the surviving partners are already insolvent, no suit for recovery of the debt would lie against them. A suit for goods sold and delivered would not lie against the representative of the deceased partner.





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This is because there was not debt due in respect of the goods in Ram's life time.

8. (i) **APPLICATION FOR REGISTRATION (SECTION 58):** (1) The registration of a firm may be effected at any time by sending by post or delivering to the Registrar of the area in which any place of business of the firm is situated or proposed to be situated, a statement in the prescribed form and accompanied by the prescribed fee, stating-

- (a) The firm's name
- (b) The place or principal place of business of the firm,
- (c) The names of any other places where the firm carries on business,
- (d) the date when each partner joined the firm,
- (e) the names in full and permanent addresses of the partners, and
- (f) the duration of the firm.

The statement shall be signed by all the partners, or by their agents specially authorised in this behalf.

- (2) Each person signing the statement shall also verify it in the manner prescribed.
- (3) A firm name shall not contain any of the following words, namely:-

'Crown', 'Emperor', 'Empress', 'Empire', 'Imperial', 'King', 'Queen', 'Royal', or words expressing or implying the sanction, approval or patronage of Government except when the State Government signifies its consent to the use of such words as part of the firm-name by order in writing.

- (ii) **Implied Authority of Partner as Agent of the Firm (Section 19):** Subject to the provisions of section 22, the act of a partner which is done to carry on, in the usual way, business of the kind carried on by the firm, binds the firm.

- (1) The authority of a partner to bind the firm conferred by this section is called his "implied authority".
- (2) In the absence of any usage or custom of trade to the contrary, the implied authority of a partner does not empower him to-
  - (a) Submit a dispute relating to the business of the firm to arbitration;
  - (b) open a banking account on behalf of the firm in his own name;
  - (c) compromise or relinquish any claim or portion of a claim by the firm;
  - (d) withdraw a suit or proceedings filed on behalf of the firm;
  - (e) admit any liability in a suit or proceedings against the firm;
  - (f) acquire immovable property on behalf of the firm;





- (g) transfer immovable property belonging to the firm; and
- (h) enter into partnership on behalf of the firm.

**Mode Of Doing Act To Bind Firm (Section 22):** In order to bind a firm, an act or instrument done or executed by a partner or other person on behalf of the firm shall be done or executed in the firm name, or in any other manner expressing or implying an intention to bind the firm.

9. **Meaning of Limited Liability Partnership (LLP):** A LLP is a new form of legal business entity with limited liability. It is an alternative corporate business vehicle that not only gives the benefits of limited liability at low compliance cost but allows its partners the flexibility of organising their internal structure as a traditional partnership. The LLP is a separate legal entity and, while the LLP itself will be liable for the full extent of its assets, the liability of the partners will be limited.

LLP is an alternative corporate business form that gives the benefits of limited liability of a company and the flexibility of a partnership.

Since LLP contains elements of both 'a corporate structure' as well as 'a partnership firm structure' LLP is called a hybrid between a company and a partnership.

**Characteristic/Salient Features of LLP**

1. **LLP is a body corporate:** Section 2(1)(d) of the LLP Act, 2008 provides that a LLP is a body corporate formed and incorporated under this Act and is a legal entity separate from that of its partners and shall have perpetual succession. Therefore, any change in the partners of a LLP shall not affect the existence, rights or liabilities of the LLP.  
Section 3 of LLP Act provides that a LLP is a body corporate formed and incorporated under this Act and is a legal entity separate from that of its partners.
2. **Perpetual Succession:** The LLP can continue its existence irrespective of changes in partners. Death, insanity, retirement or insolvency of partners has no impact on the existence of LLP. It is capable of entering into contracts and holding property in its own name.
3. **Separate Legal Entity:** The LLP is a separate legal entity, is liable to the full extent of its assets but liability of the partners is limited to their agreed contribution in the LLP. In other words, creditors of LLP shall be the creditors of LLP alone.
4. **Mutual Agency:** Further, no partner is liable on account of the independent or unauthorized actions of other partners, thus individual partners are shielded from joint liability created by another partner's wrongful business decisions or misconduct. In other words, all partners will be the agents of the LLP alone. No one partner can bind the other partner by his acts.



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5. **LLP Agreement:** Mutual rights and duties of the partners within a LLP are governed by an agreement between the partners. The LLP Act, 2008 provides flexibility to partner to devise the agreement as per their choice. In the absence of any such agreement, the mutual rights and duties shall be governed by the provisions of the LLP Act, 2008.
6. **Artificial Legal Person:** A LLP is an artificial legal person because it is created by a legal process and is clothed with all rights of an individual. It can do everything which any natural person can do, except of course that, it cannot be sent to jail, cannot take an oath, cannot marry or get divorce nor can it practice a learned profession like CA or Medicine. A LLP is invisible, intangible, immortal (it can be dissolved by law alone) but not fictitious because it really exists.
7. **Common Seal:** A LLP being an artificial person can act through its partners and designated partners. LLP may have a common seal, if it decides to have one [Section 14(c)]. Thus, it is not mandatory for a LLP to have a common seal. It shall remain under the custody of some responsible official and it shall be affixed in the presence of at least 2 designated partners of the LLP.
8. **Limited Liability:** Every partner of a LLP is, for the purpose of the business of LLP, the agent of the LLP, but not of other partners (Section 26). The liability of the partners will be limited to their agreed contribution in the LLP. Such contribution may be of tangible or intangible nature or both.
9. **Management of Business:** The partners in the LLP are entitled to manage the business of LLP. But only the designated partners are responsible for legal compliances.
10. **Minimum and Maximum number of Partners:** Every LLP shall have least two partners and shall also have at least 2 individuals as designated partners, of whom at least one shall be resident in India. There is no maximum limit on the partners in LLP.
11. **Business for Profit Only:** The essential requirement for forming LLP is carrying on a lawful business with a view to earn profit. Thus, LLP cannot be formed for charitable or non-economic purpose.
12. **Investigation:** The Central Government shall have powers to investigate the affairs of an LLP by appointment of competence authority for the purpose.
13. **Compromise or Arrangement:** Any compromise or agreements including merger and amalgamation of LLPs shall be in accordance with the provisions of the LLP Act, 2008.
14. **Conversion into LLP:** A firm, private company or an unlisted public company would be allowed to be converted into LLP in accordance with the provisions of LLP Act, 2008.



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15. **E-Filing of Documents:** Every form or application of document required to be filed or delivered under the act and rules made thereunder, shall be filed in computer readable electronic form on its website [www.mca.gov.in](http://www.mca.gov.in) and authenticated by a partner or designated partner of LLP by the use of electronic or digital signature.
16. **Foreign LLPs:** Section 2(1)(m) defines foreign limited liability partnership "as a limited liability partnership formed, incorporated, or registered outside India which established as place of business within India". Foreign LLP can become a partner in an Indian LLP.
10. 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.

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.

**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.

11. (i) The House of Lords in *Salomon Vs Salomon & Co. Ltd.* laid down that a company is a person distinct and separate from its members, and therefore, has an independent separate legal existence from its members who have constituted the company. But under certain circumstances the separate entity of the company may be ignored by the courts. When that happens, the courts ignore the corporate entity of the company and look behind the corporate façade and hold the persons in control of the management of its affairs liable for the acts of the company. Where a company



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is incorporated and formed by certain persons only for the purpose of evading taxes, the courts have discretion to disregard the corporate entity and tax the income in the hands of the appropriate assessee.

- (1) The problem asked in the question is based upon the aforesaid facts. The three companies were formed by the assessee purely and simply as a means of avoiding tax and the companies were nothing more than the façade of the assessee himself. Therefore the whole idea of Mr. F was simply to split his income into three parts with a view to evade tax. No other business was done by the company.
  - (2) The legal personality of the three private companies may be disregarded because the companies were formed only to avoid tax liability. It carried on no other business, but was created simply as a legal entity to ostensibly receive the dividend and interest and to hand them over to the assessee as pretended loans. The same was upheld in *Re Sir Dinshaw Maneckji Petit* AIR 1927 Bom.371 and *Juggilal vs. Commissioner of Income Tax* AIR (1969) SC (932).
- (ii) Yes, a non-profit organization be registered as a company under the Companies Act, 2013 by following the provisions of section 8 of the Companies Act, 2013. Section 8 of the Companies Act, 2013 deals with the formation of companies which are formed to
- promote the charitable objects of commerce, art, science, sports, education, research, social welfare, religion, charity, protection of environment etc.

Such company intends to apply its profit in

- promoting its objects and
- prohibiting the payment of any dividend to its members.

The Central Government has the power to issue license for registering a section 8 company.

- (i) Section 8 allows the Central Government to register such person or association of persons as a company with limited liability without the addition of words 'Limited' or 'Private limited' to its name, by issuing licence on such conditions as it deems fit.
- (ii) The registrar shall on application register such person or association of persons as a company under this section.
- (iii) On registration the company shall enjoy same privileges and obligations as of a limited company.



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

**Chapter-1**

**Communication**

- (1) List at least 5 barriers of communication. Explain any two of them in your own words.
- (2) Differentiate between the Vertical Network and the Wheel and spoke method of communication.

**Chapter 2**

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

- (A) Change the following sentences into passive voice.
- (1) Rana Pratap fought many battles.
  - (2) People watch football matches late night.
  - (3) The students approached the Principal for their rights.
  - (4) Give first priority to studies.
  - (5) Abhishek speaks a lot on politics.
- (B) Change the following Direct speech into Indirect speech.
- (1) She said, 'My mother cooks well'
  - (2) The athlete said, 'I can break old records'
  - (3) Brother said, 'I have finished my studies'
  - (4) The teacher praised the girl, 'You have been working hard'
  - (5) Uncle said, 'I am unwell'
- (C) Change the following to Active voice
- (1) Results had to be declared by the school authorities.
  - (2) The test must be completed by you in one hour.
  - (3) The factory was destroyed by fire.
  - (4) Cake is being eaten by Rajat.
  - (5) A conservative lifestyle was led by women in olden days.

**Chapter -3 Vocabulary**

**(A) Select the suitable synonym for the given words:**

- (1) Distort
  - (a) Save
  - (b) Abundant
  - (c) Deform
  - (d) Overwhelm
  - (e) Move



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- (2) Alliance  
(a) Associate (b) Estranged (c) Revert (d) Unwillingness (e) Possibility
- (3) Contingency  
(a) Existence (b) Evidence (c) Rebel (d) Emergency (e) Announce
- (4) Rife  
(a) Unknown (b) Widespread (c) Accountable (d) General (e) Survive
- (5) Oppressive  
(a) Grand (b) Publish (c) Tolerance (d) Proactive (e) Distressful

**(B) Select the suitable antonym for the given word:**

- (1) Contend  
(a) Compete (b) Eradicate (c) Expel (d) Give up
- (2) Proximity  
(a) Approximation (b) Assumingly (c) Remoteness (d) Cure
- (3) Vigilant  
(a) Inattentive (b) Curious (c) Concerned (d) Careful
- (4) Proficient  
(a) Probable (b) Incompetent (c) Skilled (d) Available
- (5) Adhere  
(a) Rules (b) Stick (c) Disobey (d) Linked

**(C) Select the correct meaning of the given idioms:**

- (1) Clouds on the horizon  
(a) A ray of hope  
(b) Hopelessness  
(c) A problem can be seen in future  
(d) Problems are unlimited
- (2) Well begun is half done  
(a) Good start is important  
(b) Good ending is important  
(c) Half job is easier  
(d) Easier said than done



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- (3) Save for the rainy day  
(a) Use an umbrella  
(b) Prevention is better than cure  
(c) Life is full of problems  
(d) Save for difficult times
- (4) It's piece of cake  
(a) Something too sweet  
(b) Easy job  
(c) A small bite  
(d) Little to eat

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

- (1) With the economy going down, people who are rich might become \_\_\_\_\_  
(a) Endemic (b) Healthy (c) Destitute (d) Considerable
- (2) Religion teaches us to respect all \_\_\_\_\_ rights of a human being.  
(a) Business (b) Fundamental (c) Behavioural (d) Conceptual
- (3) She is \_\_\_\_ of lizards.  
(a) Afraid (b) Frightened (c) Fearful (d) Terrified
- (4) This area suffers from \_\_\_\_\_.  
(a) draughts (b) drafts (c) dwarfs (d) droughts

**Chapter 4**

**Comprehension Passages**

Read the following comprehension passages and answer the following questions

**Passage 1**

The great Acharyas have said that having discovered a great goal, **surrender** yourself to that goal and act towards it drawing your inspiration from that goal whereby you will get a new column of energy. Do not allow this energy to be **dissipated** in the **futile** memories of past regrets or failures nor in the imagined sorrow of the future or the present and thus bring the entire energy focussed into activity. That is the highest creative action in the world outside. Thereby the individual who is till now considered most **inefficient** finds his way to the highest achievement and success.

This is said very easily in a second. But in order to train our mind to this attitude it needs **considerable** training because we have already trained the mind wrongly to such an



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extent that we have become perfect in imperfection. Not knowing the art of action, we have been master artists in doing the wrong thing. The totality of activity will bring the country to a wrong end indeed.

If each one is given a car, to achieve an ideal socialistic pattern, and nobody knows driving but everybody starts driving, what would be the condition on the road ? Everybody has equal right on the public road. Then each car must necessarily dash against the other, and there is bound to be a jumble. This seems to be the very apt pattern of life that we are heading to. Everyone of us is a vehicle. We know how to go forward. The point is that intellect is very powerful and everyone is driving but nobody seems to know how to control the mental energy and direct it properly or guide it to a proper destination.

- (1) Which of the following will cause the country to perish?**
  - (a) Driving cars without proper driving knowledge and skill
  - (b) Directing mental energy to the right destination
  - (c) Wrong deeds performed without proper knowledge
  - (d) Memories of past regrets and failures
- (2) What is the effect of the wrong training of the mind ?**
  - (a) The art of action is too much emphasised.
  - (b) We have become perfect in all aspects.
  - (c) Each of us could become a master artist.
  - (d) We have become perfect in imperfections.
- (3) The author's chief concern is**
  - (a) The car accidents resulting from lack of driving skill.
  - (b) Regulation of energy in a proper direction
  - (c) Discovery of a great goal in life
  - (d) Establishment of socialistic pattern
- (4) Which of the following is the source of energy ?**
  - (a) Stimulation obtained from a set aim
  - (b) Highest creative action
  - (c) A column that supports a building
  - (d) Proper training of the mind to achieve perfection
- (5) Which of the following could lead to success ?**
  - (a) Preparing oneself to face the probable sorrows of the future
  - (b) Cherishing the memories of the past





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- (c) Bringing all the energy into activity
- (d) Being alert about the excitement of present

**Passage 2**

Marie Curie was one of the most accomplished scientists in history. Together with her husband, Pierre, she discovered radium, an element widely used for treating cancer, and studied uranium and other radioactive substances. Pierre and Marie's amicable collaboration later helped to unlock the secrets of the atom.

Marie was born in 1867 in Warsaw, Poland, where her father was a professor of physics. At an early age, she displayed a brilliant mind and a blithe personality. Her great exuberance for learning prompted her to continue with her studies after high school. She became disgruntled, however, when she learned that the university in Warsaw was closed to women. Determined to receive a higher education, she defiantly left Poland and in 1891 entered the Sorbonne, a French university, where she earned her master's degree and doctorate in physics.

Marie was fortunate to have studied at the Sorbonne with some of the greatest scientists of her day, one of whom was Pierre Curie. Marie and Pierre were married in 1895 and spent many productive years working together in the physics laboratory. A short time after they discovered radium, Pierre was killed by a horse-drawn wagon in 1906. Marie was stunned by this horrible misfortune and endured heartbreaking anguish. Despondently she recalled their close relationship and the joy that they had shared in scientific research. The fact that she had two young daughters to raise by herself greatly increased her distress.

Curie's feeling of desolation finally began to fade when she was asked to succeed her husband as a physics professor at the Sorbonne. She was the first woman to be given a professorship at the world-famous university. In 1911 she received the Nobel Prize in chemistry for isolating radium. Although Marie Curie eventually suffered a fatal illness from her long exposure to radium, she never became disillusioned about her work. Regardless of the consequences, she had dedicated herself to science and to revealing the mysteries of the physical world. (Source: internet)

- (1) A word in the passage which is a synonym of 'friendly' is:
  - (a) revealing
  - (b) distress
  - (c) amicable
  - (d) stunned
- (2) What increased the distress of Marie Curie?
  - (a) The sudden death of her husband.
  - (b) She would have to raise her daughters all alone
  - (c) She could not continue with her radium discovery



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- (d) The knowledge of her fatal illness.
- (3) Which of the following statements is false according to the passage?
- (a) Marie Curie did not attend any University because women were not allowed to do so.
- (b) Pierre was killed in accident involving horse wagons.
- (c) Curie also worked on the element Uranium.
- (d) Curie got a chance to teach Physics at Sorbonne.
- (4) Give the passage a suitable title
- (a) Madam Curie and Pierre Curie
- (b) Discovery of Radium and Uranium
- (c) Mysteries of the physical world
- (d) Madam Curie: struggles turn to achievements!
- (5) Choose an option than describes Madam Curie, based on the information given in the passage:
- (a) heartbroken, coward, weak
- (b) bold, dedicated, confident
- (c) complaining, disgruntled, arrogant
- (d) despondent, tired, ruthless

**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) The decision of the Ministry of Environment and Forests to revalidate the environmental clearance issued to South Korean steelmaker Posco for the proposed steel plant in Odisha is based on a piecemeal approach, rather than a comprehensive and cumulative assessment of all parts of the project. It cannot claim to rely on sound judgment. What distinguishes the proposal from the welter of projects before the Ministry is its major Foreign Direct Investment potential, estimated at more than `50,000 crore. There is little doubt that it will take massive investments to pull the masses out of deep poverty, and new industries are vital to achieving this goal. Significant expansion of the economy has taken place over the past two decades, creating much wealth. Unfortunately, this has also coincided with grossly uneven distribution of negative externalities. In the case of Posco, the acquisition of land has been a contentious issue, evoking strong protest from local communities which remain unconvinced about the benefits. Evidently, neither the project proponent nor the Odisha government has come up with persuasive arguments over the past eight years on why villagers should part with their land when their livelihood



is linked to it. Moreover, there is no effort to reach a consensus on the renewal of environmental clearance, now for a production capacity of eight million tonnes per annum, even with conditionalities that include spending on 'social commitments' by Posco.

- (2) By making it optional for cinema halls to play the national anthem before every show, the Supreme Court has at last removed the coercive element it had unfortunately introduced by an interim order in November 2016. Laying down a judicial rule that the anthem must be played on certain occasions in specific places, in the absence of any statutory provision to this effect, was unnecessary and opened the court to charges of over-reach. With the Centre saying this directive could be placed on hold, and that it would set up an inter-ministerial committee to recommend regulations for the presentation of the national anthem, the court has said it is not mandatory to play it in cinema halls. The panel will also suggest changes in the Prevention of Insults to National Honour Act, 1971, or in the Orders relating to the anthem issued from time to time. Justice D.Y. Chandrachud, one of the three judges on the Bench, had at an earlier hearing doubted the wisdom of asking patrons of cinema to visibly demonstrate their patriotism each time they entered a theatre to watch a film, remarking that there was no need for an Indian to "wear his patriotism on his sleeve". He had asked at what point would such "moral policing" stop if it were to be prescribed that some kinds of apparel should not be worn at the movies as they could amount to showing disrespect to the national anthem. The court's order also had some unintended, but not unforeseen, consequences. The audience began looking for signs of 'disrespect' and there were reports of vigilantism, with people beaten up or harangued for not standing up.

## 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) How does television affect our lives. It can be very helpful to people who carefully choose the shows that they watch. Television can increase our knowledge of the outside world, there are high quality programmes that helps us to understand many fields of study, science, medicine, the arts and so on. Moreover, television benefits very old people, who can't often leave the house as well as patients in hospitals. It also offers non native speakers the advantage of daily informal language practice. They can increase their vocabulary and practice listening.

On the other hand, there are several serious disadvantages of television. Of course, it provides us with a pleasant way to relax and spend our free time, but in some countries, people watch the 'blood tube' for an average of six hours or more a day. Many children stare at a television screen for more hours each day than they do anything else including studying & sleeping. It's clear that the tube has a powerful influence on their lives and that its influence is often negative.



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- (2) Occasional self-medication has always been part of normal living. The making and selling of drugs has a long history and is closely linked, like medical practice itself, with belief in magic. Only during the last hundred years or so, as the development of scientific techniques made it possible diagnosis has become possible. The doctor is now able to follow up the correct diagnosis of many illnesses-with specific treatment of their causes. In many other illnesses of which the causes remain unknown, he is still limited, like the unqualified prescriber, to the treatment of symptoms. The doctor is trained to decide when to treat symptoms only and when to attack the cause. This is the essential difference between medical prescribing and self-medication.

The advance of technology has brought about much progress in some fields of medicine, including the development of scientific drug therapy. In many countries public health organization is improving and people's nutritional standards have risen. Parallel with such beneficial trends are two which have an adverse effect. One is the use of high pressure advertising by the pharmaceutical industry which has tended to influence both patients and doctors and has led to the overuse of drugs generally. The other is emergence of eating, insufficient sleep, excessive smoking and drinking. People with disorders arising from faulty habits such as these, as well as well from unhappy human relationships, often resort to self-medication and so add the taking of pharmaceuticals to the list. Advertisers go to great lengths to catch this market.

Clever advertising, aimed at chronic sufferers who will try anything because doctors have not been able to cure them, can induce such faith in a preparation, particularly if steeply priced, that it will produce-by suggestion-a very real effect in some people. Advertisements are also aimed at people suffering from mild complaints such as simple cold and coughs, which clear up, by themselves within a short time.

These are the main reasons, why laxatives, indigestion-remedies, painkillers, cough-mixtures, tonics, vitamin and iron tablets, nose drops, ointments and many other preparations are found in quantity in many households. It is doubtful whether taking these things ever improves a person's health, it may even make it worse. Worse, because the preparation may contain unsuitable ingredients; worse because the taker may become dependent on them; worse because they might be taken excess; worse because they may cause poisoning, and worst of all because symptoms of some serious underlying cause may be asked and therefore medical help may not be sought. Self-diagnosis is a greater danger than self-medication.

**Chapter 8**

**Article Writing**

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

- (1) Importance of Trees  
(2) Obesity: A growing health hazard amongst youth



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### Chapter 9

#### Report Writing

Write an report on the following topics. (Word limit: 250-300 words)

- (1) Your college organized a visit to SOS family villages for the orphaned. Write a report for your college magazine giving details of the visit.
- (2) As the School Captain, write a report for your school magazine, about a career fest held in your school last week. Mention the various universities/institutions that participated, orientation sessions conducted.

### Chapter-10

#### Letter Writing

- (1) You bought a printer a few days back from a leading chain of electronic stores. Now you found a few defects in its working. Write a letter to the dealer complaining about the problem and requesting him to rectify the problem or replace the printer.
- (2) As the HR Manager of your organization, draft a circular for all the employees of your company, informing them about New Year party being organized over the weekend in the office campus. Mention a few events and request for active participation.

### Chapter 11

#### Formal Mails

- (1) Your company Axion Electronics has developed a Digital notice Board. Draft a formal mail to advertise the product, conveying all the necessary features of the product and attractive offers on bulk orders.
- (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 advance tax. State that details should be sent well in time, before Jan 31, 2019.

### Chapter 12

#### Resume Writing

- (1) Draft a resume for Aditya Narula, who has passed class XIIth, has completed his B.com with distinction and is currently pursuing M.com (final year). Aditya wishes to apply for a job in a small start up which deals with stocks.
- (2) Draft a resume for Ms Seema Solanki, a resident of Mumbai, a qualified CA with an experience of over 15 years in two organizations. Seema now plans to switch her job and is applying to one of the Big fours.



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Chapter 13

Meetings

- (1) Your company, is launching a new product. Prepare **minutes of the meeting** for the same. Members in the meeting: MD, Head of the Sales and Marketing, Product Head, Consultants and few team members.
- (2) As a HR manager, prepare the **agenda** of an upcoming meeting regarding staff matters.

SUGGESTED ANSWERS/HINTS

Chapter -1 Communication

- (1) Barriers in communication:

- Physical Barriers
- Cultural Barriers
- Language Barriers
- Technology Barriers
- Emotional Barriers

**Technology Barriers:** Being a technology driven world, all communication is dependent on good and extensive use of technology. However, there might arise technical issues, like server crash, overload of information etc which lead to miscommunication or no communication at all.

**Language Barriers:** It's a cosmopolitan set up, where people of different nationalities move from their home to other countries for work. As a result, it is difficult to have a common language for communication. Hence, diversity gives rise to many languages and it acts as a barrier at times.

- (2) Vertical Network and Wheel & Spoke Network

Vertical Network	Wheel and Spoke Network
A formal network. It is usually between a higher ranking employee and a subordinate.	A network with a single controlling authority who gives instructions and orders to all employees working under him/her.
A two way communication happens	Two way communication happens but useful only in small organizations.



**Chapter-2 Sentence Types**

(A) Active to Passive

- (1) Many battles were fought by Rana Pratap
- (2) Football matches are watched by people late night.
- (3) The Principal was approached by the students for their rights.
- (4) Studies should be given first priority.
- (5) A lot is spoken on politics by Abhishek.

(B) Direct to Indirect Speech.

- (1) She said that her mother cooked well.
- (2) The athlete said that he could break all records
- (3) Brother said that he had finished his studies.
- (4) Teacher appreciated the girl that she had been working hard
- (5) Uncle complained that he was unwell.

(C) Passive to Active

- (1) The school authorities declared the results
- (2) You must complete the test in one hour.
- (3) Fire destroyed the factory
- (4) Rajat is eating the cake.
- (5) Women led a conservative lifestyle in olden days

**Chapter-3 Vocabulary**

(A) Synonyms

- (1) Option c
- (2) Option a
- (3) Option d
- (4) Option b
- (5) Option e

(B) Antonyms

- (1) Option d
- (2) Option c
- (3) Option a
- (4) Option b



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

**Chapter -4 Comprehension Passages**

**Passage-1**

- (1) Option c
- (2) Option d
- (3) Option b
- (4) Option a
- (5) Option c

**Passage-2**

- (1) Option c
- (2) Option b
- (3) Option a
- (4) Option d
- (5) Option b

**Chapter-5 Note Making**

Passage -1

Ministry's Decision Revoked (Heading)

- (I) S. Korean steel maker Posco under attack
- (II) Prpsl for steel plant in Odisha rcnsdrd
- (III) Need to rethink the descn





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- (a) Not based on solid grounds
- (b) FDI's
- (c) Land aqstn from natives nt easy
- (d) Protests frm land holders
- (IV) No concrete result
  - (a) 8 years past; standstill
  - (b) Neither prpnt nor govt. able to justify its moves
  - (c) Leaves the matter open ended.

**Key Used:**

- (1) S= south
- (2) Prpsl= proposal
- (3) Rcnsdrd=reconsidered
- (4) Descn= decision
- (5) Aqstn- acquisition
- (6) Nt= not
- (7) Frm= from
- (8) Prpnt=proponent
- (9) Govt= government.
- (10) FDI= foreign direct investment

**Passage-2**

Playing of National anthem in movie halls (Heading)

- (I) The Court's ord'r wdrwn
- (II) Court mks it optional; cnnt have a mandate on the issue
- (III) Consequences
  - (a) Govt intervenes; calls for a mnstrl dscsn
  - (b) Prps a hold on the court's jdcl rule
  - (c) Suggest chngs in the Prvntn of Insults and Ntnl honour Act
- (IV) Justice Chadrachud suggests, no end to 'moral policing'
- (V) Cnseqncs
  - (a) Vlnc amngst ppl.



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- (b) Hrmsnt of pub.
- (c) Dsrspct in the scty.

**Key Used:**

- (1) Ordr= order
- (2) Wdrwn= withdrawn
- (3) Mks= makes
- (4) Cnnt= cannot
- (5) Govt= government
- (6) Mnstrl=ministerial
- (7) Dscsn=discussion
- (8) Prps=proposes
- (9) Jdcl=judicial
- (10) Chngs= changes
- (11) Prvntn=prevention
- (12) Ntnl= national
- (13) Cnseqncs= consequences
- (14) Vlnce=violence
- (15) Amngst= amongst
- (16) Ppl= people
- (17) Hrmsnt=harassment
- (18) Pub=public
- (19) Dsrspct=disrespect
- (20) Scty= society

**Chapter -7 Précis Writing**

- (1) Television: Bane or Boon (Title)

Television affects our lives in several ways. We should choose the shows carefully. Television increases our knowledge It helps us to understand many fields of study. It benefits and people and patients. There are some disadvantages too some people devote a long time to it. Students leave their studies and it distracts their attention.

- (2) Self Medication (Title)

Self medication is part of normal living. Medicinal experts are required for diagnosis and treatment of disease according to symptoms and cause.



The development of drug therapy and improvement in public health organizations and nutritional standards have helped progress in medicinal science. Excessive advertising by pharmaceutical companies and emergence of the sedentary society are two counter trends. Self medication is dangerous as the preparation may be toxic or contain unsuitable ingredients, the user becomes dependent and consumes medicine in excess. Self-diagnosis is worse than self medication.

**Chapter -8 Article Writing**

(1) Hints:

- Cleanse the environment
- Trees provide oxygen
- Prevent soil erosion
- Preserve the ecosystem
- Important part of the food chain
- Provide home remedies for certain ailments (trees like neem, eucalyptus,)
- Provide food and habitation for birds and small animals
- Commercial use of trees: timber, rubber, resins, oils etc.
- Environmental hazards caused by cutting of trees
  - Disturbs the ecological balance
  - Global warming
  - Threatens biodiversity

(2) Hints:

- Causes of obesity
  - Erratic eating habits
  - Erratic sleeping pattern
  - Stress due to competition in studies
  - Junk food consumption
  - Not having balanced diet
  - Sedentary lifestyles
  - Lack of proper exercise
- Remedies
  - Follow proper regimen
  - Having home cooked food at regular intervals



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- Avoiding fatty foods and sugar rich drinks
- Including fruits and vegetables in diet
- Play a sport
- Regular walks

**Chapter-9 Report Writing**

**Report-1**

**Hints:**

- Mention a heading, name of the SOS village
- Date of the visit
- Purpose of the visit
  - Donate rugs and warm clothing for winters
  - Familiarising with the working of an NGO
  - Offering voluntary services like adult education
- Brief description of the family met
- Management officials you met
- Challenges and Hazards of running such a set up
- How to contribute
- 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 career options after school)
- Describe the event in details (name of institutions that participated, orientation sessions organized)
- Enthusiasm in the student community about careers in creative and performing arts
- Conclude with an optimistic view.



**Chapter-10**

**Writing Formal Letters and Official Communication**

(1) XYZ Electronics

New Delhi.

Date: 20<sup>th</sup>Dec, 2018

Manager, Customer Care

XYZ Electronics

New Delhi.

Dear Sir/Ma'am

Sub: Complaint regarding the printer model CanXR 0987, Invoice No: Prin/CanXR/6 -12-2018

This is regarding the printer that I bought on Dec 6, 2018. After installation, it worked fine for a few days. But lately every time a print command is given, it paper gets stuck and the scanning/photocopying option is not working at all. Please send your executive to examine the problem and rectify it at the earliest or get it replaced. I had bought the equipment to take print-outs at home for an urgent project work submission.

I request you to look into the problem urgently and send the expert tomorrow evening by 7PM. You can send the name and mobile number of the executive at my number XXXXXXXXXX. Looking forward to a prompt response.

(Signed)

ABC

**Circular**

Circular No. XXXIV

Dec 31, 2018

**New Year Party**

For all employees

Wishing All a very Happy, prosperous and productive New Year 2019. A New Year party is being organized in the office premises on the coming weekend (Jan 5, 2019) at 7 PM. Everyone is cordially invited with their families.

The events would be as follows:

- Live performance by the pop band 'ASD'
- Couple Dance competition



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- Stand up Comedy
- Surprise Gifts for kids
- Lucky Draw
- Buffet Dinner with special buffet for the kids

Looking forward to an active participation.

Romi Mistry

Manager, HR

**Chapter-11 Writing Formal Mails**

Mail-1

To: [admin@simantechsystems.com](mailto:admin@simantechsystems.com)

CC/BCC: [hr@simantechsystems.com](mailto:hr@simantechsystems.com)

Subject: Introducing our tiffin supply plan

Dear Sir/Ma'am,

Greetings for the day. I would like to introduce our new product **Digital Notice Board**. The product will improve internal communications, increase workforce awareness about the company policies, goals and key initiatives, enhance visitor communication and engagement and can also be used to convey emergency alert messages thus preventing systems.

The Interactive Display can be fixed at strategic locations such as the Reception, Lobby, Cabin, Meeting Rooms.

**Benefits:**

- Display your Notices, News, Achievements, Images, Videos, Weather updates etc.
- Convey any message to visitors/Employees/customers.
- Common platform to Inspire & motivate the Workforce.
- Can be managed from any location and can be updated remotely.
- Return On Investment by Advertisements.

We are offering attractive discounts on bulk orders (at least 3 units)

For more information / demonstration about the product, please write to us. Looking forward to your kind response.

Warm Regards,

Team Axion Electronics



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Mail-2

To: [lmn@candidsweets.com](mailto:lmn@candidsweets.com), abc@yahoo.com, jkl@gmail.com

CC/BCC: [ca@gmail.com](mailto:ca@gmail.com), ca@kp.com

Subject: Submit details for advance tax

Dear Clients,

Wishing you and your family a Very Happy and Prosperous New Year 2019. You are requested to submit details of your income, profit, current investments and assets to enable our team to calculate your tax payable for the year 2018-19. Kindly provide the necessary details by Jan 31, 2019 so that our team can guide you to plan your future investments. Kindly contact the undersigned for any clarification/information or a prior appointment for a personal meeting.

Hope to get cooperation from you all.

Thanks and Regards,

ABCD Kumar

(Chartered Accountant)

### Chapter-12 Resume Writing

(1) Aditya Narula Resume hints

Following is a standard format, with subheadings for fresher like Aditya:

- Name and contact details
- Objective Summary
- Academic Qualifications and Achievements
- Co-curricular Achievements
- Training Programs attended/completed
- Strengths
- Interests/Hobbies
- Declaration
- Signature

(2) Seema Solanki

#### Format for a Resume showing years of experience

- Name and contact details
- Objective Summary:
- Career Summary



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- Experience
- Company 1
  - Job title
    - Responsibilities/Achievements
- Company 2
  - Job title
    - Responsibilities/Achievements
- Educational Details
- Hobbies and Interests
- Signature
- References with their phone numbers

**Objective Summary:** seeking leadership roles and making a meaningful impact on the growth of the organization.

**Career Summary:** Have been associated with firms with an employee size of around 1200. I have a rich experience in costing and finance operations. My expertise lies in handling cash flow and pay rolls process.

Company Name 1

Job title: Analyst

Job Responsibilities:

- Handling finance operations and determining major financial objectives.
- Supervising monthly financials
- Deducing cost feasibility of cost based projects

Company Name 2

Job title: Manager/Sr. Consultant

Job Responsibilities:

- Designing and implementing cost effective techniques, policies and procedures to enhance financial growth.
- Managing pay rolls: computations of salaries, TDS, PPF
- Heading a six member team, handling daily basis output and ACR's.





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**Educational details**

(Pointers as follows)

School, class Xth and XIIth marks/grades

College/University: B.Com

ICAI, Mumbai : CA

**Chapter-13 Meetings**

Date: Jan 2, 2019

Venue: Conference Hall, 3<sup>rd</sup> Floor

Meeting started at 11 : 00 AM.

In attendance : Mr. BNM Managing Director, Mr. ASD Head , Sales and Marketing, Mr. FGH, Product Head, Mr. JKL Plant Head, two Senior Consultants from QWE Consulting and Market Research , three members of the Sales team

Mr. FGH, Product Head

- Introduced the agenda
- Demonstrated the prototype of the new product
- Explained the utility and target customers
- Existing Variants in the market vs variants to be introduced by the company in 6 months time

Mr. JKL, Plant Head

- Discussed preparedness for mass manufacturing of the new product
- Discussed potential vendors to manufacture the variants

Mr. VBN Senior Consultant, QWE Consulting and Market Research

- Discussed marketing strategy for product launch
- Discussed media advertising for product promotion

Mr. ASD Head, Sales and Marketing, Mr. RTY Executive, Sales Team

- Presented the estimated demand and sales figures for first quarter (initial 3 months after launch)
- Discussed feedback received from the sample customers

All the participants consented to submit their observations and reports to Mr. BNM Managing Director, Mr. ASD Head, Sales and Marketing,

The Head of Sales and Marketing proposed a vote of thanks and declared the next meeting to discuss reports to be held on Feb 4, 2019.



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ATR to be submitted by Jan 25, 2019 to the Head of Sales and Marketing.

(2) Tabular Agenda:

Time	Topic	Attendees	Speaker	Duration
9:30 am	Introduction and Welcome note	<ul style="list-style-type: none"> <li>• MD</li> <li>• Chief Operating Officer</li> <li>• Head (Admin)</li> <li>• Sr. Manager HR</li> <li>• Manager HR</li> <li>• Executives</li> </ul>	Head HR	5 minutes
9:35 am	<ul style="list-style-type: none"> <li>• Staff Matters</li> <li>• Fresh Appointments and interns in</li> <li>• Sales &amp; Marketing</li> <li>• Transfers</li> <li>• Promotions</li> <li>• Training Approvals</li> <li>• Study Leave Approvals</li> <li>• Cash Rewards</li> </ul>	-do-	Sr. Manager HR	30 mins
10:05 am	Presentation/Discussion on Staff Motivation Programmes	-do-	Chief Operating Officer	15 mins
10:20 am	Tea/Breakfast	Tea/Breakfast		40 mins
11:00 am	Circulation roster for housekeeping staff/peons	<ul style="list-style-type: none"> <li>• Chief Operating Officer</li> <li>• Head (Admin)</li> <li>• Sr. Manager HR</li> <li>• Manager HR</li> <li>• Executives</li> </ul>	Head(Admin)	15 mins
11:15 am	Open House	-do-	All members	20 mins
11:35 am	Vote of Thanks	All participants	Chief Operating Officer	5 mins



**PAPER – 2: BUSINESS LAWS& BUSINESS CORRESPONDENCE AND REPORTING**

**SECTION A: BUSINESS LAWS**

**QUESTIONS**

**The Indian Contract Act, 1872**

1. Define an offer. Explain the essentials of a valid offer. How an offer is different from an invitation to offer?
2. What do you understand by the term 'Consideration'? Are there any circumstances under which a contract, under the provisions of the Indian Contract Act, 1872, without consideration is valid? Explain.
3. A sends an offer to B to sell his second-car for ` 1,40,000 with a condition that if B does not reply within a week, he (A) shall treat the offer as accepted. Is A correct in his proposition? What shall be the position if B communicates his acceptance after one week?
4. X, Y and Z jointly borrowed ` 50,000 from A. The whole amount was repaid to A by Y. Decide in the light of the Indian Contract Act, 1872 whether:
  - (i) Y can recover the contribution from X and Z,
  - (ii) Legal representatives of X are liable in case of death of X,
  - (iii) Y can recover the contribution from the assets, in case Z becomes insolvent.
5. A student was induced by his teacher to sell his brand new car to the later at less than the purchase price to secure more marks in the examination. Accordingly, the car was sold. However, the father of the student persuaded him to sue his teacher. State whether the student can sue the teacher?
6. Explain the meaning of 'Quasi-Contracts'. State the circumstances which are identified as quasi contracts by the Indian Contract Act, 1872.
7. What is the law relating to determination of compensation, on breach of contract, contained in section 73 of the Indian Contract Act, 1872?

**The Sale of Goods Act, 1930**

8. Classify the following transactions according to the types of goods they are:
  - (i) A wholesaler of cotton has 100 bales in his godown. He agrees to sell 50 bales and these bales were selected and set aside.
  - (ii) A agrees to sell to B one packet of salt out of the lot of one hundred packets lying in his shop.
  - (iii) T agrees to sell to S all the oranges which will be produced in his garden this year.



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9. Suraj sold his car to Sohan for ₹ 75,000. After inspection and satisfaction, Sohan paid ₹ 25,000 and took possession of the car and promised to pay the remaining amount within a month. Later on Sohan refuses to give the remaining amount on the ground that the car was not in a good condition. Advise Suraj as to what remedy is available to him against Sohan.
10. J the owner of a car wants to sell his car. For this purpose, he hand over the car to P, a mercantile agent for sale at a price not less than ₹ 50,000. The agent sells the car for ₹ 40, 000 to A, who buys the car in good faith and without notice of any fraud. P misappropriated the money also. J sues A to recover the Car. Decide given reasons whether J would succeed.
11. What are the implied conditions in a contract of 'Sale by sample' under the Sale of Goods Act, 1930? State also the implied warranties operatives under the said Act.

**The Indian Partnership Act, 1932**

12. State the legal consequences of the following as per the provisions of the Indian Partnership Act, 1932:
  - (i) Retirement of a partner
  - (ii) Insolvency of a partner
13. X and Y are partners in a partnership firm. X introduced A, a manager, as his partner to Z. A remained silent. Z, a trader believing A as partner supplied 100 T.V sets to the firm on credit. After expiry of credit period, Z did not get amount of T.V sets sold to the partnership firm. Z filed a suit against X and A for the recovery of price. Advise Z whether he can recover the amount from X and A under the Indian Partnership Act, 1932.
14. When does dissolution of a partnership firm take place under the provisions of the Indian Partnership Act, 1932? Explain.

**The Limited Liability Partnership Act, 2008**

15. Who are the individuals which shall not be capable of becoming a partner of a Limited Liability Partnership?
16. What are the effects of registration of LLP?

**The Companies Act, 2013**

17. Some of the creditors of Pharmaceutical Appliances Ltd. have complained that the company was formed by the promoters only to defraud the creditors and circumvent the compliance of legal provisions of the Companies Act, 2013. In this context they seek your advice as to the meaning of corporate veil and when the promoters can be made personally liable for the debts of the company.
18. Explain clearly the doctrine of 'Indoor Management' as applicable in cases of companies registered under the Companies Act, 1956. Explain the circumstances in which an



**PAPER – 2 : BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING 3**

outsider dealing with the company cannot claim any relief on the ground of 'Indoor Management'.

**SUGGESTED ANSWERS/HINTS**

1. **Definition:** The word Proposal and offer are used interchangeably and it is defined under Section 2(a) of the Indian Contract Act, 1872 as when one person signifies to another his willingness to do or to abstain from doing anything with a view to obtaining the assent of that other to such act or abstinence, he is said to make a proposal.

**Essentials:** The following are important essentials of an offer: -

- ◆ Must be capable of creating legal relation.
- ◆ Must be certain, definite and not vague.
- ◆ Must be communicated.
- ◆ Must be made with a view to obtaining the assent of the other party
- ◆ May be conditional
- ◆ Offer should not contain a term the non compliance of which would amount to acceptance
- ◆ May be general or specific
- ◆ May be expressed or implied
- ◆ A statement of price is not an offer

**Offer and an Invitation to an offer:** In terms of Section 2(a) of the Act, an offer is the final expression of willingness by the offeror to be bound by the offer should the other party chooses to accept it. On the other hand, offers made with the intention to negotiate or offers to receive offers are known as invitation to offer. Thus, where a party without expressing his final willingness proposes certain terms on which he is willing to negotiate he does not make an offer, but only invites the other party to make an offer on those terms. Hence, the only thing that is required is the willingness of the offeree to abide by the terms of offer.

2. **Meaning of consideration:** The expression 'consideration' in general means price paid for an obligation. According to 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. Thus, on analyzing the above definition, the following ingredients are essential in understanding the meaning of the term consideration:-
- (i) An act i.e. doing something



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- (ii) An abstinence or forbearance i.e. abstaining or refraining from doing something, and
- (iii) A return promise.

The general rule is that an agreement made without consideration is void. Sections 25 of the Indian Contract Act, 1872, provides for exceptions to this rule where an agreement without consideration is valid. These are:

**(1) Natural Love & Affection [Section 25 (1)]**

Where an agreement is expressed in writing and registered under the law for the time being in force for the registration of documents and is made on account of natural love and affection between the parties standing in near relation to each other, the agreement is enforceable, even though, the consideration is absent.

**(2) Compensation for past voluntary service [Section 25 (2)]**

A promise to compensate, wholly or in part, a person who has already voluntarily done something for the promisor, is enforceable even without consideration.

**(3) Promise to pay time barred Debt [Section 25 (3)]**

The agreement is valid provided it is made in writing and is signed by the debtor or by his agent authorized in that behalf.

**(4) Completed Gift – [Explanation 1 to Section 25]**

As per explanation 1 to section 25, nothing in section 25 shall affect the validity as between donor and donee, on any gift actually made. Thus, gifts do not require any consideration.

**(5) Agency (Section 185)**

No consideration is necessary to create an agency.

**(6) Bailment (Section 148)**

No consideration is required to effect the contract of bailment.

**(7) Charity**

If a promise undertakes the liability on the promise of the person to contribute to charity, there the contract shall be valid.

3. Acceptance to an offer cannot be implied merely from the silence of the offeree, even if it is expressly stated in the offer itself. Unless the offeree has by his previous conduct indicated that his silence amount to acceptance, it cannot be taken as valid acceptance. So in the given problem, if B remains silent, it does not amount to acceptance.

The acceptance must be made within the time limit prescribed by the offer. The acceptance of an offer after the time prescribed by the offeror has elapsed will not avail to turn the offer into a contract.



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4. Section 42 of the Indian Contract Act, 1872 requires that when two or more persons have made a joint promise, then, unless a contrary intention appears from the contract, all such persons jointly must fulfill the promise. In the event of the death of any of them, his representative jointly with the survivors and in case of the death of all promisors, the representatives of all jointly must fulfill the promise.

Section 43 allows the promisee to seek performance from any of the joint promisors. The liability of the joint promisors has thus been made not only joint but "joint and several". Section 43 provides that in the absence of express agreement to the contrary, the promisee may compel any one or more of the joint promisors to perform the whole of the promise.

Section 43 deals with the contribution among joint promisors. The promisors, may compel every joint promisor to contribute equally to the performance of the promise (unless a contrary intention appears from the contract). If any one of the joint promisors makes default in such contribution the remaining joint promisors must bear the loss arising from such default in equal shares.

As per the provisions of above sections,

- (i) Y can recover the contribution from X and Z because X, Y and Z are joint promisors.
  - (ii) Legal representative of X are liable to pay the contribution to Y. However, a legal representative is liable only to the extent of property of the deceased received by him.
  - (iii) Y also can recover the contribution from Z's assets.
5. Yes, A can sue his teacher on the ground of undue influence under the provisions of Indian Contract Act, 1872.

According to section 16 of the Indian Contract Act, 1872, "A contract is said to be induced by 'undue influence' where the relations subsisting between the parties are such that one of the parties is in a position to dominate the will of the other and he uses that position to obtain an unfair advantage over the other".

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

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

A contract brought as a result of coercion, undue influence, fraud or misrepresentation would be voidable at the option of the person whose consent was caused.



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- 6. Quasi-Contracts:** Even in the absence of a contract, certain social relationships give rise to certain specific obligations to be performed by certain persons. These are known as “quasi-contracts” as they create some obligations as in the case of regular contracts. Quasi-contracts are based on the principles of equity, justice and good conscience.

The salient features of quasi-contracts are:

- (i) such a right is always a right to money and generally, though not always, to a liquidated sum of money;
- (ii) does not arise from any agreement between the parties concerned but the obligation is imposed by law and;
- (iii) the rights available are not against all the world but against a particular person or persons only, so in this respect it resembles to a contractual right.

**Circumstances Identified as Quasi-Contracts:**

1. **Claim for necessaries supplied to persons incapable of contracting:** Any person supplying necessaries of life to persons who are incapable of contracting is entitled to claim the price from the other person's property. Similarly, where money is paid to such persons for purchase of necessaries, reimbursement can be claimed.
2. **Payment by an interested person:** A person who has paid a sum of money which another person is obliged to pay, is entitled to be reimbursed by that other person provided that the payment has been made by him to protect his own interest.
3. **Obligation of person enjoying benefits of non-gratuitous act:** Where a person lawfully does anything for another person, or delivers anything to him not intending to do so gratuitously and such other person enjoys the benefit thereof, the latter is bound to pay compensation to the former in respect of, or to restore, the thing so done or delivered.
4. **Responsibility of finder of goods:** A person who finds goods belonging to another person and takes them into his custody is subject to same responsibility as if he were a bailee.
5. **Liability for money paid or thing delivered by mistake or by coercion :** A person to whom money has been paid or anything delivered by mistake or under coercion, must repay or return it.

In all the above cases contractual liability arises without any agreement between the parties.

- 7. Compensation on Breach of Contract:** Section 73 of the Indian Contract Act, 1872 provides 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





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from such breach or which the parties knew when they made the contract, to be likely to result from the breach of it. Such compensation is not given for any remote and indirect loss or damage sustained by reason of the breach. The explanation to the section further provides that in estimating the loss or damage from a breach of contract, the means which existed of remedying the inconvenience caused by the non-performance of the contract must be taken into account.

8. (i) A wholesaler of cotton has 100 bales in his godown. He agrees to sell 50 bales and these bales were selected and set aside. On selection the goods becomes ascertained. In this case, the contract is for the sale of ascertained goods, as the cotton bales to be sold are identified and agreed after the formation of the contract.
- (ii) If A agrees to sell to B one packet of salt out of the lot of one hundred packets lying in his shop, it is a sale of unascertained goods because it is not known which packet is to be delivered.
- (iii) T agrees to sell to S all the oranges which will be produced in his garden this year. It is contract of sale of future goods, amounting to 'an agreement to sell.'
9. As per the section 55 of the Sale of Goods Act, 1930 an unpaid seller has a right to institute a suit for price against the buyer personally. The said Section lays down that
- (i) Where under a contract of sale the property in the goods has passed to buyer and the buyer wrongfully neglects or refuses to pay for the goods, the seller may sue him for the price of the goods [Section 55(1)].
- (ii) Where under a contract of sale the price is payable on a certain day irrespective of delivery and the buyer wrongfully neglects or refuses to pay such price, the seller may sue him for the price. It makes no difference even if the property in the goods has not passed and the goods have not been appropriated to the contract [Section 55(2)].

This problem is based on above provisions. Hence, Suraj will succeed against Sohan for recovery of the remaining amount. Apart from this Suraj is also entitled to:-

- (1) Interest on the remaining amount
- (2) Interest during the pendency of the suit.
- (3) Costs of the proceedings.
10. The problem in this case is based on the provisions of the Sale of Goods Act, 1930 contained in the proviso to Section 27. The proviso provides that a mercantile agent is one who in the customary course of his business, has, as such agent, authority either to sell goods, or to consign goods, for the purpose of sale, or to buy goods, or to raise money on the security of goods [Section 2(9)]. The buyer of goods from a mercantile agent, who has no authority from the principal to sell, gets a good title to the goods if the following conditions are satisfied:



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- (1) The agent should be in possession of the goods or documents of title to the goods with the consent of the owner.
- (2) The agent should sell the goods while acting in the ordinary course of business of a mercantile agent.
- (3) The buyer should act in good faith.
- (4) The buyer should not have at the time of the contract of sale notice that the agent has no authority to sell.

In the instant case, P, the agent, was in the possession of the car with J's consent for the purpose of sale. A, the buyer, therefore obtained a good title to the car. Hence, J in this case, cannot recover the car from A.

11. The following are implied conditions in a contract of sale by sample in accordance with Section 17 of the Sale of Goods Act, 1930;
- (a) that the bulk shall correspond with the sample in quality;
  - (b) that the buyer shall have a reasonable opportunity of comparing the bulk with the sample.
  - (c) that the goods shall be free from any defect, rendering them unmerchantable, which would not be apparent on a reasonable examination of the sample [Section 17(2)].

**Implied Warrants:**

1. *Warranty of quiet possession [Section 14(b)]*: In a contract of sale, unless there is a contrary intention, there is an implied warranty that the buyer shall have and enjoy quiet possession of the goods. If the buyer is in any way disturbed in the enjoyment of the goods in consequence of the seller's defective title to sell, he can claim damages from the seller.
2. *Warranty as to non-existence of encumbrances [Section 14(c)]*: The buyer is entitled to a further warranty that the goods are not subject to any charge or encumbrance in favour of a third party. If his possession is in any way disturbed by reason of the existence of any charge or encumbrances on the goods in favour of any third party, he shall have a right to claim damages for breach of this warranty.
3. *Warranty as to quality or fitness by usage of trade [Section 16(3)]*. An implied warranty as to quality or fitness for a particular purpose may be annexed by the usage of trade.
4. *Warranty to disclose dangerous nature of goods*: Where a person sells goods, knowing that the goods are inherently dangerous or they are likely to be dangerous to the buyer and that the buyer is ignorant of the danger, he must warn the buyer of the probable danger, otherwise he will be liable in damages.



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**12. (i) RETIREMENT OF A PARTNER (SECTION 32):**

- (1) A partner may retire:
  - (a) with the consent of all the other partners;
  - (b) in accordance with an express agreement by the partners; or
  - (c) where the partnership is at will, by giving notice in writing to all the other partners of his intention to retire.
- (2) A retiring partner may be discharged from any liability to any third party for acts of the firm done before his retirement by an agreement made by him with such third party and the partners of the reconstituted firm, and such agreement may be implied by a course of dealing between the third party and the reconstituted firm after he had knowledge of the retirement.
- (3) Notwithstanding the retirement of a partner from a firm, he and the partners continue to be liable as partners to third parties for any act done by any of them which would have been an act of the firm if done before the retirement, until public notice is given of the retirement:  
Provided that a retired partner is not liable to any third party who deals with the firm without knowing that he was a partner.
- (4) Notices under sub-section (3) may be given by the retired partner or by any partner of the reconstituted firm.

**(ii) Insolvency of a partner (Section 34)**

- (1) The insolvent partner cannot be continued as a partner.
  - (2) He will be ceased to be a partner from the very date on which the order of adjudication is made.
  - (3) The estate of the insolvent partner is not liable for the acts of the firm done after the date of order of adjudication.
  - (4) The firm is also not liable for any act of the insolvent partner after the date of the order of adjudication,
  - (5) Ordinarily but not invariably, the insolvency of a partner results in dissolution of a firm; but the partners are competent to agree among themselves that the adjudication of a partner as an insolvent will not give rise to dissolution of the firm
- 13.** In the given case, along with X, the Manager (A) is also liable for the price because he becomes a partner by holding out (Section 28, Indian Partnership Act, 1932).

**Partner by holding out (Section 28):** Partnership by holding out is also known as partnership by estoppel. Where a man holds himself out as a partner, or allows others to



do it, he is then stopped from denying the character he has assumed and upon the faith of which creditors may be presumed to have acted.

It is only the person to whom the representation has been made and who has acted thereon that has right to enforce liability arising out of 'holding out'.

You must also note that for the purpose of fixing liability on a person who has, by representation, led another to act, it is not necessary to show that he was actuated by a fraudulent intention.

The rule given in Section 28 is also applicable to a former partner who has retired from the firm without giving proper public notice of his retirement. In such cases, a person who, even subsequent to the retirement, give credit to the firm on the belief that he was a partner, will be entitled to hold him liable.

14. **Dissolution of Firm:** The Dissolution of Firm means the discontinuation of the jural relation existing between all the partners of the Firm. But when only one of the partners retires or becomes incapacitated from acting as a partner due to death, insolvency or insanity, the partnership, i.e., the relationship between such a partner and other is dissolved, but the rest may decide to continue. In such cases, there is in practice, no dissolution of the firm. The particular partner goes out, but the remaining partners carry on the business of the Firm. In the case of dissolution of the firm, on the other hand, the whole firm is dissolved. The partnership terminates as between each and every partner of the firm.

**Dissolution of a Firm may take place (Section 39 - 44)**

- (a) as a result of any agreement between all the partners (i.e., dissolution by agreement);
- (b) by the adjudication of all the partners, or of all the partners but one, as insolvent (i.e., compulsory dissolution);
- (c) by the business of the Firm becoming unlawful (i.e., compulsory dissolution);
- (d) subject to agreement between the parties, on the happening of certain contingencies, such as: (i) effluence of time; (ii) completion of the venture for which it was entered into; (iii) death of a partner; (iv) insolvency of a partner.
- (e) by a partner giving notice of his intention to dissolve the firm, in case of partnership at will and the firm being dissolved as from the date mentioned in the notice, or if no date is mentioned, as from the date of the communication of the notice; and
- (f) by intervention of court in case of: (i) a partner becoming the unsound mind; (ii) permanent incapacity of a partner to perform his duties as such; (iii) Misconduct of a partner affecting the business; (iv) willful or persistent breaches of agreement by a partner; (v) transfer or sale of the whole interest of a partner; (vi) improbability of the business being carried on save at a loss; (vii) the court being satisfied on other equitable grounds that the firm should be dissolved.



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- 15. Partners (Section 5 of Limited Liability Partnership Act, 2008):** Any individual or body corporate may be a partner in a LLP.

However, an individual shall not be capable of becoming a partner of a LLP, if—

- (a) he has been found to be of unsound mind by a Court of competent jurisdiction and the finding is in force;
- (b) he is an undischarged insolvent; or
- (c) he has applied to be adjudicated as an insolvent and his application is pending.

- 16. Effect of registration (Section 14 of Limited Liability Partnership Act, 2008):**

On registration, a LLP shall, by its name, be capable of—

- (a) suing and being sued;
- (b) acquiring, owning, holding and developing or disposing of property, whether movable or immovable, tangible or intangible;
- (c) having a common seal, if it decides to have one; and
- (d) doing and suffering such other acts and things as bodies corporate may lawfully do and suffer.

- 17. Corporate Veil:** Corporate Veil refers to a legal concept whereby the company is identified separately from the members of the company.

The term Corporate Veil refers to the concept that members of a company are shielded from liability connected to the company's actions. If the company incurs any debts or contravenes any laws, the corporate veil concept implies that members should not be liable for those errors. In other words, they enjoy corporate insulation.

Thus, the shareholders are protected from the acts of the company.

However, under certain exceptional circumstances the courts lift or pierce the corporate veil by ignoring the separate entity of the company and the promoters and other persons who have managed and controlled the affairs of the company. Thus, when the corporate veil is lifted by the courts, the promoters and persons exercising control over the affairs of the company are held personally liable for the acts and debts of the company.

The following are the cases where company law disregards the principle of corporate personality or the principle that the company is a legal entity distinct and separate from its shareholders or members:

- (i) To determine the character of the company i.e. to find out whether co-enemy or friend
- (ii) To protect revenue/tax
- (iii) To avoid a legal obligation
- (iv) Formation of subsidiaries to act as agents



(v) Company formed for fraud/improper conduct or to defeat law

**18. Doctrine of Indoor Management (Companies Act, 2013):** According to the “doctrine of indoor management” the outsiders, dealing with the company though are supposed to have satisfied themselves regarding the competence of the company to enter into the proposed contracts are also entitled to assume that as far as the internal compliance to procedures and regulations by the company is concerned, everything has been done properly. They are bound to examine the registered documents of the company and ensure that the proposed dealing is not inconsistent therewith, but they are not bound to do more. They are fully entitled to presume regularity and compliance by the company with the internal procedures as required by the Memorandum and the Articles. This doctrine is a limitation of the doctrine of “constructive notice” and popularly known as the rule laid down in the celebrated case of *Royal British Bank v. Turquand*. Thus, the doctrine of indoor management aims to protect outsiders against the company.

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.

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.

Likewise, in *Morris v Kansseen*, a director could not defend an allotment of shares to him as he participated in the meeting, which made the allotment. His appointment as a director also fell through because none of the directors appointed him was validly in office.

**(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.

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.



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Similarly, in the case of *Haughton & Co. v. Nothard, Lowe & Wills Ltd.* where a person holding directorship in two companies agreed to apply the money of one company in payment of the debt to other, the court said that it was something so unusual “that the plaintiff were put upon inquiry to ascertain whether the persons making the contract had any authority in fact to make it.” Any other rule would “place limited companies without any sufficient reasons for so doing, at the mercy of any servant or agent who should purport to contract on their behalf.”

- (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.

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 affixed 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.





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**SECTION B: BUSINESS CORRESPONDENCE AND REPORTING**

**QUESTIONS**

**Chapter-1**

**Communication**

- (1) What is network in communication?
- (2) Describe various characteristics of effective communication?

**Chapter 2**

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

- (A) Change the following sentences into passive voice.
1. John helps William.
  2. Who did this?
  3. Some students were helping the layman.
  4. Ram will finish the work by tomorrow.
  5. The Peon opened the gate.
- (B) Change the following Direct speech into Indirect speech.
1. He said, 'I have passed the examination.'
  2. Ram said to him, 'I don't believe you.'
  3. 'Where do you live?' asked the stranger.
  4. 'Call the second witness,' said the judge.
  5. He said, 'Well-done! You have done well.'

**Chapter -3 Vocabulary**

**(A) Select the suitable synonym for the given words:**

1. Inchoate  
a- Contextual    b- notified    c- rudimentary    d- disseminate
2. Hone  
a- Grind    b- jumble    c- heuristic    d- chroneme
3. Dilatory  
a- Using time    b- wasting time    c- about to complete    d- proximity





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4. Sturdy  
a- Stealth b-very small c-peculiar d-indomitable
5. Oblivious  
a- Refuel b- problematic c- digress d-heedless

**(B) Select the suitable antonym for the given word:**

1. **Frivolus**  
a- Resolute b-gleeful c-fragile d- advantageous
2. **Prerogative**  
a- Positive b- embargo c- invincible d- grapple
3. **Vituperate**  
a- Dignity b- relevance c- exculpate d- perturb
4. **Turmoil**  
a- Kindness b- compliment c- adjustor d- serenity
5. **Sane**  
a- ego b- frantic c- composer d- gleaner

**Chapter 4**

**Comprehension Passages**

**Read the following comprehension passages and answer the following questions**

**Passage 1**

(1) All languages are systematic and rule bound. Children across the world acquire their natural language in same manner. In this context, linguistics is not simply the study of foreign languages. It is the scientific, organized and systematic study of a language. Linguists examine and evaluate language on the basis of words, sentence, word order, pronunciation to discuss the internal language mechanism. Generally people understand that a linguist can speak many languages. However there is big difference between a linguist and a polyglot. India as a case in example has six distinct language families. It is estimated that approx. seventeen hundred languages are spoken in India only. Hindi is a rich language but does not still have a national language status in terms of official usage although it is official language for some states. English is official language for most other states.

Most countries have only one language besides Canada where French and English both are official languages. In the western world, countries are strongly associated with single languages and vice versa. Linguists see this due to the rise of nation states in the past few centuries where single languages attained official status in individual countries, English in the United Kingdom, French in France, Italian in Italy, etc. However beneficial the official status of one language may be for a



modern country in terms of government, public discourse, higher education, etc., it is not helpful to other languages which may be found within the borders of a particular country. In many aspects language represents our identity and culture. Furthermore, even in countries where only one language is spoken, say Dutch in the Netherlands, there may well be different dialects of this language closely related to the national language. Even within Europe, and most certainly outside of it, the equation of one country with one language breaks down. Switzerland is a good example of a country where a single national identity exists across three major and one minor speech community: Swiss German, French, Italian and Rhaeto-Romance. Beyond Europe it is more the rule than the exception for countries to have several languages within their borders. One need only think of such countries as India and China or Siberian Russia to see how many languages can be integrated into a single state. In such instances, there is of course an official language which serves the function of a lingua franca, that is, a language which is used as a means of communication among those groups who do not speak each others language.

1. A linguist is one who
  - a- knows many languages
  - b- make a language
  - c- speak many languages
  - d- master in programming language
2. India as a linguistic area has-
  - a- a single language
  - b- six languages
  - c- only one official language
  - d- many languages
3. Language represents-
  - a- Population
  - b- Identity
  - c- Boundary
  - d- civilization
4. Switzerland is famous for -
  - a- Natural diversity
  - b- Language identity
  - c- Cultural identity
  - d- National identity
5. Lingua franca means-



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- a- Any language used for speech and writing between business purpose
- b- Language for business
- c- Any language used for communication between groups who have no other language in common.
- d- Any language used for communication between the particular speech community

**Passage 2**

The word 'Ethics' is derived from the Greek word "ethos" meaning character. It refers to conventional standard of right and wrong, good and bad that means what people should do or should not. It includes fairness, loyalty and honesty for others. In the context of an organization, ethics can be viewed as a frank conversation about those values and issues most important to stakeholders and to business. Ethical behaviour in organizational context has been most frequently described in terms of ethical standards of senior leaders and the culture to which they substantially contribute (DeGeorge, 1986). We define leadership as the art of persuading a follower to want to do the things, activities, that the leader sets as goals. The role of leaders is that of directing an individual's behaviour towards a desired goal. There are several kinds of Leaders that having different leadership styles that stem from unique characteristics of their personality. Leaders have different values, attitudes, beliefs, conduct, habits and practices. It largely depends upon the organizational, professional or institutional culture. Leadership signifies a relation between a leader and his followers within a situational and organizational context. Leadership in the context of normative organizational ethics can be defined with regard to how individuals should or ought to behave in an organization. This includes speculations about criteria that define ethical decisions and personality characteristics.

Many business organizations are implementing policies and procedures to encourage an ethical work culture. Companies are establishing codes of ethics, appointing ethics compliance officers, and instituting ethics training programs. Ethics comprise five elements: responsibility, respect, fairness, honesty, and compassion. Companies are also developing Web-based programs and workshops that teach employees how to relate to each other, to the company, to customers, and to business partners. These trainings sometimes include ethical decision-making models and role-playing scenarios that help employees respond appropriately to dilemmas. Typical ethical topics include workplace romance, e-mail appropriateness, Internet use, integrity, confidentiality, security, and harassment.

1. Write title of the passage-
  - a- Ethics in business
  - b- Ethical Leadership
  - c- Ethics and Marketing
  - d- Leading as a leader
2. Ethics include-



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- a- Beyond loyal
  - b- Need and importance
  - c- Truthiness
  - d- Knowing right and wrong
3. Most leaders have-
- a- Social mutual relation
  - b- Effective speech
  - c- Individual leadership style
  - d- Intrapersonal behavior
4. is organized by organizations for inculcating ethics amongst employees
- a- Seminar
  - b- Conference
  - c- Moral value discussion
  - d- Ethics training programme
5. Objective of organizing training programme on ethics to inculcate
- a- Ethical decision making
  - b- Ethical based value system
  - c- Ethical work culture
  - d- harmony

### **Chapter 5 Note Making**

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

Market risk is inevitable part of capital market. Broadly, 'MR' means changes in the market prices of underlying. In commercial business the market risk may be a consequence but in capital market it forms organization's core business. MR can arise in different stages of services or different timing say during an hour, a day or a week. Generally, the primary concern in assessing the market risk is to assess it in absolute term or relative changes in comparison of any benchmark say interest rates etc. The market risk can be broken down into different classes: such as interest rate risk, foreign exchange risk, commodity risk and equity risk. Interest rate risk arises due to change in the yield curve. It affects not only current value of items of Balance Sheet of a financial institutions but also the off the Balance Sheet items. Foreign exchange risk arises on account of change in the price of foreign currency. Commodity risk arises due to change in price of commodities, commodity price index etc. and Equity risk occurs when there is a fall in equity indices or most of the shares. Equity risk normally results from any unprecedented events say sovereign default etc.



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**Chapter 7**

**Précis Writing**

Read the following passages and write a précis for the same.

- 1) The word 'gender', originally a grammatical term, has come to refer to the social roles and behaviour of individuals arising from their classification as biologically male or female. In other words, Gender is general terms is imported from the social sciences for the sex or sexuality of human beings. Hence 'gender difference', of a difference in speech between men and women; language and gender, as a branch of sociolinguistics dealing with such differences. This is a huge complex embracing virtually all aspects of social behaviour of which language is only one. Recently, intensive research has been carried out about the relationship of language and gender, largely by female scholars who have felt drawn to the topic because of the obvious discrimination against women that has taken place in the past and which can still be observed today. The initial impulse was the work of the American linguist Robin Lakoff, who in the early 1970s focussed her attention on certain themes with the language and gender complex above those that she rightly felt required rectification. Her work stimulated other scholars to engage in this study and soon language and gender was a burgeoning research area in universities across the western world. Various opinions emerged on this relationship with two gaining particular focus. One is the difference approach which established that male and female language is dissimilar in spoken as well as written without attributing this to the nature of the social relationship between men and women. The other is the dominance approach which saw language usage by females and males as reflecting established relationship of social control of the latter over the former. With the maturation of research on language and gender the simple 'difference - dominance' dichotomy was increasingly regarded as unsatisfactory and insufficiently nuanced. For example, to maintain that men have a competitive style of social behaviour in western countries is a generalisation that everyone would agree. However, there are men who are not competitive in this respect. There are common tendencies that one comes across such as men interrupt women more, women are more communicative than men, women gossip more than men, men speak more comfortably in public and are good in calculation than women.
- 2) There are approx. 6000 languages spoken worldwide. Out of them only some languages have script while others exist only in spoken form. Language diversity is common phenomena to the human. But Language death is equal to human death. In this regard, we need to work for language documentation, making new language policy, and new application to enhance the vitality of languages. A language is endangered when it is on a path toward extinction. Indeed, without proper documentation, a language that is extinct can never be revived. A language is in danger when its speakers cease to use it, use it in an increasingly reduced number of communicative domains, and cease to pass it on from one generation to the next. That is, there are no new speakers, adults or children. About 97% of the world's people speak about 4% of the world's languages; and conversely, about 96% of the world's languages are spoken by about 3% of the world's people



(Bernard 1996: 142). Many indigenous peoples, associating their disadvantaged social position with their culture, have come to believe that their languages are not worth retaining. For linguist, each language is unique and each language is a unique expression of the human experience of the world. Thus, the knowledge of any single language may be the key to answering fundamental questions of the future. Every time a language dies, we have less evidence for understanding patterns in the structure and function of human language, human prehistory, and the maintenance of the world's diverse ecosystems. Raising awareness about language loss and language diversity will only be successful when meaningful contemporary roles for minority languages can be established, for the requirements of modern life within the communities as well as in national and international contexts. External Specialists and Speech Communities External language specialists, primarily linguists, educators, and activists see their first task as documentation.

### **Chapter 8**

#### **Article Writing**

- 1) **Online Payment on a high after demonetisation**
- 2) **Unemployment: A blot to Indian economy**

### **Chapter-10**

#### **Letter Writing**

- 1) Write a letter from xyz pvt ltd confirming the order placed and other details.
- 2) Write a complaint letter to the supplier about a defective consignment received.

### **Chapter 11**

#### **Formal Mails**

- 1) Write a mail to Suraj Gupta responding to his query about the availability of cosmetics and toiletries in your manufacturing unit 'Shimmer and Shine'. You are Mr. Vishnu Verma, marketing head of the company. (word limit: 150-200 words)
- 2) You are Arvindkumar, a team leader in project implementations department of Cellular Telecommunications. Write a mail to all members of your team asking them to attend a meeting after two days, seeking their suggestions on ways and means to speed up the implementation of the project of improving connectivity in X,Y,Z areas in the city . (word limit: 150-200 words)

### **Chapter 12**

#### **Resume Writing**

- 1) You are Abhinav/RakhiGoel, a resident of Tagore Garden, New Delhi. You have recently come across an advertisement in the Times of India post of a Jr. Accountant at HCL. Draft a résumé along with a cover letter in response to the advertisement.



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- 2) You are Anil/Snjukta. You come across the following advertisement for the post of Chartered Accountant in the Employment News at ROCA. You consider yourself suitable and eligible for the post. Write an application in response to the advertisement. Attach your curriculum vitae.

**Chapter 13**

**Meetings**

- (1) Your company, has witnessed a gradual decline in a consumer product over the one year. Prepare the minutes of the meeting for the same. Members in the meeting; Head of the Sales and Marketing, Product head, Product lead and concerned team members.
- (2) As an employee of a CA firm, Prepare the agenda of an upcoming partners' visit in tabular format. Include senior executive 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) A **communication network** refers to the method and pattern used by members of an organisation to pass on information to other employees in the organization. Network helps managers create various types of communication flow according to requirement of the task at hand. Some companies have established and predefined networks of communication for specified venture.

**2) 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 to 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 be kept 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 point 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 your focus and attention during the communiqué is imperative for effective communication.





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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.

**Chapter-2 Sentence Types**

(A) Active to Passive

1. William is helped by John.
2. By whom was this done?
3. The layman was being helped by some students.
4. The work will be finished by Ram tomorrow.
5. The gate was opened by the peon.

(B) Direct to Indirect Speech.

1. He said that he had passed the examination.
2. Ram said he didn’t believe him.
3. The stranger required where I lived.
4. The judge commanded them to call the second witness.
5. He applauded him, saying that he had done well.

**Chapter-3 Vocabulary**

(A) Synonyms

1. C
2. A
3. B
4. D
5. D



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(B) Antonyms

1. A
2. B
3. C
4. D
5. B

**Chapter -4 Comprehension Passages**

**Passage-1**

1. A 2. d 3. b 4. b 5. c

**Passage-2**

1. b, 2. d, 3. c, 4. d, 5. a

**Chapter-5 Note Making**

- 1) Risk Management
  - 1) What is risk management
  - 2) Relevance of MR in commercial business
    - a- Fluctuation-
    - b- Primary concern
- 2) How many kinds of MR
  - a) Interest rate risk
  - b) Foreign exchange risk
  - c) Commodity risk
  - d) Equity risk
- 3) Equity risk occurs when
- 4) Primary concern of MR

**Key:**

What-What

Management- management

Relevance- Relevance



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MR- Market Risk

Comrcial- Commercial

Bsness- business

Intrnt- Intenet

Rsk-risk

Forn-foreign

Exchng-exchange

Commdty-commodity

Equity- equity

d-the

prmry- primary

**Chapter -7 Précis Writing**

**1) Language and Gender**

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.

**Language Vitality and Endangerment**

**2)** Language endangerment is an alarming situation worldwide. Language teachers should be well trained linguistically and language documentation should be encouraged by state authorities. Similarly, linguists, language activists, and language policy makers have a long-term task to compile and disseminate the most effective and viable mechanisms for sustaining and revitalizing the endangered languages.

**Chapter -8 Article Writing**

**1) Hints:**

.On Nov.8, 2016- govt. announced discontinuation of Rs. 500 and Rs. 1000 notes.

- The move forced people to use options such Internet banking, mobile banking, credit and debit cards, mobile wallets and other prepaid payment instrument.
- Digital transactions have grown by 400 to 1000%.
- This figure does not include transactions done through Master and Visa cards.



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- People to be educated about digital payments through websites and television.
- Increased transactions on e-wallet.
- Volume of transactions using Rupay card has increased from 3.85 lakh per day to 16 lakh per day.
- These digital transactions will ensure money comes into the system.
- All money/transactions will be accountable. They will generate tax, thus developing the country's economy.
- The government will develop better welfare plans when money will be deposited in banks.

**Q.12.-Topic- Unemployment: No longer India's economy capital**

2) 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.

**Chapter-10**

**Writing Formal Letters and Official Communication**

Kalu Sarai,  
New Delhi

August 09, 2019

MR. Ramesh



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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,

Mr.Khan

Sr. Manager, Sales and Marketing, Drive Pvt. Ltd.

2) XYZ Corporation

Rajeev chowk

New Delhi

August 09, 2019

The General Manager

Sales and Purchase Division

XYZ Pvt. Limited

Gurugram

Dear Sir/Ma'am,

**Sub: Complaint against the order no. S/N-116**

This is with reference to order no S/N-116 made on December 1, 20XX. The order comprised six 2 tonne split air-conditioners of XXX brand and four 1.5 tonne window air-conditioners of XYZ brand. As per the agreement, the products were to be delivered within ten



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days of order and a representative was to be sent for installation and demo. Unfortunately, only half the order has been delivered and no representative has visited of installation or demo.

The fact that you have taken undue time and have not yet delivered the order, has caused us great embarrassment and inconvenienced our clients. In addition we have received no correspondence from your side explaining the delay.

Kindly ensure that the remaining items of the order are delivered to us before September 12, 20XX failing which payment will be stopped or the order cancelled.

I sincerely request you to look into the matter and the needful as soon as possible.

Thanks & Regards!

Ashita Bhargava

Sr. Manager

Operations and Admin Department

**Chapter-11 Writing Formal Mails**

Mail-1

**(Value points)**

- a) Correct receiver E-mail Id.
- b) Subject should be catchy/highlighted and relevant.
- c) Salutation, mention both -Dear Sir/Ma'am,.
- d) Opening paragraph state the offer.
- e) Offer special discount to an old valued customer.
- f) Detail you trendy, stylish and durable products and affirm that you are the first in the industry to introduce these state of art products.
- g) Be persuasive in convincing customer to be the first to use the products and and thus attract clientele.
- h) Mention your website where the wide range of products can be viewed.
- i) Request to place order at the earliest.

Mail-2

value points.

- a) Correct receiver E-mail Id.
- b) Subject should be catchy/highlighted and relevant.
- c) Address should be to group- 'Hi All'



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- d) Specify date and place of meeting.
- e) Mention time frame of completion of project.
- f) State problems being faced-procuring equipment, legal problems, local people protesting against radiation threat, getting required permission form local government bodies etc.
- g) Ask for viable suggestions-more resources, better software, longer working hours.

**Chapter-14 Resume Writing**

**1) Cover letter**

Date: August 09, 2019

To,  
The HR  
HCL,  
206, State Street  
Mumbai-201006

Dear Sir/Ma'am,

**Sub: Application for the post of Jr. Accountant**

The 'Jr. Accountant' position described in the recent 'Times of India' advertisement immediately caught my attention. I have enclosed my résumé for your consideration. I am confident you will find that my qualifications more than meet your requirements. I am a skilled team player with proficient in accountancy.

I will communicate you next week to confirm your receipt of my résumé and answer any preliminary questions. I look forward to a positive response.

Yours Sincerely,  
Abhinav Goel  
Tagore Garden,

**Résumé**

**RakhiGoel**

Jr. Accountant

Mob: +91-xxxxx xxxxx

Email: [xyz@gmail.com](mailto:xyz@gmail.com)



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Date of Birth: 16 June 1986

Permanent Address: xyz nagar, Varanasi

Nationality: Indian

Marital Status: Unmarried

Academic Qualification:

S No.	Qualification	Subject/Stream	Institute	Board/University	Year of Passing	%/Division
1	CA	CA	ICAI	ICAI	2015	80%/I
2	Higher Secondary	Humanities	BKY New Delhi	CBSE	2012	76%/I
3	Secondary	Humanities	KVS, Saket, New Delhi	CBSE	2010	68%/I

**Internship:**

- One year internship at IBM, Noida, form 2015-16.

**Professional Skills:**

- Accountancy, Auditing, Forensic Auditing, Corporate Law

**Language Known:**

- English, Japanese, Hindi (Comm.)

**Hobbies:**

Reading Books, Playing Chess, Travelling

References:

- TarunaKohili  
Assistant Secretary  
ICAI, New Delhi  
Cont.: +91-xxxxx xxxxx  
E-mail: [xyz@gmail.com](mailto:xyz@gmail.com)

Dr. Raj Nath Bhatt  
Professor  
Department of Linguistics, B.H.U.  
Cont.: +91-xxxxx xxxxx  
E-mail: [xyz@gmail.com](mailto:xyz@gmail.com)





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Place: New Delhi

Date: 09.08.2019

(Rakhi Goel)

Date: August 09, 2019

To,

The HR

ROCA

Bhiwadi, Rajasthan-243466

Subject: Application for the Post of Chartered Accountant

Dear Sir/Ma'am,

I am very interested in the 'Chartered Accountant' position at ROCA, advertised in the employment news on Monday, August 06, 2019. I have more three years teaching experience in different reputed organisations. I feel that I would be an excellent candidate.

My CV is enclosed summarising where my skills and abilities have been developed. I would welcome the opportunity to discuss my background with you further. May I have an interview with you at your earliest convenience? Please contact me at xxxxxxxxxx or at xyz@gmail.com.

I look forward to hearing from you.

Thanks & Regards!!

Sincerely,

Anil Mishra

CA



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### Curriculum Vitae

#### Anil Mishra

Chartered Accountant

XYZ Company

NCR

Phone: +91- xxxxxxxxxx

E-mail: [xyz@gmail.com](mailto:xyz@gmail.com)

#### Profile/ Objective:

- Hardworking, punctual and dedicated individual seeking in accounting. Possesses strong leadership and team management skills. A problem solver who is able to calmly deescalate situations and work towards favourable outcomes for all involved. Passionate, knowledgeable and giving.

#### Educational Qualifications:

- Completed CA in the batch 2013-17
- 10+2, from CBCE, New Delhi, 2012, with 1<sup>st</sup> Division.
- 10<sup>th</sup> from CBCE, New Delhi, 2010, with 1<sup>st</sup> Division.

#### Award/Achievements:

- Got prize for standing first in Linguistics, B.A. at B.H.U.

#### Administrative Experience:

- Administrative Warden at Rajshree Institute of Management & Technology, Bareilly, U.P.
- Chief Proctor at NavyugMahavidyalaya, Badshahpur, Jaunpur, U.P.
- Venue Coordinator in the 11<sup>th</sup> ICOSAL-11 organized by Department of Linguistics, Banaras Hindu University from 23, Jan.-25, Jan. 2014.

#### Professional Skills:

Accountancy, Auditing, Proficient in MS-Office & Web Browsing, English typing 40 w/m

#### Cultural/ Social Activities:

- Participated as Volunteer in *Durgotsav Puja* at *DKY Public School*, from 2004-09, 2013-16.
- Venue Coordinator of '*Sanskriti*' Cultural Event at *DKY Public School* in 2008.
- Actively Participated in all the major social & cultural events organized by School.



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**Language Known:**

- English, Hindi, Punjabi, Marathi, (Comm.)

**Workshop/Training Programme/Academic Participation:**

- Participated in Short Term Programme (STP), on 'Forensic Auditing' at regional centre, Kolkata, from 01-06 Oct., 2018.
- Participated in National on xyz at xyz from .....
- Participated in International Lecture on "*LEARN TO FIND YOUR HIDDEN TALENT*" delivered by Geshe Michael Roach, at Bharat Adhyayan Kendra, B.H.U. Varanasi, (INDIA), on 13 Feb. 2017.
- Participated in *Human Value "Harmony"* workshop organized by IIT , B.H.U., Varanasi from 31 Jan.-03 Feb. 2016.
- Participated in One-week workshop on Accounting at regional centre, Mumbai, from 12 Jan.-21 Jan. 2016.

**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**

**1)**

Date: July 09, 2019

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

Meeting Started at 02:00 PM

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

Mr. Ram Swaminathan, 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.



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Her team including Mr. A. Mr. B, Ms. C, Ms. D elaborated on the market trend target 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.

2) Tabular Agenda

Time	Topic	Attendees	Speaker	Duration
08:30 AM	Introduction and Welcome note	Name of the participants	Director, Finance	10 Minutes
08:40 AM	Speech	Name of the participants	Hon'bleMr. Partner	25 Minutes
09:05 AM	Discussion on new audit trends	Name of the participants	Sr. Manager Audit	25 Minutes
<b>09:30 AM</b>	<b>Tea/Breakfast</b>	<b>Tea/Breakfast</b>		<b>30 Minutes</b>
10:00 AM	Discussion on new adapting technology/application	Name of the participants	Sr. Manager Technology/Application	20 Minutes
10:20 AM	Open house	Name of the participants	All members	20 Minutes
10:40 AM	Vote of thanks	Name of the participants	Director	10 Minutes



**PAPER – 2: BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING**

**SECTION A: BUSINESS LAWS**

**PART – I: RELEVANT AMENDMENTS APPLICABLE FOR MAY 2020 EXAMINATION**

1. **Meaning of Resident Director as per Companies (Incorporation) Third Amendment Rules, 2018, w.e.f. 27-7-2018:** For the purposes of this rule, the term "resident in India" means a person who has stayed in India for a period of not less than one hundred and eighty two days during the immediately preceding financial year.

**[This is covered under OPC (One Person Company) - Significant Points, Page No. 5.10]**

2. **Revised definition of Small company [Section 2(85)]:** "Small company" means a company, other than a public company,—
- (i) paid-up share capital of which does not exceed fifty lakh rupees or such higher amount as may be prescribed which shall not be more than ten crore rupees; and
  - (ii) turnover of which as per profit and loss account for the immediately preceding financial year does not exceed two crore rupees or such higher amount as may be prescribed which shall not be more than one hundred crore rupees:

Provided that nothing in this clause shall apply to—

- (A) a holding company or a subsidiary company;
- (B) a company registered under section 8; or
- (C) a company or body corporate governed by any special Act;

**[Covered on Page No. 5.11]**

3. **Revised definition of "subsidiary company" or "subsidiary [Section 2(87)]:** In relation to any other company (that is to say the holding company), means a company in which the holding company—
- (i) controls the composition of the Board of Directors; or
  - (ii) exercises or controls more than one-half of the total voting power either at its own or together with one or more of its subsidiary companies:

Provided that such class or classes of holding companies as may be prescribed shall not have layers of subsidiaries beyond such numbers as may be prescribed.

Explanation.—For the purposes of this clause,—



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- (a) a company shall be deemed to be a subsidiary company of the holding company even if the control referred to in sub-clause (i) or sub-clause (ii) is of another subsidiary company of the holding company;
- (b) the composition of a company's Board of Directors shall be deemed to be controlled by another company if that other company by exercise of some power exercisable by it at its discretion can appoint or remove all or a majority of the directors;
- (c) the expression "company" includes any body corporate;
- (d) "layer" in relation to a holding company means its subsidiary or subsidiaries;

**[Covered on Page No. 5.12]**

- 4. Meaning of Nidhi Companies [Section 406(1) of the Companies Act, 2013]:** In this section, "Nidhi" or "Mutual Benefit Society" means a company which the Central Government may, by notification in the Official Gazette, declare to be a Nidhi or Mutual Benefit Society, as the case may be. **[Substituted by the Companies (Amendment) Act, 2017, with effect from 15-8-2019.]**

**[Covered on Page No. 5.16]**

**PART – II : QUESTIONS AND ANSWERS**

**SECTION A: BUSINESS LAWS**

**QUESTIONS**

**The Indian Contract Act, 1872**

1. Explain the type of contracts in the following agreements under the Indian Contract Act, 1872:
  - (i) A coolie in uniform picks up the luggage of A to be carried out of the railway station without being asked by A and A allows him to do so.
  - (ii) Obligation of finder of lost goods to return them to the true owner
  - (iii) A contracts with B (owner of the factory) for the supply of 10 tons of sugar, but before the supply is effected, the fire caught in the factory and everything was destroyed.
2. "Only a person who is party to a contract can sue on it". Explain this statement and describe its exceptions, if any.
3. Explain the circumstances in which the person is deemed to be in a position to dominate the will of the other person under the Indian Contract Act, 1872.



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4. What is a wagering agreement? Describe the transactions which resembles with wagering transactions but are not void.
5. "The basic rule is that the promisor must perform exactly what he has promised to perform." Explain stating the obligation of parties to contracts.
6. What do you mean by Quantum Meruit and state the cases where the claim for Quantum Meruit arises?
7. Explain the meaning of 'Contingent Contracts' and state the rules relating to such contracts.
8. Explain the concept of 'misrepresentation' in matters of contract. Sohan induced Suraj to buy his motorcycle saying that it was in a very good condition. After taking the motorcycle, Suraj complained that there were many defects in the motorcycle. Sohan proposed to get it repaired and promised to pay 40% cost of repairs After a few days, the motorcycle did not work at all. Now Suraj wants to rescind the contract. Decide giving reasons whether Suraj can rescind the contract?
9. X, a minor was studying in M.Com. in a college. On 1st July, 2019 he took a loan of ₹ 1,00,000 from B for payment of his college fees and to purchase books and agreed to repay by 31st December, 2019. X possesses assets worth ₹ 9 lakhs. On due date, X fails to pay back the loan to B. B now wants to recover the loan from X out of his (X's) assets. Referring to the provisions of Indian Contract Act, 1872 decide whether B would succeed.

**The Sale of Goods Act, 1930**

10. State briefly the essential element of a contract of sale under the Sale of Goods Act, 1930.
11. What is an Implied Warranty and state the various types of Implied Warranties.
12. "Nemo Dat Quod Non Habet" – "None can give or transfer goods what he does not himself own." Explain the rule and state the cases in which the rule does not apply under the provisions of the Sale of Goods Act, 1930.
13. What are the rights of buyer against the seller, if the seller commits a breach of contract under the Sale of Goods Act, 1930?
14. Mr. S agreed to purchase 100 bales of cotton from V, out of his large stock and sent his men to take delivery of the goods. They could pack only 60 bales. Later on, there was an accidental fire and the entire stock was destroyed including 60 bales that were already packed. Referring to the provisions of the Sale of Goods Act, 1930 explain as to who will bear the loss and to what extent?
15. Mr. Amit was shopping in a self-service Super market. He picked up a bottle of cold drink from a shelf. While he was examining the bottle, it exploded in his hand and injured him. He files a suit for damages against the owner of the market on the ground of breach



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of condition. Decide under the Sale of Goods Act, 1930, whether Mr. Amit would succeed in his claim?

**The Indian Partnership Act, 1932**

16. Explain the following kinds of partnership under the Indian Partnership Act, 1932:
  - (i) Partnership at will
  - (ii) Particular partnership
17. “Partner indeed virtually embraces the character of both a principal and an agent”. Describe the said statement keeping in view of the provisions of the Indian Partnership Act, 1932.
18. What are the various grounds under the Indian Partnership Act, 1932, on which the Court may, at the suit of the partner, dissolve a firm?
19. A, B and C are partners in a firm. As per terms of the partnership deed, A is entitled to 20 percent of the partnership property and profits. A retires from the firm and dies after 15 days. B and C continue business of the firm without settling accounts. What are the rights of A’s legal representatives against the firm under the Indian Partnership Act, 1932?

**The Limited Liability Partnership Act, 2008**

20. What is the procedure for changing the name of Limited Liability Partnership (LLP) under the LLP Act, 2008?
21. Explain the circumstances in which LLP may be wound up by Tribunal under the LLP Act, 2008.

**The Companies Act, 2013**

22. Naveen incorporated a “One Person Company” making his sister Navita as the nominee. Navita is leaving India permanently due to her marriage abroad. Due to this fact, she is withdrawing her consent of nomination in the said One Person Company. Taking into considerations the provisions of the Companies Act, 2013 answer the questions given below.
  - (a) If Navita is leaving India permanently, is it mandatory for her to withdraw her nomination in the said One Person Company?
  - (b) If Navita maintained the status of Resident of India after her marriage, then can she continue her nomination in the said One Person Company?
23. 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.





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- (b) A private limited company must have a minimum of two members, while a public limited company must have at least seven members.
24. Briefly explain the doctrine of “ultravires” under the Companies Act, 2013. What are the consequences of ultravires acts of the company?

#### SUGGESTED ANSWERS/HINTS

1. (i) It is an implied contract and A must pay for the services of the coolie.
- 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.
- (ii) Obligation of finder of lost goods to return them to the true owner cannot be said to arise out of a contract even in its remotest sense, as there is neither offer and acceptance nor consent. These are said to be quasi-contracts.
- Quasi-Contract:** A quasi-contract is not an actual contract but it resembles a contract. It is created by law under certain circumstances. The law creates and enforces legal rights and obligations when no real contract exists. Such obligations are known as quasi-contracts. In other words, it is a contract in which there is no intention on part of either party to make a contract but law imposes a contract upon the parties.
- (iii) The above contract is a void contract.
- Void Contract:** Section 2 (j) of the Act states as follows: “A contract which ceases to be enforceable by law becomes void when it ceases to be enforceable”. Thus, a void contract is one which cannot be enforced by a court of law.
2. Though under the Indian Contract Act, 1872, the consideration for an agreement may proceed from a third party, the third party cannot sue on contract. Only a person who is party to a contract can sue on it.
- Thus, the concept of stranger to consideration is valid and is different from stranger to a contract.
- The aforesaid rule, that **stranger to a contract cannot sue** is known as a “**doctrine of privity of contract**”, is however, subject to certain exceptions. In other words, even a stranger to a contract may enforce a claim in the following cases:
- (1) **In the case of trust**, a beneficiary can enforce his right under the trust, though he was not a party to the contract between the settler and the trustee.



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- (2) **In the case of a family settlement**, if the terms of the settlement are reduced into writing, the members of family who originally had not been parties to the settlement may enforce the agreement.
  - (3) **In the case of certain marriage contracts**, a female member can enforce a provision for marriage expenses made on the partition of the Hindu Undivided Family.
  - (4) **In the case of assignment of a contract**, when the benefit under a contract has been assigned, the assignee can enforce the contract.
  - (5) **Acknowledgement or estoppel** – where the promisor by his conduct acknowledges himself as an agent of the third party, it would result into a binding obligation towards third party.
  - (6) **In the case of covenant running with the land**, the person who purchases land with notice that the owner of land is bound by certain duties affecting land, the covenant affecting the land may be enforced by the successor of the seller.
  - (7) **Contracts entered into through an agent**: The principal can enforce the contracts entered by his agent where the agent has acted within the scope of his authority and in the name of the principal.
3. **Position to dominate the will**: A person is deemed to be in such position in the following circumstances:
- (a) **Real and apparent authority**: Where a person holds a real authority over the other as in the case of master and servant, doctor and patient and etc.
  - (b) **Fiduciary relationship**: where relation of trust and confidence exists between the parties to a contract. Such type of relationship exists between father and son, solicitor and client, husband and wife, creditor and debtor, etc.
  - (c) **Mental distress**: An undue influence can be used against a person to get his consent on a contract where the mental capacity of the person is temporarily or permanently affected by the reason of mental or bodily distress, illness or of old age.
  - (d) **Unconscionable bargains**: Where one of the parties to a contract is in a position to dominate the will of the other and the contract is apparently unconscionable i.e., unfair, it is presumed by law that consent must have been obtained by undue influence. Unconscionable bargains are witnessed mostly in money-lending transactions and in gifts.
4. **Wagering agreement (Section 30 of the Indian Contract Act, 1872)**: An agreement by way of a wager is void. It is an agreement involving payment of a sum of money upon the determination of an uncertain event. The essence of a wager is that each side should



stand to win or lose, depending on the way an uncertain event takes place in reference to which the chance is taken and in the occurrence of which neither of the parties has legitimate interest.

For example, A agrees to pay ₹ 50,000 to B if it rains, and B promises to pay a like amount to A if it does not rain, the agreement will be by way of wager. But if one of the parties has control over the event, agreement is not a wager.

**Transactions resembling with wagering transaction but are not void**

- (i) **Chit fund:** Chit fund does not come within the scope of wager (Section 30). In case of a chit fund, a certain number of persons decide to contribute a fixed sum for a specified period and at the end of a month, the amount so contributed is paid to the lucky winner of the lucky draw.
- (ii) **Commercial transactions or share market transactions:** In these transactions in which delivery of goods or shares is intended to be given or taken, do not amount to wagers.
- (iii) **Games of skill and Athletic Competition:** Crossword puzzles, picture competitions and athletic competitions where prizes are awarded on the basis of skill and intelligence are the games of skill and hence such competition are valid. According to the Prize Competition Act, 1955 prize competition in games of skill are not wagers provided the prize money does not exceed ₹ 1,000.
- (iv) **A contract of insurance:** A contract of insurance is a type of contingent contract and is valid under law and these contracts are different from wagering agreements.

**5. Obligations of parties to contracts (Section 37 of the Indian Contract Act, 1872)**

The parties to a contract must either perform, or offer to perform, their respective promises unless such performance is dispensed with or excused under the provisions of the Contract Act or of any other law.

Promises bind the representatives of the promisor in case of death of such promisor before performance, unless a contrary intention appears from the contract.

**Example 1:** A promises to deliver goods to B on a certain day on payment of ₹ 1,00,000. A dies before that day. A's representatives are bound to deliver the goods to B, and B is bound to pay ₹ 1,00,000 to A's representatives.

**Example 2**

A promises to paint a picture for B by a certain day, at a certain price. A dies before the day. The contract cannot be enforced either by A's representatives or by B because it involves use of personal skill.



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**Analysis of Section 37**

A contract being an agreement enforceable by law, creates a legal obligation, which subsists until discharged. Performance of the promise or promises remaining to be performed is the principal and most usual mode of discharge.

The basic rule is that the promisor must perform exactly what he has promised to perform. The obligation to perform is absolute. Thus, it may be noted that it is necessary for a party who wants to enforce the promise made to him, to perform his promise for himself or offer to perform his promise. Only after that he can ask the other party to carry out his promise. This is the principle which is enshrined in Section 37. Thus, it is the primary duty of each party to a contract to either perform or offer to perform his promise. He is absolved from such a responsibility only when under a provision of law or an act of the other party to the contract, the performance can be dispensed with or excused.

Thus, from above it can be drawn that performance may be actual or offer to perform.

6. **Quantum Meruit:** Where one person has rendered service to another in circumstances which indicate an understanding between them that it is to be paid for although no particular remuneration has been fixed, the law will infer a promise to pay. *Quantum Meruit* i.e. as much as the party doing the service has deserved. It covers a case where the party injured by the breach had at time of breach done part but not all of the work which he is bound to do under the contract and seeks to be compensated for the value of the work done. For the application of this doctrine, two conditions must be fulfilled:
- (1) It is only available if the original contract has been discharged.
  - (2) The claim must be brought by a party not in default.

The object of allowing a claim on *quantum meruit* is to recompensate the party or person for value of work which he has done. Damages are compensatory in nature while quantum meruit is restitutory. It is but reasonable compensation awarded on implication of a contract to remunerate.

**The claim for quantum meruit arises in the following cases:**

- (a) when an agreement is discovered to be void or when a contract becomes void.
- (b) When something is done without any intention to do so gratuitously.
- (c) Where there is an express or implied contract to render services but there is no agreement as to remuneration.
- (d) When one party abandons or refuses to perform the contract.
- (e) Where a contract is divisible and the party not in default has enjoyed the benefit of part performance.



(f) When an indivisible contract for a lump sum is completely performed but badly the person who has performed the contract can claim the lump sum, but the other party can make a deduction for bad work.

7. **Essential characteristics of a contingent contract:** A contract may be absolute or contingent. A contract is said to be absolute when the promisor undertakes to perform the contract in all events. A contingent contract, on the other hand "is a contract to do or not to do something, if some event, collateral to such contract does or does not happening (Section 31). It is a contract in which the performance becomes due only upon the happening of some event which may or may not happen.

For example, A contracts to pay B ₹ 10,000 if he is elected President of a particular association. This is a contingent contract. The essential characteristics of a contingent contract may be listed as follows:

- (i) There must be a contract to do or not to do something,
- (ii) The performance of the contract must depend upon the happening or non-happening of some event.
- (iii) The happening of the event is uncertain.
- (iv) The event on which the performance is made to depend upon is an event collateral to the contract i.e. it does not form part of the reciprocal promises which constitute the contract. The event should neither be a performance promised, nor the consideration for the promise.
- (v) The contingent event should not be the mere will of the promisor. However, where the event is within the promisor's will, but not merely his will, it may be a contingent contract.

**The rules regarding the contingent contract are as follows:**

- (1) Contingent contract dependent on the happening of an uncertain future cannot be enforced until the event has happened. If the event becomes impossible, such contracts become void. (Section 32).
- (2) Where a contingent contract is to be performed if a particular event does not happening performance can be enforced only when happening of that event becomes impossible (Section 33).
- (3) If a contract is contingent upon, how a person will act at an unspecified time, the event shall be considered to become impossible; when such person does anything which renders it impossible that he should so act within any definite time or otherwise than under further contingencies. (Section 34 and 35).
- (4) The contingent contracts to do or not to do anything if an impossible event happens, are void whether or not the fact is known to the parties (Section 36).



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**8. Misrepresentation:** According to Section 18 of the Indian Contract Act, 1872, misrepresentation is:

1. When a person positively asserts that a fact is true when his information does not warrant it to be so, though he believes it to be true.
2. When there is any breach of duty by a person, which brings an advantage to the person committing it by misleading another to his prejudice.
3. When a party causes, however, innocently, the other party to the agreement to make a mistake as to the substance of the thing which is the subject of the agreement.

The aggrieved party, in case of misrepresentation by the other party, can avoid or rescind the contract [Section 19, Indian Contract Act, 1872]. The aggrieved party loses the right to rescind the contract if he, after becoming aware of the misrepresentation, takes a benefit under the contract or in some way affirms it.

Accordingly, in the given case Suraj could not rescind the contract, as his acceptance to the offer of Sohan to bear 40% of the cost of repairs impliedly amount to final acceptance of the sale.

**9.** Yes, B can proceed against the assets of X. According to section 68 of 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.

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.

**10. 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
- (iii) A price in money (not in kind) should be paid or promised.
- (iv) A transfer of property in goods from seller to the buyer must take place.
- (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.



11. **Implied Warranties:** It is a warranty which the law implies into the contract of sale. In other words, it is the stipulation which has not been included in the contract of sale in express words. But the law presumes that the parties have incorporated it into their contract. It will be interesting to know that implied warranties are read into every contract of sale unless they are expressly excluded by the express agreement of the parties.

These may also be excluded by the course of dealings between the parties or by usage of trade (Section 62).

The examination of Sections 14 and 16 of the Sale of Goods Act, 1930 discloses the following implied warranties:

1. **Warranty as to undisturbed possession [Section 14(b)]:** An implied warranty that the buyer shall have and enjoy quiet possession of the goods. That is to say, if the buyer having got possession of the goods, is later on disturbed in his possession, he is entitled to sue the seller for the breach of the warranty.
2. **Warranty as to non-existence of encumbrances [Section 14(c)]:** An implied warranty that the goods shall be free from any charge or encumbrance in favour of any third party not declared or known to the buyer before or at the time the contract is entered into.
3. **Warranty as to quality or fitness by usage of trade [Section 16(3)]:** An implied warranty as to quality or fitness for a particular purpose may be annexed or attached by the usage of trade.

Regarding implied condition or warranty as to the quality or fitness for any particular purpose of goods supplied, the rule is 'let the buyer beware' i.e., the seller is under no duty to reveal unflattering truths about the goods sold, but this rule has certain exceptions.

4. **Disclosure of dangerous nature of goods:** Where the goods are dangerous in nature and the buyer is ignorant of the danger, the seller must warn the buyer of the probable danger. If there is a breach of warranty, the seller may be liable in damages.
12. **Exceptions to the Rule "Nemo dat Quod Non Habet":** The term means, "none can give or transfer goods what he does not himself own". Exceptions to the rule and the cases in which the Rule does not apply under the provisions of the Sale of Goods Act, 1930 are enumerated below:
- (i) **Effect of Estoppel (Section 27):** Where the owner is stopped by the conduct from denying the seller's authority to sell, the transferee will get a good title as against the true owner. But before a good title by estoppel can be made, it must be shown that the true owner had actively suffered or held out the other person in question as the true owner or as a person authorized to sell the goods.





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- (ii) **Sale by a Mercantile Agent:** A sale made by a mercantile agent of the goods or document of title to goods would pass a good title to the buyer in the following circumstances, namely;
- (a) if he was in possession of the goods or documents with the consent of the owner;
  - (b) if the sale was made by him when acting in the ordinary course of business as a mercantile agent; and
  - (c) if the buyer had acted in good faith and has at the time of the contract of sale, no notice of the fact that the seller had no authority to sell. (Proviso to Section 27).
- (iii) **Sale by one of the joint owners:** If one of the several joint owners of goods has the sole possession of them with the permission of the others, the property in the goods may be transferred to any person who buys them from such a joint owner in good faith and does not at the time of the contract of sale have notice that the seller has no authority to sell. (Section 28)
- (iv) **Sale by a person in possession under voidable contract:** A buyer would acquire a good title to the goods sold to him by seller who had obtained possession of the goods under a contract voidable on the ground of coercion, fraud, misrepresentation or undue influence provided that the contract had not been rescinded until the time of the sale (Section 29).
- (v) **Sale by one who has already sold the goods but continues in possession thereof:** If a person has sold goods but continues to be in possession of them or of the documents of title to them, he may sell them to a third person, and if such person obtains the delivery thereof in good faith without notice of the previous sale, he would have good title to them, although the property in the goods had passed to the first buyer earlier. A pledge or other deposition of the goods or documents of title by the seller in possession are equally valid. [Section 30(1)]
- (vi) **Sale by buyer obtaining possession before the property in the goods has vested in him:** Where a buyer with the consent of seller obtains possession of the goods before the property in them has passed to him, he may sell, pledge or otherwise dispose of the goods to a third person, and if such person obtains delivery of the goods in good faith and without notice of the lien or other right of the original seller in respect of the goods in good faith and without notice of the lien or other right of the original seller in respect of the goods, he would get a good title to them. [Section 30(2)]
- (vii) **Sale by an unpaid seller:** Where an unpaid seller who had exercised his right of lien or stoppage in transit resells the goods, the buyer acquires a good title to the goods as against the original buyer [Section 54(3)]





(viii) Sale under the provisions of other Acts:

- (i) Sale by an official Receiver or liquidator of the company will give the purchaser a valid title.
- (ii) Purchase of goods from a finder of goods will get a valid title under circumstances.
- (iii) Sale by a pawnee under default of pawnor will give valid title to the purchaser.

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

1. **Damages for non-delivery [Section 57]:** Where the seller wrongfully neglects or refuses to deliver the goods to the buyer, the buyer may sue the seller for damages for non-delivery.
2. **Suit for specific performance (Section 58):** Where the seller commits of breach of the contract of sale, the buyer can appeal to the court for specific performance. The court can order for specific performance only when the goods are ascertained or specific.
3. **Suit for breach of warranty (section 59):** Where there is breach of warranty on the part of the seller, or where the buyer elects to treat breach of condition as breach of warranty, the buyer is not entitled to reject the goods only on the basis of such breach of warranty. But he may –
  - (i) set up against the seller the breach of warranty in diminution or extinction of the price; or
  - (ii) sue the seller for damages for breach of warranty.
4. **Repudiation of contract before due date (Section 60):** Where either party to a contract of sale repudiates the contract before the date of delivery, the other may either treat the contract as subsisting and wait till the date of delivery, or he may treat the contract as rescinded and sue for damages for the breach.
5. **Suit for interest:** Nothing in this Act shall affect the right of the seller or the buyer to recover interest or special damages, in any case where by law interest or special damages may be recoverable, or to recover the money paid where the consideration for the payment of it has failed.

In the absence of a contract to the contrary, the court may award interest at such rate as it thinks fit on the amount of the price to the buyer in a suit by him for the refund of the price in a case of a breach of the contract on the part of the seller from the date on which the payment was made.

14. Section 26 of the Sale of Goods Act, 1930 provides that unless otherwise agreed, the goods remain at the seller's risk until the property therein is transferred to the buyer, but when the property therein is transferred to the buyer, the goods are at buyer's risk



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whether delivery has been made or not. Further Section 18 read with Section 23 of the Act provide that in a contract for the sale of unascertained goods, no property in the goods is transferred to the buyer, unless and until the goods are ascertained and where there is contract for the sale of unascertained or future goods by description, and goods of that description and in a deliverable state are unconditionally appropriated to the contract, either by the seller with the assent of the buyer or by the buyer with the assent of the seller, the property in the goods thereupon passes to the buyer. Such assent may be express or implied.

Applying the aforesaid law to the facts of the case in hand, it is clear that Mr. S has the right to select the good out of the bulk and he has sent his men for same purpose.

Hence the problem can be answered based on the following two assumptions and the answer will vary accordingly.

**(i) Where the bales have been selected with the consent of the buyer's representatives:**

In this case the 60 bales has been transferred to the buyer and goods have been appropriated to the contract. Thus, loss arising due to fire in case of 60 bales would be borne by Mr. S. As regards 40 bales, the loss would be borne by Mr. V, since the goods have not been identified and appropriated.

**(ii) Where the bales have not been selected with the consent of buyer's representatives:**

In this case, the goods has not been transferred at all and hence the loss of 100 bales would be borne by Mr. V completely.

- 15. Essentials of Sale:** The problem as given in the question is based on Section 16(2) of the Sale of Goods Act, 1930, which states that where goods are bought by description from a seller who deals in goods of that description (whether he is the manufacturer or producer or not), there is an implied condition that the goods shall be of merchantable quality. Though the term 'merchantable quality' is not defined in the Act, it means that in the present case, the bottle must be properly sealed. In other words, if the goods are purchased for self-use, they should be reasonably fit for the purpose for which it is being used.

In the instant case, on an examination of the bottle of cold drink, it exploded and injured the buyer. Applying the provision of Section 16(2), Mr. Amit would succeed in claim for damages from the owner of the shop.

- 16. (i) Partnership at will:** According to Section 7 of the Indian Partnership Act, 1932, partnership at will is a partnership when:
1. no fixed period has been agreed upon for the duration of the partnership; and
  2. there is no provision made as to the determination of the partnership.



These two conditions must be satisfied before a partnership can be regarded as a partnership at will. But, where there is an agreement between the partners either for the duration of the partnership or for the determination of the partnership, the partnership is not partnership at will.

Where a partnership entered into for a fixed term is continued after the expiry of such term, it is to be treated as having become a partnership at will.

A partnership at will may be dissolved by any partner by giving notice in writing to all the other partners of his intention to dissolve the same.

- (ii) **Particular partnership:** A partnership may be organized for the prosecution of a single adventure as well as for the conduct of a continuous business. Where a person becomes a partner with another person in any particular adventure or undertaking the partnership is called 'particular partnership'.

A partnership, constituted for a single adventure or undertaking is, subject to any agreement, dissolved by the completion of the adventure or undertaking.

17. **“Partner indeed virtually embraces the character of both a principal and an agent”:** Subject to the provisions of section 18 of the Indian Partnership Act, 1932, a partner is the agent of the firm for the purposes of the business of the firm.

A partnership is the relationship between the partners who have agreed to share the profits of the business carried on by all or any of them acting for all (Section 4). This definition suggests that any of the partners can be the agent of the others.

**Section 18** clarifies this position by providing that, subject to the provisions of the Act, a partner is the agent of the firm for the purpose of the business of the firm. **The partner indeed virtually embraces the character of both a principal and an agent.** So far as he acts for himself and in his own interest in the common concern of the partnership, he may properly be deemed as a principal and so far as he acts for his partners, he may properly be deemed as an agent.

The principal distinction between him and a mere agent is that he has a community of interest with other partners in the whole property and business and liabilities of partnership, whereas an agent as such has no interest in either.

The rule that a partner is the agent of the firm for the purpose of the business of the firm cannot be applied to all transactions and dealings between the partners themselves. It is applicable only to the act done by partners for the purpose of the business of the firm.

18. **DISSOLUTION BY THE COURT (Section 44 of the Indian Partnership Act, 1932):** 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



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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.



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**19. Retirement / Death of Partner:** Section 37 of the Indian Partnership Act, 1932 provides that where a partner dies or otherwise ceases to be a partner and there is no final settlement of account between the legal representatives of the deceased partner or the firms with the property of the firm, then, in the absence of a contract to the contrary, the legal representatives of the deceased partner or the retired partner are entitled to claim either.

- (i) Such shares of the profits earned after the death or retirement of the partner which is attributable to the use of his share in the property of the firm; or
- (ii) Interest at the rate of 6 per cent annum on the amount of his share in the property.

Based on the aforesaid provisions of Section 37 of the Indian Partnership Act, 1932, in the given problem, A shall be entitled, at his option to:

- (i) the 20% shares of profits (as per the partnership deed); or
- (ii) interest at the rate of 6 per cent per annum on the amount of A's share in the property.

**20. Change of name of LLP (Section 17 of LLP Act, 2008):**

(1) Notwithstanding anything contained in sections 15 and 16, where the Central Government is satisfied that a LLP has been registered (whether through inadvertence or otherwise and whether originally or by a change of name) under a name which —

- (a) is a name referred to in sub-section (2) of section 15; or
- (b) is identical with or too nearly resembles the name of any other LLP or body corporate or other name as to be likely to be mistaken for it,

the Central Government may direct such LLP to change its name, and the LLP shall comply with the said direction within 3 months after the date of the direction or such longer period as the Central Government may allow.

- (2) (i) Any LLP which fails to comply with a direction given under sub-section (1) shall be punishable with fine which shall not be less than ₹ 10,000 but which may extend to ₹ 5 Lakhs.
- (ii) The designated partner of such LLP shall be punishable with fine which shall not be less than ₹ 10,000 but which may extend to ₹ 1 Lakh.

**21. Circumstances in which LLP may be wound up by Tribunal (Section 64 of the LLP Act, 2008):** A LLP may be wound up by the Tribunal:

- (a) if the LLP decides that LLP be wound up by the Tribunal;
- (b) if, for a period of more than six months, the number of partners of the LLP is reduced below two;
- (c) if the LLP is unable to pay its debts;



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- (d) if the LLP has acted against the interests of the sovereignty and integrity of India, the security of the State or public order;
  - (e) if the LLP has made a default in filing with the Registrar the Statement of Account and Solvency or annual return for any five consecutive financial years; or
  - (f) if the Tribunal is of the opinion that it is just and equitable that the LLP be wound up.
22. (A) Yes, it is mandatory for Navita to withdraw her nomination in the said OPC as she is leaving India permanently as only a natural person who is an Indian citizen and resident in India shall be a nominee in OPC.
- (B) Yes, Navita can continue her nomination in the said OPC, if she maintained the status of Resident of India after her marriage by staying in India for a period of not less than **182 days** during the immediately preceding financial year.
23. (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.

24. **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.



**SECTION B: BUSINESS CORRESPONDENCE AND REPORTING**

**QUESTIONS**

**Chapter 1: Communication**

- (1) What are the language barriers in communication?
- (2) How non-verbal communication is impactful in communication?

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

- (A) Change the following sentences into passive voice.
1. Ram loves Sita.
  2. They will finish the work in a fortnight.
  3. Why did your friend write such a message?
  4. Who taught you Commerce?
  5. The examiner will give you instructions.
- (B) Change the following Direct Speech into Indirect Speech.
1. The principal said, 'you can go'.
  2. Ravi said, 'The lion died in the garden.'
  3. Mentor said to me, 'you are a good player.'
  4. She said, 'Alas! I am undone.'
  5. 'Where do you live? Asked the administrator.

**Chapter 3: Vocabulary**

- (A) Select the suitable **synonym** for the given words.
1. **Indispensable**  
a. Decisive    b. Crunchy    c. Responsible    d. Momentary
  2. **Hypocrisy**  
a. Signifier    b. Cant    c. Sauna    d. Gunky
  3. **Trudge**  
a. Skip    b. Expel    c. Review    d. Slog
  4. **Conservatism**  
a. Behaviourism    b. Cognitivism    c. Toryism    d. Innateness





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5. **Besmirch**

- a. Tolley                      b. Sully                      c. Honour                      d. Enhance

(B) Select the suitable **antonym** for the given words.

1. **Abstention**

- a. Orgy                      b. Binge                      c. Spree                      d. Obscure

2. **Harmony**

- a. Hilarious                      b. Imbroglio                      c. Complexity                      d. Separation

3. **Vague**

- a. Disgrace                      b. Distribution                      c. Cogent                      d. Credit

4. **Shoddy**

- a. Careful                      b. Poor quality                      c. Former                      d. Stimulus

5. **Pliant**

- a. Ditch                      b. Biddable                      c. Docile                      d. Inflexible

**Chapter 4: Comprehension Passages**

Read the following comprehension passages and answer the following questions.

**Passage 1**

In the present era of globalisation and liberalisation, the world has become an economic village. The globalization of the business world, the attendant structure and the regulations, which support it, as well as the development of e-commerce make it imperative to have a single globally accepted financial reporting system. Several multi-national companies are establishing their businesses in various countries with emerging economic and vice versa. The entities in emerging economies are increasingly accessing the global markets to fulfill their capital needs by getting their securities listed on the stock exchanges outside the country. Capital markets are, thus, becoming integrated consistent with this world-wide trend. More and more Indian companies are being listed on overseas stock exchanges. The use of different accounting frameworks in different countries, which requires inconsistent treatment and presentation of the same underlying economic transactions, creates confusion for users of financial statements. This confusion leads to inefficiency in capital markets across the world. Therefore, increasing complexity of business transactions and globalization of capital markets call for a single set of high-quality accounting standards.

High standards of financial reporting underpin the trust investors place in financial and non-financial information. Thus, the case for a single set of globally accepted accounting standards has prompted many countries to pursue either adoption or convergence of national accounting standards with IFRS.



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International Financial Reporting Standards (IFRS) are considered a “principles-based” set of standards. In fact, they establish broad rules rather than dictating specific treatments. Every major nation is moving toward adopting them to some extent. Large number of authorities requires public companies to sue IFRS for stock-exchange listing purposes, and in addition, banks, insurance companies and stock exchanges may use them for their statutorily required reports. So ever the next few years, thousands of companies will adopt the international financial reporting standards while preparing their financial statements.

- Q.1. What trends are forcing capital markets across the world for integration?
- Q.2. Which creates confusion for users in financial statements?
- Different accounting framework
  - Different capital market framework
  - Globalisation and business regulations
  - Development of e-commerce
- Q.3. Which is not considered as a ‘principle-based set of standards for preparation of financial reporting?’
- Indian Accounting Standards
  - International Accounting Standards
  - International Financial Reporting Standards
  - International Economic Standards
- Q.4. Which standards are taken as basis for preparing financial statements?
- International Economic Standards
  - International Financial Reporting Standards
  - Standard Stock Exchange
  - Business structures and regulations standards
- Q.5. Why there is need for single set of global financial reporting standards?

**Passage 2**

In today’s IT-driven society, the success of an enterprise is heavily influence by business intelligence. Corporate giants are becoming more dependent on business intelligence (BI) software to increase the amount of knowledge they can apply in real time and reduce the cost of managing their business processes. As globalisation and ICT (Information and Communication Technology) become more intertwined, the volume of data transfers among enterprises is exponentially growing. In this perspective we can define the BI is essentially timely, accurate, high-value, and actionable business insights, and the work processes and technologies used to obtain them. It comprised of information that contains patterns,



relationships, and trends about customers, suppliers, business partners and employees. In simple words BI refers to the process of collecting and refining information from many sources, analyzing and presenting the information in useful ways so that users can make better business decisions.

BI has been made possible because of advances in a number of technologies, such as computing power, data storage, computational analytics, reporting and networking. IT provides an approach for solving business problems with a framework for managing tactical and strategic operations performance. From the perspective of decision-making, BI uses data about yesterday and today to facilitate making better decisions about tomorrow. This is done through various means such as selecting the right criteria to judge success, locating and transforming the appropriate data to draw conclusions, or arranging information in a manner that best provides insights into the future thus making enterprises to work smarter. BI enables managers to see things with more clarity and empowers them to peek into the possible future.

Q.1. To sustain in the business world for decision making and selecting the criteria of succeed, corporate giants are more depended on \_\_\_\_\_

- a. IT-driven society
- b. Business Intelligence software
- c. Strategic Operation Performance
- d. Reporting and Networking

Q.2. The write uses the term BI to define -

- a. Increasing the amount of knowledge in business world
- b. Empowers business for future perspective
- c. Particularly arranging information in business manner
- d. Appropriate work processes and technology-based business

Q.3. What are the basic requirements of BI?

Q.4. What is the process of BI?

Q.5. BI is used for \_\_\_\_\_

### Chapter 5: Note Making

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

Money is the centre of every economic transaction and plays a significant role in all economies. It refers to assets which are commonly used and accepted as a means of payments or as a medium or exchange or of transferring purchasing power. For policy purposes, money may be defined as the set of liquid financial assets, the variation in the stock of which will have impact on aggregate economic activity. Money has generalised purchasing



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power and is generally acceptable in settlement of all transactions and in discharge of other kinds of business obligations including future payments. Anything that would act as a medium of exchange is not necessarily money. For example, a bill of exchange may also be a medium of exchange, but it is not money since it is not generally accepted as a means of payment. Money is totally liquid asset as it can be used directly, instantly, conveniently and without any costs or restrictions to make payments. At the fundamental level, money provides us with a convenient means to access goods and services.

As we know, money performs many functions in an economy. As such as, money is a convenient medium of exchange or it is an instrument that facilitates easy exchange of goods and services. Money, though not having any inherent power to directly satisfy human wants, by acting as a medium of exchange, it commands purchasing power and its possession enables us to purchase goods and services to satisfy our wants. It is an explicitly defined unit of value or unit of account because money is a 'common measure of value' or 'common dominator of value' or money functions as a numeraire. We know, Rupee is the unit of account in India in which the entire money is dominated. The monetary unit is the unit of measurement in terms of which the value of all goods and services is measured and expressed. Money serves as a unit of standard of deferred of payment i.e., money facilitates recording of deferred promises to pay. Money is the unit in terms of which future payments are contracted or stated. However, variations in the purchasing power of money due to inflation or deflation, reduce the efficacy of money in this function.

So, we can say, money also functions as a permanent store of value. There are many other assets government bonds, despite of other securities, land, houses, etc. which also store value. Despite having the advantages of potential income yield and appreciation in value over time, these other assets are subject to limitations such as storage costs, lack of liquidity and possibility of depreciation in value. The effectiveness of an asset as a store of value depends on the degree and certainty with which the asset maintains its value over time. Hence, in order to serve as a permanent store of value in the economy, the purchasing power or the value of money should either remain stable or should monotonically rise over time.

**Or**

**Note making (2)**

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. The presupposes that the powers in their nature are limited.

It is a fundamental rule of a 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 authorized 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.

If you have supplied goods or performed service on such a contract or lent money, you cannot obtain payment or recover the money lent. But if the money advanced to the company has not been expended, the lender may stop the company from parting with it by means of an injunction; this is because the company does not become the owner of the money, which is ultra vires the company. As the lender remains the owner, he can take back the property in specie. 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.

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. For instance, if the act is ultra vires the power of the directors, the shareholders can ratify it; if it is ultra vires the articles of the company, the company can alter the articles; if the act is within the power of the company but is done irregularly, shareholder can validate it.

#### **Chapter 7: Précis Writing**

**(1) Read the following passages and write a précis for the same.**

A mere 14 per cent of the 58.3 million business in operations in India when the Sixth Economic Census was carried out in 2013-14 were owned by women, across formal and informal sectors in both rural and urban India. This is not a flattering statistic. A sizable number of the 8.05 million women-owned business -over 83 per cent- did not have any hired workers; the corresponding number for male-owned business was about 70 per cent. Also, on average, women-run businesses are smaller than those run by men. However, there are many shining examples of women entrepreneurs who have not only set up successful ventures but have also carved out a niche for themselves. Kiran Mazumdar Shaw is one such women entrepreneur. There are also some who gave up very successful corporate careers to turn entrepreneurs such as Falguni Nayar, a well-regarded investment banker who set up an e-commerce venture as she was turning 50 years of age. There are also the likes of Ritu Dalmia, who broke out of conservative industrialist families, to venture into the world of gourmet food and fine dining with a chain of restaurants. Each of them is trailblazer and an inspiration for others. More recently, the start-up boom in India has seen many young, professionally qualified women taking the plunge. Self-help groups and non-profit focusing on skill development in rural areas have helped women entrepreneurs bloom. Setting up a business is not easy in India. It is even tougher for a woman. A would-be woman entrepreneur has to overcome socio-cultural biases, which requires her to prioritize home and family above all else and sacrifice her own aspirations. Access to finance is that much more difficult,



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whether from formal banking channels or from venture capitalists. Managing a male workforce entrenched in a patriarchal society poses its own challenges. Many men are not supportive of women's ambitions and even attempt to break their confidence. Another problem unique to women is their failure to network with business associates as easily as men. Policy interventions have tended to be sporadic, superficial or poorly thought through, like the Centre's failed experiment with a women-only bank.

However, these issues are addressable. Mentoring of women entrepreneurs by specialist in various fields can encourage women who are tentative about taking that first step. Networking platforms for women entrepreneurs can provide some support. Most of all, socio-cultural changes need to be engineered to encourage women to set up business ventures.

(Source: Business Line)

**Précis Writing- 2**

Several spiritual philosophies contain the notion of an inner 'third eye', related to the pineal gland, to which is attributed significance in mystical awakening or enlightenment, higher states of consciousness and extrasensory perception (ESP). Mention of this is found historically in ancient Central and East Asia and also in contemporary metaphysical theories relating to yoga. A neurologist in Jaipur claims to have found new evidence throwing light on interactions between a physical brain and a non-physical consciousness which leave an impact on human thought, emotion and behaviour. These psychic phenomena are linked with the 'third eye', he says. Dr. Ashok Panagariya, recipient of the prestigious B.C. Roy Award, says that the studies on the two functional units of brain and consciousness and new understanding of psychic phenomena may lead humankind to the ability to induce ESP at will. Pineal gland studies hold a great futuristic link between human and superhuman experiences.

Pineal gland, being the only singular structure in the brain and having a strategic position between the two halves, is believed to connect between intellect and the body. This 'third eye' could be activated to spiritual world frequencies, enabling a person to have the sense of all knowing, godlike euphoria and oneness all around him, says Dr. Panagariya. Once tuned into proper frequencies with the help of meditation, yoga or various esoteric and occult methods, pineal gland can also enable a person to travel into other dimensions, popularly known as astral travel, cosmological projection or remote viewing. Dr. Panagariya, formerly the Principal of Sawai Man Singh Government Medical College in Jaipur, has pointed out that the recent developments in parapsychology and neuroscience have revealed new clues about the way ESP and other psychic abilities are processed by the brain. "Science is providing some answers about the structure or physiology of brain which makes parapsychological reception possible."

"The most astounding discovery of all is that the brain produces a parapsychology enhancing neurotransmitter," says Dr. Panagariya while referring to a class of substances known as beta-carbolines which are secreted from the pineal gland. He says this neurochemical is only produced at night and breaks down into melatonin, another substance which has been associated with psychic experiences.



Dr. Panagariya, presently a member of the Rajasthan State Planning Board, has in his study referred to another recent discovery of interest to psychic researchers proving that the human brain contains magnetite (ferrous oxide), which renders the brain sensitive to the Earth's magnetic fields.

"It has long been known that birds and other animals use magnetite in their brains to aid in navigation. Magnetite is especially concentrated in the pineal gland and the temporal lobes," says Dr. Panagariya, offering scientific explanation to the spiritual, mystical and paranormal experiences. (Source: The Hindu)

#### Chapter 8: Article Writing

- (1) Scheme of Indian Government for Women empowerment
- (2) Language is species specific

#### Chapter 10: Letter Writing

- (1) Write a letter from XYZ Group for enquiry about the catering services.
- (2) Write a letter of promotion for opening new branch of the XYZ Bank.

#### Chapter 11: Formal Mails

- (1) Write a mail to Abhishek Mittal, congratulating him for the promotion as a marketing manager in the organisation. You are Mr. Alok Prakash, manager of the IT department. (word limit: 150-200)
- (2) Write a mail to Ms. Rakhi Mandal, reminding her of a business contract you have sent to her regarding providing infrastructure maintenance services to her company 'Manet Solutions'. You are Mr. Santosh Gupta, Business Head of JP Infrastructures. (word limit: 150-200)

#### Chapter 12: Résumé Writing

1. You are Prashant Kumar/Laxmi Ahuja, a resident of Juinagar, Mumbai. You have recently come across an advertisement in Hindustan Times (News Paper) for **Trainee Article in Finance** at S.R. Pvt Ltd. Draft a cover letter in response to the advertisement and enclose your Curriculum Vitae.
2. You are Shikha/Ashutosh. You are applying for **Industrial Trainee Articles** at GAIL Ltd. Write a Cover Letter and attach your curriculum vitae (CV).

#### Chapter 13: Meetings

1. Your Company is launching a new product in the next year. Prepare the minutes of the meeting for the same. Members in the meeting; Head of the Sales and Marketing, Product head, and concerned Team Member.
2. As an employee of an academic institute, prepare the agenda of an upcoming partner's visit in tabular format.





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**SUGGESTED ANSWERS/HINTS**

**Chapter 1: Communication**

**Answer**

- (1) 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.
- (2) Non-verbal communication is more impact in communication. Meanwhile, the primary function of language is communication, but we can communicate without language. Some of the functions of nonverbal communication in humans are to complement and illustrate, to reinforce and emphasize, to replace and substitute, to control and regulate, and to contradict the denoted message. These are the following non-verbal cues:

**Physical:** It includes facial expressions, stance, gestures, tone, distance in communication, time dimension, haptics etc. For example, leaning forward may mean friendliness, acceptance and interest, while crossing arms can be interpreted as antagonistic or defensive posture. Smiles, frowns, pursing of lips, clenching of hands etc. transmit emotions which are not expressed through verbal communication.

**Paralanguage:** It contains the how of the sender's voice or the way he/she speaks. In other words, The way we say something, more than the actual words use, reveal the intent of the message, the voice quality, volume, intonation, pitch, stress (e.g., primary stress ' , secondary stress , , long stress : , half long · , extra short) tone (e.g., extra high §“, high é, mid ē, low è, extra low è, down step ↓, upstep↑) and way of speaking, communicates approval, interest or lack of it. It changes the meaning of words.

For example-

Stress on d- Pro'duction become Noun

Stress on p- 'Production become Verb

**Aesthetic:** Art forms such as dancing, paintings, sculptors, music are also means of communication. It conveys the ideas and thoughts of the artist.

**Appearance:** It is usually the first thing noticed about the person. A well dressed and groomed person is presumed to be organised and methodical, whereas a sloppy or shabby person fails to make a favourable impression.

Hence, through non-verbal communication, we send and responds to thousands of messages daily in personal and work lives.





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

**Answer**

**(A) Active-Passive Voice**

1. Sita is loved by Ram.
2. The work will be finished by them in a fortnight.
3. Why was such a message written by your friend?
4. By whom were you taught Commerce?
5. Instructions will be given to you by the examiner.

**(B) Direct - Indirect**

1. The principal said that we could go.
2. Ravi said that the lion had died in the garden.
3. Mentor told me that I was a good player.
4. She exclaimed sadly that she was undone.
5. The administrator required where I lived.

**Chapter 3: Vocabulary**

**Answer**

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

- 1- (a)
- 2- (b)
- 3- (d)
- 4- (c)
- 5- (b)

**(B) Select the suitable antonym for the given words.**

1. (c)
2. (b)
3. (c)
4. (a)
5. (d)



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**Chapter 4: Comprehension Passage**

**Answer: 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.

**Answer: Passage 2**

1. (b)
2. (d)
3. The basic requirements of BI is timely, accurately, high-value, and actionable business insights, and the work processes and technologies used to obtain success.
4. BI refers to the process of collecting, refining, analyzing, and presenting the information for making better business decisions.
5. (c)

**Chapter 5: Note Making**

**Answer**

**Money Market**

1. Wht is Mny?
  1. a. Rfrs to Ast
  1. b. Lqd Ast
  1. c. Electrnc Rcd
2. Fncns of Mny
  2. a. Mdm of Excng
  2. b. Unt of Vlu
  2. c. Unt of Stndrd
3. Types of Ast
4. Vlu of Ast



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**Key:**

Wht- What

Mny- money

Rfrs- refers

Ast- assets

Lqd- Liquid

Elctrc- Electronic

Rcd- Record

Fncns- Functions

Mdm- Medium

Excng- Exchange

Unt- Unit

Vlu- Value

Stndrd- Standard

**Note Making-2**

**Title: Doctrine of Ultra Vires**

1. Ntr of Ult Vrs
  1. a. Mng of Ult Vrs
  1. b. Lmt of Ult Vrs
2. Comp Law
  2. a. Fnd Rule
  2. b. Comp Act
  2. c. Cont of trade
3. Impact of the doctrine of Ult Vrs
  3. a. Use of Mrdm
  3. b. Use of Trns
4. Utl of Ult Vrs Loan
5. Act of Ult Vrs



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**Key:**

Ntr- Nature

Ult- Ultra

Vrs- Vires

Mng- Meaning

Lmt- Limitation

Comp- Company

Fnd- Fundamental

Cont- Controlling

Mrdm- Memorandum

Trns- Transaction

Utl- Utilisation

**Chapter 7: Précis Writing**

**(1) Answer: Women in entrepreneurship**

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) Answer: The 'third eye' connection**

The notion of the third eye or heightened consciousness, Extra Sensory Perception(ESP), or enlightenment is attributed to pineal gland. It is located between the two halves of the brain and connects the intellect and the body. According to Dr. Panagariya a neurologist based in Jaipur, this third eye can be activated to spiritual world frequencies with the help of Yoga and meditation to enable a person experience astral travel, remote viewing and cosmological projection. He said that the pineal gland contains magnetite and secretes Beta Carbolines that breaks down into melatonin which are associated with spiritual, psychic and paranormal experiences.



**Chapter 8: Answer**

**1) Hints:**

- The government has initiated many schemes for safety of women.
- BetiBachaoBetiPadhao Yojana: This scheme was launched in Panipat, Haryana on January 22, 2015.
- Mahila-E-Haat: It is a bilingual online marketing platform which is launched by the Ministry of Women and Child Development in 2016.
- Mahila Shakti Kendra: It was launched to empower rural women with opportunities for skill development, employment, digital literacy, health and nutrition.
- Working Women Hostel: It was launched to ensure availability of safe, convenient for working women who has less than 50K/month income in metropolitan and 35K/m in any other place.
- Support to Training and Employment Programme (STEP): It was set up to provide skills, competencies and training to become entrepreneurs.
- Sukanya Samridhi Yojana: It is a government-backed saving scheme for girl children.

**2) Hints:**

- Only human beings possess language.
- Non-human has various degrees of the communication system.
- Language is a biological gift to human beings.
- Animals may have few words or a limited range of domains.
- Human language is creative and unpredictable.
- Human being has a phonological and grammatical system.
- A human being can create and understand new utterances.
- A human being can refer to the past.
- A human being can teach or learn a language.
- Some non-human species have a system of sounds.
- Chimpanzees are able to learn human sign language.



**PAPER – 2 : BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING 65**

**Chapter 10: Letter Writing**

**Answer-1**

XYZ Ltd

A-78, AH-Block

Tagore Garden

New Delhi- 27

11 December, 20XX

Proprietor

Jashn Catering

60, Karole Bagh

New Delhi-05

Dear Mr. Sunil

**Subject: Regarding Enquiry about Catering Services**

With reference to your advertisement in the Times of India, dated November 26, 20XX, we wish to enquire about your catering services. Our company is celebrating its golden jubilee in the month of January 2020. In this regard, we are looking for somebody who would cater for our celebrating dinner.

We are expecting around 600 guests and employees during the event. It will be a formal meet and we will need full catering services that includes several courses, desserts, ten waiters and five helpers.

Kindly provide us the details of the following:

- Whether you provide for waiters and hosts
- Offers and discounts available
- The menu options and charges
- If there are any additional charges levied for linens, centerpiece, etc.

Kindly provide the complete details with rates by Oct 15 XXXX.

Thanks & Regards!

Mr. Vivek Goyal

Administration

XYX Ltd



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FOUNDATION EXAMINATION: MAY, 2020

**Answer-2**

XYZ Bank

Sector-19

Nerul

Navi Mumbai-06

10 December, 20XX

Chief Finance Officer

XP Ltd

Dadar

Mumbai-14

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:

88, Jame Jamshed Road

Dadar

Ph.: 011-255-90000

Mumbai-14

Yours

R.P. Aneja

(Branch Manager)



**PAPER – 2 : BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING 67**

**Chapter-11: Formal Mails**

**Answer-1**

To: Abhishek Mittal

CC/BCC

Subject: Congratulations on Your Promotion

Dear Abhishek

I just got to hear of your promotion to the post of Marketing Manager. Please accept my heartiest congratulations.

You truly deserve the recognition and responsibility of the position. Your dedication and hard work have been rewarded. All your team members are elated at your selection. As you would know, promotion comes along with new target, tasks and challenges. I hope that you shall exceed all expectations.

We are all looking forward to a grand party from you at your earliest convenience.

Regards,

Alok Prakash

Head

Department of the Information Technology

**Or-**

**Answer-1**

**Value Hints:**

- a. Subject: Regarding Congratulating on Your Promotion
- b. Greetings
- c. Opening paragraph on congratulations
- d. Appreciate for promotion
- e. Appreciate for dedication and hard work
- f. Motivation for new challenges
- g. Closing with demanding party and polite words





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**Answer-2**

Value Hints:

- a. Subject: Regarding the Providing Infrastructure Maintenance
- b. Greetings
- c. Remind that you had sent the contract on x date and no reply has been received till date.
- d. Mention date of meeting and discussion of details of contract
- e. Ask if any further details/clarifications required from your side.
- f. Seek meeting to discuss any issues that have come up.
- g. In case, all is well you would appreciate it if the contract is signed and mailed to you.

**Chapter: 12- Résumé Writing**

**Answer: 1**

A-12F-Block,  
C-16/A, Sector-04  
Juinagar  
Navi Mumbai- 400705  
[prashantkr.@gmail.com](mailto: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.



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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-XXXXX XXXXX

Email: [prashantkr.@gmail.com](mailto: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 School, Mumbai	CBSE	2014	87%
3	Secondary	Commerce	St. Marry Public School, Mumbai	CBSE	2012	85%



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FOUNDATION EXAMINATION: MAY, 2020

**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](mailto:xyz@gmail.com)

CA. Sanjay Mishra  
XYZ Associates,

Email: [\\*\\*\\*\\*\\*@gmail.com](mailto:*****@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)



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**Answer: 2**

F-26 E, Sector-11

Kavi Nagar

Ghaziabad- 02

Email: shikhakr.@gmail.com

16 December, 2019

The HRD

Natural Gas Transmission Company (GAIL)

New Delhi-01

Dear Sir/Ma'am,

**Subject: Application for the Post of Industrial Trainee(Articles)**

This is with reference to your advertisement on the website in career column for the post of **Article Trainee** at GAIL. I have just completed second year of my articleship from ABC associates, a reputed firm and completed CA Intermediate in November 2017 in the first attempt.

I am keen to learn, focused and target oriented.

I will be ready available for a personal interaction any time as per your convenience.

I look forward to a positive reply.

Your Sincerely,

Shikha Kumari

Enclosure:

1. Curriculum Vitae

**Shikha Kumari**

XYZ Company

Ghaziabad-06

Phone: +91- XXXXX XXXXX

E-mail: [shikhakr.@gmail.com](mailto:shikhakr.@gmail.com)



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**Profile/ Objective:**

- Sincere, honest, punctual and devoted professional with a zest of learning. Seeking a position that provides substantial learning opportunities and exhorts me to take up challenges/initiatives and learn from them thereby creating and adding value to the team as well as the organization

**Educational Qualifications:**

- Completed 2 years of articleship from XYZ company in December 2019.
- Completed CA Intermediate in Nov 2017.
- 10+2, from CBCE, New Delhi, 2012, with higher 1st Division.
- 10th from CBCE, New Delhi, 2010, with higher 1st Division.

**Achievements:**

- Got prize for standing first in National Quiz at XW Org in 2015.

**Language Known:**

- English, Hindi, Punjabi, Marathi, (Comm.)

**Workshop/Training Programme/Academic Participation:**

- Participated in International Conference at Pune in December 2019.
- Participated in International Lecture on “*LEARN TO FIND YOUR HIDDEN TALENT*” delivered by Geshe Michael Roach, at Presidency College, Kolkata, (INDIA), on 13 Feb. 2017.
- Participated in *Human Value “Harmony”* workshop organized by IIT, Delhi, Varanasi from 31 Jan.-03 Feb. 2016.
- Participated in One-week workshop on Accounting at regional centre, Mumbai, from 12 Jan.-21 Jan. 2016.
- Participated in one-week training programme on Accountancy, Mumbai from 4 Dec.-23 Dec. 2014.

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

Place: New Delhi

Date: 12.12.20XX

(SHIKHA KUMARI)



**PAPER – 2 : BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING 73**

**Chapter-13: Meetings**

**Answer-1**

**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 her 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.

**Answer-2**

**Tabular Agenda**

Time	Topic	Attendees	Speaker	Duration
10:30 AM	Introductory meeting and Welcome Note	Director, Registrar, Exam In-charge, Senior Faculty (all depts.)	Director of the Institute	10 Minutes
10:40 AM	Speech	Director, Registrar, Exam In-charge, Senior Faculty (all depts.)	Hon'ble Mr. Partner	25 Minutes
11:05 AM	Discussion on new courses and departments	Director, Senior Faculty	Head, Department of the (subject)	25 Minutes



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11:30 AM	Brunch	Brunch	Bruch	30 Minutes
12:00 Noon	Need to the Course/scope	Director, Registrar Senior Faculty	Prof. X, Subject Expert	20 Minutes
12:20 PM	Open House	Director, Registrar Senior Faculty	All members	20 Minutes
12:40 PM	Vote of thanks	Director, Registrar Senior Faculty, Partner(Mgmt)	Director of the Institute	10 Minutes



**PAPER – 2: BUSINESS LASW AND BUSINESS CORRESPONDENCE AND REPORTING**

**SECTION A: BUSINESS LAWS**

**PART – I: RELEVANT AMENDMENTS APPLICABLE FOR NOVEMBER 2020  
EXAMINATION**

For November 2020 examinations for Paper 2A: Business Laws, the significant amendments made in the respective subject upto 30<sup>th</sup> April, 2020 are relevant and applicable.

Students are advised to refer study material of March 2019 edition with these applicable amendments.

**Relevant amendments:** Here are given relevant amendments:

1. **Meaning of Resident Director as per Companies (Incorporation) Third Amendment Rules, 2018, w.e.f. 27-7-2018:** For the purposes of this rule, the term "resident in India" means a person who has stayed in India for a period of not less than one hundred and eighty two days during the immediately preceding financial year.

**[This is covered under OPC (One Person Company) - Significant Points, Page No. 5.10]**

2. **Revised definition of Small company [Section 2(85)]:**

"**Small company**" means a company, other than a public company,–

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

Provided that nothing in this clause shall apply to–

- (A) a holding company or a subsidiary company;
- (B) a company registered under section 8; or
- (C) a company or body corporate governed by any special Act;

**[Covered on Page No. 5.11]**

3. **Revised definition of "subsidiary company" or "subsidiary [Section 2(87)]:**

"**subsidiary company**" In relation to any other company (that is to say the holding company), means a company in which the holding company–

- (i) controls the composition of the Board of Directors; or





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**FOUNDATION EXAMINATION: NOVEMBER, 2020**

- (ii) exercises or controls more than one-half of the total voting power either at its own or together with one or more of its subsidiary companies:

Provided that such class or classes of holding companies as may be prescribed shall not have layers of subsidiaries beyond such numbers as may be prescribed.

Explanation.—For the purposes of this clause,—

- (a) a company shall be deemed to be a subsidiary company of the holding company even if the control referred to in sub-clause (i) or sub-clause (ii) is of another subsidiary company of the holding company;
- (b) the composition of a company's Board of Directors shall be deemed to be controlled by another company if that other company by exercise of some power exercisable by it at its discretion can appoint or remove all or a majority of the directors;
- (c) the expression "company" includes any body corporate;
- (d) "layer" in relation to a holding company means its subsidiary or subsidiaries;

**[Covered on Page No. 5.12]**

**4. Explanation added in the definition of "Government company" [Section 2(45)]:**

In this section, the following explanation has been inserted in the definition **[inserted by notification dated 2-3-2020 by way of Exemptions to Government Companies under section 462 with effect from 3-3-2020]**

"Explanation.- For the purposes of this clause, the "paid up share capital" shall be construed as "total voting power", where shares with differential voting rights have been issued."

**[Covered on Page No. 5.14]**

**5. Meaning of Nidhi Companies [Section 406(1) of the Companies Act, 2013]:**

In this section, "Nidhi" or "Mutual Benefit Society" means a company which the Central Government may, by notification in the Official Gazette, declare to be a Nidhi or Mutual Benefit Society, as the case may be. **[Substituted by the Companies (Amendment) Act, 2017, with effect from 15-8-2019.]**

**[Covered on Page No. 5.16]**



**PAPER – 2 : BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING 3**

**PART – II: QUESTIONS AND ANSWERS**

**QUESTIONS**

**The Indian Contract Act, 1872**

1. 'X' entered into a contract with 'Y' to supply him 1,000 water bottles @ ₹ 5.00 per water bottle, to be delivered at a specified time. Thereafter, 'X' contracts with 'Z' for the purchase of 1,000 water bottles @ ₹ 4.50 per water bottle, and at the same time told 'Z' that he did so for the purpose of performing his contract entered into with 'Y'. 'Z' failed to perform his contract in due course and market price of each water bottle on that day was ₹ 5.25 per water bottle. Consequently, 'X' could not procure any water bottle and 'Y' rescinded the contract. Calculate the amount of damages which 'X' could claim from 'Z' in the circumstances? What would be your answer if 'Z' had not informed about the 'Y's contract? Explain with reference to the provisions of the Indian Contract Act, 1872.
2. Mr. SHYAM owned a motor car. He approached Mr. VIKAS and offered to sell his motor car for ₹ 3,00,000. Mr. SHYAM told Mr. VIKAS that the motor car is running at the rate of 30 KMs per litre of petrol. Both the fuel meter and the speed meter of the car were working perfectly.  
  
Mr. VIKAS agreed with the proposal of Mr. SHYAM and took delivery of the car by paying ₹ 3,00,000/- to Mr. SHYAM. After 10 days, Mr. VIKAS came back with the car and stated that the claim made by Mr. SHYAM regarding fuel efficiency was not correct and therefore there was a case of misrepresentation. Referring to the provisions of the Indian Contract Act, 1872, decide and write whether Mr. VIKAS can rescind the contract in the above ground.
3. Define the term "Acceptance". Discuss the legal provisions relating to communication of acceptance.
4. "To form a valid contract, consideration must be adequate". Comment.
5. Explain the-term 'Quasi Contracts' and state their characteristics.

**The Sale of Goods Act, 1930**

6. J the owner of a Fiat car wants to sell his car. For this purpose he hand over the car to P, a mercantile agent for sale at a price not less than ₹ 50, 000. The agent sells the car for ₹ 40, 000 to A, who buys the car in good faith and without notice of any fraud. P misappropriated the money also. J sues A to recover the Car. Decide given reasons whether J would succeed.
7. Suraj sold his car to Sohan for ₹ 75,000. After inspection and satisfaction, Sohan paid ₹ 25,000 and took possession of the car and promised to pay the remaining amount within a month. Later on, Sohan refuses to give the remaining amount on the ground that



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the car was not in a good condition. Advise Suraj as to what remedy is available to him against Sohan.

8. What are the consequences of “destruction of goods” under the Sale of Goods Act, 1930, where the goods have been destroyed after the agreement to sell but before the sale is affected.
9. Distinguish between a ‘Condition’ and a ‘Warranty’ in a contract of sale. When shall a ‘breach of condition’ be treated as ‘breach of warranty’ under the provisions of the Sale of Goods Act, 1930? Explain.

**The Indian Partnership Act, 1932**

10. Explain the provisions of the Indian Partnership Act, 1932 relating to the creation of Partnership by holding out.
11. Master X was introduced to the benefits of partnership of M/s ABC & Co. with the consent of all partners. After attaining majority, more than six months elapsed and he failed to give a public notice as to whether he elected to become or not to become a partner in the firm. Later on, Mr. L, a supplier of material to M/s ABC & Co., filed a suit against M/s ABC & Co. for recovery of the debt due.

In the light of the Indian Partnership Act, 1932, explain:

- (i) To what extent X will be liable if he failed to give public notice after attaining majority?
- (ii) Can Mr. L recover his debt from X?

**The Limited Liability Partnership Act, 2008**

12. What do you mean by Designated Partner? Whether it is mandatory to appoint Designated partner in a LLP?

**The Companies Act, 2013**

13. Mr. Anil formed a One Person Company (OPC) on 16th April, 2018 for manufacturing electric cars. The turnover of the OPC for the financial year ended 31st March, 2019 was about ` 2.25 Crores. His friend Sunil wanted to invest in his OPC, so they decided to convert it voluntarily into a private limited company. Can Anil do so?
14. Explain clearly the doctrine of ‘Indoor Management’ as applicable in cases of companies registered under the Companies Act, 2013. Explain the circumstances in which an outsider dealing with the company cannot claim any relief on the ground of ‘Indoor Management’.



**PAPER – 2 : BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING 5**

**SUGGESTED ANSWERS/HINTS**

1. **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.

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 entitled to claim from ‘Z’ ₹ 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 default. In other words, the amount of damages would be ₹ 750/- (i.e. 1000 water bottles x 0.75 paise).

2. As per the provisions of Section 19 of the Indian Contract Act, 1872, when consent to an agreement is caused by coercion, fraud or misrepresentation, the agreement is a contract voidable at the option of the party whose consent was so caused.

A party to contract, whose consent was caused by fraud or misrepresentation, may, if he think fit, insist that the contract shall be performed, and that he shall be put in the position in which he would have been if the representations made had been true.

**Exception-** If such consent was caused by misrepresentation or by silence, fraudulent within the meaning of section 17, the contract, nevertheless, is not voidable if the party whose consent was so caused had the means of discovering the truth with ordinary diligence.

In the situation given in the question, both the fuel meter and the speed meter of the car were working perfectly, Mr. VIKAS had the means of discovering the truth with ordinary



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diligence. Therefore, the contract is not voidable. Hence, Mr. VIKAS cannot rescind the contract on the above ground.

3. According to Section 2(b), the term 'acceptance' is defined as follows:

*"When the person to whom the proposal is made signifies his assent thereto, the proposal is said to be accepted. A proposal, when accepted, becomes a promise. "*

An acceptance in order to be valid must be absolute, unqualified, accepted according to the mode if any prescribed within the reasonable time and communicated to offeror. Acceptance can also be made by way of conduct.

The legal provisions relating to communication of acceptance are contained in Section 4.

The communication of an acceptance is complete:

- (a) as against the proposer, when it is put in a course of transmission to him, so as to be out of power of the acceptor;
- (b) as against the acceptor, when it comes to the knowledge of the proposer.

Section 3 of the Act prescribes, in general terms, two modes of communication, namely:

- (1) by any act or
- (2) by omission intending thereby communicate to the other or which has the effect of communicating it to the other.

The first method would include any conduct and words whether written or oral. Written words would include letters, telegrams, advertisements, etc. Oral words would include telephone messages. Any conduct would include positive acts or signs so that the other person understands what the person acting or making signs means to say or convey. Omission would exclude silence but include such conduct or forbearance on one's part that the other person takes it as his willingness or assent. These are not the only modes of communication of the intention of the parties. There are other means as well, e.g., if you as the owner, deliver the goods to me as the buyer thereof at a certain price, this transaction will be understood by everyone, as acceptance by act or conduct, unless there is an indication to the contrary.

The phrase appearing in Section 3 "which has the effect of communicating it", clearly refers to an act or omission or conduct which may be indirect but which results in communicating an acceptance or non-acceptance. However, a mere mental but unilateral act of assent in one's own mind does not tantamount to communication, since it cannot have the effect of communicating it to the other.

4. The law provides that a contract should be supported by consideration. So long as consideration exists, the Courts are not concerned to its adequacy, provided it is of some value. The adequacy of the consideration is for the parties to consider at the time of



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making the agreement, not for the Court when it is sought to be enforced (***Bolton v. Modden***). Consideration must however, be something to which the law attaches value though it need not be equivalent in value to the promise made.

According to Explanation 2 to Section 25 of the Indian Contract Act, 1872, an agreement to which the consent of the promisor is freely given is not void merely because the consideration is inadequate but the inadequacy of the consideration may be taken into account by the Court in determining the question whether the consent of the promisor was freely given.

5. **Quasi Contracts:** Under certain special circumstances obligation resembling those created by a contract are imposed by law although the parties have never entered into a contract. Such obligations imposed by law are referred to as 'Quasi-contracts'. Such a contract resembles with a contract so far as result or effect is concerned but it has little or no affinity with a contract in respect of mode of creation. These contracts are based on the doctrine that a person shall not be allowed to enrich himself unjustly at the expense of another. The salient features of a quasi-contract are:
1. It does not arise from any agreement of the parties concerned but is imposed by law.
  2. Duty and not promise is the basis of such contract.
  3. The right under it is always a right to money and generally though not always to a liquidated sum of money.
  4. Such a right is available against specific person(s) and not against the whole world.
  5. A suit for its breach may be filed in the same way as in case of a complete contract.
6. The problem in this case is based on the provisions of the Sale of Goods Act, 1930 contained in the proviso to Section 27. The proviso provides that a mercantile agent is one who in the customary course of his business, has, as such agent, authority either to sell goods, or to consign goods, for the purpose of sale, or to buy goods, or to raise money on the security of goods [Section 2(9)]. The buyer of goods from a mercantile agent, who has no authority from the principal to sell, gets a good title to the goods if the following conditions are satisfied:
- (1) The agent should be in possession of the goods or documents of title to the goods with the consent of the owner.
  - (2) The agent should sell the goods while acting in the ordinary course of business of a mercantile agent.
  - (3) The buyer should act in good faith.
  - (4) The buyer should not have at the time of the contract of sale notice that the agent has no authority to sell.



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In the instant case, P, the agent, was in the possession of the car with J's consent for the purpose of sale. A, the buyer, therefore obtained a good title to the car. Hence, J in this case, cannot recover the car from A.

7. As per the section 55 of the Sale of Goods Act, 1930 an unpaid seller has a right to institute a suit for price against the buyer personally. The said Section lays down that
- (i) Where under a contract of sale the property in the goods has passed to buyer and the buyer wrongfully neglects or refuses to pay for the goods, the seller may sue him for the price of the goods [Section 55(1)].
  - (ii) Where under a contract of sale the price is payable on a certain day irrespective of delivery and the buyer wrongfully neglects or refuses to pay such price, the seller may sue him for the price. It makes no difference even if the property in the goods has not passed and the goods have not been appropriated to the contract [Section 55(2)].

This problem is based on above provisions. Hence, Suraj will succeed against Sohan for recovery of the remaining amount. Apart from this, Suraj is also entitled to:-

- (1) Interest on the remaining amount
- (2) Interest during the pendency of the suit.
- (3) Costs of the proceedings.

**8. Destruction of Goods-Consequences:**

- (i) In accordance with the provisions of the Sale of Goods Act, 1930 as contained in Section 7, a contract for the sale of specific goods is void if at the time when the contract was made; the goods without the knowledge of the seller, perished or become so damaged as no longer to answer to their description in the contract, then the contract is void ab initio. This section is based on the rule that where both the parties to a contract are under a mistake as to a matter of fact essential to a contract, the contract is void.
- (ii) In a similar way Section 8 provides that an agreement to sell specific goods becomes void if subsequently the goods, without any fault on the part of the seller or buyer, perish or become so damaged as no longer to answer to their description in agreement before the risk passes to the buyer.

It may, however, be noted that section 7 & 8 apply only to specific goods and not to unascertained goods. If the agreement is to sell a certain quantity of unascertained goods, the perishing of even the whole quantity of such goods in the possession of the seller will not relieve him of his obligation to deliver the goods.





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**9. Difference between Condition and Warranty**

- (i) A condition is a stipulation essential to the main purpose of the contract whereas a warranty is a stipulation collateral to the main purpose of the contract.
- (ii) Breach of condition gives rise to a right to treat the contract as repudiated whereas in case of breach of warranty, the aggrieved party can claim damage only.
- (iii) Breach of condition may be treated as breach of warranty whereas a breach of warranty cannot be treated as breach of condition.

According to Section 13 of the Sale of Goods Act, 1930 a breach of condition may be treated as breach of warranty in following circumstances:

- (i) Where a contract of sale is subject to any condition to be fulfilled by the seller, the buyer may waive the condition.
  - (ii) Where the buyer elects to treat the breach of condition as breach of a warranty.
  - (iii) Where the contract of sale is non-severable and the buyer has accepted the whole goods or any part thereof.
  - (iv) Where the fulfillment of any condition or warranty is excused by law by reason of impossibility or otherwise.
10. Partnership by holding out is also known as partnership by estoppel. Where a man holds himself out as a partner, or allows others to do it, he is then stopped from denying the character he has assumed and upon the faith of which creditors may be presumed to have acted.

A person may himself, by his words or conduct have induced others to believe that he is a partner or he may have allowed others to represent him as a partner. The result in both the cases is identical.

**Example:** X and Y are partners in a partnership firm. X introduced A, a manager, as his partner to Z. A remained silent. Z, a trader believing A as partner supplied 100 T.V sets to the firm on credit. After expiry of credit period, Z did not get amount of T.V sets sold to the partnership firm. Z filed a suit against X and A for the recovery of price. Here, in the given case, A, the Manager is also liable for the price because he becomes a partner by holding out (Section 28, Indian Partnership Act, 1932).

It is only the person to whom the representation has been made and who has acted thereon that has right to enforce liability arising out of 'holding out'.

11. As per the provisions of Section 30(5) of the Indian Partnership Act, 1932, at any time within six months of his attaining majority, or of his obtaining knowledge that he had been admitted to the benefits of partnership, whichever date is later, such person may give public notice that he has elected to become or that he has elected not to become a partner in the firm, and such notice shall determine his position as regards the firm.





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However, if he fails to give such notice, he shall become a partner in the firm on the expiry of the said six months.

If the minor becomes a partner by his failure to give the public notice within specified time, his rights and liabilities as given in Section 30(7) are as follows:

- (A) He becomes personally liable to third parties for all acts of the firm done since he was admitted to the benefits of partnership.
  - (B) His share in the property and the profits of the firm remains the same to which he was entitled as a minor.
    - (i) In the instant case, since, X has failed to give a public notice, he shall become a partner in the M/s ABC & Co. and becomes personally liable to Mr. L, a third party.
    - (ii) In the light of the provisions of Section 30(7) read with Section 30(5) of the Indian Partnership Act, 1932, since X has failed to give public notice that he has not elected to not to become a partner within six months, he will be deemed to be a partner after the period of the above six months and therefore, Mr. L can recover his debt from him also in the same way as he can recover from any other partner.
12. **Designated Partner [Section 2(j)]:** “Designated partner” means any partner designated as such pursuant to section 7.

According to section 7 of the LLP Act, 2008:

- (i) Every LLP shall have at least two designated partners who are individuals and at least one of them shall be a resident in India.
  - (ii) If in LLP, all the partners are bodies corporate or in which one or more partners are individuals and bodies corporate, at least two individuals who are partners of such LLP or nominees of such bodies corporate shall act as designated partners.
  - (iii) *Resident in India:* For the purposes of this section, the term “resident in India” means a person who has stayed in India for a period of not less than 182 days during the immediately preceding one year.
13. As per the provisions of Sub-Rule (7) of Rule 3 of the Companies (Incorporation) Rules, 2014, an OPC cannot convert voluntarily into any kind of company unless two years have expired from the date of its incorporation, except threshold limit (paid up share capital) is increased beyond fifty lakh rupees or its average annual turnover during the relevant period exceeds two crore rupees.

In the instant case, Mr. Anil formed an OPC on 16th April, 2018 and its turnover for the financial year ended 31st March, 2019 was ` 2.25 Crores. Even though two years have not expired from the date of its incorporation, since its average annual turnover during



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the period starting from 16th April, 2018 to 31st March, 2019 has exceeded ₹ 2 Crores, Mr. Anil can convert the OPC into a private limited company along with Sunil.

14. **Doctrine of Indoor Management (the Companies Act, 2013):** According to the “doctrine of indoor management” the outsiders, dealing with the company though are supposed to have satisfied themselves regarding the competence of the company to enter into the proposed contracts are also entitled to assume that as far as the internal compliance to procedures and regulations by the company is concerned, everything has been done properly. They are bound to examine the registered documents of the company and ensure that the proposed dealing is not inconsistent therewith, but they are not bound to do more. They are fully entitled to presume regularity and compliance by the company with the internal procedures as required by the Memorandum and the Articles. This doctrine is a limitation of the doctrine of “constructive notice” and popularly known as the rule laid down in the case of *Royal British Bank v. Turquand*. Thus, the doctrine of indoor management aims to protect outsiders against the company.

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.
- (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.
- (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.



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

**Chapter-1 Communication**

1. How do technology barriers affect communication? Explain.
2. Describe the term 'paralanguage', a mode of communication.
3. Non-verbal is also one of the Broad Categories of Communication? Explain.
4. Define the areas where chain network of communication is found in an organisation.

**Chapter-2 Sentence Types, Direct/Indirect, Active /Passive**

1. Change the following sentences from active to passive.
  - a. Miraya paid the bills.
  - b. Have they left the apartment?
  - c. She is disturbing Dinesh.
  - d. Will you mop the floor?
  - e. Vidhi had not received the parcel.
2. Change the following sentences from passive to active.
  - a. An article has not been written by Radhika.
  - b. I was being watched by her.
  - c. Fifty thousand had been paid by me.
  - d. Were you recognised by her?
3. Change the following sentences into indirect speech.
  - a. Rahul asked me, 'Did you see the cricket match on TV last night?'
  - b. James said to his mother, 'I am leaving for New York tomorrow.'
  - c. I said to him, 'Why don't you work hard?'
  - d. He said to her, 'What a hot day!'
  - e. The priest said, 'Be quiet and listen to my words.'
4. Change the following sentences into direct speech.
  - a. His father says that honesty is the best policy.



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- b. He inquired whether his name was Khalid.
- c. Raj said he was teaching English online.
- d. The father warned his son that he should be beware of him.

**Chapter-3 Vocabulary**

1. In the following question, out of the four alternatives, select the one which best expresses the best meaning of the given word.
  1. Valour
    - (a) Nervousness (b) Cowardice (c) Fearlessness (d) Energetic
  2. Enigmatic
    - (a) Respectable (b) Mysterious (c) Widespread (d) Clever
  3. Inconclusive
    - a) Conclusive (b) Indecisive (c) Conclusion (d) Decision
  4. Consternation
    - (a) Alert (b) Celebration (c) Attraction (d) Dismay
  5. Ignominy
    - (a) Attraction (b) Enmity (c) Assistance (d) Disgrace
2. In the following question, out of the given four alternatives, select the one which is opposite in meaning of the given word.
  1. Heckle
    - (a) Embarrass (b) Highlight (c) Cheer (d) Harass
  2. Adamant
    - (a) Glittering (b) Unique (c) Unwilling (d) Flexible
  3. Lackadaisical
    - (a) Enthusiastic (b) Slothful (c) Enervated (d) Apathetic
  4. Obscene
    - (a) Indecent (b) Derogatory (c) Offensive (d) Complimentary
  5. Obdurate
    - (a) Empathetic (b) Inconsiderate (c) Heedless (d) Virulent



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### Chapter 4 Reading Comprehension

#### Passage 1

My father Janab Avul Pakir Jainulabdeen gave me a lesson when I was a young boy. What was that lesson? My father was elected the President of Rameshwaram Panchayat Board. I was at that time studying in school. Those days we did not have electricity and we used to study under ration kerosene lamps. I was reading a lesson loudly when I heard a loud knock on the door. Someone then came in and asked me where my father was. I told him, my father had gone for evening prayers. He said, 'I have brought something for your father, can I keep it here?' I asked him to keep it on the cot. He placed a tombalum (gift box) on the cot and left.

When my father came back and saw the tombalum (gift box), he asked, 'what is this? Who has left this?' I told him that in his absence someone had come and left it for him. My father opened the cover of the tombalum and found there was costly dhoti, angvastram, some fruits, some sweets and a note that the person had left behind. My father was furious. That was the first time I saw his anger and also the first time that he beat me. I was the youngest in the family and he loved me very much. I got frightened and started weeping. Then he came and touched my shoulder lovingly with affection and advised me not to receive any gift without his permission. He quoted an Islamic Hadith that states, "When the Almighty appoints a person to a position he can take care of his provision. If a person takes anything beyond that it is an illegal gain". Then he told me that it is not a good habit. Gift that is accompanied by some other purpose is a dangerous thing. It is like touching a snake and getting poison in return.

1. Why did the boy's father get angry over him?
  - a) The boy was disobedient
  - b) The boy answered back
  - c) The boy agreed to keep gifts without father's permission
  - d) All of the above
2. What according to the passage is 'like touching a snake and getting poison in return'
  - a) Accepting gifts
  - b) Accepting orders
  - c) Accepting God's way of doing things
  - d) Accepting gifts offered with some hidden purpose
3. Which line in the passage shows that the boy and his family belong to an era where basic facilities were not available
  - a) He was studying in ration kerosene lamps as there was no electricity



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- b) He was studying loudly
  - c) His father used to wear Dhotis
  - d) The family used to receive costly gifts
4. Select the option that can be a suitable title for the passage
- a) The Divine Gift
  - b) The gift of Gab
  - c) Accept gifts in good spirit
  - d) Never take gifts
5. What is the main theme of the passage?
- a) A lesson learnt by the author as a boy, by his father
  - b) We should study loudly for better understanding
  - c) Accepting gifts is fun
  - d) Fathers always love their children

**Passage 2**

In Super bazaars in Delhi, the prospective buyer expects to find the price of an article displayed or to be told definitely what the price is. He assumes that this is the lowest price that will be accepted and if he thinks the price excessive or beyond his means, he shrugs his shoulders and walks away, dissatisfied or disappointed. He does not attempt to bargain unless he is usually brazen faced or thick skinned-for his efforts would be met by an incredulous stare or by a cold and possibly rude reply. Even, if his features showed mild annoyance or surprise he would expect to be told that if the price was unacceptable, he could try elsewhere- a course offering slight chances of success. The manager in a Super bazaar does not make the goods himself: he is supplied by manufacturers or wholesale dealers on terms that allow little variation from shop to shop; and for most articles in regular demand there is a 'market price' over which the seller has little control.

There are many other towns where the shopkeeper himself may be and often is importer and producer, wholesale dealer and retailer. There is no standard 'market price' for the merchandise which he has to offer. He cannot know how keen the demand is, how abundant the supply or what his goods will fetch except by the offers made to him by prospective customers. He can assess the fair market value of what he has to sell only by actual experiment. Therefore, he begins by demanding an exorbitant price immensely above that for which he will eventually sell; and the bargain is not concluded until he and his customer have spent much time on eloquent gestures and arguments. The shop keeper gradually reduces his original price until he and his



customer arrive at a compromise agreeable to them both. The price thus agreed on , may or may not represent the intrinsic worth of the article sold but does reflect its market value in relation to the existing condition of supply and demand.

1. Find the word from the passage that means 'inflated' -
  - a) Abundant
  - b) Exorbitant
  - c) Intrinsic
  - d) Unacceptable
2. What does the phrase 'incredulous stare' mean?
  - a) Insulting words
  - b) Feeling of jealousy
  - c) Praising comments
  - d) Unbelievable look
3. Which of the following is true according to the passage?
  - a) The manager of the Super bazaar makes the goods, with his team members.
  - b) The manager is supplied the goods by the manufacturers.
  - c) The manager is supplied the goods by the wholesale dealers.
  - d) Both b and c
4. The final price at which a product is sold depends on -
  - a) The raw material
  - b) The existing condition of supply and demand
  - c) The abundance of the wholesalers
  - d) None of the above
5. What does the buyer do in case he finds the price of a product higher?
  - a) He shrugs his shoulders and leaves.
  - b) He insults the shopkeeper.
  - c) He tries to buy two products.
  - d) He respects the shopkeeper and gets ready to purchase at the earlier quoted price.



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**Chapter-5 Note Making**

For the following passages 1 and 2:

- (i) Prepare notes with headings, sub-headings and abbreviations/contractions where ever necessary.
- (ii) Write a summary.

**Passage-1**

Diabetes Mellitus (DM), commonly referred to as diabetes, is a group of metabolic disorders in which there are high blood sugar levels over a prolonged period. There are three main types of diabetes mellitus. Type - 1 Diabetes – the body does not produce enough Insulin. Approximately 10% of all diabetes cases are type 1. Type 2 Diabetes -begins with insulin resistance, a condition in which cells fail to respond to Insulin properly. As the disease progresses a lack of Insulin may also develop. Approximately 90% of all cases of diabetes worldwide are of this type. Gestational Diabetes – this occurs when pregnant women without a previous history of diabetes develop high blood sugar levels.

Sometimes a person finds that he has been going to the bathroom to urinate more often. When there is too much glucose (sugar) in your blood one will urinate more often. If a person's Insulin is ineffective, or not there at all, his kidneys cannot filter the glucose back into blood. The kidneys will take water from his blood in order to dilute the glucose, which in turn fills up your bladder.

If you are urinating more than usual, you will need to replace that lost liquid. You will be drinking more than usual. As the Insulin in your blood is not working properly, or is not there at all, and your cells are not getting their energy, your body may react by trying to find more energy – food. You will become hungry. This in turn will result in weight gain.

Unusual weight loss is found in some cases of type-1 diabetes. As your body is not making Insulin it will seek out another energy source (the cells aren't getting glucose). Muscle tissue will be broken down for energy. If your Insulin is not working properly or not there at all, glucose will not be entering into your cells and providing them with energy. This will make you feel tired and listless.

Blurred vision can be caused due to tissue being pulled from your eye lenses. This affects your eyes' ability to focus. With proper treatment, this can be treated. There are severe cases where blindness or prolonged vision problems can occur.

**Passage-2**

People do not always do the things we want them to do. No matter how reasonable or minimal our expectations may be, there are times when we are let down. Naturally, we feel upset and hurt when our expectations are not met. We dread confrontations because they are unpleasant





and can damage relationships.

Yet not confronting a person does not solve the problem because unresolved issues also affect relationships in an adverse way. Actually, the real problem lies in our style of confrontation, not in the issue.

Typically, we use character-based confrontations. They help in venting our anger and hurt, but that is the only thing they do. They lead to angry show downs and bring all discussions to a grinding halt. It is important to remember that self-image is the most important possession of all human beings.

It is the way we view and regard ourselves in our own eyes and in the eyes of others. As self-conscious beings, we are actually aware of our image and constantly work towards protecting it from any damage.

We also seek approval from others about our own self-image. We feel distraught if we sense that there is even a slight threat to our self-image, because our character is the essence of our lives. To ensure a rational dialogue over dashed expectations, we need to deploy issued based confrontations. They involve an explanation of which actions have bothered us, in what manner and what changes we would like from the other person.

### **Chapter 7 Précis Writing**

For the passages 1 and 2, write a précis

#### **Passage-1**

When we survey our lives and efforts we soon observe that almost the whole of our actions and desires are bound up with the existence of other human beings. We notice that whole nature resembles that of the social animals. We eat food that others have produced, wear clothes that others have made, live in houses that others have built. The greater part of our knowledge and beliefs has been passed on to us by other people though the medium of a language which others have created. Without language and mental capacities, we would have been poor indeed comparable to higher animals. We have, therefore, to admit that we owe our principal knowledge over the least to the fact of living in human society. The individual if left alone from birth would remain primitive and beast like in his thoughts and feelings to a degree that we can hardly imagine. The individual is what he is and has the significance that he has, not much in virtue of the individuality, but rather as a member of a great human community, which directs his material and spiritual existence from the cradle to grave.

#### **Passage-2**

Digital marketing is the very innovative and novel concept in the 21st century. Through this form of media, products and services are promoted with the use of database-driven online distribution channels to reach consumers in an appropriate, significant, individual, and lucrative manner.



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The term digital marketing does not have any specific definition or meaning but it can be well explained with the examples such as emails, online advertisements, pay per clicks, wireless text messages, instant messages, RSS, blogging, fax, video streams, podcasting, broadcast, etc. All these comprise digital marketing.

Apart from its inclusive list, there are few traditional forms of marketing which are not included in the term of digital marketing. They are TV, radio, print and billboard as they are not the instant or quick forms of marketing. It means with these forms of marketing the advertiser could not get the immediate response from the end consumers. The traditional forms of marketing could not give the accurate number of responders. Perhaps, there is a little improvement achieved with the devices such as TiVo which records the statistics like website but, still the desirable result has not been gained. Nevertheless, this became possible with the introduction of digital marketing.

Digital marketing has become so powerful a network of advertising, that with the introduction of “Double click” strategy of Google for internet, the world has become very close linking each and every place conveniently. With the help of digital marketing, campaigns for promoting any product through internet has become very cost-effective and convenient.

**Chapter-8 Article Writing**

Write article on the following topics.

- a. Impact of Advertisements on The Younger Generation
- b. The Role of Students in Removing Illiteracy

**Chapter-9 Report Writing**

1. As the School Co-curricular activities In-charge, your Principal has advised you to prepare a report on how to start online classes for activities besides academics. Discuss the plans, proposal and benefits. (200-300 words)
2. Your CA firm held a webinar on ‘Communication Skills: Need of the hour’. As the Head of Communication division, prepare a report.

**Chapter-10 Writing Formal Letters and Official Communication**

1. You are the manager of Old World Tower and you received order of letterhead and business cards from ABC Stationary King. The order was completed on time and the quality of paper used was not upto the mark. Write a formal letter complaining about the same.
2. Write a circular addressing to the employees regarding re-organisation of manpower and their responsibility in finance department of the company.

**Chapter-11 Writing Formal Mails**

1. Write a formal email to apply for a job position as web content editor.



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2. Write a reply back in a formal email to an inquiry about your product.

**Chapter-12 Résumé Writing**

1. Mr. Mohit Agarwal, a resident of Meerut, have recently come across an advertisement, for a job vacancy in a leading TV Channel for the post of journalist, in The Times of India. Draft a Résumé along with a cover letter in response to the advertisement.
2. You have recently qualified CA Intermediate and willing to join practical training. Draft a résumé, highlighting your education, technical skills and achievements.

**Chapter-13 Minutes of Meetings**

1. You are the CEO of a pharmaceutical company. In light of the Corona virus pandemic, your company has witnessed a high demand of Paracetamol drugs. However, the company infrastructure and employee strength does not allow you to cater to the demand. Prepare the minutes of the meeting, discussing this concern. Members involved in the meeting are, CEO, Product Head, Pharmacy experts, Business Lead, Head of sales.
2. You are a senior personnel of a food chain which has suffered severe losses due to the lockdown imposed in the country as a result of the virus pandemic. Discuss the future plans regards to uplifting the business. Include Director, Sales and Marketing, Retail head, Supply Chain Head, Procurement Personnel and other senior members. Details to be tabulated.

**SUGGESTED ANSWERS/HINTS**

**Chapter-1 Communication**

1. In the present world, communication modes are primarily technology driven. The communication technology is being constantly upgraded or new formats emerge ever so frequently. Anyone who is not abreast with these struggles to communicate effectively via the medium.

An individual is swamped with 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.

2. **Paralanguage** refers to the way you say something rather than the actual words used, the voice quality, intonation, pitch, stress, emotion and style of speaking communicates approval, interest or lack of it. Research estimates that tone accounts for 38 percent of communication.
3. **Nonverbal Communication:** 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



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ideas and emotions on their own. Some of the functions of nonverbal communication in humans are to complement and illustrate, to reinforce and emphasize, to replace and substitute, to control and regulate, and to contradict the denoted message.

**Physical nonverbal communication: An individual's body language that is,** facial expressions, stance, gestures, tone of voice, touch, and other physical signals constitute this type of communication. For example, leaning forward may mean friendliness, acceptance and interest, while crossing arms can be interpreted as antagonistic or defensive posture.

Research estimates that physical, non-verbal communication accounts for 55 percent of all communication. Smiles, frowns, pursing of lips, clenching of hands etc. transmit emotions which are not expressed through verbal communication.

**Paralanguage:** The way you say something, more than the actual words used, reveal the intent of the message. The voice quality, intonation, pitch, stress, emotion, tone, and style of speaking, communicates approval, interest or the lack of it. **Research estimates that tone of the voice accounts for 38 percent of all communications.**

**Aesthetic communication: Art forms** such as dancing, painting, sculptor, music are also means of communication. They distinctly convey the ideas and thoughts of the artist.

**Appearance:** Appearance is usually the first thing noticed about a person. A well dressed and groomed person is presumed to be organised and methodical, whereas a sloppy or shabby person fails to make a favourable impression. Therefore, dressing appropriately in all formal interactions is emphasized.

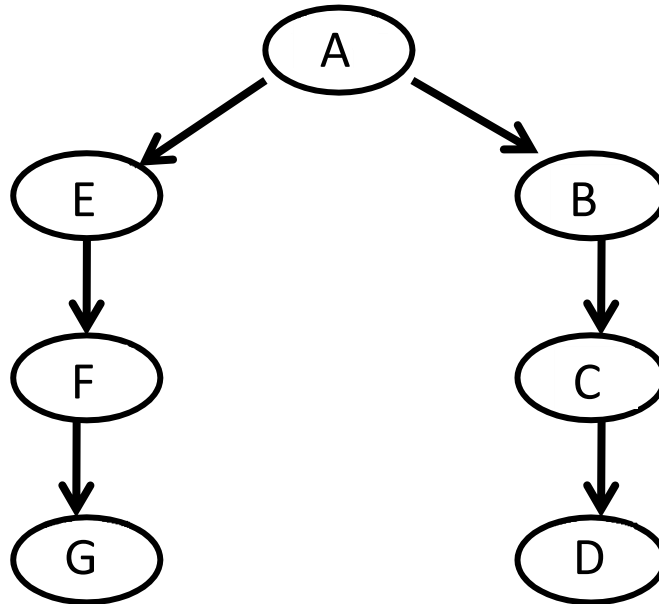
The dress code in office is generally formal. It constitutes of formal suits, trousers with plain white or light coloured shirts and leather shoes. Bright colours, jeans, T - shirts, especially with slogans and other informal wear are frowned upon. For women formal two-piece trouser or skirt sets or formal ethnic wear like sarees, is permissible.

**Symbols** such as religious, status, or ego-building symbols.

4. 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. The supervisor/ manager/ CEO gives commands or instructions to those working under him/her in the organisation.

B, C, D and E, F, G are the subordinates to A in the organisational hierarchy and receive commands from 'A' as shown in the diagram. The chain network often takes up time, and communication may not be clear.





### Chain of Command

Chapter- 2 Sentence Types, Direct/Indirect, Active /Passive

#### Ans-1

- The bills were paid by Miraya.
- Has the apartment been left by them?
- Dinesh was being disturbed by Dinesh.
- Will the floor be mopped by you?
- The parcel had not been received by Vidhi.

#### Ans-2

- Radhika has written an article.
- She was watching me.
- I had paid fifty thousand.
- Did she recognise you?

#### Ans-3

- Rahul asked me if I had seen the cricket match on TV the previous night.



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- b. James told his mother that he was leaving for New York the next day.
- c. I asked him why he didn't work hard.
- d. He exclaimed that it was a hot day.
- e. The priest urged them to be quiet and to listen to his words.

**Ans-4**

- a. His father says, "Honesty is the best policy."
- b. He asked him, 'Is your name Khalid?'
- c. Raj said, 'I am teaching English online.'
- d. The father warned his son, 'Beware of me.'

**Chapter-3 Vocabulary**

**Ans-1**

1. C 2. B. 3. B. 4. D. 5. D.

**Ans-2**

1. C. 2. D 3. A. 4. D. 5. A

**Chapter-4 Comprehension Passages**

**Passage 1**

- 1. c
- 2. d
- 3. a
- 4. c
- 5. a

**Passage 2**

- 1. b
- 2. d
- 3. d
- 4. b
- 5. a

**Chapter-5 Note Making**

- 1) 1. Diabetes Mellitus(DM)



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1.1 Types

1.1.1 Type-1 inadqt prodtn of insulin

1.1.2 Type-2 insulin rstnt cells most common (90% cases)

1.1.3 Type-3 gstnl in prgnt women

1.2 Symptoms

1.2.1 Frqnt urnatn

1.2.1.1 Cause

1.2.1.1.1 Kidney tkg water frm blood

1.2.1.1.1 Bladder flng up

1.2.2 Unusual thirst

1.2.2.1 Cause

1.2.2.1.1 Water loss

1.2.3 Wght gain

1.2.3.1 Cause

1.2.3.1.1 Constant hunger

1.2.3.1.2 Excsv eating

1.2.4 Wght loss ( in type-1)

1.2.4.1 Cause

1.2.4.1.1 Break down of fat & msclr tissue

1.2.5 Physcl fatigue

1.2.5.1 Cause

1.2.5.1.1 Lack of glcse in cells

1.2.6 Blurred vision

1.2.6.1 Cause

1.2.6.1.1 Tissue pulled frm eye

1.2.6.1.2 Inability to focus

1.2.7 Blindns or prlgd vision prblms (in severe cases)



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**Key**

1. inadqt- inadequate
2. prodtn-production
3. rstnt-resistant
4. gstnl-gestational
5. frqnt-frequent
6. urntn-urination
7. prgnt-pregnant
8. tkg-taking
9. frm-from
10. flng-filling
11. wght-weight
12. excsv-excessive
13. msclr-muscular
14. physcl-physical
15. glcse-glucose
16. blindns-blindness
17. prlgd-prolonged
18. prblms-problems

**Summary**

Diabetes Mellitus is a metabolic disorder characterised by high blood sugar levels over a long period. There are three types of Diabetes. Type-1, where body does not produce enough Insulin, Type-2 where cells are Insulin resistant is the most common with 90% cases and Type-3 gestational diabetes in pregnant women. Symptoms are frequent urination caused due to water being taken from blood by kidneys to dilute glucose, filling up the bladder; Unusual thirst due to water loss; Weight gain due to constant hunger and excessive eating; Weight loss in Type-1, due to break down of fat and muscular tissue; Physical fatigue due to lack of glucose/energy in cells; Blurred vision due to inability to focus and blindness in severe cases.

**2) Human Nature**

1. Hmn Ntr





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- 1.1 Expctns
  - 1.1.1 hurt when not met
- 1.2 Cnfrntns
  - 1.2.1 are avoided by hmns
  - 1.2.2 are unplsnt
  - 1.2.3 dmg rstnsps
  - 1.2.4 Styles of cnfrntns:
    - 1.2.4.1 Chrctr bsd
      - 1.2.4.1.1 Help vent anger
      - 1.2.4.1.2 Cse angry shwdns
      - 1.2.4.1.3 Halt dscssns
      - 1.2.4.1.4 Dtrmntl to slf- img
    - 1.2.4.2 Issue bsd
      - 1.2.4.2.1 Lead to rtnl dlq
      - 1.2.4.2.2 Help anls:
        - 1.2.4.2.2.1 Prblm
        - 1.2.4.2.2.2 Cses
        - 1.2.4.2.2.3 Chng rqd in othr prsn
- 1.3 Slf-img
  - 1.3.1 Is how we prcv ourselves
  - 1.3.2 How othrs prcv us
  - 1.3.3 We try avdng dmg
  - 1.3.4 Seek aprvl frm othrs
  - 1.3.5 Blds chrctr

**Key:**

Hmn: Human/s

Ntr: Nature



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Expctns: Expectations  
cnfrntns: confrontations  
unplsnt: unpleasant  
dmg: damage  
rlstnsps: relationships  
chrctr: character  
bsd: based  
cse: cause  
shwdns: showdowns  
dscsns: discussions  
dtrmntl: detrimental  
slf-img: self-image  
rtnl:rational  
dlg: dialogue  
anls: analyse  
prblm:problem  
chnng:change  
rqd: required  
othr:other  
prsn:person  
prcv: perceive  
othr: other/s  
avdng: avoiding  
aprvl: approval  
blds: builds

**Summary**

We feel hurt when our expectations from others are not met. We avoid confrontations, as they are displeasing and can affect relations. More often, it is the style of confrontation that causes



problems rather than the underlying issue. We generally indulge in character-based confrontations, letting out our anger at people causing conflicts in relationships, stopping constructive discussions and end up harming our image. Our image is important as it builds our character. Therefore, we must indulge in issue-based confrontations where we analyse our disagreements and identify the actions/attitudes in others that bother us and how these can be changed to resolve the issue.

#### **Chapter-7 Précis Writing**

1) Respect Humanity: It serves you! (Title)

Our life is a part of the humanity, dependent on other human beings for various basic needs like food, clothing and shelter etc. Language that makes humans different on animals is also a gift from other humans which leads us to being wise and knowledgeable. A lonely man would be like a beast with no social activities and feelings. Let us respect humanity and other existence of fellow beings.

2) Digital Marketing: The new trend (Title)

We hear a lot about online wallets, e-mails, blogs, and podcasts: these are few platforms that constitute Digital Marketing. This new technology enables immediate response from the consumers and is seen to yield better consumer satisfaction results, as opposed to the traditional means of marketing that included TV, radio. Etc. Moreover, digital marketing has brought the world closer just at the click of a mouse/button.

#### **Chapter-8 Article Writing**

##### **Hints:**

**a.**

- Advertisements have become a big business.
- They are promoted by celebrities drawn from various fields like films, sports, etc., leaving their influence on all people specially the young.
- The advertisement industry has a tremendous impact on the younger generation.
- Advertisements have become a part of the daily lives of youngsters.
- Young people often do not even realise that they are hearing or viewing them.
- They have a persuasive influence on the youth.
- In the ever-expanding world of consumerism and advertising, companies are constantly looking for new ways to sell their products to the youngsters.
- By making their commercials and campaigns more memorable, to leave an impact on their minds.



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- The younger generation has become their prime target.
- They have been spending more efforts than ever before and increased avenues at their disposal.
- Therefore, companies spend enormous amounts of money to rope in popular film stars, cricketers, and musicians etc. to endorse their products.

**b.**

- India is standing at the threshold of joining the developed nations but that is not possible till we achieve complete literacy in the country.
- Illiteracy is still a major blot on India, after more than sixty years of its achieving independence.
- To an extent it exemplifies India's failure to reach out to its masses.
- Students can play an important role in achieving this goal of removing illiteracy.
- Students should be encouraged to carry the lamp of knowledge by organising events such as, 'Each One, Teach One'.
- The government should also render full support to students in terms of infrastructure in their contribution to the Indian Literacy Campaign.
- Students can also play a vital role in the programme of Adult Literacy.
- If all our students get together and try to work towards achieving literacy among the masses.

**Chapter-9 Report Writing**

**1) Formal Report**

**To:** The Principal,

XYZ School, New Delhi

**From:** In-charge, co-curricular activities

**Date:** Sept 14, 20XX

**Subject:** Online classes for co-curricular activities (Specific grade if any)

**Contents:**

- Need for online classes for co-curricular activities
- Subjects that can be included
- Time duration
- Teacher assigned



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- Benefits to the students
- How to have audience engagement

**Note:** Write a brief summary of the complete report. Not more than 5-6 lines. It gives an overall view of the report highlighting the main points proposed.

**2) Report**

Hints:

**Webinar held on 'Communication Skills'**

- Welcome address by Head HR describing:
  - Need for the webinar
  - Agenda of the webinar
- Presentation by CA. X on Role of Communication (may include a comment)
- Presentation by CA. Y on Impact on CAs due to changing work environment (Work From Home)
- Presentation by Participant-2 on Current scenario and digitalisation
- Presentation by Participant-3 on Diversity in work force affecting Communication (Barriers)
- Vote of Thanks by Senior Manager HR inviting feedback and suggestions from all participants

**Chapter-10 Writing Formal Letters and Official Communication**

**Ans-1. Letter**

Old World Tower

16 Ring Road

Delhi - 01

October 30, 20xx

The Manager

ABC Stationary King

35 Patel Street

Delhi - 18

Dear Sir/Madam,



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Sub: **Complaint against Order No. S/24-201S-1150.**

This is with reference to the Order No. S/24-201S-1147 place on xx/xx/20xx comprising two items viz. letterheads and business cards sizes mentioned in the order details.

We were assured of receiving the order latest by xx/xx/20xx. Firstly, the order was received much past the promised delivery date. Also, the quality of the paper and design selected for business cards does not match with the selected sample.

Kindly ensure that the order is replaced latest by xx/xx/20xx, failing which payment will be stopped and the order will be cancelled. I sincerely request you to look into the matter and do the needful as soon as possible.

Thanking you!

Yours truly

XYZ

General Manager

**Ans-2.Circular**

Circular No. XV			13 <sup>th</sup> Nov, 2018
<b>Office Circular</b>			
Due to urgent work requirements in the Finance department, the following employees are temporarily shifted to the department for a period of 2 months (60 days) w.e.f. Nov. 14, 2018.			
<b>Name</b>	<b>Designation</b>	<b>Department</b>	<b>Current Responsibility (Finance Department)</b>
Mr. WER	Upper Division Clerk	Accounts	Clerk
Mr. XYZ	Junior Accountant	Accounts	Accounts Assistant
Ms. PRT	Senior Accountant	Accounts	Accounts Officer
Ms. SDF	Project Manager	Information Technology	Technical Support Manager
Mr. LMN	Network Engineer	Information Technology	Engineer
Mr. RST	Office Assistant	Sales and Marketing	Office Assistant
The above employees are directed to report to Mr. X (Head Finance) at 10 AM tomorrow, Nov 14, 2018.			
Office timings will be from 10 AM till 7PM			
Saturday will be a working day; Sunday is a holiday.			
JKL			
Manager, HR			



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**Chapter-11 Writing Formal Mails**

**Ans-1.**

To: [Editorinchief@eyzmail.com](mailto:Editorinchief@eyzmail.com)

Cc/bcc:

Subject: Web Content Editor Position

Dear Sir/Madam,

With reference to your job ad in xxx, I would like to submit my application for the position of Web Content Editor in your company.

I graduated in Communication Sciences from the University of xxx in xxxx. I have more than 5 years of experience as a Content Specialist with a leading agency. I will be glad to introduce myself in an interview that will allow you to better evaluate my possible recruitment.

Kindly find enclosed a copy of my résumé. I look forward to hearing from you.

Yours faithfully,

ABC

**Ans-2**

To: dc@ghf.com

Cc/bcc:

Subject: New product Catalogue

Dear Ms. DC,

Greetings! In response to your request, we have recently sent you our latest catalogue 2020-21. We have added various products/services that will surely evince your interest. Our local agent will contact you soon to arrange a formal presentation/meeting to discuss how our products/services can benefit your company.

For further information, contact the undersigned.

Yours sincerely,

ABC

abc@efg.com



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Chapter-12 Résumé Writing

(a) Cover Letter

To

Date: Sep 10, 20XX

Manager (HR) ABC TV

FGH Media Pvt Ltd Mandi House

New Delhi.

Dear Sir/Madam,

**Subject: Application for the post of Journalist**

Greetings for the day!

I am writing this letter to express my interest in the position of Journalist as advertised in the SDF national daily, Careers section dated, Sep 1, 2020.

I fulfill all the educational and professional requirements as specified in the advert. I am a post graduate in Media Studies from ASD University and interned at renowned media houses (print and TV). I have two years of relevant experience. Currently, I am heading the regional news section at XYZ TV at their Meerut office.

My detailed résumé is appended herewith for your perusal. Looking forward for a positive response.

Best Regards,

Mohit Agarwal

36, Civil Lines, Meerut, U.P.

**Résumé**

**OBJECTIVE:**

Mohit Agarwal

36, Civil Lines Meerut, U.P.

Phone: 98XXXXXXXX

Email: abc@xyz.com

To be associated with an organisation that offers tremendous opportunities for growth and autonomy, providing a challenging environment to harness my creative streak, innovative ideas and utilise my experience as a media correspondent to the maximum.





### SUMMARY

- One year of experience as a staff correspondent in CVB TV.
- Two years of experience as Head Regional News XYZ TV
- Proven skills in content planning, selection and presentation.
- Excellent Reporting skills in English and Hindi.

### EXPERIENCE

2016 - PRESENT Head Regional News XYZ TV Meerut

- Planning and deployment of staff correspondents
- Sponsorship Planning from corporate and medias houses
- Staff selection and Training
- Media Planning for regional corporate houses

2015- 2016 Staff Correspondent CVB TV

- Capturing Events
- Conceptualising stories
- Presenter for “Khufia” section of Daily News

### EDUCATION

2014, Masters in Mass Comm, ASD University, New Delhi

2012, English (Hons), ASD University, New Delhi

### INTERNSHIPS

2014, 2 months at World Journalists Association (Articles Section)

2013, 4 months at CNN TV in News production and planning

### SKILLS

- Well versed with Media Software
- Meticulous Planning and Execution skills with an eye for detail



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**PERSONAL DETAILS**

Date of Birth 15 June, 1992  
 Marital Status Unmarried  
 Languages Known English, Hindi

**DECLARATION**

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

**Ans-2**

Résumé

**Name**

Address

New Delhi-110044

Email ID: youreail@gmail.com

Mobile No.- +91-XXXXX XXXXX

**Objective**

- I seek to join a firm where I can learn various aspects of profession and use my skills and knowledge of MS Excel, MIS, Tally, and Taxation with GST.
- I wish to contribute towards organisational goal through my technical skills, hard work and creativity.

**Academics**

Qualification	University/Board	Year of Passing	Score/Marks
B.Com	DU	Pursuing	
CA Intermediate	ICAI	2018-19	67%
CA Foundation	ICAI	2017	75%
XII	CBSE	2016-17	90%
X	CBSE	2014-15	93%

**Skills**

MS-Office, Tally, Advance Excel, Payroll, MIS

Good analytical and decision making skills



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### **Achievements**

- As captain of the school cricket team won 3 consecutive zonal inter- school championship matches
- Stood first in school in Maths Olympiad
- Stood second at the state level 'Sudoku' championship

### **Personal Details**

Father's Name:

Date of Birth:

Nationality:

### **Declaration**

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

Signature

### **Chapter-13 Meetings**

#### **1) Minutes of Meeting**

Participants in attendance: CEO, Head of Sales and Marketing, the Product Head, Business lead, Pharmacy experts

Date: 7<sup>th</sup> August, 2020

Meeting started at 11: 00 am.

**Mr. SS, Head of Sales and Marketing** informed the agenda of the meeting i.e., incapability in meeting business demands

**Mr. RV, Product Head** expressed concern over the matter; discussed ways of increasing production.

**Mr. AP, Business lead** gave a detailed analysis of the figures observed in the last six months and also suggested few changes in business strategies

**Pharmacy lead and team:** Proposed ways of aligning with the increased production. Patent laws also discussed.

**Mr. AB, CEO** Gave a vote of thanks and appreciated the views and suggestions of members present.

All the participants agreed to the concern and come back with a detailed report.



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ATR to be submitted by 20<sup>th</sup> Aug, 2020 to the Head of Sales and Marketing and CEO.

**2) Minutes in tabular form**

Time	Topic	Attendees	Speaker	Duration
8:15am	Introduction and Welcome note	Name of the participants	Director, Sales	15 minutes
8:30 am	Discussion on flexible business plans	Name of the participants	Retail head	30 mins.
9:00 am	New trends discussed	Name of the participants	Supply chain Head	30 mins
9:30 am	Tea/Breakfast	Tea/Breakfast		30 mins
10:00 am	Suggestions made for better procurement means	Name of the participants	Procurement Head	20 mins
10: 20 am	Open House	All participants	All members	20 mins
10:40 am	Vote of Thanks	All participants	Director	10 mins.

**Answer 2**

**Acknowledgements:** The Communication Division is extremely thankful to all people who extended their help and provided valuable inputs in preparing this report. A special thanks to our Mr. A, Ms. B and Ms. C for their knowledge sharing

**Contents:** List the topics in bullet form in serial order.

- Inaugural address by Head HR describing
- Need for the webinar
- Agenda of the webinar
- Role of communication
- Impact on CA's
- Current scenario and digitalisation

**Summary:** Write a brief summary of the complete report. Not more than 5-6 lines. It gives an overall view of the report. Include graphs/illustrations if needed.



**PAPER – 2: BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING**

**PAPER 2A: BUSINESS LAWS**

**Part I**

For May 2021 examinations for Paper 2A: Business Laws, the significant amendments made in the respective subject upto 31<sup>st</sup> October, 2020 are relevant and applicable.

Students are advised to refer study material of October, 2020 edition which contains all the amendments upto 31<sup>st</sup> October, 2020.

**Part II: Questions and Answers**

**Questions**

**The Indian Contract Act, 1872**

1. Explain the type of contracts in the following agreements under the Indian Contract Act, 1872:
  - (i) X promise to sell his scooter to Y for ` 1 Lac. However, the consent of X has been procured by Y at a gun point.
  - (ii) A bought goods from B in 2015. But no payment was made till 2019.
  - (iii) G agrees to give tuitions to H, a pre-engineering student, from the next month and H in consideration promises to pay G ` 5,000 per month.
2. "To form a valid contract, consideration must be adequate". Comment.
3. Mr. SHYAM owned a motor car. He approached Mr. HARISH and offered to sell his motor car for ` 3,00,000. Mr. SHYAM told Mr. HARISH that the motor car is running at the rate of 20 KMs per litre of petrol. Both the fuel meter and the speed meter of the car were working perfectly. Mr. HARISH agreed with the proposal of Mr. SHYAM and took delivery of the car by paying ` 3,00,000/- to Mr. SHYAM. After 10 days, Mr. HARISH came back with the car and stated that the claim made by Mr. SHYAM regarding fuel efficiency was not correct and therefore there was a case of misrepresentation. Referring to the provisions of the Indian Contract Act, 1872, decide and write whether Mr. HARISH can rescind the contract on the above ground.
4. Mr. S, aged 58 years was employed in a Government department. He was going to retire after two years. Mr. D made a proposal to Mr. S, to apply for voluntary retirement from his post so that Mr. D can be appointed in his place. Mr. D offered a sum of ` 10 Lakhs as consideration to Mr. S in order to induce him to retire.

Mr. S refused at first instance but when he evaluated the amount offered as consideration is just double of his cumulative remuneration to be received during the tenure of two years



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**FOUNDATION EXAMINATION: MAY, 2021**

of employment, he agreed to receive the consideration and accepted the above agreement to receive money to retire from his office.

Whether the above agreement is valid? Explain with reference to provision of the Indian Contract Act, 1872?

5. What will be rights with the promisor in following cases? Explain with reasons:
- (a) Mr. X promised to bring back Mr. Y to life again.
  - (b) A agreed to sell 50 kgs of apple to B. The loaded truck left for delivery on 15<sup>th</sup> March but due to riots in between reached B on 19<sup>th</sup> March.
  - (c) An artist promised to paint on the fixed date for a fixed amount of remuneration but met with an accident and lost his both hands.
  - (d) Abhishek entered into contract of import of toys from China. But due to disturbance in the relation of both the countries, the imports from China were banned.
6. "Liquidated damage is a genuine pre-estimate of compensation of damages for certain anticipated breach of contract whereas Penalty on the other hand is an extravagant amount stipulated and is clearly unconscionable and has no comparison to the loss suffered by the parties". Explain.
7. In light of provisions of the Indian Contract Act, 1872 answer the following:
- (i) Mr. S and Mr. R made contract wherein Mr. S agreed to deliver paper cup manufacture machine to Mr. R and to receive payment on delivery. On the delivery date, Mr. R didn't pay the agreed price. Decide whether Mr. S is bound to fulfil his promise at the time of delivery?
  - (ii) Mr. Y has given loan to Mr. G of ₹ 30,00,000. Mr. G defaulted the loan on due date and debt became time barred. After the time barred debt, Mr. G agreed to settle the full amount to Mr. Y. Whether acceptance of time barred debt contract is enforceable in law?
  - (iii) A & B entered into a contract to supply unique item, alternate of which is not available in the market. A refused to supply the agreed unique item to B. What directions could be given by the court for breach of such contract?

**The Sale of Goods Act, 1930**

8. Mrs. G bought a tweed coat from P. When she used the coat, she got rashes on her skin as her skin was abnormally sensitive. But she did not make this fact known to the seller i.e. P. Mrs. G filled a case against the seller to recover damages. Can she recover damages under the Sale of Goods Act, 1930?



**PAPER – 2 : BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING 3**

9. What are the differences between a 'Condition' and 'Warranty' in a contract of sale? Also explain, when shall a 'breach of condition' be treated as 'breach of warranty' under the provisions of the Sale of Goods Act, 1930?
10. Ms. R owns a two Wheeler which she handed over to her friend Ms. K on sale or return basis. Even after a week, Ms. K neither returned the vehicle nor made payment for it. She instead pledged the vehicle to Mr. A to obtain a loan. Ms. R now wants to claim the two Wheeler from Mr. A. Will she succeed?
- (i) Examine with reference to the provisions of the Sale of Goods Act, 1930, what recourse is available to Ms. R?
- (ii) Would your answer be different if it had been expressly provided that the vehicle would remain the property of Ms. R until the price has been paid?
11. Mr. T was a retailer trader of fans of various kinds. Mr. M came to his shop and asked for an exhaust fan for kitchen. Mr. T showed him different brands and Mr. M approved of a particular brand and paid for it. Fan was delivered at Mr. M's house; at the time of opening the packet he found that it was a table fan. He informed Mr. T about the delivery of the wrong fan. Mr. T refused to exchange the same, saying that the contract was complete after the delivery of the fan and payment of price.
- (i) Discuss whether Mr. T is right in refusing to exchange as per provisions of the Sale of Goods Act, 1930?
- (ii) What is the remedy available to Mr. M?
12. State briefly the essential element of a contract of sale under the Sale of Goods Act, 1930.

**The Indian Partnership Act, 1932**

13. Explain in detail the circumstances which lead to liability of firm for misapplication by partners as per provisions of the Indian Partnership Act, 1932.
14. M, N and P were partners in a firm. The firm ordered JR Limited to supply the furniture. P dies, and M and N continues the business in the firm's name. the firm did not give any notice about P's death to the public or the persons dealing with the firm. The furniture was delivered to the firm after P's death, fact about his death was known to them at the time of delivery. Afterwards the firm became insolvent and failed to pay the price of furniture to JR Limited.

Explain with reasons:

- (i) Whether P's private estate is liable for the price of furniture purchased by the firm?



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**FOUNDATION EXAMINATION: MAY, 2021**

- (ii) Whether does it make any difference if JR Limited supplied the furniture to the firm believing that all the three partners are alive?
15. Mr. A (transferor) transfer his share in a partnership firm to Mr. B (transferee). Mr. B is not entitled for few rights and privileges as Mr. A (transferor) is entitled therefor. Discuss in brief the points for which Mr. B is not entitled during continuance of partnership?
16. "Indian Partnership Act does not make the registration of firms compulsory nor does it impose any penalty for non-registration." In light of the given statement, discuss the consequences of non-registration of the partnership firms in India?

**The Limited Liability Partnership Act, 2008**

17. What do you mean by Designated Partner? Whether it is mandatory to appoint Designated partner in a LLP?

**The Companies Act, 2013**

18. ABC Limited has allotted equity shares with voting rights to XYZ Limited worth ₹ 15 Crores and issued Non-Convertible Debentures worth ₹ 40 Crores during the Financial Year 2019-20. After that total Paid-up Equity Share Capital of the company is ₹ 100 Crores and Non-Convertible Debentures stands at ₹ 120 Crores.

Define the Meaning of Associate Company and comment on whether ABC Limited and XYZ Limited would be called Associate Company as per the provisions of the Companies Act, 2013?

19. SK Infrastructure Limited has a paid up share capital divided into 6,00,000 equity shares of ₹ 100 each. 2,00,000 equity shares of the company are held by Central Government and 1,20,000 equity shares are held by Government of Maharashtra. Explain with reference to relevant provisions of the Companies Act, 2013, whether SK Infrastructure Limited can be treated as Government Company.
20. Mr. Anil formed a One Person Company (OPC) on 16th April, 2018 for manufacturing electric cars. The turnover of the OPC for the financial year ended 31st March, 2019 was about ₹ 2.25 Crores. His friend Sunil wanted to invest in his OPC, so they decided to convert it voluntarily into a private limited company. Can Anil do so?

**SUGGESTED ANSWERS/HINTS**

1. (i) In the instant case, X is an aggrieved party and the contract is voidable at his option but not at the option of Y. It means if X accepts the contract, the contract becomes a valid contract then Y has no option of rescinding the contract.





**PAPER – 2 : BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING 5**

- (ii) B cannot sue A for the payment in 2019 as it has crossed three years and barred by Limitation Act. A good debt becomes unenforceable after the period of three years as barred by Limitation Act.
- (iii) Where, G agrees to give tuitions to H, a pre-engineering student, from the next month and H in consideration promises to pay G ₹ 5,000 per month, the contract is executory because it is yet to be carried out.
2. The law provides that a contract should be supported by consideration. So long as consideration exists, the Courts are not concerned to its adequacy, provided it is of some value. The adequacy of the consideration is for the parties to consider at the time of making the agreement, not for the Court when it is sought to be enforced (**Bolton v. Modden**). Consideration must however, be something to which the law attaches value though it need not be equivalent in value to the promise made.

According to Explanation 2 to Section 25 of the Indian Contract Act, 1872, an agreement to which the consent of the promisor is freely given is not void merely because the consideration is inadequate but the inadequacy of the consideration may be taken into account by the Court in determining the question whether the consent of the promisor was freely given.

3. As per the provisions of Section 19 of the Indian Contract Act, 1872, when consent to an agreement is caused by coercion, fraud or misrepresentation, the agreement is a contract voidable at the option of the party whose consent was so caused.

A party to contract, whose consent was caused by fraud or misrepresentation, may, if he thinks fit, insist that the contract shall be performed, and that he shall be put in the position in which he would have been if the representations made had been true.

**Exception:** If such consent was caused by misrepresentation or by silence, fraudulent within the meaning of section 17, the contract, nevertheless, is not voidable if the party whose consent was so caused had the means of discovering the truth with ordinary diligence.

In the situation given in the question, both the fuel meter and the speed meter of the car were working perfectly, Mr. HARISH had the means of discovering the truth with ordinary diligence. Therefore, the contract is not voidable. Hence, Mr. HARISH cannot rescind the contract on the above ground.

4. Section 10 of the Indian Contract Act, 1872 provides for the legality of consideration and objects thereto. Section 23 of the said Act also states that every agreement of which the object or consideration is unlawful is void.



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The given problem talks about entering into an agreement for sale of public office, which is opposed to public policy. Public policy requires that there should be no money consideration for the appointment to an office in which the public is interested. Such consideration paid, being opposed to public policy, is unlawful.

In the given case, Mr. S, who was going to be retired after two years was proposed by Mr. D, to apply for voluntary retirement from his post, in order that he can be appointed in his place. In lieu of that, Mr. D offered Mr. S a sum of ₹ 10 lakh as consideration. Mr. S refused initially but later accepted the said agreement to receive money to retire from his office.

Here, Mr. S's promise to sale for Mr. D, an employment in the public services is the consideration for Mr. D's promise to pay ₹ 10 lakh. Therefore, in terms of the above provisions of the Indian Contract Act, the said agreement is not valid. It is void, as the consideration being opposed to public policy, is unlawful.

5. (a) The contract is void because of its initial impossibility of performance.
- (b) Time is essence of this contract. As by the time apples reached B, they were already rotten. The contract is discharged due to destruction of subject matter of contract.
- (c) Such contract is of personal nature and hence cannot be performed due to occurrence of an event resulting in impossibility of performance of contract.
- (d) Such contract is discharged without performance because of subsequent illegality nature of the contract.

6. **Liquidated damage** is a genuine pre-estimate of compensation of damages for certain anticipated breach of contract. This estimate is agreed to between parties to avoid at a later date detailed calculation and the necessity to convince outside parties.

**Penalty** on the other hand is an extravagant amount stipulated and is clearly unconscionable and has no comparison to the loss suffered by the parties.

In terms of Section 74 of the Act "where a contract has been broken, if a sum is named in the contract as the amount to be paid in case of such breach, or if the contract contains any other stipulation by way of penalty, the party complaining of the breach is entitled, whether or not actual damages or loss is proved to have been caused thereby, to receive from the other party who has broken the contract, a reasonable compensation not exceeding the amount so named, or as the case may be the penalty stipulated for.

**Explanation to Section 74**

A stipulation for increased interest from the date of default may be a stipulation by way of penalty.



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In terms of Section 74, courts are empowered to reduce the sum payable on breach whether it is 'penalty' or "liquidated damages" provided the sum appears to be unreasonably high.

***Sri Chunnilal vs. Mehta & Sons Ltd (Supreme Court)***

Supreme Court laid down the ratio that the aggrieved party should not be allowed to claim a sum greater than what is specific in the written agreement. But even then, the court has powers to reduce the amount if it considers it reasonable to reduce.

7. (i) As per Section 51 of the Indian Contract Act, 1872, when a contract consists of reciprocal promises to be simultaneously performed, no promisor needs to perform his promise unless the promisee is ready and willing to perform his reciprocal promise. Such promises constitute concurrent conditions and the performance of one of the promise is conditional on the performance of the other. If one of the promises is not performed, the other too need not be performed.

Referring to the above provisions, in the given case, Mr. S is not bound to deliver goods to Mr. R since payment was not made by him at the time of delivery of goods.

- (ii) **Promise to pay time-barred debts - Section 25 (3):** Where there is an agreement, made in writing and signed by the debtor or by his agent, to pay wholly or in part a time barred debt, the agreement is valid and binding even though there is no consideration.

In the given case, the loan given by Mr. Y to Mr. G has become time barred. Thereafter, G agreed to make payment of full amount to Mr. Y.

Referring to above provisions of the Indian Contract Act, 1872 contract entered between parties post time barred debt is valid so, Mr. G is bound to pay the agreed amount to Mr. Y provided the above mentioned conditions of section 25 (3) are fulfilled.

- (iii) Where there is a breach of contract for supply of a unique item, mere monetary damages may not be an adequate remedy for the other party. In such a case the court may give order for specific performance and direct the party in breach to carry out his promise according to the terms of contract. Here, in this case, the court may direct A to supply the item to B because the refusal to supply the agreed unique item cannot be compensated through money.

8. According to Section 16(1) of Sales of Goods Act, 1930, normally in a contract of sale there is no implied condition or warranty as to quality or fitness for any particular purpose of goods supplied. The general rule is that of "Caveat Emptor" that is "let the buyer beware". But where the buyer expressly or impliedly makes known to the seller the particular



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purpose for which the goods are required and also relies on the seller's skill and judgement and that this is the business of the seller to sell such goods in the ordinary course of his business, the buyer can make the seller responsible.

In the given case, Mrs. G purchased the tweed coat without informing the seller i.e. P about the sensitive nature of her skin. Therefore, she cannot make the seller responsible on the ground that the tweed coat was not suitable for her skin. Mrs. G cannot treat it as a breach of implied condition as to fitness and quality and has no right to recover damages from the seller.

9. **Difference between conditions and warranties:**

The following are important differences between conditions and warranties.

Point of differences	Condition	Warranty
<b>Meaning</b>	A condition is essential to the main purpose of the contract.	It is only collateral to the main purpose of the contract.
<b>Right in case of breach</b>	The aggrieved party can repudiate the contract or claim damages or both in the case of breach of condition.	The aggrieved party can claim only damages in case of breach of warranty.
<b>Conversion of stipulations</b>	A breach of condition may be treated as a breach of warranty.	A breach of warranty cannot be treated as a breach of condition.

**Breach of condition be treated as a breach of warranty**

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

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

- (i) Where the buyer altogether waives the performance of the condition. A party may for his own benefit, waive a stipulation.
- (ii) Where the buyer elects to treat the breach of the conditions, as one of a warranty. That is to say, he may claim only damages instead of repudiating the contract.
- (iii) Where the contract is non-severable and the buyer has accepted either the whole goods or any part thereof.



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- (iv) Where the fulfilment of any condition or warranty is excused by law by reason of impossibility or otherwise.
10. 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:

- (i) In the instant case, Ms. K, who had taken delivery of the two wheeler on Sale or Return basis pledged the two wheeler to Mr. A, has attracted the third condition that she has done something to the good which is equivalent to accepting the goods e.g. she pledges or sells the goods. Therefore, the property therein (two wheeler) passes to Mr. A. Now in this situation, Ms. R cannot claim back her two wheeler from Mr. A, but she can claim the price of the two wheeler from Ms. K only.
- (ii) It may be noted that where the goods have been delivered by a person on “sale or return” on the terms that the goods were to remain the property of the seller till they are paid for, the property therein does not pass to the buyer until the terms are complied with, i.e., price is paid for.

Hence, in this case, it is held that at the time of pledge, the ownership was not transferred to Ms. K. Thus, the pledge was not valid and Ms. R could recover the two wheeler from Mr. A.

11. According to Section 15 of the Sale of Goods Act, 1930, where the goods are sold by sample as well as by description, the implied condition is that the goods supplied shall correspond to both with the sample and the description. In case, the goods do not correspond with the sample or with description or vice versa or both, the buyer can repudiate the contract.

Further, as per Section 16(1) of the Sales of Goods Act, 1930, when the buyer makes known to the seller the particular purpose for which the goods are required and he relies



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on the judgment or skill of the seller, it is the duty of the seller to supply such goods as are reasonably fit for that purpose.

- (i) In the given case, Mr. M had revealed Mr. T that he wanted the exhaust fan for the kitchen. Since the table fan delivered by Mr. T was unfit for the purpose for which Mr. M wanted the fan, therefore, T cannot refuse to exchange the fan.
- (ii) When one party does not fulfill his obligation according to the agreed terms, the other party may treat the contract as repudiated or can insist for performance as per the original contract. Accordingly, the remedy available to Mr. M is that he can either rescind the contract or claim refund of the price paid by him or he may require Mr. T to replace it with the fan he wanted.

**12. 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.
- (iii) A price in money (not in kind) should be paid or promised.
- (iv) A transfer of property in goods from seller to the buyer must take place.
- (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.

**13. Liability of Firm for Misapplication by Partners (Section 27 of Indian Partnership Act, 1932): Where-**

- (a) a partner acting within his apparent authority receives money or property from a third party and misapplies it, or
- (b) a firm in the course of its business receives money or property from a third party, and the money or property is misapplied by any of the partners while it is in the custody of the firm, the firm is liable to make good the loss.

**Analysis of section 27:**

It may be observed that the workings of the two clauses of Section 27 are designed to bring out clearly an important point of distinction between the two categories of cases of misapplication of money by partners.

Clause (a) covers the case where a partner acts within his authority and due to his authority as a partner, he receives money or property belonging to a third party and misapplies that



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money or property. For this provision to be attracted, it is not necessary that the money should have actually come into the custody of the firm.

On the other hand, the provision of clause (b) would be attracted when such money or property has come into the custody of the firm and it is misapplied by any of the partners.

The firm would be liable in both the cases.

14. According to section 35 of the Indian Partnership Act, 1932, where under a contract between the partners the firm is not dissolved by the death of a partner, the estate of a deceased partner is not liable for any act of the firm done after his death.

Further, in order that the estate of the deceased partner may be absolved from liability for the future obligations of the firm, it is not necessary to give any notice either to the public or the persons having dealings with the firm.

In the given question, JR Limited has supplied furniture to the partnership firm, after P's death. The firm did not give notice about P's death to public or people dealing with the firm. Afterwards, the firm became insolvent and could not pay JR Limited.

In the light of the facts of the case and provisions of law:

- (i) Since the delivery of furniture was made after P's death, his estate would not be liable for the debt of the firm. A suit for goods sold and delivered would not lie against the representatives of the deceased partner. This is because there was no debt due in respect of the goods in P's lifetime.
- (ii) It will not make any difference even if JR Limited supplied furniture to the firm believing that all the three partners are alive, as it is not necessary to give any notice either to the public or the persons having dealings with the firm, so the estate of the deceased partner may be absolved from liability for the future obligations of the firm.
15. As per Section 29 of Indian Partnership Act, 1932, a transfer by a partner of his interest in the firm, either absolute or by mortgage, or by the creation by him of a charge on such interest, does not entitle the transferee, during the continuance of the firm, to interfere in the conduct of business, or to require accounts, or to inspect the books of the firm, but entitles the transferee only to receive the share of profits of the transferring partner, and the transferee shall accept the account of profits agreed to by the partners.

In the given case during the continuance of partnership, such transferee Mr. B is not entitled:

- to interfere with the conduct of the business.
- to require accounts.





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- to inspect books of the firm.

However, Mr. B 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.

16. It is true to say that Indian Partnership Act, 1932 does not make the registration of firms compulsory nor does it impose any penalty for non-registration.

**Following are consequences of Non-registration of Partnership Firms in India:**

The Indian Partnership Act, 1932 does not make the registration of firms compulsory nor does it impose any penalty for non-registration. However, under Section 69, non-registration of partnership gives rise to a number of disabilities which we shall presently discuss. Although registration of firms is not compulsory, yet the consequences or disabilities of non-registration have a persuasive pressure for their registration. These disabilities briefly are as follows:

- (i) **No suit in a civil court by firm or other co-partners against third party:** The firm or any other person on its behalf cannot bring an action against the third party for breach of contract entered into by the firm, unless the firm is registered and the persons suing are or have been shown in the register of firms as partners in the firm. In other words, a registered firm can only file a suit against a third party and the persons suing have been in the register of firms as partners in the firm.
  - (ii) **No relief to partners for set-off of claim:** If an action is brought against the firm by a third party, then neither the firm nor the partner can claim any set-off, if the suit be valued for more than ₹ 100 or pursue other proceedings to enforce the rights arising from any contract.
  - (iii) **Aggrieved partner cannot bring legal action against other partner or the firm:** A partner of an unregistered firm (or any other person on his behalf) is precluded from bringing legal action against the firm or any person alleged to be or to have been a partner in the firm. But, such a person may sue for dissolution of the firm or for accounts and realization of his share in the firm's property where the firm is dissolved.
  - (iv) **Third party can sue the firm:** In case of an unregistered firm, an action can be brought against the firm by a third party.
17. **Designated Partner [Section 2(j) of the LLP Act, 2008]:** "Designated partner" means any partner designated as such pursuant to section 7.

According to section 7 of the LLP Act, 2008:





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- (i) Every LLP shall have at least two designated partners who are individuals and at least one of them shall be a resident in India.
  - (ii) If in LLP, all the partners are bodies corporate or in which one or more partners are individuals and bodies corporate, at least two individuals who are partners of such LLP or nominees of such bodies corporate shall act as designated partners.
  - (iii) *Resident in India*: For the purposes of this section, the term “resident in India” means a person who has stayed in India for a period of not less than 182 days during the immediately preceding one year.
- 18.** As per Section 2(6) of the Companies Act, 2013, an Associate Company in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

The term “significant influence” means control of at least 20% of total share capital, or control of business decisions under an agreement.

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

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

In the given case, as ABC Ltd. has allotted equity shares with voting rights to XYZ Limited of ₹ 15 cr, which is less than requisite control of 20% of total share capital (i.e 100 cr) to have a significant influence of XYZ Ltd. Since the said requirement is not complied, therefore ABC Ltd. and XYZ Ltd. are not associate companies as per the Companies Act, 2013. Holding/allotment of non-convertible debentures has no relevance for ascertaining significant influence.

- 19. Government Company [Section 2(45) of the Companies Act, 2013]:** Government Company means any company in which not less than 51% of the paid-up share capital is held by-

- (i) the Central Government, or
- (ii) by any State Government or Governments, or
- (iii) partly by the Central Government and partly by one or more State Governments,

and the section includes a company which is a subsidiary company of such a Government company.

In the instant case, paid up share capital of SK Infrastructure Limited is 6,00,000 equity shares of ₹ 100 each. 200,000 equity shares are held by Central government and 1,20,000



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equity shares are held by Government of Maharashtra. The holding of equity shares by both government is 3,20,000 which is more than 51% of total paid up equity shares.

Hence, SK Infrastructure Limited is a Government company.

20. As per the provisions of Sub-Rule (7) of Rule 3 of the *Companies (Incorporation) Rules, 2014*, an OPC cannot convert voluntarily into any kind of company unless two years have expired from the date of its incorporation, except threshold limit (paid up share capital) is increased beyond fifty lakh rupees or its average annual turnover during the relevant period exceeds two crore rupees.

In the instant case, Mr. Anil formed an OPC on 16th April, 2018 and its turnover for the financial year ended 31st March, 2019 was ₹ 2.25 Crores. Even though two years have not expired from the date of its incorporation, since its average annual turnover during the period starting from 16th April, 2018 to 31st March, 2019 has exceeded ₹ 2 Crores, Mr. Anil can convert the OPC into a private limited company along with Sunil.



**PART - 2B: BUSINESS CORRESPONDENCE AND REPORTING**

**Part II: Questions and Answers**

**Questions**

**Part-A**

**Chapter-1 Communication**

- 1 How is wheel and spoke network different from star network in communication?
- 2 Listening is important for effective Communication. Comment.
- 3 Briefly explain different types of non-verbal communication.

**Part-B**

**Chapter-2 Sentence Types, Active/Passive Voice; Direct/Indirect Speech**

1. Change the following sentences into passive voice.
  1. Do you buy books from the market?
  2. The goldsmith makes the ring.
  3. The father does not close the shop.
  4. Who teaches you English?
  5. Does he finish the work in a month?
2. Change the following sentences into active voice.
  1. Why is a letter read by Mohan?
  2. The old man is not helped by the soldier.
  3. By whom is he praised?
  4. A letter is read by John.
  5. The crystal vase has been broken by somebody.
3. Change the following sentences into indirect speech.
  1. Clinton said, "I am very busy now."
  2. "I know her address", said John.
  3. Ravi said, "What is Heena doing?"
  4. Vidisha said, "Ananya took pasta."
  5. She said, "Water boils at 100 degree."



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**Chapter-3 Vocabulary**

- 1 In the following question, out of the four alternatives, select the one which best expresses the best meaning of the given word.
  1. Abate
    - a. Improve b. decrease c. subvert d. sharpen
  2. Renounce
    - a. Relinquish b. withdraw c. forgive d. punish
  3. Altruism
    - a. Misery b. indifference c. veracity d. generosity
  4. Cryptic
    - a. Spurious b. obscure c. imposing d. superficial
  5. Aggrandize
    - a. Enhance b. develop c. captivate d. flaunt
- 2 In the following question, out of the given four alternatives, select the one which is opposite in meaning of the given word.
  1. Approbate
    - a. Ingratitude b. condemn c. dissatisfaction d. master
  2. Sapient
    - a. Hunched b. strong c. simple d. simian
  3. Impecunious
    - a. Wealthy b. cautious c. hungry d. tardy
  4. Dissuade
    - a. Encourage b. intrigue c. trigger d. tarnish
  5. Squander
    - a. Waste b. liberate c. economize d. presume
- 3 Read the following sentences and choose the meanings of highlighted idioms from the 4 options given with each sentence.
  1. The chairman **pulled a long face** when the house did not accept the suggestions put forth by him.
    - A. To look disappointed



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- B. To get annoyed  
C. To be agitated  
D. To make a quarrel.
2. Due his bad habit of borrowing money from others, he will **be in the mire** one day.  
A. to be punished  
B. To be imprisoned  
C. To be insulted  
D. to be in trouble.
3. The chairman of the corporation **plays a second fiddle** to the minister.  
A. To extend a helping hand  
B. To play a secondary role.  
C. To be guiding person.  
D. To be facilitator.
4. He had **to go through the motion** of starting with this new project as he was least interested to take up it.  
A. To complete quickly.  
B. To do a work without enthusiasm  
C. To do without any interest.  
D. To work at a slow speed.
5. A fair weather friend always tries **to fish in troubled waters** of his friends and benefactors.  
A. To borrow money  
B. To steal belongings of  
C. To get benefit in bad situation.  
D. To extend a helping hand.

**Part-C**

**Chapter-4 Comprehension**

1 Read the following passages and answer the questions at the end of each passage.

**Passage 1**

The Mars Orbiter Mission (MOM) or Mangalyaan, is a space probe launched by the Indian Space Research Organization on November 5, 2013.



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Mangalyaan was India's first interplanetary mission. The indigenously-built space probe has been in the Martian orbit since September 24, 2014. The mission made India the first Asian country, and the fourth in the world after Roscosmos, NASA, and the European Space Agency, to get to the planet. China referred to India's successful Mangalyaan as the "Pride of Asia".

India's Mangalyaan mission is aimed at studying Martian atmosphere. Its objective is to explore Martian surface features, mineralogy, morphology and atmosphere using indigenous scientific instruments. A crucial objective of MOM was to develop technologies required in planning, designing, management and operations of an interplanetary mission.

MOM was launched aboard PSLV C-25 (an XL version of the PSLV). It carried 850 kg of fuel and 5 science payloads including a Mars Color Camera (MCC) which it has been using to study the Martian surface and atmosphere since entering the orbit successfully. The spacecraft is tracked by the Indian Deep Space Network (IDSN), located near Bengaluru and complemented by NASA-JPL's Deep Space Network. ISRO spent \$75 million to launch the mission, making it the least-expensive Mars mission to date.

On September 24, 2018, MOM completed four years in its orbit around Mars, although the designed mission life was only six months. ISRO now plans to develop and launch a follow-up mission called Mars Orbiter Mission 2 (MOM-2 or Mangalyaan-2) in 2024.

- (1) Select a suitable synonym for the word 'indigenously':
  - (a) Well built
  - (b) Built natively
  - (c) Built for the first time
  - (d) Forcibly built
- (2) How much more time did MOM space probe spend as compared to the actual designed mission life?
  - (a) 4 years
  - (b) 6 months
  - (c) 3 years 6 months
  - (d) 2.5 years
- (3) 'Pivotal' means the same as which word used in the passage \_\_\_\_\_
- (4) Study of minerals is known as \_\_\_\_\_ (as given in the text)
- (5) Which of the following is/are true according to the passage?
  - (A) The Mangalyaan carried 850 kilo calorie of fuel.
  - (B) India became the first Asian country to reach Mars
  - (C) The space craft has been in the Martian orbit since 5<sup>th</sup> November, 2013



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- (D) MOM was one of the least expensive missions to Mars till date.
- (a) Only A
- (b) Both A and B
- (c) Both B and D
- (d) All of the above

**Passage 2**

Bitcoin has grabbed headlines over the past year for its massive spike in value and the ensuing rush to regulate it, followed by a nasty crash. However, the real story is the degree to which Bitcoin democratizes global financial systems.

While Bitcoin may often be referred to as anonymous money, its blockchain is also perfectly transparent and may be inspected by anybody at will. That apparent contradiction makes it a revolutionary way for people around the world to realize greater financial freedom: Bitcoin does to money what the internet did to information by providing indiscriminate access to a decentralized financial system.

Bitcoin is not just a cryptocurrency, but also a new financial system comprised of many components. It was invented in 2008 by the mysterious Satoshi Nakamoto and released shortly after to the public. Most importantly, Bitcoin is not controlled or owned by any individual, corporation, or government. It extensively uses cryptography and relies on a peer-to-peer network. The Bitcoin protocol lays out the rules of this financial system, including how many Bitcoins can exist, and how they are created and transferred between participants. This protocol is incredibly difficult to change, as any change requires overwhelming consensus from its participants.

While Bitcoin had existed for some time, one of the first spikes had been largely attributed to the economic crisis in Cyprus. Crypto-currency suddenly offered a more appealing way of housing money with promise of constant access. But while the extent of that relationship was debated, it was just the spark that lit the fuse.

The irony doesn't escape us here, but it's still an important point to make. The limited number of Bitcoins means that inflation just doesn't happen. So intrigue leads to demand, and the only way is up.

- 1) Bitcoin extensively uses:
- (a) Overwhelming consensus
- (b) Cryptography
- (c) Control by an individual



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- (d) None of these
- 2) State one ironical fact mentioned about bitcoin in the passage.
- 3) The phrase '**indiscriminate access**' can mean:
- (a) A thoughtful control
- (b) Controlled by all
- (c) Secret control
- (d) Aimless control
- 4) Choose an appropriate synonyms for the word 'overwhelming' as used in the passage:
- (a) Astounding
- (b) Reality
- (c) Unknown
- (d) Reactive
- 5) Why are Bitcoin protocols difficult to change?
- (a) There are no protocols at all
- (b) Bitcoin currency is limited
- (c) Change is the only constant
- (d) All participants need to give their consensus

### Passage 3

Sportsmanship can be conceptualized as an enduring and relatively stable characteristic or disposition such that individuals differ in the way they are generally expected to behave in sports situations. In general, sportsmanship refers to virtues such as fairness, self-control, courage, and persistence, and has been associated with interpersonal concepts of treating others and being treated fairly, maintaining self-control if dealing with others, and respect for both authority and opponents. Sportsmanship is also looked at as being the way one reacts to a sport/game/player.

The four elements of sportsmanship are often shown being good form, the will to win, equity and fairness. All four elements are critical and a balance must be found among all four for true sportsmanship to be illustrated. These elements may also cause conflict, as a person may desire to win more than play in equity and fairness and thus resulting in a clash within the aspects of sportsmanship. This will cause problems as the person believes they are being a good sportsman, but they are defeating the purpose of this idea as they are ignoring two key





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components of being sportsman like. When athletes become too self-centred, the idea of sportsmanship is dismissed.

Today's sporting culture, in particular the base of elite sport, places great importance on the idea of competition and winning and thus sportsmanship takes a back seat as a result. In most, if not all sports, sportsmen at the elite level make the standards on sportsmanship and no matter whether they like it or not, they are seen as leaders and role models in society.

- 1) Sportsmanship take a back seat in the current sports culture because:
  - (a) Leaders have become superstars
  - (b) There is more emphasis on winning
  - (c) It requires self- control and fairness
  - (d) Both a and b
- 2) Sportsmanship refers to virtues such as:
  - (a) Ignorance
  - (b) Fairness
  - (c) Persistence
  - (d) Both b and c
- 3) Select an antonym for the word **self centred**
  - (a) Giving
  - (b) Narcissist
  - (c) Ideal
  - (d) Selfish
- 4) What is the **Main idea** of the passage:
  - (a) Sportsmanship is a challenge, which not everyone can take
  - (b) Sportsmanship is not just about playing but about being a team player and disciplined
  - (c) Sportsman become super stars and forget their duties
  - (d) Life without sports is dull and mundane
- 5) 'Sportsmanship is also looked at as being the way one reacts to a sport/game/player'. What does the author mean by saying this?
  - (a) To play a sport is not an easy task



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- (b) One needs to learn the game and play it as well
- (c) Do not disrespect any sport or player
- (d) The attitude towards the game and the players makes you a sportsman

### Chapter-5 Note Making

1 Read the following passages and

- (i) Prepare notes with appropriate abbreviations wherever necessary.
- (ii) Write summary

### Passage-1

There is nothing more frustrating than when you sit down at your table to study with the most sincere of intentions and instead of being able to finish the task at hand, you find your thoughts wandering. However, there are certain techniques that you can use to enhance your concentration. "Your concentration level depends on a number of factors," says Samuel Ghosh, a social counsellor. "In order to develop your concentration span, it is necessary to examine various 2 facets of your physical and internal environment," she adds.

To begin with one should attempt to create the physical environment that is conducive to focussed thought. Whether it is the radio, TV or your noisy neighbours, identify the factors that make it difficult for you to focus. For instance, if you live in a very noisy neighbourhood, you could try to plan your study hours in a nearby library.

She disagrees with the notion that people can concentrate or study in an environment with distractions like a loud television, blaring music etc. "If you are distracted when you are attempting to focus, your attention and retention powers do not work at optimum levels," cautions Ghosh. "Not more than two of your senses should be activated at the same time," she adds. What that means is that music that sets your feet tapping is not the ideal accompaniment to your books.

Also do not place your study table or desk in front of a window. "While there is no cure for a mind that wants to wander, one should try and provide as little stimulus as possible. Looking out of a window when you are trying to concentrate will invariably send your mind on a tangent," says Ghosh.

The second important thing, she says, is to establish goals for oneself instead of setting a general target and then trying to accomplish what you can in a haphazard fashion. It is very important to decide what you have to finish in a given span of time. The human mind recognizes fixed goals and targets and appreciates schedules more than random thoughts. Once your thoughts and goals are in line, a focussed system will follow.

She recommends that you divide your schedule into study and recreation hours. When you study, choose a mix of subjects that you enjoy and dislike and save the former for the last so that you have something to look forward to. For instance, if you enjoy verbal skill tests more



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than mathematical problems, then finish Maths first. Not only will you find yourself working harder, you will have a sense of achievement when you wind up.

Try not to sit for more than 40 minutes at a stretch. Take a very short break to make a cup of tea or listen to a song and sit down again. Under no circumstances, should one sit for more than one and a half hours. Short breaks build your concentration and refresh your mind. However, be careful not to overdo the relaxation. It may have undesired effects.

More than anything else, do not get disheartened. Concentration is merely a matter of disciplining the mind. It comes with practice and patience and does not take very long to become a habit for life.

**Passage-2**

Research has shown that the human mind can process words at the rate of about 500 per minute, whereas a speaker speaks at the rate of about 150 words a minute. The difference between the two at 350 is quite large.

So a speaker must make every effort to retain the attention of the audience and the listener should also be careful not to let his mind wander. Good communication calls for good listening skills. A good speaker must necessarily be a good listener.

Listening starts with hearing but goes beyond. Hearing, in other words is necessary but is not a sufficient condition for listening. Listening involves hearing with attention. Listening is a process that calls for concentration. While, listening, one should also be observant. In other words, listening has to do with the ears, as well as with the eyes and the mind. Listening is to be understood as the total process that involves hearing with attention, being observant and making interpretations. Good communication is essentially an interactive process. It calls for participation and involvement. It is quite often a dialogue rather than a monologue. It is necessary to be interested and also show or make it abundantly clear that one is interested in knowing what the other person has to say.

Good listening is an art that can be cultivated. It relates to skills that can be developed. A good listener knows the art of getting much more than what the speaker is trying to convey. He knows how to prompt, persuade but not to cut off or interrupt what the other person has to say. At times the speaker may or may not be coherent, articulate and well organised in his thoughts and expressions. He may have it in his mind and yet he may fail to marshal the right words while communicating his thought.

Nevertheless, a good listener puts him at ease, helps him articulate and facilitates him to get across the message that he wants to convey. For listening to be effective, it is also necessary that barriers to listening are removed. Such barriers can be both physical and psychological. Physical barriers generally relate to hindrances to proper hearing whereas psychological barriers are more fundamental and relate to the interpretation and evaluation of the speaker and the message.



**Passage-3**

The Great Wall of China was built to link existing fortifications into a united defence system and better keep invading Mongol tribes out of China. It is the largest man-made monument ever to have been built . and it is said that it is the only one visible from space. Many thousands of people must have given their lives to build this huge construction.

The Great Wall of China is a series of towers made of stone, brick, earth, wood and other materials, generally built along an east-to-west line across the historical northern borders of China to protect the Chinese states and empires against the raids and invasions of the various nomadic groups of the Eurasian Steppe. Several walls were being built as early as the 7th century BCE; these, later joined together and made bigger and stronger, are now collectively referred to as the Great Wall. Especially famous is the wall built (220-206 BCE) by Qin Shi Huang, the first Emperor of China. Little of that wall remains. Since then, the Great Wall has on and off been rebuilt, maintained and enhanced; the majority of the existing wall is from the Ming Dynasty (1368-1644).

Other purposes of the Great Wall have included border controls, allowing the imposition of duties on goods transported along the Silk Road, regulation or encouragement of trade and the control of immigration and emigration. Furthermore, the defensive characteristics of the Great Wall were enhanced by the construction of watchtowers, troop barracks, garrison stations, signalling capabilities through the means of smoke or fire and the fact that the path of the Great Wall also served as a transportation corridor.

The Great Wall stretches from Dandong in the east to Lop Lake in the west, along an arc that roughly delineates the southern edge of Inner Mongolia. A comprehensive archaeological survey, using advanced technologies, has concluded that the Ming walls measure 8,850 km. This is made up of 6,259 km sections of actual wall, 359 km of trenches and 2,232 km of natural defensive barriers such as hills and rivers. Another archaeological survey found that the entire wall with all of its branches measures out to be 21,196 km.

King Zheng of Qin conquered the last of his opponents and unified China as the First Emperor of the Qin dynasty ("Qin Shi Huang") in 221 BCE. Intending to impose centralized rule and prevent the resurgence of feudal lords, he ordered the destruction of some sections of the walls, however, he ordered a building of new walls to connect the remaining fortifications along the empire's northern frontier. Transporting a large number of materials required for construction was difficult, so builders always tried to use local resources. Stones from the mountains were used over mountain ranges, while earth was used for construction in the plains. The Great Wall concept was revived under the Ming dynasty in the 14th century, to gain a clear upper hand over the Mongolian tribes.



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**Chapter- 7 Precis Writing**

Read the following passages and write a suitable precis:

**Passage-1**

When we survey our lives and efforts we soon observe that almost the whole of our actions and desires are bound up with the existence of other human beings. We notice that whole nature resembles that of the social animals. We eat food that others have produced, wear clothes that others have made, live in houses that others have built. The greater part of our knowledge and beliefs has been passed on to us by other people through the medium of a language which others have created. Without language and mental capacities, we would have been poor indeed comparable to higher animals.

We have, therefore, to admit that we owe our principal knowledge over the least to the fact of living in human society. The individual if left alone from birth would remain primitive and beast like in his thoughts and feelings to a degree that we can hardly imagine. The individual is what he is and has the significance that he has, not much in virtue of the individuality, but rather as a member of a great human community, which directs his material and spiritual existence from the cradle to grave.

**Passage-2**

Every year it seems like there's another disastrous wildfire in the American West. In 2018, nearly 9 million acres were burned in the US alone. Uncontrolled fires often started accidentally by people, rampage and decimate forests. For most people, forest fire is synonymous with disaster. But there are some kinds of forest fires that actually benefit the environment. A controlled burn is a wildfire that people set intentionally for a specific purpose. Well-thought out and well-managed controlled burns can be incredibly beneficial for forest management—in part because they can help stop an out-of-control wildfire. The technique is called back-burning, and it involves setting a controlled fire in the path of the approaching wildfire. All the flammable material is burnt up and extinguished. When the wildfire approaches, there's no more fuel left for it to keep going, and it dies out. Controlled burns are also used to prevent forest fires. Even before human involvement, natural, low-intensity wildfires occurred every few years to burn up fuel, plant debris, and dead trees, making way for young, healthy trees and vegetation to thrive. That new growth in turn supports forest wildlife. Forest managers are now replicating this natural strategy when appropriate, starting manageable, slow-burning fires to make room for new life that will help keep the forest healthy in the long term.

**Passage-3**

Buddhism is a major global religion with a complex history and system of beliefs. Historians estimate that the founder of Buddhism, Siddhartha Gautama, lived from around 566 to 480 B.C. The son of an Indian warrior-king, Gautama led an extravagant life through early adulthood, reveling in the privileges of his social caste.

After encountering an old man, an ill man, a corpse and an ascetic, Gautama was convinced that suffering lay at the end of all existence. He renounced his princely title and became a monk,



depriving himself of worldly possessions in the hope of comprehending the truth of the world around him. The culmination of his search came while meditating beneath a tree, where he finally understood how to be free from suffering, and ultimately, to achieve salvation. The Four Noble Truths comprise the essence of Buddha's teachings, though they leave much left unexplained. They are the truth of suffering, the truth of the cause of suffering, the truth of the end of suffering, and the truth of the path that leads to the end of suffering. More simply put, suffering exists; it has a cause; it has an end; and it has a cause to bring about its end. The notion of suffering is not intended to convey a negative world view, but rather, a pragmatic perspective that deals with the world as it is, and attempts to rectify it. The concept of pleasure is not denied, but acknowledged as fleeting. Pursuit of pleasure can only continue what is ultimately an unquenchable thirst. The same logic belies an understanding of happiness. In the end, only aging, sickness, and death are certain and unavoidable.

#### **Chapter-8 Article Writing**

- 1 Write an article on the following topics:
  - (i) Social Media bad for Youth
  - (ii) Building Trust at Place of Work

#### **Chapter-9 Report Writing**

- 1 You are the branch manager of a bank XYZ. Write a report showing the decline in the number of new customers and new accounts. Give reasons.
- 2 As a member of the finance team of a Pharma company, you have been asked to compile a report justifying the downfall in the turnover/sales target in the last quarter for certain drugs/medicines. The report needs to be submitted to higher authorities with details, data and figures.
- 3 As the Manager, Sales and Marketing of a multi cuisine restaurant chain, compile a report discussing ways of attracting customers, after the covid-19 and the lockdown.

#### **Chapter-10 Letter Writing**

- 1 Write a letter to your Manager telling him that the office equipment you have ordered will arrive a week later than planned.
- 2 Write a letter to Mr. Shyam accepting the invitation as a guest speaker for a Talk.
- 3 Write a letter to the Rotary Club manager for enquiring about the availability of the conference hall and other booking details.

#### **Chapter-11 Writing Mails**

1. Write an email to your colleague from IT Department inviting them for the meeting regarding the discussion of current problems with the computer systems. You are ABC, from the Legal team. Draft the email including the details of meeting.



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2. You are representative, Marketing at XXX Solutions that provides Corporate training. Write a mail to prospective client explaining the services.

**Chapter-12 Resume Writing**

1. Write a chronological resume, applying for article ship in a firm.
2. Write a functional resume to apply for applications in the Accounts Department as an accounts officer.
3. Write a chronological resume, applying for industrial training in an organization.

**Chapter 13 Meetings**

1. Your company, primarily into FMCG has witnessed a steep rise in a consumer product over the last six months. You can mention the product as soaps, detergents, sanitizers etc. 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 medical firm, prepare the agenda of a meeting discussing the pros and cons of the new vaccine for Covid 19. And discuss how it is going to affect your company sales. Use the tabular format and include senior executives in the meeting.

**SUGGESTED ANSWERS**

**Part-A**

**Chapter-1 Communication**

1. In an organisation with a wheel and spoke kind of communication network, there is a single authority that issues instructions and orders to all employees. This works well in a small set up with a few employees where there is only a single competent authority taking all decisions. Whereas in a star communication network there are multiple channels of communication open between all members. The members communicate and exchange information with each other freely, without any hindrance or hesitation. This will work well in a large organisation where there are multiple authorities at different levels managing separate sections/departments.
2. Patient listening is critical for interpreting the message in the right perspective and context. 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.
3. **Nonverbal Communication:** 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.

- **Physical nonverbal communication:** An individual's body language that is, facial expressions, stance, gestures, tone of voice, touch, and other physical signals constitute this type of communication. For example, leaning forward may mean friendliness, acceptance and interest, while crossing arms can be interpreted as antagonistic or defensive posture.
- **Paralanguage:** The way you say something, more than the actual words used, reveal the intent of the message, The voice quality, intonation, pitch, stress, emotion, tone, and style of speaking, communicates approval, interest or the lack of it.

### Part-B

#### Chapter-2 Sentence Types, Active/Passive Voice ; Direct/Indirect Speech

1. Are books bought from the market by you?
2. The ring is made by the goldsmith.
3. The shop is not closed by the father.
4. By whom are you taught English?
5. Is the work finished by him in a month?
2. 1. Why does Mohan read a letter?
2. The soldier does not help the old man.
3. Who praises him?
5. John reads a letter.
6. Someone has broken the crystal vase.
3. 1. Clinton said that he was very busy then.
2. John said that he knew her address.
3. Ravi asked me what Heena was doing.
4. Vidisha said that Ananya had taken pasta.
5. She told that water boils at 100 degree.

#### Chapter-3 Vocabulary

1. 1.b.      2.a.      3.d.      4. d      5.a.
2. 1.b.      2.c.      3.a.      4. a      5.c.
3. 1.A      2.D      3.B      4. B      5.C





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**Part-C**

**Chapter-4 Comprehension**

**1. Passage 1**

- 1) b
- 2) c
- 3) Crucial
- 4) Mineralogy
- 5) c

**Passage 2**

- 1) b
- 2) It is called anonymous money but its blockchain is transparent to all
- 3) d
- 4) a
- 5) d

**Passage 3**

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

**Chapter-5 Note Making**

**Passage-1**

Title: Techniques to Enhance Concentration

**1. Hurdles to Concen.**

- 1.1 wandering thoughts
- 1.2 radio or TV
- 1.3 noisy environ.
- 1.4 distracting environ.



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**2. Techniques to enhance Conc.**

- 2.1 examine environmental factors- both phys. & internal
- 2.2 identify the distracting factors
- 2.3 activate one sense at a time
- 2.4 keep study table away from the window

**3. Managing conc.**

- 3.1 estab. specific goals rather than gen. targets
- 3.2 set your thoughts & goals in line
- 3.3 time mgmt.

**4. Recommendations**

- 4.1 estab. your goals & schedules
- 4.2 plan your study and recreat.nl hrs.
- 4.3 make conc. a habit for life

**5. Ultimate help**

- 5.1 don't get disheartened
- 5.2 discipline the mind
- 5.3 practice & develop patience

**Key**

conc. - concentration  
environ. - environment  
phys. - physical  
& - and  
mgmt - management  
estab - establish  
gen. - general  
recreat.nl - recreational  
hrs. - hours

**Summary:** There can be many hurdles to concentration. Your wandering thoughts, radio, TV and a noisy or distractive environment. But one can overcome these hurdles by following certain techniques to enhance concentration. The environmental facets-both physical and internal need to be identified and dealt with separately, one at a time. Concentration can also be managed by establishing specific goals instead of setting general targets. Our goals and thoughts should be set in line and we also need to manage time. The recommendations for improving concentration



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are that one should establish goals and schedules and plan his study and recreational hours. This will make concentration a habit for life.

Title: The Art of Good Listening and Speaking

**1. Research has shown:**

- 1.1 human mind processes words @ 500/ min.
- 1.2 spkr. speaks @ 150 words/min.
- 1.3 large diff. b/ w the two - at 350.

**2. Essentials to being a good spkr. & listener:**

- 2.1 spkr. should be able to retain aud. attention.
- 2.2 listener should not let his mind wander.
- 2.3 a good spkr. must be a good listener also.

**3. Listening skills:**

- 3.1 start with hearing - tho' it is not a sufficient condition
- 3.2 involve hearing with attention
  - 3.2.1 being observant
  - 3.2.2 using one's ears, eyes & mind
  - 3.2.3 calls for participation & involvement
  - 3.2.3 It is dial, rather than monologue.

**4. Good listening is an art:**

- 4.1 can be cultivated & its skills can be developed
- 4.2 A good listener knows
  - 4.2.1 how to get much more than what spkr. wants to convey
  - 4.2.2 to be prompt, persuade without interruption
- 4.3 A good listener
  - 4.3.1 puts spkr. at ease
  - 4.3.2 helps him articulate
  - 4.3.3 facilitates him to get across msg. he wants to convey

**5. Barriers to listening**

- 5.1 phys.
  - 5.1.1 relating to hindrances to proper listening



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5.2 Psycho.

5.2.1 more fundamental

5.2.2 related to interpretation & evaluation of spkr. and msg.

**Key: List of Abbreviations**

@ - at the rate of

/ - per

min. - minute

spkr. - speaker

diff. - difference

b/w - between

aud. - audience

tho' - though

& - and

dial. - dialogue

msg. - message

phys. - physical

psycho. - psychological

**Summary:** There is a vast difference between words the human mind can process and speak. The speaker must be able to retain audience attention and also be a good listener. Listening goes beyond hearing, it is hearing with attention and calls for concentration. One also needs to be observant, using not only one's ears but also one's eyes and mind. Good listening needs participation and involvement and involves dialogue more than monologue. It is an art that needs to be cultivated. A good listener must know how to be prompt and persuade but not interrupt the other person. He puts the speaker at ease, helps him to articulate and get across the message he wants to convey. For effective listening physical and psychological barriers need to be removed.

**Passage-3**

Title: The Great Wall of China

**1. Introduction:**

1.1 largest man-made monument

1.2 only one visible from space

1.3 many gave their lives to build it

1.4 series of towers made of stone, brick, earth, wood etc.



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- 2. Purpose of building The Great Wall of China:**
  - 2.1 to link existing fort, into a united defence sys.
  - 2.2 keep invading Mongol tribes out of China
  - 2.3 have border control
  - 2.4 allow the imposition of duties on goods transp. along Silk Road
  - 2.5 regulation or encouragement of trade
  - 2.6 control of immigration & emigration.
- 3. Geog. facts:**
  - 3.1 built along an east-to-west line across Northern China border
  - 3.2 protects Chinese states and empire against raids and invasions
  - 3.3 several walls built-in 7th cent. BCE
  - 3.4 later joined & made bigger & stronger
  - 3.5 stretches from Dandong in east to Lop Lake in west
- 4. Historical facts:**
  - 4.1 built by Qin Shi Huang esp. famous
  - 4.2 little remains
  - 4.3 since then Great Wall has been rebuilt, maintained & enhanced
  - 4.4 Maj. of existing wall is from Ming dynasty
- 5. Ming Wall-Archaeological survey concludes:**
  - 5.1 measures 8,850 km.
  - 5.2 includes natural defence barriers like hills & rivers
  - 5.3 wall & branches measure 21,196 km

**List of abbreviations used:**

fort. - fortifications  
sys. - system  
Geog. - Geographical  
esp. - especially  
7th - Seventh  
km - Kilometer  
transp. - transported  
cent. - century  
Maj. - Majority



&. - and

(B) Summary: The Great Wall of China, the largest man-made monument and the only one visible from space, is a series of towers built along an east-to-west line across northern China border to protect Chinese states from invasions. Several walls which were built earlier were joined and made bigger and stronger are collectively referred to as the Great Wall. The wall built by the first emperor of China, Qin Shi Huang is especially famous, though little of that wall remains. Since then the Great wall has been rebuilt and enhanced. The majority of the existing wall is from the Ming Dynasty.

### Chapter-7 Precis Writing

#### Passage-1 Title: Humans : The Social Beings

Human beings are social animals with actions and desires that are connected to society. In almost all matters of life, like clothes, food, knowledge and beliefs, humans have been dependent on the society, past or present. A lonely man would be as good as a beast with no social life and no learning. Every aspect of man's existence can be owed to the society and surroundings he lives in.

#### Passage-2 Title: Preventing Wild Fires

Uncontrolled wild forest fires have been common in the American west. It leads to massive destruction of forest life and has many after effects. Intentional burning called back burning is a new technique developed to control and prevent the spread of natural wild fires. Forest managers are trying to use the technique to remove old plant and animal debris and give way to new and healthy life.

#### Passage-3 Title: Buddhism

Siddharth Gautama, popularly known as Gautam Buddha was the founder of the Buddhist religion. Although the son of a warrior prince, he left his princely luxuries in search of 'the truth' and finally received 'enlightenment' under a tree. The four noble truths are the main principles of Buddhism. They preach about suffering, the cause of suffering, the end of suffering and the path that leads to the end of suffering. Pleasure and happiness continue to be an unquenchable thirst whereas aging, sickness and death are realities of life.

### Chapter-8 Article Writing

- (i) Three billion people, around 40% of the world's population, use online social media - and we're spending an average of two hours every day sharing, liking, tweeting and updating on these platforms, according to some reports. That breaks down to around half a million tweets and Snapchat photos shared every minute. With social media playing such a big part in our lives, could we be sacrificing our mental health and well-being as well as our time?

People use social media to vent about everything from customer service to politics, but the downside to this is that our feeds often resemble an endless stream of stress.



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In 2015, researchers at the Pew Research Center based in Washington DC sought to find out if social media induces more stress than it relieves. In the survey of 1,800 people, women reported being more stressed than men. Twitter was found to be a “significant contributor” because it increased their awareness of other people’s stress. But Twitter also acted as a coping mechanism - and the more women used it, the less stressed they were. The same effect wasn’t found for men, whom the researchers said had a more distant relationship with social media. Overall, the researchers concluded that social media use was linked to “modestly lower levels” of stress.

Anxiety, depression, sleep are concerns youngsters should be careful about..

All the same self-esteem and wellbeing are also social media effects according to a study . But there are varied opinions and therefore still ambiguous. Social media used for educational purposes is a blessing. Facebook had a positive effect on self-esteem compared to other activities that boost self-awareness. Mirrors and photos, the researchers explained, make us compare ourselves to social standards, whereas looking at our own Facebook profiles might boost self-esteem because it is easier to control how we’re presented to the world.

- (ii) Successful business requires collaboration and teamwork. For team relationships to work well, we need high levels of trust. But how we build trust can differ from person to person, culture to culture.

There are many aspects of building trust. One aspect is to demonstrate that we are caring, fair, open and honest human beings. In other words, we can build trust by showing our character. This is how we can adapt in a new work environment by being acceptable of people and receptive towards them. Understanding predicaments of others and empathising with them or suggesting possible solutions also works as others perceive you as a friend and well-wisher. The other aspect is by letting others know that we are capable, experienced and have achieved excellent results. This way of building trust emphasises our competence, commitment and allegiance towards our employer/organization. Being a dependable team member who can deliver under pressure and stringent timelines will gradually prove that we have a strong work ethic and for us the interest of the organization comes first. Even in times of crises, if we put in our best efforts regardless of the outcome, we will still establish ourselves as trustworthy, honest and sincere employee.

At the same time we need to be wary of how we are perceived by others. We should be firm and polite rather being aggressive and rude towards others thus avoiding conflicts. Even if conflict arises, we should be able to resolve it amicably. By closely observing the context and how our team mates or bosses are responding to our trust-building efforts, we can adapt the way we build trust to in the best interest of the organization.



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### Chapter-9 Report Writing

#### Hints:

1.

- Objective of the report
- Concerns
- Research study
- Observation and Reasons
- Conclusion
- Steps that can be taken to increase the client base
- Mention the date, location and name of the bank branch. A small data comparing the last year's new customers versus this years'.
- Mention the designation of the undersigned.

2.

- Name of the organization (Pharmacy company)
- Title of the report (mention the quarter/year)
- Financial results (Quarterly basis)
- Expected reasons for downfall in sales
  - High Attrition due to pandemic
  - Low penetration
  - Emerging new markets
- Suggestions/Measures
  - Inducting more people in the Sales team
  - Competitive Pricing
  - Introducing generic medicines/drugs
  - Home Delivery of medicines

3.

- Name and address of the multi cuisine restaurant
- New attractions for customers (Practical measures adopted)





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- New Menu complete with immunity boosting dishes
- Free Welcome drink(Kadha)
- Change set-up to ensure social distancing
- Discounts offered at weekends/happy hours during week-days
- Discount coupons for regular customers
- Live music
- Home Delivery

**Chapter-10 Letter Writing**

**1. From Address**

Date in full

To Address

Subject : Office equipment delayed.

Dear Sir

I have ordered some new PC'S and Monitors. Unfortunately, the Monitors will arrive in the second week of March. I apologise for the delay caused by the lockdown.

I shall follow up with the vendor for an early delivery.

Regards,

Shyam

Purchase officer.

(Name and Signature)

**2. From Address**

Date in full

To

Address

Subject : With reference to your invitation.

Dear Mr. Shyam,

I am pleased to accept your invitation. Kindly provide the details about the duration of the talk and the participants.



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Since I shall be travelling from Chandigarh, I request you to arrange for my accommodation for a day.

Thank you for your invitation.

I look forward to meeting you .

Regards,

Ram

**3. From Address**

Date in full

To Address

Subject: Details of the conference on April 1<sup>st</sup>.

Dear Sir,

I on behalf of my team at XXX Ltd. would like to book the conference hall from April 1 to 3, 2021 at your club. Please provide the complete booking details during the aforesaid time. The programme schedule is appended herewith.

There will be 15 participants and 5 support staff. We would require tea and snacks during the pre and post lunch sessions and lunch to be served each day. Besides, I would like to book 10 single rooms for our outstation participants from March 31 till April 4, 2021 with bathroom accommodation. You are also requested to arrange for a projector and a white screen. Please send the complete estimate by March 10, 2021. Other details can be finalized later.

Programme

Pre-lunch session: 10 AM till 1 PM

Lunch: 1 till 2 PM

Post Lunch session: 2 PM till 5 PM

Please let me know the cost of the weekend.

I look forward to your earliest response.

Yours faithfully,

Raghav

Manager , XXX Ltd.

Contact Number: xxxxxxxxx



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**Chapter-11 Writing Mails**

**1. Dear XYZ,**

We are holding a meeting on the current problems with the computer systems with our vendor and I would appreciate it if you could come. Having an expert like yourself there from the IT department is important because of the problems we have had with the loss of customer data.

The meeting will take place next Thursday at 2pm in meeting Conference Room 3 on the 2<sup>nd</sup> floor in the Main Building.

If there is anything you would like to discuss in the meeting, send it to me by email and I will include it in the meeting's agenda.

Regards,

ABC

Legal Team

**2. Dear XXXi,**

Subject: Corporate Training

To introduce ourselves, XXX Solutions is a Corporate Training Organization which offers IT and Non IT Domain Training's and support customers around the world in IT Training (from Low-end to High-end Training's comprising

- Microsoft Technologies - Advanced Excel, MS Office Suite, SharePoint, Exchange Server, Biz Talk, etc.
- Certification Programs - ITIL Certification, PMP, Certified Scrum Master
- BI Tools - Power BI, Tableau, SAS, R Programming
- Cloud Computing, Big Data & Hadoop, Devops
- Trending Technology - Machine Learning, Deep Learning, RPA, IoT
- Soft Skill Management Programs which including 41 various sub programs

We are very keen to be associated with you as a trusted vendor and provide quality services to your employees.

For discussion/meeting, please contact the undersigned.

Best Regards,

CCC

Senior Executive, Marketing

XXX Solutions



**Chapter-12 Resume Writing**

Keshav

822, Adithya flats

RA Puram, Chennai -28.

Xxxxxxxx

Email keshavram @gmail.com

Objective: To be part of a reputed Firm for articleship training where I can learn and practise the nuances of auditing ,accounts and taxation.

Academics:

CA Intermediate	2020	62%
CA Foundation	2019	85%
Class X II	2019 Commerce with Mathematics	98%
Class X	2017	96%

Achievements:

Have been an outstanding student throughout my student career.

Won the All-India School business quiz and won a cash award of Rs. 25,000

Skills:

Exceptionally good at debating and oratory.

Excellent communication and comprehension skills.

Personal Details:

DOB - June 21, 2002

Languages known Hindi, Tamil, English and Marathi

Permanent Address 822 , Adithya flats

RA Puram , Chennai -28.

Declaration

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

Date 26th Feb 2021.

Keshav Ram

Place Chennai



**PAPER – 2 : BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING 41**

2. Abhinav  
9178654321  
Mail: Abhinav@gmail.com  
Birthday February 21, 2018.  
Career objective  
Seeking an Accounts Officer's post in a progressive organisation to hone my accounting skills and technical abilities .  
Technical skills  
Tally  
Accounting standards  
GST Standards  
Personal Skills  
Excellent written and verbal communication skills.  
Highly organised and efficient  
Ability to work independently and as part of a team .  
Education  
M.Com 2018 XYZ University 69%  
B.Com 2016 XYZ University 72%  
Experience  
Two years of experience from 2018-2020 as Accounts Officer at BBB Electronics Retail Chain  
Skills  
Taxation (GST), Auditing and Accounts  
References  
Can be provided upon request.  
Declaration  
I solemnly declare that all the above information is correct to the best of my knowledge and belief.  
Date 26-2- 21  
Place Chennai
- Abhinav



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3. Ananya

123, Aditi Apartments

T. Nagar, Hyderabad .

Xxxxxxxx

Email ananya12 @ict.com

Objective: To be part of a reputed organisation for industrial training where I can enrich my soft skills and hone my technical skills in auditing, accounts and taxation.

Academics:

CA Intermediate	2019	60%
CA Foundation	2017	84%
Class X II	017 Commerce with Mathematics	96%
Class X	2015	95%

Articleship Training

Completed 1.5 years at ABC Pvt. Ltd. Firm top tax consulting firm in Hyderabad

Achievements:

Stood first in Accounts in class XII with 99%

Won first prize in inter school debating competition in class XII

Part of the School Cricket team

Skills:

Exceptionally good at debating and oratory.

Excellent communication and comprehension skills.

Personal Details:

DOB - Nov 12, 2000

Languages known Hindi, Telugu , English

Declaration

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

Date 26th Feb 2021.

Ananya

Place Hyderabad



**PAPER – 2 : BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING 43**

**Chapter -13 Meetings**

**1. Minutes of the Meeting**

Speakers involved were: Head of Sales and Marketing, the Product Head, Product lead, three members of the Sales team.

Date: 1<sup>st</sup> March, 2021

Meeting started at 10: 00 am.

Mrs. Rama Desai, Head of Sales and Marketing informed the agenda of the meeting i.e the steep rise in the sale of Hand wash (liquid) form.

Mr. Rahul Sharma, Product Head discussed the matter, appreciating the Sales and Marketing team. Suggested to come up with a new variant of the product in different fragrances and volumes.

Ms. Garima Thakur, Costing Head gave a detailed analysis of the figures observed in the last six months.

Her team including Mr. X, Mr. Y and Mr. Z elaborated on the market trends based on the usage of the particular product

All the participants agreed to the decision of introducing a new variant of the product and come back with a detailed report.

Conclusion Stated: ATR to be submitted by 7th March, 2021 to the Head of Sales and Marketing.

**2.**

Time	Topic	Attendees	Speaker	Duration
9:30 am	Introduction and Welcome note	Name of the participants	Director, Product Division (Pharmacy)	10 minutes
9:40 am	Speech	Name of the participants	Pharmacy Head	25 mins.
10:05 am	Discussion on effect on sales figures	Name of the participants	Sr. Manager, Sales	25 mins
10:30 am	Tea/Breakfast	Tea/Breakfast		30 mins
11:00 am	Discussion on adopting and improvising new patents	Name of the participants	Sr. Manager, Pharmacy	20 mins
11: 20 am	Open House	All participants	All members	20 mins
11:40 am	Vote of Thanks	All participants	Director	10 mins.



**PAPER – 2: BUSINESS LAWS AND BUSINESS CORRESPONDENCE AND REPORTING**

**SECTION A: BUSINESS LAWS**

**PART – I: RELEVANT AMENDMENTS APPLICABLE FOR NOVEMBER 2021 EXAMINATION**

For November 2021 examinations for Paper 2A: Business Laws, the significant amendments made in the respective subject upto 30<sup>th</sup> April, 2021 are relevant and applicable.

Students are advised to refer study material of October 2020 edition with these applicable amendments.

**Relevant amendments:** Here are given relevant amendments:

Amendment in Companies Act, 2013	Earlier provision	New provision	Page No.
<b>Resident in India in One Person Company:</b> Substituted by <i>Companies (Incorporation) Second Amendment Rules, 2021, w.e.f. 1-4-2021.</i>	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 <b>182 days</b> during the immediately preceding financial year)- <ul style="list-style-type: none"> <li>shall be eligible to incorporate a OPC;</li> <li>shall be a nominee for the sole member of a OPC.</li> </ul>	Only a natural person who is an Indian citizen whether resident in India or otherwise and has stayed in India for a period of not less than <b>120 days</b> during the immediately preceding financial year)- <ul style="list-style-type: none"> <li>shall be eligible to incorporate a OPC;</li> <li>shall be a nominee for the sole member of a OPC.</li> </ul>	<b>Page No. 5.10</b>
<b>Conversion of OPC to other company:</b> Omitted by <i>Companies (Incorporation) Second Amendment Rules, 2021, w.e.f. 1-4-2021.</i> ]	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	<b>Omitted</b>	<b>Page No. 5.10</b>





	turnover during the relevant period exceeds two crore rupees.		
<b>Small Company [Section 2(85)]:</b> Inserted by <i>Companies (Specification of Definitions Details) Amendment Rule, 2021, w.e.f. 1-4-2021.</i>	-	For the purpose of sub-clause (i) and sub-clause (ii) of clause (85) of section 2 of the Act, paid up capital and turnover of the small company shall not exceed rupees two crores and rupees twenty crores respectively.	<b>Page No. 5.11</b>
<b>Definition of Listed Company [Section 2(52)]:</b> Inserted by the <i>Companies (Amendment) Act, 2020, w.e.f. 22-1-2021.</i>	Listed company" means a company which has any of its securities listed on any recognised stock exchange.	Listed company" means a company which has any of its securities listed on any recognised stock exchange:  <b>Provided that such class of companies, which have listed or intend to list such class of securities, as may be prescribed in consultation with the Securities and Exchange Board, shall not be considered as listed companies.</b>	<b>Page No. 5.14</b>
<b>Section 8(11)</b> Substituted by the <i>Companies (Amendment) Act, 2020, w.e.f. 21-12-2020.</i>	<b>Penalty/punishment in contravention:</b> If a company makes any default in complying with any of the requirements laid down in this section, the company shall, be punishable with fine varying from ten lakh rupees to one crore rupees and the directors	<b>Penalty/punishment in contravention:</b> If a company makes any default in complying with any of the requirements laid down in this section, the company shall, without prejudice to	<b>Page No. 5.15</b>



**PAPER – 2 : BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING    3**

	<p>and every officer of the company who is in default shall be punishable <b>with imprisonment for a term which may extend to three years or</b> with fine varying from <b>twenty-five thousand rupees to twenty-five lakh rupees, or with both</b> and where it is proved that the affairs of the company were conducted fraudulently, every officer in default shall be liable for action under section 447 which deals with Fraud.</p>	<p>any other action under the provisions of this section, be punishable with fine which shall not be less than ten lakh rupees but which may extend to one crore rupees and the directors and every officer of the company who is in default shall be punishable with fine which shall not be less than twenty-five thousand rupees but which may extend to <b>twenty-five lakh rupees:</b></p> <p>Provided that when it is proved that the affairs of the company were conducted fraudulently, every officer in default shall be liable for action under section 447.</p>
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**PART – II: QUESTIONS AND ANSWERS**

**QUESTIONS**

**The Indian Contract Act, 1872**

1. Mr. Pratham applied for a job as principal of a school. The school management decided to appoint him. One member of the school management committee privately informed Mr. Pratham that he was appointed but official communication was not given from the school. Later, the management of the school decided to appoint someone else as a principal. Mr. Pratham filed a suit against the school for cancellation of his appointment and claimed



**4 FOUNDATION EXAMINATION: NOVEMBER, 2021**

damages for loss of salary. State with reasons, will Mr. Pratham be successful in suit filed against school under the Indian Contract Act, 1872?

2. Rahul, a minor, falsely representing his age, enters into an agreement with a shopkeeper for a loan amount for purchasing a laptop. He gave his expensive watch as a security and took a loan of ₹ 40,000. He was very happy to get ₹ 40,000 and quickly went to the market and purchased a laptop worth ₹ 30,000. He happily spent the rest of the amount with his friends on a pleasure trip.

Later on, Rahul realized that his watch was an expensive watch and he should not have given like this to the shopkeeper. So, he went back to the shopkeeper and asked for his watch back. Also, he refused to repay the loan amount. The shopkeeper disagrees to this and files a case against minor for recovery of the loan amount. Can the shopkeeper succeed in recovering the loan amount under the Indian Contract Act, 1872?

3. Mr. X was a Disk Jockey at a five star hotel bar. As per the contract, he is supposed to perform every weekend (i.e. twice a week). Mr. X will be paid ₹ 1500 per day. However, after a month, Mr. X willfully absents himself from the performance.
- (i) Does the hotel have the right to end the contract?
  - (ii) If the hotel sends out a mail to X that they are interested to continue the contract and X accepts, can the hotel rescind the contract after a month on this ground subsequently?
  - (iii) In which of the cases - (termination of contract or continuance of contract) can the hotel claim damages that it has suffered as a result of this breach?
4. Mr. Ram Lal Birla was a big businessman of city Pune having two sons and one married daughter. He decided to gift his one house to his daughter. For this purpose, he called his lawyer at his house and made a written document for such gift. The lawyer advised him to get the transfer document properly registered. When they both were going for registration of document, they met with an accident and both of them died. Later, his daughter found the document and claimed the house on the basis of that document. Explain, whether she can get the house as gift under the Indian Contract Act, 1872?
5. PQR, a hospital in Delhi, recruits Dr. A, on contract basis for a period of 3 months. The hospital management promises to pay Dr. A, a lumpsum amount of ₹ 1,00,000 if Dr. A test positive for novel corona virus (Covid 19) during the contract period of 3 months.
- Identify the type of contract and highlight the rule of enforcement. Also, what will happen if Dr. A does not contract Covid 19.

6. "An agreement, the meaning of which is not certain, is void". Discuss.

**The Sale of Goods Act, 1930**

7. Archika went to a jewellery shop and asked the shopkeeper to show the gold bangles with white polish. The shopkeeper informed that he has gold bangles with lots of designs but



**PAPER – 2 : BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING 5**

not in white polish rather if Archika select gold bangles in his shop, he will arrange white polish on those gold bangles without any extra cost. Archika select a set of designer bangles and pay for that. The shopkeeper requested Archika to come after two days for delivery of those bangles so that white polish can be done on those bangles. When Archika comes after two days to take delivery of bangles, she noticed that due to white polishing, the design of bangles has been disturbed. Now, she wants to avoid the contract and asked the shopkeeper to give her money back but shopkeeper has denied for the same.

- (a) State with reasons whether Archika can recover the amount under the Sale of Goods Act, 1930.
  - (b) What would be your answer if shopkeeper says that he can repair those bangles but he will charge extra cost for same?
8. Prashant reaches a sweet shop and ask for 1 Kg of 'Burfi' if the sweets are fresh. Seller replies 'Sir, my all sweets are fresh and of good quality.' Prashant agrees to buy on the condition that first he tastes one piece of 'Burfi' to check the quality. Seller gives him one piece to taste. Prashant, on finding the quality is good, ask the seller to pack. On reaching the house, Prashant finds that 'Burfi' is stale not fresh while the piece tasted was fresh. Now, Prashant wants to avoid the contract and return the 'Burfi' to seller.
- (a) State with reason whether Prashant can avoid the contract under the Sale of Goods Act, 1930?
  - (b) Will your answer be different if Prashant does not taste the sweet?
9. Akansh purchased a Television set from Jethalal, the owner of Gada Electronics on the condition that first three days he will check its quality and if satisfied he will pay for that otherwise he will return the Television set. On the second day, the Television set was spoiled due to an earthquake. Jethalal demands the price of Television set from Akansh. Whether Akansh is liable to pay the price under the Sale of Goods Act, 1930? If not, who will ultimately bear the loss?
10. Rachit arranges an auction to sale an antic wall clock. Megha, being one of the bidders, gives highest bid. For announcing the completion of sale, the auctioneer fall the hammer on table but suddenly hammer brakes and damages the watch. Megha wants to avoid the contract. Can she do so under the provisions of the Sale of Goods Act, 1930?
11. X contracted to sell his car to Y. They did not discuss the price of the car at all. X later refused to sell his car to Y on the ground that the agreement was void being uncertain about price. Can Y demand the car under the Sale of Goods Act, 1930?
12. "Nemo Dat Quod Non Habet" - "None can give or transfer goods what he does not himself own." Explain the rule and state the cases in which the rule does not apply under the provisions of the Sale of Goods Act, 1930.



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**FOUNDATION EXAMINATION: NOVEMBER, 2021**

**The Indian Partnership Act, 1932**

13. A, B and C are partners of a partnership firm carrying on the business of construction of apartments. B who himself was a wholesale dealer of iron bars was entrusted with the work of selection of iron bars after examining its quality. As a wholesaler, B is well aware of the market conditions. Current market price of iron bar for construction is ₹ 350 per Kilogram. B already had 1000 Kg of iron bars in stock which he had purchased before price hike in the market for ₹ 200 per Kg. He supplied iron bars to the firm without the firm realising the purchase cost. Is B liable to pay the firm the extra money he made, or he doesn't have to inform the firm as it is his own business and he has not taken any amount more than the current prevailing market price of ₹ 350? Assume there is no contract between the partners regarding the above.
14. Mr. A (transferor) transfers his share in a partnership firm to Mr. B (transferee). Mr. B felt that the book of accounts was displaying only a small amount as profit inspite of a huge turnover. He wanted to inspect the book of accounts of the firm arguing that it is his entitlement as a transferee. However, the other partners were of the opinion that Mr. B cannot challenge the books of accounts. As an advisor, help them solve the issue applying the necessary provisions from the Indian Partnership Act, 1932.
15. MN partnership firm has two different lines of manufacturing business. One line of business is the manufacturing of Ajinomoto, a popular seasoning & taste enhancer for food. Another line of business is the manufacture of paper plates & cups. One fine day, a law is passed by the Government banning Ajinomoto' use in food and to stop its manufacturing making it an unlawful business because it is injurious to health. Should the firm compulsorily dissolve under the Indian Partnership Act, 1932? How will its other line of business (paper plates & cups) be affected?
16. Whether a minor may be admitted in the business of a partnership firm? Explain the rights of a minor in the partnership firm.

**The Limited Liability Partnership Act, 2008**

17. A and B were friends. Now they have plans of setting up a supermarket in their locality. They are confused as to whether to register as a traditional partnership or as a Limited Liability Partnership. As an advisor, enumerate the differences between the two forms of business highlighting the compliances and other legal formalities.

**The Companies Act, 2013**

18. Mr. Dhruv was appointed as an employee in Sunmoon Timber Private Limited on the condition that if he was to leave his employment, he will not solicit customers of the company. After some time, he was fired from company. He set up his own business under proprietorship and undercut Sunmoon Timber Private Limited's prices. On the legal advice from his legal consultant and to refrain from the provisions of breach of contract, he formed a new company under the name Seven Stars Timbers Private Limited. In this company,



**PAPER – 2 : BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING 7**

his wife and a friend of Mr. Dhruv were the sole shareholders and directors. They took over Dhruv's business and continued it. Sunmoon Timber Private Limited files a suit against Seven Stars Timbers Private Limited for violation of contract. Seven Stars Timbers Private Limited argued that the contract was entered between Mr. Dhruv and Sunmoon Timber Private Limited and as company has separate legal entity, Seven Stars Timbers Private Limited has not violated the terms of agreement. Explain with reasons, whether separate legal entity between Mr. Dhruv and Seven Stars Timbers Private Limited will be disregarded?

19. Narendra Motors Limited is a government company. Shah Auto Private Limited is a private company having share capital of ten crores in the form of ten lacs shares of ₹ 100 each. Narendra Motors Limited is holding five lacs five thousand shares in Shah Auto Private Limited. Shah Auto Private Limited claimed the status of Government Company. Advise as legal advisor, whether Shah Auto Private Limited is government company under the provisions of Companies Act, 2013?
20. Mr. A is an Indian citizen and his stay in India during immediately preceding financial year is for 115 days. He appoints Mr. B as his nominee who is a foreign citizen but has stayed in India for 130 days during immediately preceding financial year.
  - (i) Is Mr. A eligible to be incorporated as a One Person Company (OPC). If yes, can he give the name of Mr. B in the memorandum of Association as his nominee to become the member after Mr. A's incapacity to become a member.
  - (ii) If Mr. A has contravened any of the provisions of the Act, what are the consequences?

**SUGGESTED ANSWERS**

1. As per the rules of acceptance, the acceptance should be communicated to offeror by offeree himself or his authorized agent. Communication of acceptance by third person cannot be concluded in valid acceptance.

In the instant case, Mr. Pratham applied for a job as principal of a school and one member of the school management committee privately informed Mr. Pratham that he was appointed. Later, the management of the school appointed someone else as a principal.

On the basis of above provisions and facts, communication of appointment of Mr. Pratham should be made by school management committee or any authorised agent. The communication by third person cannot be termed as communication of acceptance. Therefore, no valid contract was formed between Mr. Pratham and school and Mr. Pratham cannot file a suit against the school for cancellation of his appointment.

2. As per Section 11 of Indian Contract Act, 1872, a minor is not competent to enter into any contract. Any agreement with minor is *void-ab-initio* means void from the very beginning. When a person forms an agreement with minor, such an agreement is devoid of any legal



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consequences for the person because minor cannot be enforced by law to perform his part of performance in an agreement.

However, if minor obtains any property by fraudulently misrepresenting his age, he can be ordered to restore the property or goods thus obtained. Although no action can be taken against the minor, but if has any property (of other party) in his possession, court can order him to return the same.

Hence, in the present case, Rahul is not liable to repay ₹ 40,000 that he has borrowed from the shopkeeper, but he can be ordered by the court to return the laptop (which was in his possession) to the shopkeeper.

3. By analyzing Section 39 of the Indian Contract Act 1872, it is understood that when a party to a contract has refused to perform or disabled himself from performing his promise entirely, the following two rights accrue to the aggrieved party (promisee)
- (a) To terminate the contract
  - (b) To indicate by words or by conduct that he is interested in its continuance.

In either of the two cases, the promisee would be able to claim damages that he suffers.

In the given case,

- (i) Yes, the hotel has the right to end the contract with Mr. X, the DJ.
  - (ii) The hotel has the right to continue the contract with X. But once this right is exercised, they cannot subsequently rescind the contract on this ground subsequently.
  - (iii) In both the cases, the hotel (promisee) is entitled to claim damages that has been suffered as a result of breach.
4. Section 25 of Indian Contract Act, 1872 provides that an agreement made without consideration is valid if it is expressed in writing and registered under the law for the time being in force for the registration of documents and is made on account of natural love and affection between parties standing in a near relation to each other.

In the instant case, the transfer of house made by Mr. Ram Lal Birla on account of natural love and affection between the parties standing in near relation to each other is written but not registered. Hence, this transfer is not enforceable and his daughter cannot get the house as gift under the Indian Contract Act, 1872.

5. Section 31 of the Indian Contract Act, 1872 provides that “A contract to do or not to do something, if some event, collateral to such contract, does or does not happen” is a Contingent Contract.

Section 35 says that Contingent contracts to do or not to do anything, if a specified uncertain event happens within a fixed time, becomes void if, at the expiration of time fixed, such event has not happened, or if, before the time fixed, such event becomes impossible.





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In the instant case, the contract between PQR hospital & Dr. A is a Contingent Contract because the promisor, PQR hospital need to perform his obligation of paying Dr. A, the lumpsum amount of ₹ 1,00,000, only if he contracts with Covid 19 within a span of 3 months.

In Case, if Dr. A does not contract Covid 19, then the contract stands void automatically.

6. **Agreement - the meaning of which is uncertain (Section 29 of the Indian Contract Act, 1872):** An agreement, the meaning of which is not certain, is void, but where the meaning thereof is capable of being made certain, the agreement is valid.

For example, A agrees to sell B “a hundred tons of oil”. There is nothing whatever to show what kind of oil was intended. The agreement is void for uncertainty. But the agreement would be valid if A was dealer only in coconut oil because in such a case its meaning would be capable of being made certain.

7. As per Section 4(3) of the Sale of Goods Act, 1930, where under a contract of sale, the property in the goods is transferred from the seller to the buyer, the contract is called a sale, but where the transfer of the property in the goods is to take place at a future time or subject to some condition thereafter to be fulfilled, the contract is called an agreement to sell and as per Section 4(4), an agreement to sell becomes a sale when the time elapses or the conditions are fulfilled subject to which the property in the goods is to be transferred.
- (a) On the basis of above provisions and facts given in the question, it can be said that there is an agreement to sell between Archika and shopkeeper and not a sale. Even the payment was made by Archika, the property in goods can be transferred only after the fulfilment of conditions fixed between buyer and seller. As the white polish was done but original design is disturbed due to polishing, bangles are not in original position. Hence, Archika has right to avoid the agreement to sell and can recover the price paid.
- (b) On the other hand, if shopkeeper offers to bring the bangles in original position by repairing, he cannot charge extra cost from Archika. Even he has to bear some expenses for repair; he cannot charge it from Archika.
8. By virtue of provisions of Section 17 of the Sale of Goods Act, 1930, in the case of a contract for sale by sample there is an implied condition that the bulk shall correspond with the sample in quality and the buyer shall have a reasonable opportunity of comparing the bulk with the sample. According to Section 15, where there is a contract for the sale of goods by description, there is an implied condition that the goods shall correspond with the description. If the goods do not correspond with implied condition, the buyer can avoid the contract and reject the goods purchased.
- (a) In the instant case, the sale of sweet is sale by sample and the quality of bulk does not correspond with quality of sample. Hence, Prashant can return the sweet and avoid the contract.





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(b) In the other case, the sale of sweet is the case of sale by description and the quality of goods does not correspond with description made by seller. Hence, answer will be same. Prashant can return the sweet and avoid the contract.

9. According to Section 24 of the Sale of Goods Act, 1930, "When the goods are delivered to the buyer on approval or on sale or return or other similar terms the property passes to the buyer:

- (i) when he signifies his approval or acceptance to the seller,
- (ii) when he does any other act adopting the transaction, and
- (iii) if he does not signify his approval or acceptance to the seller but retains goods beyond a reasonable time".

Further, as per Section 8, where there is an agreement to sell specific goods, and subsequently the goods without any fault on the part of the seller or buyer perish or become so damaged as no longer to answer to their description in the agreement before the risk passes to the buyer, the agreement is thereby avoided.

According to above provisions and fact, the property is not passes to Akansh i.e. buyer as no condition of Section 24 is satisfied. Hence, risk has not passed to buyer and the agreement is thereby avoided. Akansh is not liable to pay the price. The loss finally should be borne by Seller, Mr. Jethalal.

10. By virtue of provisions of Section 64 of the Sale of Goods Act, 1930, in case of auction sale, the sale is complete when the auctioneer announces its completion by the fall of the hammer or in some other customary manner.

In the instant case, Megha gives the highest bid in the auction for the sale of antic wall clock arranged by Rachit. While announcing the completion of sale by fall of hammer on the table, hammer brakes and damages the clock.

On the basis of above provisions, it can be concluded that the sale by auction cannot be completed until hammer comes in its normal position after falling on table. Hence, in the given problem, sale is not completed. Megha will not be liable for loss and can avoid the contract.

11. Payment of the price by the buyer is an important ingredient of a contract of sale. If the parties totally ignore the question of price while making the contract, it would not become an uncertain and invalid agreement. It will rather be a valid contract and the buyer shall pay a reasonable price. (Section 9 of the Sale of Goods Act, 1930)

In the give case, X and Y have entered into a contract for sale of car but they did not fix the price of the car. X refused to sell the car to Y on this ground. Y can legally demand the car from X and X can recover a reasonable price of the car from Y.



**PAPER – 2 : BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING 11**

12. **Exceptions to the Rule *Nemo dat Quod Non Habet*:** The term means, “none can give or transfer goods what he does not himself own”. Exceptions to the rule and the cases in which the Rule does not apply under the provisions of the Sale of Goods Act, 1930 are enumerated below:

- (i) **Sale by a Mercantile Agent:** A sale made by a mercantile agent of the goods or document of title to goods would pass a good title to the buyer in the following circumstances, namely;
- (a) if he was in possession of the goods or documents with the consent of the owner;
  - (b) if the sale was made by him when acting in the ordinary course of business as a mercantile agent; and
  - (c) if the buyer had acted in good faith and has at the time of the contract of sale, no notice of the fact that the seller had no authority to sell. (Proviso to Section 27).

Mercantile agent means an agent having in the customary course of business as such agent’s authority either to sell goods, or to consign goods for the purposes of sale, or to buy goods, or to raise money on the security of goods. [section 2(9)]

- (ii) **Sale by one of the joint owners:** If one of the several joint owners of goods has the sole possession of them with the permission of the others, the property in the goods may be transferred to any person who buys them from such a joint owner in good faith and does not at the time of the contract of sale have notice that the seller has no authority to sell. (Section 28)
- (iii) **Sale by a person in possession under voidable contract:** A buyer would acquire a good title to the goods sold to him by seller who had obtained possession of the goods under a contract voidable on the ground of coercion, fraud, misrepresentation or undue influence provided that the contract had not been rescinded until the time of the sale (Section 29).
- (iv) **Sale by one who has already sold the goods but continues in possession thereof:** If a person has sold goods but continues to be in possession of them or of the documents of title to them, he may sell them to a third person, and if such person obtains the delivery thereof in good faith without notice of the previous sale, he would have good title to them, although the property in the goods had passed to the first buyer earlier. A pledge or other deposition of the goods or documents of title by the seller in possession are equally valid. [Section 30(1)]
- (v) **Sale by buyer obtaining possession before the property in the goods has vested in him:** Where a buyer with the consent of seller obtains possession of the goods before the property in them has passed to him, he may sell, pledge or otherwise



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dispose of the goods to a third person, and if such person obtains delivery of the goods in good faith and without notice of the lien or other right of the original seller in respect of the goods in good faith and without notice of the lien or other right of the original seller in respect of the goods, he would get a good title to them. [Section 30(2)].

(vi) **Sale by an unpaid seller:** Where an unpaid seller who had exercised his right of lien or stoppage in transit resells the goods, the buyer acquires a good title to the goods as against the original buyer [Section 54(3)].

(vii) **Sale under the provisions of other Acts:**

- (a) Sale by an official Receiver or liquidator of the company will give the purchaser a valid title.
- (b) Purchase of goods from a finder of goods will get a valid title under circumstances.
- (c) Sale by a pawnee under default of pawnor will give valid title to the purchaser.

13. According to section 16 of the Indian Partnership Act, 1932, subject to contract between partners –

- (a) if a partner derives any profit for himself from any transaction of the firm, or from the use of the property or business connection of the firm or the firm name, he shall account for that profit and pay it to the firm;
- (b) if a partner carries on any business of the same nature as and competing with that of the firm, he shall account for and pay to the firm all profits made by him in that business.

In the given scenario, Mr. B had sold iron bar to the firm at the current prevailing market rate of ₹ 350 per Kg though he had stock with him which he bought for ₹ 200 per Kg. Hence, he made an extra profit of ₹ 150 per Kg. This is arising purely out of transactions with the firm. Hence, Mr. B is accountable to the firm for the extra profit earned thereby.

14. As per Section 29 of the Indian Partnership Act, 1932, during the continuance of the business, a transferee is not entitled

- To interfere with the conduct of the business
- To require the accounts
- To inspect the books of the firm

He is only entitled to his share of profit.

Keeping the above points, in the given case, since the partnership business is in continuance, Mr. B is bound to accept the profits as agreed to by the partners. He cannot



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challenge the accounts. He is only entitled to receive the share of profits of Mr. A (transferring partner).

15. According to Section 41 of the Indian Partnership Act, 1932, a firm is compulsorily dissolved;
- by the adjudication of all the partners or of all the partners but one as insolvent, or
  - by the happening of any event which makes it unlawful for the business of the firm to be carried on or for the partners to carry it on in partnership.

However, where more than one separate adventure or undertaking is carried on by the firm, the illegality of one or more shall not of itself cause the dissolution of the firm in respect of its lawful adventures and undertakings.

Here, MN has to compulsorily dissolve due to happening of law which bans the usage of ajinomoto. Else the business of the firm shall be treated as unlawful.

However, the illegality of ajinomoto business will in no way affect the legality or dissolution of the other line of business (paper plates & cups). MN can continue with paper plates and cup manufacture.

16. A minor cannot be bound by a contract because a minor's contract is void and not merely voidable. Therefore, a minor cannot become a partner in a firm because partnership is founded on a contract. Though a minor cannot be a partner in a firm, he can nonetheless be admitted to the benefits of partnership under Section 30 of the Indian Partnership Act, 1932. In other words, he can be validly given a share in the partnership profits. When this has been done and it can be done with the consent of all the partners then the rights and liabilities of such a partner will be governed under Section 30 as follows:

**Rights:**

- A minor partner has a right to his agreed share of the profits and of the firm.
- He can have access to, inspect and copy the accounts of the firm.
- He can sue the partners for accounts or for payment of his share but only when severing his connection with the firm, and not otherwise.
- On attaining majority, he may within 6 months elect to become a partner or not to become a partner. If he elects to become a partner, then he is entitled to the share to which he was entitled as a minor. If he does not, then his share is not liable for any acts of the firm after the date of the public notice served to that effect.



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17. Comparison between an LLP and partnership can be analysed on the below tabulated parameters.

	<b>Basis</b>	<b>LLP</b>	<b>Partnership firm</b>
1.	<b>Regulating Act</b>	The Limited Liability Partnership Act, 2008.	The Indian Partnership Act, 1932.
2.	<b>Body corporate</b>	It is a body corporate.	It is not a body corporate,
3.	<b>Separate legal entity</b>	It is a legal entity separate from its members.	It is a group of persons with no separate legal entity.
4.	<b>Creation</b>	It is created by a legal process called registration under the LLP Act, 2008.	It is created by an agreement between the partners.
5.	<b>Registration</b>	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.	<b>Perpetual succession</b>	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.	<b>Name</b>	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.	<b>Liability</b>	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.	<b>Mutual agency</b>	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.	<b>Designated partners</b>	At least two designated partners and atleast one of them shall be resident in India.	There is no provision for such partners under the Partnership Act, 1932.



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11.	<b>Common seal</b>	It may have its common seal as its official signatures.	There is no such concept in partnership
12.	<b>Legal compliances</b>	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.	<b>Annual filing of documents</b>	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.	<b>Foreign partnership</b>	Foreign nationals can become a partner in a LLP.	Foreign nationals cannot become a partner in a partnership firm.
15.	<b>Minor as partner</b>	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.

18. It was decided by the court in the case of *Gilford Motor Co. Vs. Horne*, that if the company is formed simply as a mere device to evade legal obligations, though this is only in limited and discrete circumstances, courts can pierce the corporate veil. In other words, if the company is mere sham or cloak, the separate legal entity can be disregarded.

On considering the decision taken in *Gilford Motor Co. Vs. Horne* and facts of the problem given, it is very much clear that Seven Stars Timbers Private Limited was formed just to evade legal obligations of the agreement between Mr. Dhruv and Sunmoon Timber Private Limited. Hence, Seven Stars Timbers Private Limited is just a sham or cloak and separate legal entity between Mr. Dhruv and Seven Stars Timbers Private Limited should be disregarded.

19. According to the provisions of Section 2(45) of Companies Act, 2013, Government Company means any company in which not less than 51% of the paid-up share capital is held by-
- the Central Government, or
  - by any State Government or Governments, or



- (iii) partly by the Central Government and partly by one or more State Governments, and the section includes a company which is a subsidiary company of such a Government company.

According to Section 2(87), "subsidiary company" in relation to any other company (that is to say the holding company), means a company in which the holding exercises or controls more than one-half of the total voting power either at its own or together with one or more of its subsidiary companies.

By virtue of provisions of Section 2(87) of Companies Act, 2013, Shah Auto Private Limited is a subsidiary company of Narendra Motors Limited because Narendra Motors Limited is holding more than one-half of the total voting power in Shah Auto Private Limited. Further as per Section 2(45), a subsidiary company of Government Company is also termed as Government Company. Hence, Shah Auto Private Limited being subsidiary of Narendra Motors Limited will also be considered as Government Company.

20. As per the provisions of the Companies Act, 2013, only a natural person who is an Indian citizen and resident in India (person who stayed in India for a period of not less than 120 days during immediately preceding financial year) –
- Shall be eligible to incorporate an OPC
  - Shall be a nominee for the sole member.

- (i) In the given case, though Mr. A is an Indian citizen, his stay in India during the immediately preceding previous year is only 115 days which is below the requirement of 120 days. Hence Mr. A is not eligible to incorporate an OPC.

Also, even though Mr. B's name is mentioned in the memorandum of Association as nominee and his stay in India during the immediately preceding financial year is more than 120 days, he is a foreign citizen and not an Indian citizen. Hence B's name cannot be given as nominee in the memorandum.

- (ii) Since Mr. A is not eligible to incorporate a One Person Company (OPC), he will be contravening the provisions, if he incorporates one. He shall be punishable with fine which may extent to ten thousand rupees and with a further fine which may extent to One thousand rupees every day after the first during which such contravention occurs.



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

**QUESTIONS**

**Part-A**

**Chapter-1 Communication**

1. What are the different types of Formal Communication?
2. How do cultural barriers affect communication? Discuss.

**Part-B**

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

1. Change the following sentences into passive voice.
  1. Did she do her duty?
  2. The tiger was chasing the deer.
  3. She has learned her lessons.
  4. Have you finished the report?
  5. The police have caught the thief.
2. Change the following sentences into active voice.
  1. The jackpot will be won by her.
  2. Yam is eaten by people in my country
  3. The mother tongue would be taught to him by her.
  4. A stone was being thrown by the kid.
  5. The door had been knocked at by someone
3. Change the following sentences into indirect speech.
  1. She said, "He works in a bank."
  2. He said, "I'm coming!"
  3. She said, "We went out last night."
  4. Neeraj said, "I was waiting for the bus when he arrived."
  5. Mother said, "You should go to bed early."

**Chapter-3 Vocabulary**

1. Select a suitable synonym that best expresses the meaning of the words
  1. Acumen  
(a) Abundance (b) Bitterness (c) Deficit (d) Quickness of insight





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2. Nascent  
(a) Initial (b) Unpleasant (c) Latest (d) Crude
  3. Interim  
(a) Temporary (b) Internal (c) Timely (d) Interval
  4. Perspicacious  
(a) Bad (b) Clear (c) Hazy (d) Shrewd
  5. Incensed  
(a) Affected (b) Incited (c) Encouraged (d) Inspired
2. Select a suitable antonym that best expresses the opposite meaning of the words
1. Anomalous  
(a) Usual (b) Connected (c) Vicious (d) Capacious
  2. Preposterous  
(a) Apologetic (b) Credible (c) Conceited (d) Complacent
  3. Puissance  
(a) Repudiation (b) Impotence (c) Approbation (d) Ignorance
  4. Deleterious  
(a) Inclusive (b) Impulsive (c) Pathetic (d) Salubrious
  5. Jocose  
(a) Diseased (b) Playful (c) Dull (d) Humorous
3. Choose the option that best expresses the meaning of each of these idioms
1. With open arms  
(a) Warmly (b) Cold blooded (c) Resemble (d) Coldly
  2. By leaps and bounds  
(a) very slow (b) very fast (c) in details (d) aimlessly
  3. Lions share  
(a) look angrily (b) major par (c) lions food (d) heart of the prey
  4. To cry wolf  
(a) To refer to (b) To emphasise (c) To have no result (d) To give false alarm



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5. A turn coat  
(a) One who (b) A wet coat (c) A poor man (d) Man of principal  
changes one's  
opinion or party

**Part-C**

**Chapter-4**

1. Read the passage carefully and answer the questions that follow:

There are two ways of carrying out most of the operations we perform in the course of our daily life and work. We may learn by trial and error to perform the operation and afterwards repeat it mechanically, as when a man learns to drive a car without knowing what goes on under the bonnet. Or we may study the true nature of the operation and see why we may study the true nature of the operation and see why we use the methods we do, as when a motorist studies and understands the mechanism of his car. Both men may succeed in conveying their families to and from a Sunday picnic, but there is no doubt as to who will be potentially the better driver and the one more capable of dealing with a breakdown should it occur.

Selling is another such operation. The mechanism of a sales transaction is infinitely more complicated than that of the most expensive motorcar since selling involves the inter-play of human motives and reactions rather than of mechanical principles. Yet it is possible for a salesman to sell mechanically - and all too many of them do! But for true success in selling an appreciation of those human motives and reactions is indispensable.

When we look at the chain of processes by which goods and services of all kinds are placed at the disposal of the final consumer, we find one kind of link which is common to all types of merchandise and all kinds of service. That link is the sale. It may appear several times in one chain - as where raw wool is sold to the spinner, who sells the resultant yarn to the weaver, the latter selling the cloth made from the yarn to the maker-up, who in turn sells the garment made from the cloth to the retailer to be re-sold to the ultimate wearer. Or it may appear only once, as it does when a smallholder picks the fruit from his orchard and sells it by the roadside. Wherever man produces, other than for his own personal consumption, there is the raw material of a sale - that link which joins together the producer and consumer; a link, therefore, every bit as important as the manufacturing processes which change the shape of raw materials to the finished article, and transportation which changes the location of raw materials and the finished products.

The first thing we notice in examining this link is that it brings about an exchange between two parties. Now if each of two parties has something that the other wants, and if the two units can be equated, it is clear that an exchange could take place. A hungry tailor and a thread-bare baker could obviously 'do business'. The difficulty of expressing the want for



a suit of clothes in terms of loaves of bread is overcome, in all but the most primitive economies; by the use of a medium in terms of which both wants can be measured.

This medium of exchange, or 'money', is also used to facilitate, by remote control as it were, the exchange itself. Wants, in our modern civilization, are complex and varied. These wants are satisfied by individuals and organizations each performing a part only of the process which produces the finished article. The marrying of wants and satisfactions directly would be an impossible task - the hungry tailor might search along while with a suit of clothes over his arm before he found a threadbare baker willing to make the necessary exchange. And even this picture is an over-simplification of the problem in these days of the minute subdivision of labour, when the 'tailor' might be the operator of a button-hole stitching machine and the 'baker' a maintenance mechanic or a backhouse oven. As we know, each exchanges his 'product' for a common medium in the shape of money, which he then uses to procure the satisfaction he desires.

1. According to the passage what is/are the way(s) to perform operations of life are?
  1. Learning by trial and error
  2. Repeating it mechanically
  3. Studying the true nature of the operation
  4. Driving a car without knowing what goes on under the bonnet
    - a. 1 & 3
    - b. 1, 2 & 3
    - c. 3 & 4
    - d. Only 1
2. Why selling operation is more complicated than that of the most expensive motor car?
  - a. The true success in selling is an appreciation of human motives and reactions
  - b. Selling involves the inter-play of human motives and reactions rather than of mechanical principles.
  - c. One can learn driving a car without knowing what goes on under the bonnet.
  - d. We can study the nature of the operations in selling process.
3. The link that is common to all kinds of merchandise and all kinds of services is
  - a. The chain of processes
  - b. Sale
  - c. The producer and consumer



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- d. Manufacturing process
4. A hungry tailor and a thread-bare baker could obviously 'do business' because
  - a. They want 'money' in exchange.
  - b. Their units can be equated.
  - c. Each of the two parties has something that the other wants
  - d. They are just performing their part/role.
5. Which is the most suitable one-line central idea of the passage?
  - a. Business between a tailor and a baker.
  - b. Process by which goods and services of all kinds are placed at the disposal of the final consumer.
  - c. Selling as a link which is common to all types of merchandise and all kinds of services
  - d. Concept of business in modern world.
2. Read the passage carefully and answer the questions that follow:

Raising funds for elections has been a unique feature of Indian politics from the very beginning and it will not be wrong to say that it is one of the most dominant motive forces behind political corruption. A strange hawala scandal came to light in January 1996, which was then the chief vehicle exclusively for politicians to raise election funds for their parties and themselves via illegal foreign exchange transactions. This raised huge public attention on both corruption and its linkage with our great democratic festival of elections. The explosion of the corrupt fund-raising incidents in connection with arms deals by Tehelka.com in March 2001 was the next mind-blowing eye-opener for all. The notorious incidents highlighted the requirement for reform of party and election finance, including the possible option of state funding of elections. To have a clear blotless democracy the need of Political finance reform is a must as elections are the foundation. What will happen to our great building of democratic India if its foundation stones have been sunk in the waters of corruption before using?

There are a lot of working systems managing political, including election, finance around the world. The funds are needed for various operations of Political parties: election campaigns, inter-election maintenance of their organizations and political activities, and support of research and information infrastructure for the parties. Election campaigns are always the primary visible activity requiring funds. Unfortunately, this has made political parties (of the right and centre) unduly dependent on big business houses and wealthy individuals. On the other hand Parties of the left became dependent on the collective contributions of workers, often channelled through affiliated trade unions. Such interests, typically, seek rents as a quid pro quo for political donations.



We have to get to the roots of the problem to bring election finance reform. We need to have a focused spotlight and restructuring management related to the election campaign costs, laws to maintain transparency in the election-related fundraising and checks for corruption scandals. It was widely felt worldwide that a free-for-all system of election fundraising gave excessive power to the rich business organizations and individuals, not only over left-of-centre parties but even pro-business parties and politicians.

If we study the fundamentals of political finance reform in democracies worldwide, we would have certain characteristics conspicuous to us: limits on expenditure including sub-limits on particular expenditure; limits on contributions from individuals and organizations; public funding, full or partial, of elections and/or parties; and reporting and disclosure of election, party and candidate finances in some form as an administrative pre-requisite for implementation of any or all of the above.

It is a fact that some democracies have more frequently applied limits on expenditures than limits on contributions to parties/candidates. The point that they missed is that their limitation laws applied only to election campaigns, usually limited to the format period of the campaigns, rather than to general party expenditures. They aimed to reduce costs for all contestants, thus indirectly addressing the issue of equality of political opportunity. Usually, the limits apply to the amounts that candidates and/or parties may spend on election campaigns. Within these overall maxima, there are often limits on the amounts that may be spent on particular items, for example, broadcasting, advertising, wall posters and billboards.

1. According to the passage what is/are the reason(s) for warranting a discussion on political finance reform?
  1. Increasing costs attached to political campaigns.
  2. The polity's concern for equal opportunity for political participation.
  3. Instances of corruption.
  4. Political parties' excessive dependence on big business and wealthy individuals.
    - a. 2 and 4
    - b. 1, 2 and 3
    - c. 1 and 3
    - d. 2, 4 and 3
2. What according to the passage is the difference between parties of the left and right in the dependence on funds for election campaign?
  - a. Political parties of the left depend on the collective wealth of the unions whereas those of the right depend on big business and wealthy individuals



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- b. Political parties of the right depend on large business organizations and affluent individuals whereas those of the left depend on the collective contribution of workers.
  - c. Political parties of the right depend on large MNCs and corporate houses whereas those of the left depend on contributions from the common man.
  - d. Political parties of the right depend on their networks of influential individuals whereas those of the left depend on contributions from the trade unions.
3. Political funds are used for which of the following purpose (s)?
1. To influence the electorate.
  2. To ensure inter-election maintenance of the political organization and political activities.
  3. To allow for sustenance of research infrastructure for the political parties.
  4. To introduce an understanding of political issues amongst the electora te.
    - a. Both 1 and 4
    - b. Only 2, 3 and 4
    - c. Both 3 and 4
    - d. Both 2 and 3
4. What is the primary purpose of the passage?
- a. Discuss the need for reform of political finance.
  - b. Discuss the methodology to ensure political finance reform.
  - c. Discuss the ways and means to bring about stability of democracy.
  - d. Discuss the need for reducing widespread cynicism about parties and politicians
5. According to the passage, democracies worldwide focus on which main characteristics of political finance reform?

**Chapter-5**

1. Read the following passages carefully. (i) Make notes, using headings, sub-headings and using abbreviations wherever necessary. (ii) Write summary.

Life began to change in England in the middle of the eighteenth century, when machines began to appear. Driven by waterwheels, James Hargreaves's *spinning jenny* carded wool or cotton. *Carding* means to comb the tangled fibers so that they could be spun into yarn or thread. (*Jenny* is short for "engine."). Sir Richard Arkwright invented a machine that did the spinning. It twisted wool or cotton into yarn and thread many times faster than the most



skilful person with a hand-turned spinning wheel could do it. Edmund Cartwright also helped to found another industry by inventing a rope-making machine. Machines to produce other goods followed at a dizzying rate.

When cloth-making and other crafts were done by hand and depended on human muscle for power, they were done at home. It would have made no sense to have 50 women working at hand-turned spinning wheels under one roof. Dozens of the new machines, however, could be turned by a fast-running river or by a stream engine, which had also been invented in England. Workers, mostly girls and women at first, had to be brought to the riverside factory or mill, with its whirring belts and pulleys. Because they worked 14 or 16 hours a day and walked to work, they could not live too far from the mill. Among its many effects, the Industrial Revolution caused the rapid growth of cities and towns.

The Industrial Revolution made Great Britain the world's richest nation and, in time, the most powerful. The textiles that English mills turned out by the ton were better and cheaper than handmade cloth. Every country in the world wanted to buy them.

Understandably, the British placed a high value on their machinery. The cloth was for sale, but not the spinning jennies and power looms that made it. In fact, it was illegal for anyone who worked in a textile mill to leave the country, because with them would go their knowledge of the machines.

In 1789, Samuel Slater, a 23-year-old English machinist, heard that American state legislatures had offered large sums of money to machine experts who would defy the British law and come to the United States. He managed to slip out of Great Britain and get to New York. There he announced that he had memorized the plans for an entire spinning factory and was prepared to build one. Moses Brown, a wealthy Quaker merchant, was quicker than anyone else. He wrote to Slater, "If thou canst do this thing, I invite thee to come to Rhode Island and have the credit of introducing cotton-manufacturing into America."

2. The myth of modern man does not do away with the truth that man always remains essentially the same with regard to his moral obligation, his need of redemption and the true sources of happiness. Man, as such, always lacks of some positive good. He always lacks of something required for an adequate adjustment and efficiency. Man is complex and needs many things.

Psychologists speak of different basic needs. Freud said that man wants most of all to be loved. Adler, that he wants most of all to be significant. Jang, that he wants security. A need is the lack of some good. If we consider it in the philosophical sense, good is something that fits to one's nature, either because it is necessary - something which completes or perfects a person. The need may be physiological, psychological, social or religious. The satisfaction of material needs is more of an economic and political problem than the psychological. While it is not always in our power and ability to satisfy the former,





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much depends upon our efficiency, maturity and inner growth to satisfy, possess and enjoy the latter- psychological, social and religious needs.

Man for the development of his personality needs adequate food, adequate housing, adequate rest and recreation, economic autonomy and security and physical health. These are basic necessities without which we can hardly say that man lives a human life and their satisfaction is a matter of daily concern to each of us. Failure to satisfy some of the material needs may affect our health - bodily and mental, even result in death. Of course, the solution to many of these problems depends also on man's mental moral and spiritual outlook.

Many people are unaware of the emotions that might be responsible for their inefficiency. They frequently have emotions of a wrong variety because the basic psychological needs are neglected. Psychological needs are many and diverse. Generally they are numbered up to 13, but they can be reduced to six basic needs. Perhaps they are more important than material needs for the proper adjustment and efficiency of a person. Failure to satisfy any of these needs may disturb mental health and affect efficiency both at home and at work.

Man is an animal both social and cooperating. He does not live and play alone. He needs the family, the group and society. He depends on his fellowmen if he is to survive. Cooperation enables him to become a specialist and to do his work well. In this specialisation he finds a sense of accomplishment and fulfilment. Man's efficiency depends on his relationship with his fellowman, on his communion with another person, which leads him to experience him as another self, and therefore makes him willing to protect him, perfect him, develop him and make him become something.

**Chapter-7 Précis Writing**

1. Write précis and give appropriate titles for the passages given below.

1. Retailers are generally inclined to saying that the only thing that matters most is the location. No doubt it is a traditional view that real estate plays a vital role and good location does give a good launch. While more and more talented people today have taken on the reins to deliver growth across organisations, a key enabler has been the real estate space that we have at our disposal.

It is a fact that our organization does not own most of the real estate spaces that we operate on. We have a clear, strong and vibrant model of establishing shopping malls based on renting them out from developers and real estate owners on long-term contracts. While during the initial years of our business, there were hardly any shopping malls in the country, the scenario is clearly quite different today. It is a fact that a lot of business organizations and critics were not convinced about the latent potential of modern retail in the country even till a few years back. But we were optimistic, well planned and super energetic and were ready to place a bet on the





future based on our direct experience of the growing consumerism in the country. Anyhow we booked a substantial amount of retail space.

Rising real estate costs, especially in the metros, seem to be the single biggest impediment to the growth of this sector now. On the one hand, consumers have a lower disposable income to spend on shopping, since a large chunk of their income goes into servicing mortgages and home loans. On the other hand, high real estate prices increase cost should be less than five percent of the total sales of a store in order to provide maximum benefit to customers. At the current rates, it can be as high as fifteen to twenty percent.

Fortunately, we do not pay such high rents because we secured our spaces much before other retailers joined in and before the prices shot through the roof. This foresight is now helping us deliver more value at a reasonable cost to our customers.

Though our study in the field we were convinced that a retailer doesn't need to choose the most posh part of a city in order to be a successful. We are in the opinion to look at the future potential of a locality rather than the current profile. When it comes to choosing the right location we mostly bank on a lot of soft data and general observations. We visit neighbouring markets attempt to understand the kind of products that are accessible at the nearest shops, speak to individuals in that particular zone and try to perceive their shopping pattern. It has come to our experience that often extremely unconventional tools have proved to be the best way to judge the potential of a particular city or locality, rather the catchment analyses or consultant reports.

2. India has progressed in leaps and bound in the nineties. The country has not only attempted sustained efforts to improve equity but attained the second highest rate of economic development globally also. There are numerous indications of uplifting trends in the deepening of Democratic roots along with a win-win situation on social fronts. Social transition has moved further along with leaders from the lower castes now occupying the highest political offices in several provinces. In harmony with the strong-stream of growth, Indian companies have materialized as ambitious multinationals with major acquisitions abroad and ready to take on bigger challenges. The world, having recognized these accomplishments, has apparently decided that despite some ostensible weaknesses in public governance - headstrong poverty, low levels of human development indicators and mounting left-wing extremism - India deserves to have a place at the global high table.

The beginning of India's appearance as a global leader can be traced back to the BRICS report by Goldman Sachs. His reports simply projected that the Indian economy will be the third largest in the world by 2050 as per its prevailing GDP growth rates. Higher rates of growth sustained over the present decade, despite internal political upheavals, external shocks and global crisis, have further reinforce India's claim to be included in any new architecture of global governance. This was reflected by India's inclusion initially as member of the O-5 group that along with the G-8 made up the HAP process, which



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unfortunately met an early demise. India was then given a prominent role in the G-20 grouping and its working groups and in the in constituted financial Stability Board.

The rising Sun of India's global growth is best captured in that heads of state of all five permanent members of the UN Security Council visited Delhi between July and December 2021. President Obama was very much in tune with Indian claim; he stated that India was not just an emerging but an emerged power. And to further strengthen the sentiment, both President Obama and subsequently President Sarkozy, during their visits endorsed India's bid to secure a permanent seat in the UN Security Council to which it has already been elected as a temporary member for two years starting 2021.

This great acknowledgment by the existing world leaders justifies a long-standing aspiration of the great nation of being treated as a global player and not being consigned to a mere regional power, being linked with a rogue state like Pakistan. The Indian political leadership, its diplomats and civil servants, in pursuit of this genuine recognition, have in the past persistently tried to highlight its potential in numerous ways.

**Chapter-8 Article Writing**

1. Write an article in 250-300 words on the following topics:
  - (i) 'Environmental Pollution - A Global Problem'
  - (ii) Problems of Youth

**Chapter-9 Report Writing**

1. An NGO, 'Healthy India' organized a health check-up camp in a slum at Mumbai. You visited the camp. Write a report in 250-300 words covering advertisement, arrangements etc.
2. You are an active member of 'Love Animals Save Animals' Club which works for the welfare of animals by preventing cruelty to them. Recently, you visited Indian Animal Care Home. You were pleasantly surprised to see the good treatment given to animals. Write a report in 250-300 words on your visit.

**Chapter-10 Formal letters and Official Communication**

1. Write a letter as a reply to an inquiry about 'Flora' Silk Sarees of your manufacturing unit. Give details about price and other important information regarding your products.
2. You are purchase manager of a company. You had ordered a 100 units of a product from a company in Mumbai. While checking, the consignment was found to be poor in quality. Write a complaint letter to the Sales Manager to replace the order.

**Chapter-11 Writing formal mails**

1. Write a mail to one of the customer of your company's product 'Tummy Trimmer' to write a review about the product.



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2. Write a mail to prospective clients, introducing your organization and informing about the products/services offered by your company.

**Chapter-12 Resume Writing**

1. Prepare a Cover Letter and detailed resume for a candidate applying for the post of Article Assistant in a CA Firm.
2. There is an urgent job opportunity in An Established Chartered Accountancy (CA) Firm for the job of qualified / competent Chartered Accountant. Prepare a Cover Letter and detailed resume for a candidate applying for the post.

**Chapter-13 Meetings**

1. The Marketing Head of ABC Co - Northern Region, a car manufacturing company, plans to conduct a Monthly Sales Meeting. Set an agenda for the meeting (introducing new starters; health & safety update; product revision update; Sales results & forecasts; New product launch; upcoming initiatives)
2. An organization ABC Co., had a quarterly sales meeting of Zone A, B, C & D. The senior management along with managers from all zones, Manager Sales & Marketing, Production Manager, Senior Manager Accounts and Tech-range Chief Engineer discussed various issues like health & safety update, product revision update, sales results & forecasts; Prepare minutes of the meeting with participants in discussion.

**SUGGESTED ANSWERS**

**Revisionary Test Paper December 2021**

**CA Foundation Paper 2B Business Correspondence and Reporting**

**Answers**

**Chapter-1 Communication**

1. **Formal communication:** Formal communication, both oral and written, follows certain rules, principles and conventions in conveying the message. The hierarchy in the organisation has to be followed. Formal format, style and language have to be used. The communication pattern can be vertical, horizontal or diagonal.
  - **Vertical:** Information can flow upwards or downwards in the organisation. Data that is collected flows up to the top levels of management for review and decision making, while instructions and orders are passed down from the managements/ seniors to the subordinates for implementation.
  - **Horizontal:** Horizontal communication that involves communication between two parts of the organisation at the same level. For example, the managers of a project



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in a company may hold a regular daily, weekly or monthly meeting to discuss the progress of the project.

- **Diagonal:** Cross-functional communication between employees at different levels of the organisational hierarchy is described as diagonal communication. Diagonal communication is increasingly common in larger organisations. It reduces the chances of distortion or misinterpretation by encouraging direct communication between the relevant parties. For example, a junior engineer reports directly to the General Manager regarding the progress on the project.
2. 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 familiarise their staff with the culture of the country where they are based for work.

**Chapter-2 Sentence Types Active-Passive Voice and Direct-Indirect Speech**

**Ans. 1.**

1. Was her duty done by her?
2. The deer was being chased by the tiger.
3. Her lessons have been learnt by her.
4. Has the report been finished by you.
5. The thief has been caught by the police.

**Ans. 2**

1. She will win the jackpot.
2. People eat yam in my country.
3. She would teach him the mother tongue.
4. The kid was throwing a stone.
5. Someone had knocked at the door.

**Ans. 3**

1. She said that he worked in a bank.
2. He said that he was coming.
3. She said that they had gone out last night.
4. Neeraj said that he had been waiting for the bus when he arrived.
5. Mother instructed that I should go to bed early.



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**Chapter-3**

**Ans.1**

1. d, 2. a, 3. a, 4. d, 5. b

**Ans. 2**

1. a, 2. b, 3. b, 4. d, 5. c

**Chapter-4**

**Ans. 1**

1. a 2. b 3. b 4. c 5. c

**Ans. 2**

1. c 2. b 3. d 4. a 5. a

**Ans.3**

1. a, 2. b, 3. b, 4. d, 5. a

**Chapter-5**

**Ans.1**

**INDUSTRIAL REVOLUTION & ENGLAND**

I. Changed life in England

- I. (i) Mddl of 18<sup>th</sup> century
- (ii) Mchns appear
  - I.(ii) a. Spngjenny by JH
  - I.(i) b. SpngMchn by SRA
  - I.(i) c. Rope-makgMchn by EC
  - I.(iii) Mchnsprdc other goods

II. Riverside Factories or Mills

- II. (i) No dpndncy on human msl
- (ii) Less workers on spngwhls
- (iii) Riverside factory or mill rplcd Homes
- (iv) Rpd growth of cities

III. Monopoly

III. (i) GB



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- III. (i) a. Richest nation
- III. (i) b. Most powerful
- III. (ii) English Textiles
- III. (ii) a. b & c
- III. (ii) b. In Dmnd
- IV. Secrecy
  - (i) Mchns not on sale
  - (ii) Mill wrkrs can't leave cntry
- V. Experts Reach America
  - (i) SS Defy British Law
    - V. (i) a. Slip to NY, US
    - V. (i) b. Memorised plan for spngfctry
  - (ii) Wealthy Quaker Mrchnt invitation for cotton-mnfctng

**KEY:-**

1. Mddl - Middle
2. mchn - machine
3. mchns - machines
4. spng - spinning
5. makg - making
6. prdc - product
7. dpndncy - dependency
8. msl - Muscle
9. whls - wheels
10. rplcd - replaced
11. rpd- rapid
12. dmnd - demand
13. wrkrs - workers
14. cntry - country
15. fctry - factory



Abbreviations:

1. JH - James Hargreaves
2. SRA - Sir Richard Arkwright
3. EC - Edmund Cartwright
4. GB - Great Britain
5. b & c - better & cheaper
6. SS - Samuel Slater
7. NY - New York
8. US - United States
9. Mrchnt - Merchant
10. Mnfctrng - manufacturing

**SUMMARY**

Inventions of machine brought a great change in England in the middle of the eighteenth century. It ended the era of dependency on human power in cloth-making and other craft industry. Fast-running rivers and especially stream engine played a very important role in the process of establishing riverside factories or mills. This caused a rapid growth of cities and towns in the Great Britain. The raising demand of textiles of English mills made Britain the world's richest and most power nation. It became illegal for a mill worker to leave the country or leak the knowledge of machines. Nevertheless, the expertise researched America.

- I. The myth of modern man
  - I. (i) Same with rgd
    - I. (i) a. Moral oblgtn
    - I. (i) b. Nd of rdmpn
    - I. (i) c. True sources of hppnss
  - I. (ii) Lacks
    - I. (ii) a. some +ive good
    - I. (ii) b. adequate adjtmnt&effcncy
    - I. (iii) Complex &nds many thngs
- II. Psychologists on Man
  - II (i) Dffrnt basic nds



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- II. (i) a. Freud - to be loved
    - II. (i) b. Adler - to be significant
    - II. (i) c. Jung - security
  - II (ii) Needs described
    - II.(ii) a. lack of some good
    - II.(ii) b. physical, psychological, social or religious
  - II (iii) Good described
    - II (iii) a. completes or perfects person
  - II (iv) Psychological needs
    - II (iv) a. not always satisfied
- III. To Develop personality
  - III. (i) Man needs
    - III. (i) a. adequate food
    - III. (i) b. adequate housing
    - III. (i) c. adequate rest & recreation
    - III. (i) d. EA
    - III.(i) e. security & PH
  - III. (ii) If not satisfied
    - III. (ii) a. may affect health
    - III. (iii) Solution - MMS Outlook
- IV. Emotions & Inefficiency
  - IV. (i) Neglected psychological needs
    - IV. (i) a. Emotions of wrong variety
  - IV. (ii) Psychological needs
    - IV. (ii) a. 13 in number
    - IV. (ii) b. 6 basic needs
    - IV. (ii) c. important than material needs
  - IV. (iii) Failure to satisfy emotional needs
    - IV. (iii) a. disturb mental health





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- IV. (iii) b. affect effcncy
- V. Social Nds
- V. (i) Man social animal
- V. (i) a. not live alone
- V. (i) b. work well when cprt
- V. (i) c. finds acplsmt& fulfilment
- V. (ii) Man's effcncy
- V. (ii) a.dpnds on rltnshp
- V. (ii) b. Experience as another self
- V.(iii) Willing to bcmsmthg

Key:-

1. rgrd - regard
2. oblgtn - obligation
3. rdmpn - redemption
4. hppnss - happiness
5. +ive - positive
6. Adjtmnt - adjustment
7. Effcncy - efficiency
8. Nd - need
9. Nds - needs
10. Thngs - things
11. Dffrnt - different
12. Sgnfcnt - significant
13. Scrt - security
14. Dscrbd - described
15. Physlgcl - physiological
16. Psychlgcl - psychological
17. Prsn - person
18. Stsfd - satisfied



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19. Adqt - adequate
20. Rcrtn - recreation
21. Nglctd - neglected
22. Nmbr - number
23. Imprnt - important
24. Stsfy - satisfy
25. Dstrb- disturbed
26. Cprt - cooperate
27. Acplsmnt - accomplishment
28. Dpnds - depends
29. Rltnshp - relationship
30. Bcm - become
31. Smthg
32. EA - Economic Autonomy
33. PH - Physical Health
34. MMS - Mental, moral & spiritual

**SUMMARY**

Moral obligations, need of redemption and the true sources of happiness are always important for a man. There always exists something that he lacks. According to psychologists like Freud, Adler and Jung he wants love, significance and security respectively. In the philosophical sense something good completes him. Psychological, social and religious needs are linked with efficiency, maturity and inner growth. The dissatisfaction related to basic necessities leads to physical as well as mental hazards and can effect on efficiency level. Psychological needs are more important than material needs. Man, being a social animal, can find satisfaction, efficiency and fulfilment through cooperation and good relationship with his fellowmen.

**Chapter-7**

**Strategies in retail**

In retail sector, space and location are important. A good location lends a good launch. Real estate spaces should be rented on long-term contracts from owners and developers rather than owned by retailers for the establishment of shopping malls. Author's team could manage to get spaces for his stores at comfortable prices. His malls could deliver more value to the customers, who generally allocate a very small part of their income for shopping. This could only happen



as they focused on future potential of a locality rather than the current posh area of a city. The strategy to study the market and perceive shopping pattern in an area through extremely unconventional methods paved a clear path for their success.

India: A growing Power

India has raised its status in almost all facets in the nineties. It has exhibited growth on not only economic front globally but has strengthened its democratic roots also. The world has recognized its harmony on social grounds as well as its empowering status in the field of international business. Being the third largest economy in the world India has all the ingredients of a world leader. Report by Goldman Sachs clearly states India's role in G-20 and the visit by the heads of states of all five permanent members of the UN Security Council are clear indicators of its emerging as a new global leader. The strong support of President Obama and President Sarkozy have clearly justified India's claim to be treated as a great global player.

### Chapter-8

#### Answer Hints:

Environmental Pollution

- a matter of great concern
- self-created problem of man, a menace
- disturbs ecological balance
- need of the hour to protect and preserve the environment
- Causes:
  - rapid deforestation
  - depletion of the ozone layer
  - global warming
  - rapid urbanization
  - industrial wastes, garbage and dirt
- Effects:
  - melting of the polar glaciers
  - swallowed forests
  - famines, floods, landslides, soil erosions
  - polluted cities
- Solution
  - Afforestation



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- Vertical gardening
- Awareness about green spaces
- Recycle waste
- Reuse articles
- Shifting to renewal energy

**Problems of Youth**

**1. Causes**

- Over ambitions parents
- Pressure of society
- Bullying taunting & teasing by fellow students
- Peer pressure
- Ragging
- Cyber bullying
- Substance Abuse
- Cut throat competition
- Forced career choices

**2. Effects**

- Succumb to very high amount of pressure
- Mental Health deteriorates
- Commit suicide
- Commit crimes

**3. Solutions**

- Inculcating Habit of Good reading
- Developing empathy
- Being informed about the child's academic progress
- Soft skills and personality development classes
- Developing hobbies
- Active engagement in outdoor games
- Becoming friends to your children



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- Lending a patient ear
- Have meals together
- Spending quality time
- Consulting a professional Counselor

**Chapter-8**

**Ans-1**

1. Organizing under the guidance of
2. Collaboration with hospital
3. Advertisement through banners, posters etc.,
4. Registration for
  - Free full body checkup
  - Free pathological test
  - General health checkup
  - A voluntary blood donation camp
  - Eye check-up stall
  - Skin Care stall
  - Kids Care
  - Blood Pressure & sugar checkup
5. Team of physicians, dentists, gynecologists
6. Free consultation for:
  - Chronic back pain
  - Osteoporosis in females
  - Malnutrition and deficiencies in children
  - Inoculation derive for infants
7. Free medicine
8. Wellness programmes (special stall)
9. Simple Exercises & yoga



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2. Visit to Animal Care Home Answer hints:
1. Importance of Animal Care
  2. Magnanimity of human heart
  3. A natural feeling of contentment
  4. Abandoned pets are well taken care of
  5. A wonderful shelter
  6. Treatment provided to injured animals
    - Well-equipped medical room
    - Veterinary surgeon
  7. Given for adoption
  8. Clean enclosures
  9. Helpline for animal ambulance
  10. How to donate
    - Process of donation
    - Tax exemption, if any

**Chapter-10 Formal Letters and Official Communication**

Production Manager 27th July 20XX

ABC Silk Sarees,

Surat, Gujrat

Mr Vikram Kumar

Purchase Officer

Saree Bazar, New Delhi

Subject: Regarding your inquiry about 'Flora' Silk Sarees

Dear Sir

We thank you for your inquiry of 19th July, 20XX for assorted 'Flora' Silk Sarees. We appreciate the interest that you have shown in our products. You might, perhaps be aware of that ours is an established silk manufacturing unit with over fifty years of reputation. Recently we have introduced three new varieties of Silk Sarees namely 'Flora', 'Radha' and 'Ramayana' in rainbow colours and attractive designs.



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Since we earnestly desire to secure larger orders, we have quoted very low prices on attractive terms. No shipping charges will be levied on orders amounting to Rs. 30,000 or more. As there are indications of rise in silk prices, we shall be unable to repeat these prices and terms after our present stock is exhausted. We recommend you to place your order before 20th August 20XX. Your order will receive our prompt attention.

Yours faithfully,

Mr. DFG

Production Manager

Encl: Catalogue.

Answer 2

VJ Dealers

21, Station Road

New Delhi - 22

Date: Feb. 7, 20XX

The Sales Manager,

SDF Traders,

15, Industrial Road

Ramnagar, Mumbai

Subject: Complaint for Order No. XXXX dispatched on 3rd Feb. 20xx

Mr. BNM,

With reference to the subject, Order No. XXXX for 100 units of product id xxxxx was placed dated 22th Jan 20xx. The consignment received on 3<sup>rd</sup> Feb, 20xx has been found to be of poor quality and much higher in price as compared to the previously supplied units.

You are hereby requested to replace the order within 5 working days, failing which the order will be summarily cancelled.

We look forward to swift action at your end.

Yours Faithfully,

Mr. CVB

Purchase Head

VJ Dealers



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**Chapter-11 Writing formal mails**

**Ans.1**

Dear Ms. ABC

Greetings!

I am glad to receive your encouraging mail regarding our product “Tummy Trimmer”. Thanks for expressing your satisfaction.

I am in the process of putting together a list of testimonials about our product “Tummy Trimmer” from satisfied customers like you.

You are requested to take a few minutes to submit your comments/suggestions as part of Product Review at the link: XXXXXXXX by 5 PM tomorrow.

You may also send a brief video using the product that will be featured in our commercial TV campaign for the product.

Looking forward to your earliest response.

Thanks and Regards,

**Ans.2**

Ms. XYZ

Dear Sir,

Greetings from **QWE Teleservices Pvt. Ltd.!**

I would like to take this opportunity to introduce you to our organization that provides a host of connectivity solutions with collaboration with **Tata Tele Business Services** - India's largest optic fibre network service provider.

Our entire range of products/services is enclosed herewith for your reference.

Kindly drop a call at our customer care helpline xxxxxxxxxx or the undersigned, should you require any guidance/services for your esteemed organization.

Regards,

Mr. SDF

Sales Deptt

QWE Teleservices

(Mob) xxxxxxxxxx





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**Chapter-12 Resume Writing**

**Ans. 1**

To

Manager (HR)

ABC Consultants

B-19/444, Raj Vihar

New Delhi 1100xxx

Dated: 24th July 20XX

Subject: Application for the post of Article Assistant

Dear Sir,

Greetings! I am writing to express my interest in the above position in your esteemed firm.

I have just passed CA Intermediate Group-1 Exams in February 20XX. I would like to learn vital aspects of the profession. Having a keen interest in international trade laws and taxation, I am an avid reader of international accounting journals and remain abreast with the developments in accounting worldwide.

I look forward to the opportunity for a personal interaction. Please find my resume attached herewith for your perusal. I assure you that I shall work with utmost commitment to your firm.

Thanking you for your consideration.

Sincerely yours

XXX

Address: XXX

RESUME:

Name: XYZ

Address: A-29, Radha Krishna Garden

New Delhi, 1100xx Email Id: xxx@gmail.com

Mobile No.- +91xxxxxxxxxx

**CAREER OBJECTIVE:**

I seek to join a firm where I can learn various aspects of profession and use my skills and knowledge of MS Excel, MIS, Tally, and Taxation with GST.

I wish to contribute towards organizational goal through my technical skills, hard work and initiative.



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**PROFESSIONAL QUALIFICATION:**

1. Qualification: CA Intermediate Group 1  
Year of Passing: Feb 2021  
University/Board: Institute of Chartered Accountants of India, New Delhi
2. Qualification: CA Foundation  
Year of Passing: Feb 2020  
University/Board: Institute of Chartered Accountants of India, New Delhi

**ACADEMIC QUALIFICATION:**

1. Qualification: Bachelor of Commerce  
Year of Passing: Pursuing  
University/Board: C.C.S University, Meerut
2. Qualification: Intermediate  
Year of Passing: 2019  
University/Board: CBSE  
Score/Marks: 78%
3. Qualification: High School  
Year of Passing: 2017  
University/Board: CBSE  
Score/Marks: 80%

**ACHIEVEMENTS:**

§ Represented school as a part of the student delegation from the NCR region for the Event “CONFLUENCE-2000”, held at HYDERABAD.

§ As Captain of the school cricket team. State-level cricket player.

§ Won First prize in Inter-school Quiz Competition

**HONOURS AND AWARDS:**

§ A consistent scholarship holder school.

§ Won 2nd Prize in the Inter-school Debate Competition.



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**SKILLS:**

MS- Office, Tally, Advance Excel, Payroll, MIS

Good Communication Skills, Analytical Skills and Decision Making Skills

**PERSONAL DETAILS**

Father's Name : Mr. V.P. Singh

Date of birth : 17th June, 19xx

Gender : Female

Language Known : English, Hindi

DATE: 24th July 20XX

PLACE: XXX

(NAME) XXX

To

Manager (HR)

XYZ

28, Jawahar Park

New Delhi 1100xxx

Dated: 24th July 20XX

Subject: Application for the post of Chartered Accountant

Dear Sir,

Greetings! I am writing to express my interest in the above position in your esteemed firm. I have the requisite education and skills mentioned for the position. Kindly find my detailed resume for your perusal/reference.

I did my articleship with M&M consultants, highly reputed firm having large client base ranging from small, medium to large scale organizations. Owing to rich experience in diverse areas such as accounts, auditing, taxation and compliance, I gained a lot of knowledge that would come handy in my professional journey ahead. I would much appreciate the opportunity to contribute to your ongoing growth and continued success.

I look forward to present myself for a personal interaction as per your convenience. I assure you that I shall work with utmost commitment to your firm.

Thanks you for your consideration.

Sincerely yours

XXX

Address: XXX



**PAPER – 2 : BUSINESS LAW & BUSINESS CORRESPONDENCE AND REPORTING 45**

**RESUME:**

Name: XYZ

Address: A-29, Radha Krishna Garden

New Delhi, 1100xx Email Id: xxx@gmail.com

Mobil No.- \_+91xxxxxxxxxx

**CAREER OBJECTIVE:**

I seek to join a firm where I can learn various aspects of profession and use my skills and knowledge of MS Excel, MIS, Tally, and Taxation with GST.

I wish to contribute towards organizational goal through my technical skills, hard work and initiative.

**PROFESSIONAL QUALIFICATION:**

1. Qualification: CA Final  
Year of Passing: Jan 2021  
University/Board: Institute of Chartered Accountants of India, New Delhi
2. Qualification: CA Foundation  
Year of Passing: XX 2016  
University/Board: Institute of Chartered Accountants of India, New Delhi

**ACADEMIC QUALIFICATION:**

3. Qualification: Bachelor of Commerce  
Year of Passing: XX 2019  
University/Board: Delhi University
4. Qualification: Intermediate  
Year of Passing: XX 2016  
University/Board: CBSE  
Score/Marks: 78%
5. Qualification: High School  
Year of Passing: 2014  
University/Board: CBSE  
Score/Marks: 80%



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**FOUNDATION EXAMINATION: NOVEMBER, 2021**

**WORKING EXPOSURE**

As an Article Assistant in M&M Consultants

Responsibilities: Efficiently worked as Audit Assistant, and worked as an effective team member for handling the Statutory Audits & Tax Audit assignments

**ACHIEVEMENTS:**

§ Represented school as a part of the student delegation from the NCR region for the Event "CONFLUENCE-2000", held at HYDERABAD.

§ As Captain of the school cricket team. State-level cricket player.

§ Won First prize in Inter-school Quiz Competition

**HONOURS AND AWARDS:**

§ A consistent scholarship holder school.

§ Won 2nd Prize in the Inter-school Debate Competition.

**SKILLS:**

MS- Office, Tally, Advance Excel, Payroll, MIS

Good Communication Skills, Analytical Skills and Decision Making Skills

**PERSONAL DETAILS**

Father's name : Mr. XXXX

Date of birth : xxx, 19xx

Gender : Female

Language Known : English, Hindi

DATE: 24th August 20XX

PLACE: XXX

(NAME) XXX



**PAPER – 2 : BUSINESS LAW & BUSINESS CORRESPONDENCE AND REPORTING 47**

**Chapter-13 Meetings**

**Ans. 1.**

(Meeting Title) Monthly Sales Meeting - ABC Co - Northern Region

(Venue, Time, Date)				
Conference Room, ABC Co., New Delhi				
0900 hrs				
Monday xx/xx/xxxx				
<b>Agenda</b>	<b>Topic</b>	<b>Details</b>	<b>Speaker</b>	<b>Duration</b>
Light Refreshment 0830 hrs –				
09:00	Introduction / Overview	New starters Mr. RS and Mr.MG Guests: Ms. AB, Zonal Manager; Mr. SC Off-shore Product Manager; and Mr. S V Tech-range Chief Engineer.	Mr PJ, Meeting Co- ordinator	15 Mts
09:15	Health and safety update.	Revised procedures for hazardous chemicals near Sunder Van Production facility.	Mr. RL Production Manager	15 mts
09:30	Product revision update.	Discussion on Model 4. New Product to be demonstrated	Mr. RL Production Manager	30 mts
10:00	Coffee break			15 mts
10:15	Sales results & forecasts.	Presentation on forecast followed by discussion	Mr. AK, Zone A; Ms., Zone B; Ms. R G, Zone C; Mr. TR, Zone D	60 mts
11:15	Upcoming initiatives.	Brainstorm session - How can we accelerate R&D w.r.t the offshore sector?	Mr. RL Production Manager with team	45 mts
12:00	Meeting review, questions.		Mr. PJ Meeting Co- ordinator	30 mts
12:30	Thank you note		Mr. RJ Chairperson	10 mts
12:40	Lunch			



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**FOUNDATION EXAMINATION: NOVEMBER, 2021**

**Ans. 2**

Participants in attendance: Managing Director, Zonal Managers, Manager Sales & Marketing, Product Manager, Senior Manager Accounts and Tech-range Chief Engineer.

Date: July 8, 20xx

Meeting started at 10:00 am.

Participants: Ms. HT, MD, Mr. RK, Managing Director, Mr. PL, Production Manager, Mr. A K, Sales & Marketing Manager, Mr. AS (North Zone) and Ms. DS (West Zone), Zonal Heads, Marketing

**Mr RK, Managing Director** briefly introduced the agenda of the meeting i.e., update on health & safety issues, product revision, sales results & forecasts; new product launch, major accounts initiatives; new company car scheme, awards and incentive.

**Mr PL, Production Manager**

- Presented revised procedures for hazardous chemicals at New Delhi production plant. Same procedure will be followed in all production plants.
- Presented Product revision update about Tech-range Model 4 now has stand-by mode control.
- The product will be demonstrated next month.

**Mr A K, Sales & Marketing Manager** presented details about Sales in the previous quarter & gave targets to the Zonal Heads to be circulated to the Sales and Marketing Departments.

**Zonal Heads, Marketing**

- Mr. AS and Ms DS presented Sales forecast and Advertising/Marketing ideas and strategies.
- They presented the list of prospective clients and upcoming marketing activities.

**Ms S S, Production Manager** along with **Tech-range Chief Engineer**

- Presented details about new product range to be launched next month.
- Demonstrated the product performance data, USPs, benefits for key sectors, and details of launch promotion.

**Ms. HS Senior Manager Accounts**

- Budget Allocation
- Proposed session on cost cutting ideas across all sections in the organization
- With the permission of MD fixed it as chief agenda for next meeting

MD delivered vote of thanks

Group to again meet on August 8, 20xx at same time.



PAPER – 2: BUSINESS LAWS AND BUSINESS CORRESPONDENCE AND REPORTING

SECTION A: BUSINESS LAWS

**PART – I: The Limited Liability Act, 2008 has been amended through the Limited Liability Partnership (Amendment) Act, 2021 dated 13<sup>th</sup> August, 2021. The following are the amendments w.e.f. 1<sup>st</sup> April, 2022.**

Earlier provision	New provision
-	Throughout the Limited Liability Partnership Act, 2008, for the words and figures “the Companies Act, 1956” wherever they occur, the words and figures “the Companies Act, 2013” shall be substituted.
<p><b>Body Corporate [(Section 2(d))]:</b> It means a company as defined in section 3 of the Companies Act, 1956 and includes—</p> <p>(i) a LLP registered under this Act;</p> <p>(ii) a LLP incorporated outside India; and</p> <p>(iii) a company incorporated outside India,</p> <p>but does not include—</p> <p>(i) a corporation sole;</p> <p>(ii) a co-operative society registered under any law for the time being in force; and</p> <p>(iii) any other body corporate (not being a company as defined in section 3 of the Companies Act, 1956 or a limited liability partnership as defined in this Act), which the Central Government may, by notification in the Official Gazette, specify in this behalf.</p>	<p><b>Body Corporate [(Section 2(d))]:</b> It means a company as defined in <b>clause (20) of section 2 of the Companies Act, 2013</b> and includes</p> <p>(i) a limited liability partnership registered under this Act;</p> <p>(ii) a limited liability partnership incorporated outside India; and</p> <p>(iii) a company incorporated outside India,</p> <p>but does not include</p> <p>(i) a corporation sole;</p> <p>(ii) a co-operative society registered under any law for the time being in force; and</p> <p>(iii) any other body corporate (not being a company as defined in <b>clause (20) of section 2 of the Companies Act, 2013</b> or a limited liability partnership as defined in this Act), which the Central Government may, by notification in the Official Gazette, specify in this behalf.</p>
<p><b>Business [Section 2(e)]:</b> “Business” includes every trade, profession, service and occupation.</p>	<p><b>Business [Section 2(e)]:</b> “Business” includes every trade, profession, service <b>and occupation except any activity which the Central Government may, by notification, exclude.</b></p>





<p><b>Newly inserted</b></p>	<p><b>“Small limited liability partnership [Section 2(ta)]: It means a limited liability partnership—</b></p> <ul style="list-style-type: none"> <li><b>(i) the contribution of which, does not exceed twenty-five lakh rupees or such higher amount, not exceeding five crore rupees, as may be prescribed; and</b></li> <li><b>(ii) the turnover of which, as per the Statement of Accounts and Solvency for the immediately preceding financial year, does not exceed forty lakh rupees or such higher amount, not exceeding fifty crore rupees, as may be prescribed; or</b></li> <li><b>(iii) which meets such other requirements as may be prescribed, and fulfils such terms and conditions as may be prescribed;</b></li> </ul>
<p><b>Designated partners (Section 7):</b></p> <ul style="list-style-type: none"> <li><b>(i) Every LLP shall have at least two designated partners who are individuals and at least one of them shall be a resident in India.</b></li> <li><b>(ii) If in LLP, all the partners are bodies corporate or in which one or more partners are individuals and bodies corporate, at least two individuals who are partners of such LLP or nominees of such bodies corporate shall act as designated partners.</b></li> <li><b>(iii) Resident in India:</b> For the purposes of this section, the term “resident in India” means a person who has stayed in India for a period of not less than 182 days during the immediately preceding one year.</li> </ul>	<p><b>Designated partners (Section 7)</b></p> <ul style="list-style-type: none"> <li><b>(1) Every limited liability partnership shall have at least two designated partners who are individuals and at least one of them shall be a resident in India:</b>            Provided that in case of a limited liability partnership in which all the partners are bodies corporate or in which one or more partners are individuals and bodies corporate, at least two individuals who are partners of such limited liability partnership or nominees of such bodies corporate shall act as designated partners.  <b>Explanation.</b> For the purposes of this section, the term resident in India means a person who has stayed in India for a period of not less than one hundred and <b>twenty days during the financial year.</b></li> <li><b>(2) Subject to the provisions of sub-section (1),</b> <ul style="list-style-type: none"> <li><b>(i) if the incorporation document</b></li> </ul> </li> </ul>



**PAPER – 2 : BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING    3**

	<ul style="list-style-type: none"> <li>(a) specifies who are to be designated partners, such persons shall be designated partners on incorporation; or</li> <li>(b) states that each of the partners from time to time of limited liability partnership is to be designated partner, every partner shall be a designated partner;</li> </ul> <p>(ii) any partner may become a designated partner by and in accordance with the limited liability partnership agreement and a partner may cease to be a designated partner in accordance with limited liability partnership agreement.</p> <p>(3) An individual shall not become a designated partner in any limited liability partnership unless he has given his prior consent to act as such to the limited liability partnership in such form and manner as may be prescribed.</p> <p>(4) Every limited liability partnership shall file with the Registrar the particulars of every individual who has given his consent to act as designated partner in such form and manner as may be prescribed within thirty days of his appointment.</p> <p>(5) An individual eligible to be a designated partner shall satisfy such conditions and requirements as may be prescribed.</p> <p>(6) Every designated partner of a limited liability partnership shall obtain a Designated Partners Identification Number (DPIN) from the Central Government and the provisions of <b>sections 153 to 159 (both inclusive) of the Companies Act, 2013</b> shall apply <i>mutatis mutandis</i> for the said purpose.</p>
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<p><b>Registered office of LLP and change therein (Section 13):</b></p> <ol style="list-style-type: none"> <li>(1) Every LLP shall have a registered office to which all communications and notices may be addressed and where they shall be received.</li> <li>(2) A document may be served on a LLP or a partner or designated partner thereof by sending it by post under a certificate of posting or by registered post or by any other manner, as may be prescribed, at the registered office and any other address specifically declared by the LLP for the purpose in such form and manner as may be prescribed.</li> <li>(3) A LLP may change the place of its registered office and file the notice of such change with the Registrar in such form and manner and subject to such conditions as may be prescribed and any such change shall take effect only upon such filing.</li> <li>(4) If the LLP contravenes any provisions of this section, the LLP and its every partner shall be punishable with fine which shall not be less than ₹ 2,000 but which may extend to ₹ 25,000.</li> </ol>	<p><b>Registered office of LLP and change therein (Section 13):</b></p> <ol style="list-style-type: none"> <li>(1) Every limited liability partnership shall have a registered office to which all communications and notices may be addressed and where they shall be received.</li> <li>(2) A document may be served on a limited liability partnership or a partner or designated partner thereof by sending it by post under a certificate of posting or by registered post or by any other manner, as may be prescribed, at the registered office and any other address specifically declared by the limited liability partnership for the purpose in such form and manner as may be prescribed.</li> <li>(3) A limited liability partnership may change the place of its registered office and file the notice of such change with the Registrar in such form and manner and subject to such conditions as may be prescribed and any such change shall take effect only upon such filing.</li> <li>(4) <b>If any default is made in complying with the requirements of this section, the limited liability partnership and its every partner shall be liable to a penalty of five hundred rupees for each day during which the default continues, subject to a maximum of fifty thousand rupees for the limited liability partnership and its every partner.</b></li> </ol>
<p><b>Name (Section 15):</b></p> <ol style="list-style-type: none"> <li>(1) Every limited liability partnership shall have either the words "limited liability partnership" or the acronym "LLP" as the last words of its name.</li> </ol>	<p><b>Name (Section 15):</b></p> <ol style="list-style-type: none"> <li>(1) Every limited liability partnership shall have either the words limited liability partnership or the acronym LLP as the last words of its name.</li> </ol>



**PAPER – 2 : BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING 5**

<p>(2) No LLP shall be registered by a name which, in the opinion of the Central Government is—</p> <p>(a) undesirable; or</p> <p>(b) identical or too nearly resembles to that of any other partnership firm or LLP or body corporate or a registered trade mark, or a trade mark which is the subject matter of an application for registration of any other person under the Trade Marks Act, 1999.</p>	<p>(2) No limited liability partnership shall be registered by a name which, in the opinion of the Central Government is</p> <p>(a) undesirable; or</p> <p><b>(b) identical or too nearly resembles to that of any other limited liability partnership or a company or a registered trade mark of any other person under the Trade Marks Act, 1999.</b></p>
<p><b>Change of name of LLP (Section 17):</b></p> <p>(1) Notwithstanding anything contained in sections 15 and 16, where the Central Government is satisfied that a LLP has been registered (whether through inadvertence or otherwise and whether originally or by a change of name) under a name which —</p> <p>(a) is a name referred to in sub-section (2) of section 15; or</p> <p>(b) is identical with or too nearly resembles the name of any other LLP or body corporate or other name as to be likely to be mistaken for it,</p> <p>the Central Government may direct such LLP to change its name, and the LLP shall comply with the said direction within 3 months after the date of the direction or such longer period as the Central Government may allow.</p> <p>(2) (i) Any LLP which fails to comply with a direction given under sub-section (1) shall be punishable with fine which shall not be less</p>	<p><b>Change of name of LLP (Section 17):</b></p> <p>(1) <b>Notwithstanding anything contained in sections 15 and 16, if through inadvertence or otherwise, a limited liability partnership, on its first registration or on its registration by a new body corporate, its registered name;"&gt;name, is registered by a name which is identical with or too nearly resembles to—</b></p> <p><b>(a) that of any other limited liability partnership or a company; or</b></p> <p><b>(b) a registered trade mark of a proprietor under the Trade Marks Act, 1999, as is likely to be mistaken for it, then on an application of such limited liability partnership or proprietor referred to in clauses (a) and (b) respectively or a company, the Central Government may direct that such limited liability partnership to change its name or new name within a period of three months from the date of issue of such direction:</b></p> <p><b>Provided that an application of the proprietor of the registered trade marks shall be maintainable within a</b></p>



<p>than ₹ 10,000 but which may extend to ₹ 5 Lakhs.</p> <p>(ii) The designated partner of such LLP shall be punishable with fine which shall not be less than ₹ 10,000 but which may extend to ₹ 1 Lakh.</p>	<p>period of three years from the date of incorporation or registration or change of name of the limited liability partnership under this Act.</p> <p>(2) Where a limited liability partnership changes its name or obtains a new name under sub-section (1), it shall within a period of fifteen days from the date of such change, give notice of the change to Registrar along with the order of the Central Government, who shall carry out necessary changes in the certificate of incorporation and within thirty days of such change in the certificate of incorporation, such limited liability partnership shall change its name in the limited liability partnership agreement.</p> <p>(3) If the limited liability partnership is in default in complying with any direction given under sub-section (1), the Central Government shall allot a new name to the limited liability partnership in such manner as may be prescribed and the Registrar shall enter the new name in the register of limited liability partnerships in place of the old name and issue a fresh certificate of incorporation with new name, which the limited liability partnership shall use thereafter:          Provided that nothing contained in this sub-section shall prevent a limited liability partnership from subsequently changing its name in accordance with the provisions of section 16.</p>
<p><b>Registration of changes in partners (Section 25):</b></p> <p>(1) Every partner shall inform the LLP of any change in his name or address</p>	<p><b>Registration of changes in partners (Section 25):</b></p> <p>(1) Every partner shall inform the limited liability partnership of any change in his</p>



**PAPER – 2 : BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING 7**

<p>within a period of 15 days of such change.</p> <p>(2) A LLP shall—</p> <p>(a) where a person becomes or ceases to be a partner, file a notice with the Registrar within 30 days from the date he becomes or ceases to be a partner; and</p> <p>(b) where there is any change in the name or address of a partner, file a notice with the Registrar within 30 days of such change.</p> <p>(3) A notice filed with the Registrar under sub-section (2)—</p> <p>(a) shall be in such form and accompanied by such fees as may be prescribed;</p> <p>(b) shall be signed by the designated partner of the LLP and authenticated in a manner as may be prescribed; and</p> <p>(c) if it relates to an incoming partner, shall contain a statement by such partner that he consents to becoming a partner, signed by him and authenticated in the manner as may be prescribed.</p> <p>(4) If the LLP contravenes the provisions of sub-section (2), the LLP and every designated partner of the LLP shall be punishable with fine which shall not be less than ₹ 2,000 but which may extend to ₹ 25,000.</p> <p>(5) If any partner contravenes the provisions of sub-section (1), such partner shall be punishable with fine which shall not be less than ₹ 2,000 but which may extend to ₹ 25,000.</p> <p>(6) Any person who ceases to be a partner of a LLP may himself file with</p>	<p>name or address within a period of fifteen days of such change.</p> <p>(2) A limited liability partnership shall</p> <p>(a) where a person becomes or ceases to be a partner, file a notice with the Registrar within thirty days from the date he becomes or ceases to be a partner; and</p> <p>(b) where there is any change in the name or address of a partner, file a notice with the Registrar within thirty days of such change.</p> <p>(3) A notice filed with the Registrar under sub-section (2)</p> <p>(a) shall be in such form and accompanied by such fees as may be prescribed;</p> <p>(b) shall be signed by the designated partner of the limited liability partnership and authenticated in a manner as may be prescribed; and</p> <p>(c) if it relates to an incoming partner, shall contain a statement by such partner that he consents to becoming a partner, signed by him and authenticated in the manner as may be prescribed.</p> <p>(4) <b>If the limited liability partnership contravenes the provisions of sub-section (2), the limited liability partnership and its every designated partner shall be liable to a penalty of ten thousand rupees.</b></p> <p>(5) <b>If the contravention referred to in sub-section (1) is made by any partner of the limited liability partnership, such partner shall be liable to a penalty of ten thousand rupees.</b></p> <p>(6) Any person who ceases to be a partner of a limited liability partnership may himself file with the Registrar the notice referred to in sub-section (3) if he has</p>
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<p>the Registrar the notice referred to in sub-section (3) if he has reasonable cause to believe that the LLP may not file the notice with the Registrar and in case of any such notice filed by a partner, the Registrar shall obtain a confirmation to this effect from the LLP unless the LLP has also filed such notice.</p> <p>However, where no confirmation is given by the LLP within 15 days, the registrar shall register the notice made by a person ceasing to be a partner under this section.</p>	<p>reasonable cause to believe that the limited liability partnership may not file the notice with the Registrar and in case of any such notice filed by a partner, the Registrar shall obtain a confirmation to this effect from the limited liability partnership unless the limited liability partnership has also filed such notice:</p> <p>Provided that where no confirmation is given by the limited liability partnership within fifteen days, the Registrar shall register the notice made by a person ceasing to be a partner under this section.</p>
<p><b>Unlimited liability in case of fraud (Section 30):</b></p> <p>(1) In case of fraud:</p> <ul style="list-style-type: none"> <li>• In the event of an act carried out by a LLP, or any of its partners,</li> <li>• with intent to defraud creditors of the LLP or any other person, or for any fraudulent purpose,</li> <li>• the liability of the LLP and partners who acted with intent to defraud creditors or for any fraudulent purpose</li> <li>• shall be unlimited for all or any of the debts or other liabilities of the LLP.</li> </ul> <p>However, in case any such act is carried out by a partner, the LLP is liable to the same extent as the partner unless it is established by the LLP that such act was without the knowledge or the authority of the LLP.</p> <p>(2) Where any business is carried on with such intent or for such purpose as mentioned in sub-section (1), every person who was knowingly a party to the carrying on of the business in the</p>	<p><b>Unlimited liability in case of fraud (Section 30):</b></p> <p>(1) In the event of an act carried out by a limited liability partnership, or any of its partners, with intent to defraud creditors of the limited liability partnership or any other person, or for any fraudulent purpose, the liability of the limited liability partnership and partners who acted with intent to defraud creditors or for any fraudulent purpose shall be unlimited for all or any of the debts or other liabilities of the limited liability partnership:</p> <p>Provided that in case any such act is carried out by a partner, the limited liability partnership is liable to the same extent as the partner unless it is established by the limited liability partnership that such act was without the knowledge or the authority of the limited liability partnership.</p> <p>(2) Where any business is carried on with such intent or for such purpose as mentioned in sub-section (1), every person who was knowingly a party to the carrying on of the business in the manner aforesaid shall be punishable with imprisonment for a term which may</p>



**PAPER – 2 : BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING 9**

<p>manner aforesaid shall be punishable with</p> <ul style="list-style-type: none"> <li>• imprisonment for a term which may extend to 2 years and</li> <li>• with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 5 Lakhs.</li> </ul> <p>(3) Where a LLP or any partner or designated partner or employee of such LLP has conducted the affairs of the LLP in a fraudulent manner, then without prejudice to any criminal proceedings which may arise under any law for the time being in force, the LLP and any such partner or designated partner or employee shall be liable to pay compensation to any person who has suffered any loss or damage by reason of such conduct. However, such LLP shall not be liable if any such partner or designated partner or employee has acted fraudulently without knowledge of the LLP.</p>	<p>extend to <b>five years</b> and with fine which shall not be less than fifty thousand rupees but which may extend to five lakh rupees.</p> <p>(3) Where a limited liability partnership or any partner or designated partner or employee of such limited liability partnership has conducted the affairs of the limited liability partnership in a fraudulent manner, then without prejudice to any criminal proceedings which may arise under any law for the time being in force, the limited liability partnership and any such partner or designated partner or employee shall be liable to pay compensation to any person who has suffered any loss or damage by reason of such conduct:</p> <p>Provided that such limited liability partnership shall not be liable if any such partner or designated partner or employee has acted fraudulently without knowledge of the limited liability partnership.</p>
<p><b>Maintenance of books of account, other records and audit, etc. (Section 34):</b></p> <p>(1) <b>Proper Books of account:</b></p> <ul style="list-style-type: none"> <li>• The LLP shall maintain such proper books of account as may be prescribed</li> <li>• relating to its affairs for each year of its existence</li> <li>• on cash basis or accrual basis and</li> <li>• according to double entry system of accounting and</li> <li>• shall maintain the same at its registered office</li> <li>• for such period as may be prescribed.</li> </ul>	<p><b>Maintenance of books of account, other records and audit, etc. (Section 34):</b></p> <p>(1) The limited liability partnership shall maintain such proper books of account as may be prescribed relating to its affairs for each year of its existence on cash basis or accrual basis and according to double entry system of accounting and shall maintain the same at its registered office for such period as may be prescribed.</p> <p>(2) Every limited liability partnership shall, within a period of six months from the end of each financial year, prepare a Statement of Account and Solvency for the said financial year as at the last day of the said financial year in such form as may be prescribed, and such statement</p>





<p>(2) <b>Statement of Account and Solvency:</b></p> <ul style="list-style-type: none"> <li>• Every LLP shall,</li> <li>• within a period of 6 months from the end of each financial year,</li> <li>• prepare a Statement of Account and Solvency</li> <li>• for the said financial year as at the last day of the said financial year</li> <li>• in such form as may be prescribed, and</li> <li>• such statement shall be signed by the designated partners of the LLP.</li> </ul> <p>(3) Every LLP shall file within the prescribed time, the Statement of Account and Solvency prepared pursuant to sub-section (2) with the Registrar every year in such form and manner and accompanied by such fees as may be prescribed.</p> <p>(4) The accounts of LLP shall be audited in accordance with such rules as may be prescribed. However, the Central Government may, by notification in the Official Gazette, exempt any class or classes of LLP from the requirements of this sub-section.</p> <p>(5) Any LLP which fails to comply with the provisions of this section shall be punishable</p> <ul style="list-style-type: none"> <li>• with fine which shall not be less than ₹ 25,000</li> <li>• but which may extend to ₹ 5 Lakhs</li> </ul> <p>Every designated partner of such LLP shall be punishable</p> <ul style="list-style-type: none"> <li>• with fine which shall not be less than ₹ 10,000</li> </ul>	<p>shall be signed by the designated partners of the limited liability partnership.</p> <p>(3) Every limited liability partnership shall file within the prescribed time, the Statement of Account and Solvency prepared pursuant to sub-section (2) with the Registrar every year in such form and manner and accompanied by such fees as may be prescribed.</p> <p>(4) The accounts of limited liability partnerships shall be audited in accordance with such rules as may be prescribed:          Provided that the Central Government may, by notification in the Official Gazette, exempt any class or classes of limited liability partnerships from the requirements of this sub-section.</p> <p>(5) <b>Any limited liability partnership which fails to comply with the provisions of sub-section (3), such limited liability partnership and its designated partners shall be liable to a penalty of one hundred rupees for each day during which such failure continues, subject to a maximum of one lakh rupees for the limited liability partnership and fifty thousand rupees for every designated partner.</b></p> <p>(6) <b>Any limited liability partnership which fails to comply with the provisions of sub-section (1), sub-section (2) and sub-section (4), such limited liability partnership shall be punishable with fine which shall not be less than twenty-five thousand rupees, but may extend to five lakh rupees and every designated partner of such limited liability partnership shall be punishable with fine which shall not</b></p>
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**PAPER – 2 : BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING 11**

<ul style="list-style-type: none"> <li>• but which may extend to ₹ 1 Lakh.</li> </ul>	<p style="text-align: center;">be less than ten thousand rupees, but may extend to one lakh rupees.</p>
<p><b>Newly inserted</b></p>	<p><b>[34A. Accounting and auditing standards.</b>          The Central Government may, in consultation with the National Financial Reporting Authority constituted under section 132 of the Companies Act, 2013,—</p> <p>(a) prescribe the standards of accounting; and</p> <p>(b) prescribe the standards of auditing, as recommended by the Institute of Chartered Accountants of India constituted under section 3 of the Chartered Accountants Act, 1949, for a class or classes of limited liability partnerships.]</p>
<p><b>Annual return (Section 35):</b></p> <p>(1) Every LLP shall file an annual return duly authenticated with the Registrar within 60 days of closure of its financial year in such form and manner and accompanied by such fee as may be prescribed.</p> <p>(2) Any LLP which fails to comply with the provisions of this section shall be punishable with fine which shall not be less than ₹ 25,000 but which may extend to ₹ 5 Lakhs.</p> <p>(3) If the LLP contravenes the provisions of this section, the designated partner of such LLP shall be punishable with fine which shall not be less than ₹ 10,000 but which may extend to ₹ 1 Lakh.</p>	<p><b>Annual return (Section 35):</b></p> <p>(1) Every limited liability partnership shall file an annual return duly authenticated with the Registrar within sixty days of closure of its financial year in such form and manner and accompanied by such fee as may be prescribed.</p> <p>(2) <b>If any limited liability partnership fails to file its annual return under sub-section (1) before the expiry of the period specified therein, such limited liability partnership and its designated partners shall be liable to a penalty of one hundred rupees for each day during which such failure continues, subject to a maximum of one lakh rupees for the limited liability partnership and fifty thousand rupees for designated partners.</b></p>
<p><b>Newly inserted</b></p>	<p><b>67A. Establishment of Special Courts.</b></p> <p>(1) The Central Government may, for the purpose of providing speedy trial of offences under this Act, by notification, establish or designate as many Special Courts as may be</p>



	<p>necessary for such area or areas, as may be specified in the notification.</p> <p>(2) The Special Court shall consist of—</p> <p>(a) a single Judge holding office as Sessions Judge or Additional Sessions Judge, in case of offences punishable under this Act with imprisonment of three years or more; and</p> <p>(b) a Metropolitan Magistrate or a Judicial Magistrate of the first class, in the case of other offences, who shall be appointed by the Central Government with the concurrence of the Chief Justice of the High Court:</p> <p>Provided that until Special Courts are designated or established under subsection (1), the Courts designated as Special Courts in terms of section 435 of the Companies Act, 2013 shall be deemed to be Special Courts for the purpose of trial of offences punishable under this Act:</p> <p>Provided further that notwithstanding anything contained in the Code of Criminal Procedure, 1973, any offence committed under this Act, which is triable by a Special Court shall, until a Special Court is established under this Act or the Companies Act, 2013, be tried by a Court of Sessions or the Court of Metropolitan Magistrate or a Judicial Magistrate of the first class, as the case may be, exercising jurisdiction over the area.]</p> <p>67B. Procedure and powers of Special Court.</p> <p>(1) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, all offences specified under subsection (1) of section 67A shall be</p>
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**PAPER – 2 : BUSINESS LAWS & BUSINESS CORRESPONDENCE AND REPORTING 13**

	<p>triable only by the Special Court established or designated for the area in which the registered office of the limited liability partnership is situated in relation to which the offence is committed or where there are more than one Special Courts for such area, by such one of them as may be specified in this behalf by the High Court concerned.</p> <p>(2) While trying an offence under this Act, a Special Court may also try an offence other than an offence under this Act with which the accused may, under the Code of Criminal Procedure, 1973 be charged at the same trial.</p> <p>(3) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, the Special Court may, if it thinks fit, try in a summary way any offence under this Act which is punishable with imprisonment for a term not exceeding three years:</p> <p>Provided that in the case of any conviction in a summary trial, no sentence of imprisonment for a term exceeding one year shall be passed:</p> <p>Provided further that, when at the commencement of or in the course of a summary trial, it appears to the Special Court that the nature of the case is such that the sentence of imprisonment for a term exceeding one year may have to be passed or that it is, for any other reason, undesirable to try the case summarily, the Special Court shall, after hearing the parties, record an order to that effect and thereafter recall any witnesses who may have been examined and proceed to hear or re-</p>
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	hear the case in accordance with the procedure for the regular trial.
Newly inserted	<p>67C. Appeal and revision.</p> <p>The High Court may exercise, so far as may be applicable, all the powers conferred by Chapters XXIX and XXX of the Code of Criminal Procedure, 1973 on a High Court, as if a Special Court within the local limits of the jurisdiction of the High Court were a Court of Sessions trying cases within the local limits of the jurisdiction of the High Court.]</p>
Newly inserted	<p>68A. Registration offices.</p> <p>(1) For the purpose of exercising such powers and discharging such functions as are conferred on the Central Government by or under this Act or under rules made thereunder and for the purpose of registration of limited liability partnerships under this Act, the Central Government shall, by notification, establish such number of registration offices at such places as it thinks fit, specifying their jurisdiction.</p> <p>(2) The Central Government may appoint such Registrars, Additional Registrars, Joint Registrars, Deputy Registrars and Assistant Registrars as it considers necessary, for the registration of limited liability partnerships and discharge of various functions under this Act.</p> <p>(3) The powers and duties of the Registrars referred to in sub-section (2) and the terms and conditions of their service shall be such as may be prescribed.</p> <p>(4) The Central Government may direct the Registrar to prepare a seal or seals for the authentication of documents required for, or connected with the</p>



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	registration of limited liability partnerships.]
<p><b>Payment of additional fee (Section 69):</b> Any document or return required to be filed or registered under this Act with the Registrar, if, is not filed or registered in time provided therein, may be filed or registered after that time upto a period of 300 days from the date within which it should have been filed, on payment of additional fee of ₹ 100 for every day of such delay in addition to any fee as is payable for filing of such document or return.</p> <p>However, such document or return may, without prejudice to any other action or liability under this Act, also be filed after such period of 300 days on payment of fee and additional fee specified in this section.</p>	<p><b>Payment of additional fee (Section 69):</b> Any document or return required to be registered or filed under this Act with Registrar, if, is not registered or filed in time provided therein, may be registered or filed after that time, on payment of such additional fee as may be prescribed in addition to any fee as is payable for filing of such document or return:</p> <p><b>Provided that such document or return shall be filed after the due date of filing, without prejudice to any other action or liability under this Act:</b></p> <p><b>Provided further that a different fee or additional fee may be prescribed for different classes of limited liability partnerships or for different documents or returns required to be filed under this Act or rules made thereunder.</b></p>

**PART – II QUESTION AND ANSWER**

**QUESTIONS**

- Mr. Y is a devotee and wants to donate an elephant to the temple as a core part of ritual worship. He contacted Mr. X who wanted to sell his elephant. Mr. X contracted with Mr. Y to sell his elephant for ₹ 20 Lakhs. Both were unaware that the elephant was dead a day before the agreement. Referring to the provisions of the Indian Contract Act, 1872, explain whether it is a void, voidable or a valid contract.
- In the light of the provisions of the Indian Contract Act, 1872, answer the following:
  - A student was induced by his teacher to sell his brand-new bike to the latter at a price less than the purchase price to secure more marks in the examination. Accordingly, the bike was sold. However, the father of the student persuaded him to sue his teacher. Whether the student can sue the teacher? If yes, on what grounds?
  - Give the circumstances as to when “Vindictive or Exemplary Damages” may be awarded for breach of a contract.



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3. Karan agreed to purchase wooden table for his study room from Mr. X. Table was in good condition and was examined by Karan before purchasing. He found no defects in it and paid ₹ 20,000 for that table. Later on, it was found that one leg of table is broken, and Mr. X has pasted the wood and tried to hide the defects in the table. Can Karan return the table and claim the amount back? Discuss the same with reference to Indian Contract Act, 1872.
4. What will be rights with the promisor in following cases? Explain with reasons:
  - (a) Mr. X promised to bring back Mr. Y to life again.
  - (b) A agreed to sell 50 kgs of apple to B. The loaded truck left for delivery on 15<sup>th</sup> March but due to riots in between reached A on 19<sup>th</sup> March.
  - (c) An artist promised to paint on the fixed date for a fixed amount of remuneration but met with an accident and lost his both hands.
  - (d) Abhishek entered into contract of import of toys from China. But due to disturbance in the relation of both the countries, the imports from China were banned.
5. "Though a minor is not competent to contract, nothing in the Contract Act prevents him from making the other party bound to the minor". Discuss.
6. (i) C bought a bun from a baker's shop. The piece of bun contained a stone in it which broke C's tooth while eating. What are the rights available to the buyer against the seller under the Sale of Goods Act, 1930?  
(ii) A contract with B to buy 50 chairs of a certain quality. B delivers 25 chairs of the type agreed upon and 25 chairs of some other type. Under the circumstances, what are the rights of A against B under the Sale of Goods Act, 1930?
7. Ankit needs a black pen for his exams. He went to a nearby stationery shop and told the seller for a black pen. Seller gives him a pen saying that it is a black pen but it was clearly mentioned on the packet of pen that "Blue Ink Pen". Ankit ignore that and takes the pen. After reaching his house, Ankit finds that the pen is actually a blue pen. Now Ankit wants to return the pen with the words that the seller has violated the implied conditions of sale by description. Whether Ankit can do what he wants as per the Sale of Goods Act, 1930.
8. Akansh purchased a Television set from Jethalal, the owner of Gada Electronics on the condition that first three days he will check it's quality and if satisfied he will pay for that otherwise he will return the Television set. On the second day, the Television set was spoiled due to an earthquake. Jethalal demand the price of Television set from Akansh. Whether Akansh is liable to pay the price under the Sale of Goods Act, 1930? Who will ultimately bear the loss?





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9. When can an unpaid seller of goods exercise his right of lien over the goods under the Sale of Goods Act? Can he exercise his right of lien even if the property in goods has passed to the buyer? When such a right is terminated? Can he exercise his right even after he has obtained a decree for the price of goods from the court?
10. Mohan, Sohan and Rohan are partners in the firm M/s Mosoro & Company. They admitted Bohan as nominal partner and on agreement between all the partners, Bohan is not entitled to share profit in the firm. After some time, a creditor Karan filed a suit to Bohan for recovery of his debt. Bohan denied for same as he is just a nominal partner and he is not liable for the debts of the firm and Karan should claim his dues from the other partners. Taking into account the provisions of the Indian Partnership Act, 1932
  - (a) Whether Bohan is liable for the dues of Karan against the firm.
  - (b) In case, Karan has filed the suit against firm, whether Bohan would be liable?
11. A, B and C are partners in M/s ABC & Company. The firm has decided to purchase a machine from M/s LMN & Company. Before A & B purchase the machine, C died. The machine was purchased but thereafter A and B became insolvent and the firm was unable to pay for machine. Explain, would the estate of C liable for the dues of M/s LMN & Company?
12. G, I and S were friends and they decided to form a partnership firm and trade in a particular type of chemicals. After three years of partnership, a law was passed which banned the trading of such chemicals. As per the provisions of the Indian Partnership Act, 1932 can G, I and S continue the partnership or will their partnership firm get dissolved?
13. What is the procedure for maintenance of books of account, other records and audit of Limited Liability Partnership under LLP Act, 2008?
14. A transport company wanted to obtain licences for its vehicles but could not obtain licences if applied in its own name. It, therefore, formed a subsidiary company and the application for licence was made in the name of the subsidiary company. The vehicles were to be transferred to the subsidiary company. Will the parent and the subsidiary company be treated as separate commercial units? Explain in the light of the provisions of the Companies Act, 2013.
15. ABC Pvt Ltd, has been overstating expenditures in their Profit & Loss account for the past few years. On Inquiry, it was found that the mere purpose was to avoid tax. However, there was no fraudulent intentions. Should the corporate veil of the company be lifted? Kindly justify.
16. A Company registered under Section 8 of the Companies Act, 2013, has been consistently making profits for the past 5 years after a major change in the management structure. Few members contented that they are entitled to receive dividends. Can the company distribute dividend? If yes, what is the maximum percentage of dividend that can be distributed as





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- per provisions of the Companies Act, 2013? Also, to discuss this along with other regular matters, the company kept a general meeting by giving only 14 days' notice. Is this valid?
17. Nolimit Private Company is incorporated as unlimited company having share capital of ₹ 10,00,000. One of its creditors, Mr. Samuel filed a suit against a shareholder Mr. Innocent for recovery of his debt against Nolimit Private Company. Mr. Innocent has given his plea in the court that he is not liable as he is just a shareholder. Explain, whether Mr. Samuel will be successful in recovering his dues from Mr. Innocent?

### **ANSWERS**

1. As per Section 2(j) of the Indian Contract Act, 1872 a contract which ceases to be enforceable by law becomes void when it ceases to be enforceable. The fact of impossibility may be known or unknown to the promisor or promisee.

It may be added by clarification here that the term "contract" shall be understood as an "agreement".

Thus, when the parties agree on doing something which is obviously impossible in itself the agreement would be void.

In this case, Mr. X and Mr. Y were ignorant of the fact that the elephant was dead and therefore the performance of the contract was impossible from the very start (impossibility ab initio).

Hence, this contract is void being not enforceable by law.

2. (i) A contract brought as a result of coercion, undue influence, fraud or misrepresentation would be voidable at the option of the person whose consent was caused. The relation of teacher and student is as such that the teacher is in a position to dominate the will of the student. As a result, the consent of the student is caused by an undue influence. Hence, the contract between them is voidable at the option of the student, and therefore, he can sue the teacher.

(ii) **Vindictive or Exemplary damages**

These damages may be awarded only in two cases:

- (a) for breach of promise to marry because it causes injury to his or her feelings; and
- (b) for wrongful dishonour by a banker of his customer's cheque because in this case the injury due to wrongful dishonour to the drawer of cheque is so heavy that it causes loss of credit and reputation to him.



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A business man whose credit has suffered will get exemplary damages even if he has sustained no pecuniary loss. But a non-trader cannot get heavy damages in the like circumstances, unless the damages are alleged and proved as special damages.  
(*Gibbons v West Minister Bank*)

3. As per Section 17 of Indian Contract Act, 1872, “A false representation of material facts when made intentionally to deceive the other party to induce him to enter into a contract is termed as a fraud.” Section 17(2) further states about active concealment. When a party intentionally conceals or hides some material facts from the other party and makes sure that the other party is not able to know the truth, in fact makes the other party believe something which is false, then a fraud is committed.

In case a fraud is committed, the aggrieved party gets the right to rescind the contract. (Section 19).

In the present case, Karan has examined the study table before purchasing it from Mr. X and could not find any defect in the table as it was concealed by Mr. X.

On the basis of above provisions and facts of the case, Karan can rescind the contract and claim compensation for the loss suffered due to fraud done by Mr. X.

4. (a) The contract is void because of its initial impossibility of performance.  
(b) Time is essence of this contract. As by the time apples reached B, they were already rotten. The contract is discharged due to destruction of subject matter of contract.  
(c) Such contract is of personal nature and hence cannot be performed due to occurrence of an event resulting in impossibility of performance of contract.  
(d) Such contract is discharged without performance because of subsequent illegality nature of the contract.
5. Minor can be a beneficiary or can take benefit out of a contract. Though a minor is not competent to contract, nothing in the Contract Act prevents him from making the other party bound to the minor. Thus, a promissory note duly executed in favour of a minor is not void and can be sued upon by him, because he though incompetent to contract, may yet accept a benefit.

A minor cannot become partner in a partnership firm. However, he may with the consent of all the partners, be admitted to the benefits of partnership (Section 30 of the Indian Partnership Act, 1932).

6. (i) **Condition as to wholesomeness:** In the case of eatables and provisions, in addition to the implied condition as to merchantability, there is another implied condition that the goods shall be wholesome.



Hence, C could recover damages in light of the violation of said condition as regards to the consumption of goods i.e. the bun from the baker which is not of merchantable quality.

**(ii) Delivery of different description:**

As per Section 37(3) of the Sale of Goods Act, 1930 where the seller delivers to the buyer the goods, he contracted to sell mixed with goods of a different description not included in the contract, the buyer may accept the goods which are in accordance with the contract and reject the rest or may reject the whole.

Hence, A may accept 25 chairs of the type agreed upon and may reject the other 25 chairs of some other type not agreed upon or may reject all 50 chairs.

7. According to Section 16(2) of the Sale of Goods Act, 1930, 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 correspond with that quality. But where the buyer could find the defect of the goods by ordinary examination, this rule shall not apply. The rule of Caveat Emptor is not applicable.

In the instant case, Ankit orders a black pen to a stationery shop. Seller gives him a pen saying that it is a black pen. But on the pack of pen, it was clearly mentioned that it is Blue Ink Pen. Ankit ignores the instruction mention on the pack and bought it. On reaching at his house, he finds that actually the pen is blue ink pen. Now he wants to return the pen.

On the basis of above provisions and facts, it is clear that undoubtedly is case of sale by description but Ankit can find the defect using his ordinary diligence as instructions of blue ink pen was clearly mentioned on the pack of pen. Hence, the rule of Caveat Emptor will be applicable here and Ankit cannot return the pen.

8. According to Section 24 of the Sale of Goods Act, 1930, "When the goods are delivered to the buyer on approval or on sale or return or other similar terms the property passes to the buyer:
- (i) when he signifies his approval or acceptance to the seller,
  - (ii) when he does any other act adopting the transaction, and
  - (iii) if he does not signify his approval or acceptance to the seller but retains goods beyond a reasonable time".

Further, as per Section 8, where there is an agreement to sell specific goods, and subsequently the goods without any fault on the part of the seller or buyer perish or become so damaged as no longer to answer to their description in the agreement before the risk passes to the buyer, the agreement is thereby avoided.



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Akansh purchases a Television set from Jethalal, the owner of Gada Electronics on sale or approval for three days. Before Akansh could take any decision, the Television set spoiled due to earth quake.

According to above provisions and fact, the property has not passed to Akansh i.e. buyer as no condition of Section 24 is satisfied. Hence, risk is not passes to the buyer and the agreement is thereby avoided. Akansh is not liable to pay the price. The loss finally should be borne by Seller, Mr. Jethalal.

9. 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.

**Termination of lien:** An unpaid seller loss his right of lien thereon-

- (i) 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;
- (ii) When the buyer or his agent lawfully obtains possession of the goods;

Yes, he can exercise his right of lien even after he has obtained a decree for the price of goods from the court.

10. Nominal Partner is a partner only in name. The person's name is used as if he were a partner of the firm, though actually he is not. He is not entitled to share the profits of the firm but is liable for all acts of the firm as if he were a real partner. A nominal partner must give public notice of his retirement and his insanity is not a ground for dissolving the firm.

In the instant case, Bohan was admitted as nominal partner in the firm. A creditor of the firm, Karan has claimed his dues from Bohan as he is the partner in the firm. Bohan has denied for the claim by replying that he is merely a nominal partner.

- (a) Bohan is a nominal partner. Even he is not entitled to share the profits of the firm but is liable for all acts of the firm as if he were a real partner. Therefore, he is liable to Karan like other partners.
- (b) In case, Karan has filed the suit against firm, answer would remain same.



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**11. Liability of Partner in case of death**

According to Section 35 of Indian Partnership Act, 1932, the estate of a deceased partner is not liable for any act of the firm done after his death. The estate of the deceased partner may be absolved from liability for the future obligations of the firm, it is not necessary to give any notice either to the public or the persons having dealings with the firm.

In the instant case, M/s ABC & Company was having three partners A, B and C. The firm was going to purchase a machine from M/s LMN & Company. Before A & B purchase the machine, C died. Machine was purchased but after that A and B become insolvent and the firm was unable to pay for machine.

On the basis of above provisions and facts of the problem given, the machine was purchased after the death of C. Hence, the estate of C would not be liable for the dues of M/s LMN & Company.

**12. Compulsory dissolution of a firm (Section 41)**

A firm is compulsorily dissolved by the happening of any event which makes it unlawful for the business of the firm to be carried on or for the partners to carry it on in partnership.

In this case, the firm is carrying on the business of trading in a particular chemical and a law is passed which bans the trading of such a particular chemical.

The business of the firm becomes unlawful and so the firm will have to be compulsorily dissolved in the light of Section 41 of the Indian Partnership Act, 1932.

**13. Maintenance of books of account, other records and audit, etc. (Section 34 of LLP Act, 2008):**

The LLP shall maintain such proper books of account as may be prescribed relating to its affairs for each year of its existence on cash basis or accrual basis and according to double entry system of accounting and shall maintain the same at its registered office for such period as may be prescribed.

Every LLP shall, within a period of six months from the end of each financial year, prepare a Statement of Account and Solvency for the said financial year as at the last day of the said financial year in such form as may be prescribed, and such statement shall be signed by the designated partners of the LLP.

Every LLP shall file within the prescribed time, the Statement of Account and Solvency prepared with the Registrar every year in such form and manner and accompanied by such fees as may be prescribed.

The accounts of LLP shall be audited in accordance with such rules as may be prescribed.



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14. If the subsidiary is formed to act as agent of the Principal Company, it may be deemed to have lost its individuality in favour of its principal. The veil of Corporate Personality is lifted and the principal will be held liable for the acts of subsidiary company.

The facts of the case are similar to the case of *Merchandise Transport Limited vs. British Transport Commission (1982)*, wherein a transport company wanted to obtain licences for its vehicles but could not do so, if applied in its own name. It, therefore, formed a subsidiary company, and the application for the licence was made in the name of the subsidiary. The vehicles were to be transferred to the subsidiary company. Held, the parent and the subsidiary were held to be one commercial unit and the application for licences was rejected.

Hence, in this case the parent and the subsidiary company shall not be treated as separate commercial units.

15. Corporate veil refers to the concept that members of a company are shielded from liability connected to the company's action. It is the legal concept whereby the company is identified separately from the members of the company. However, under the below circumstances, the company law disregards the principle of corporate personality.

- To determine the character of the company
- To protect revenue/tax
- To avoid a legal obligation
- Formation of subsidiaries to act as agents
- Company formed for fraud/improper conduct.

In the given scenario, though the intention of the company was not fraudulent to defeat law, it had the intention of avoiding taxes and protecting revenue.

Hence, corporate veil should be lifted and the principles of corporate personality will be disregarded.

16. A company registered under Section 8 of the Companies Act, 2013 is prohibited from the payment of any dividends to its members.

Hence in the given case, the contention of the members to distribute dividend from the profits earned is wrong.

Also, Section 8 company is allowed to call a general meeting by giving 14 days instead of 21 days.



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17. Section 2(92) of Companies Act, 2013, provides that an unlimited company means a company not having any limit on the liability of its members. The liability of each member extends to the whole amount of the company's debts and liabilities, but he will be entitled to claim contribution from other members. In case the company has share capital, the Articles of Association must state the amount of share capital and the amount of each share. So long as the company is a going concern the liability on the shares is the only liability which can be enforced by the company. The creditors can institute proceedings for winding up of the company for their claims. The official liquidator may call the members for their contribution towards the liabilities and debts of the company, which can be unlimited.

On the basis of above, it can be said that Mr. Samuel cannot directly claim his dues against the company from Mr. Innocent, the shareholder of the company even the company is an unlimited company. Mr. Innocent is liable upto his share capital. His unlimited liability will arise when official liquidator calls the members for their contribution towards the liabilities and debts of the company at the time of winding up of company.



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

**Part A**

**Chapter-1 Communication**

1. Explain any two characteristics of nonverbal communication.
2. Briefly describe the process of communication.

**Part-B**

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

1. Change the following sentences from passive voice to active voice.
  - a. The new blue car was stolen by a noted gangster.
  - b. A bill was passed by the Parliament this year.
  - c. Accounts is being taught by Mr. Sharma.
  - d. The cookies were stolen by the little kid.
  - e. A type of air pollution is caused by hydrocarbons.
2. Change the following sentences from active voice to passive voice.
  - a. Jack is building a house.
  - b. A burglar broke the window.
  - c. I was watering the plants.
  - d. The teacher wrote an essay on the blackboard.
  - e. Star channel will telecast a new show soon.
3. Change the following sentences from indirect to direct speech.
  - a. Radha asked me to wait there until she returned.
  - b. John said that German was easy to learn.
  - c. The speaker asked to be quiet and listen to him.
  - d. The helper urged to call the ambulance.
  - e. The Guru ordered his student to shoot the arrow.





**Chapter-3 Vocabulary**

1. Choose the similar meaning of the words given. (Synonyms)

1. INNUNDATE

- a. Overcome
- b. Original
- c. Overload
- d. Outside

2. PETITION

- a. Appeal
- b. Protest
- c. Revolt
- d. Believe

3. REJOICE

- a. Rework
- b. Ghostly
- c. Intelligent
- d. Pleasure

4. CALLOUS

- a. Heartless
- b. Concerned
- c. Primary
- d. Very old

2. Choose the correct meaning of the idioms given below.

a. The best of both worlds

- (i) To travel around the world
- (ii) An ideal situation
- (iii) A good sign
- (iv) To have a strong memory



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- b. Add fuel to the fire
  - (i) To burn something
  - (ii) To discuss fuel prices
  - (iii) To do risky things
  - (iv) To add more to an existing problem
- c. A piece of cake
  - (i) Like to have cake
  - (ii) Anything sweet
  - (iii) To remain happy always
  - (iv) An easy thing to do
- d. Bed of roses
  - (i) A garden with roses
  - (ii) Being comfortable
  - (iii) To keep dreaming
  - (iv) To count the advantages
- e. Go the extra mile
  - (i) To walk a lot
  - (ii) To get tired easily
  - (iii) Make an extra effort
  - (iv) To get distracted
- f. Put your foot in your mouth
  - (i) Say something you shouldn't be saying
  - (ii) To be good at aerobics
  - (iii) To take criticism
  - (iv) Easy going attitude
- g. Step up your game
  - (i) To quit
  - (ii) To take things easily



- (iii) Start accepting faults
- (iv) Start performing better

**Part-C**

**Chapter-4**

1. Read the following passage carefully and answer the questions at the end of each passage.

**Passage 1**

A stout old lady was walking with her basket down the middle of a street in Petrograd to the great perplexity of the traffic and with no small peril to herself. It was pointed out to her that the pavement was the place for pedestrians, but she replied: 'I'm going to walk where I like. We've got liberty now.' It did not occur to the dear old lady that if liberty entitled the pedestrian to walk down the middle of the road, then the end of such liberty would be universal chaos. Everybody would be getting in everybody else's way and nobody would get anywhere. Individual liberty would have become social anarchy.

There is a danger of the world getting liberty-drunk these days like the old lady with the basket, and it is just as well to remind ourselves of what the rule of the road means. It means that in order that the liberties of all may be preserved, the liberties of everybody must be curtailed. When the policeman, at Piccadilly Circus steps into the middle of the road and puts out his hand, he is the symbol not of tyranny but of liberty. You may not think so. You may, being in a hurry, and seeing your car pulled up by this insolence of office, feel that your liberty has been outraged. How dare this fellow interfere with your free use of the public highway? Then if you are a reasonable person, you will reflect that if he did not interfere with you, he would interfere with no one, and the result would be that Piccadilly Circus would be a maelstrom that you would never cross at all. You have submitted to a curtailment of private liberty in order that you may enjoy a social order which makes your liberty a reality.

Liberty is not a personal affair only but a social contract. It is an accommodation of interests. In matters which do not touch anybody else's liberty, of course, I may be as free as I like. If I choose to go down the road in a dressing-gown, who shall stop me? You have the liberty to laugh at me, but I have the liberty to be indifferent to you. And if I have a fancy for dyeing my hair, or wearing an overcoat and sandals, or going to bed late or getting up early, I shall follow my fancy and ask no man's permission.

**Questions**

1. In the phrase 'symbol not of tyranny but liberty', what does the word tyranny mean? (para 2)
2. What is the narrator trying to preach by means of this passage? State in two sentences.



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3. What reason did the lady give for her walking in the middle of the road?
4. Select the suitable synonym for the word 'perplexity' as used in the passage:  
(a) Morality (b) Pleasure (c) Confusion (d) Horror
5. According to the author, what is liberty?

**Passage 2**

The sage of science, Einstein, was sitting in a depressive and pensive mood one evening. His eyes were brimming with tears. The pain was evident on his face. He peeped out of the window of his room. The sun had set a few minutes back. The sky was filled with a reddish glow. At this sunset, he felt that it was humanity that had sunk into devilish darkness and the reddish glow in the sky was the blood of humanity spilling all over the sky from earth. With tired steps, he walked back to his chair and settled down. It was the 9th of August 1945. Three days back, he had felt the same agony as if someone had torn him apart. He was deeply hurt and depressed when he heard on the radio that America had dropped an atom bomb on the Japanese city, Hiroshima. Today, within three days another bomb was dropped on another city, Nagasaki and lakhs of people had been killed.

He had heard that the blast released so much energy that it had paled all past destructions in comparison and death had played out a pitiable dance of destruction. The flames that broke out of the bomb were burning, melting and exploding buildings. Scared of the heat of the bomb, people had jumped into lakes and rivers, but the water was boiling, and the people too were burnt and killed. The animals in the water were already boiled to death. Animals, trees, herbs, fragrant flowering plants were all turned into ashes. The atomic energy destruction had just not stopped there. It had entered the atmosphere there and had spread radiation that would affect people for generations to come and would also ring about destructive irreversible biological changes in animals and plants. As the news of the atomic attack reached Einstein, and he became aware of the glaring horror of the abuse of atomic energy, his distress and restlessness knew no bounds. He could not control himself and picked up his violin to turn his mind on to other things. While playing the violin, he tried to dissolve his distress in its sad notes but couldn't. He was burning on the embers of destruction; his heart was filled with an ocean of agony and tears just continued streaming uncontrollably out of his eyes. Night had fallen. His daughter came up and asked him to eat something as he had not taken anything for the last four days. His voice was restrained, and he said, "I don't feel like eating."

He could not sleep that night. Lying down, he was thinking how he had drawn the attention of the then American President Roosevelt towards the destructive powers of an atomic bomb. He had thought that this would be used to scare Hitler and put an end to the barbarism that Hitler was up to. However, Roosevelt kept him in the dark and made false promises. Eventually, he had abused Einstein's equation of  $E=MC^2$  that resulted in destructive experiments. His actions had made science and scientists as murderers.



Einstein kept on thinking for a long time. Eventually, he slipped into sleep. When he woke up at dawn, there was a new dawn in him too. The atomic threat had transformed his heart.

1. Why was Einstein upset on 9<sup>th</sup> August, 1945?
2. What did Einstein do to distract himself when the news of the atomic attack reached him?
3. Select a suitable antonym for the word 'barbarism' as used in the passage?  
(a) Chaos (b) Mundane (c) Brutality (d) Gentleness
4. Why were animals in water boiled to death after the nuclear bomb attack?
5. Why was Einstein sitting in a depressive and pensive mood?
6. What could be the long terms effects of the nuclear attack?

**Passage 3**

The first survey in Japan on 'gaming disorder' found that 18.3% of young people aged between 10 and 29 play video games for an average of three or more hours a day. Those who spend extended and long hours playing these games are more likely to become addicted, which can interfere with their lives and negatively affect their health.

Among those surveyed 85% (92.6% male and 77.4% female) had played video games within the past 12 months. A survey question that allowed multiple answers found that the most popular gaming format, used by 80% of those surveyed was the smartphone, followed by home video game consoles at 48 % approximately and hand held game consoles at 33.5 approximately. About 97.6% persons responded that they played games at homes. It gives them a comfort zone and makes them feel easy and relaxed.

Around 40% of those playing six or more hours of video games a day also reported that they continue despite physical problems like backaches, sore eyes, and headaches or mental stress, even sleep disorders or depression. About half of the pre-school kids and elementary students have already begun to play online games. Adult should set a good example by demonstrating proper self-control themselves.

1. What problems can happen when you play video games for more extended hours?
2. Select a suitable antonym for the word 'relaxed'  
a) Rigorous (b) Comfortable (c) Simple (d) Volcanic
3. On a general, who is more likely to get addicted to video games?
4. What is the order of preference (according to the survey) for playing video games. Mention the devices in order of usage (highest usage mentioned first)



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5. Give the passage a suitable title.

**Chapter-5 Note Making**

1. Read the following passage carefully.

(i) Make notes, using headings, sub-headings and using abbreviations wherever necessary. (ii) Give a suitable title (ii) Write summary.

We have but one method of acquiring knowledge. From the lowest man to the highest yogi, all have to use the same method, and that method, is called concentration. The chemist who works in his laboratory concentrates all the powers of his mind, brings them into one focus and throws them on the elements, and the elements stand analysed, and thus his knowledge comes. The astronomer also concentrates the powers of his mind and brings them into one focus and then throws them on to objects through his telescope and stars and systems roll forward and give up their secrets to him. So it is in every case—with the professor in his chair, the students and his books—with every man who is working to know.

The more this power of concentration is, the more is the knowledge acquired, because this is the one and the only method of acquiring it. Even the lowest shoebblack, if he pays more concentration, will polish shoes better, the cook with his concentration will focus all his attention on the work in hand and will cook a better meal. In making money or in worshipping God, or in doing anything, the stronger the power of concentration, the better will be that work done.

Even though concentration is the key to acquiring knowledge—Concentration itself is not easy to attain. It is a skill that can be developed only through a lot of patience and practice. He who masters it is real 'yogi'. To control our senses and to gather all our awareness into one focus is by no means an easy task. Life itself is complex and there are invariably several issues vying for our attention which makes it even more difficult to focus on only one thing. Even if we try to concentrate fully on the work in hand, our subconscious mind is scattered in varied directions and soon drags our conscious mind along, without even our realizing it. It therefore requires a lot of discipline, will power and self-control to focus or concentrate.

However, the effort is worth it and pays rich dividends in the form of accomplishment of our goals. This is the one call, the one knock which opens the gate of nature, and lets out floods of light.

**Chapter-7 Précis Writing**

Write a précis and give an appropriate title to the passages given below.

1. Falling down or failing is one of the most agonizing, embarrassing, and scariest human experiences. But it is also one of the most educational, empowering, and essential parts of living a successful and fulfilling life. Did you know that perseverance (grit) is one of the seven qualities that have been described as the keys to personal success and betterment



in society? The other six are curiosity, gratitude, optimism, self-control, social intelligence, and zest. Thomas Edison is a model for grit for trying 1,000 plus times to invent the light bulb. If you are reading this with the lights on in your room, you know well he succeeded. When asked why he kept going despite his hundreds of failures, he merely stated that what he had been were not failures. They were hundreds of ways not to create a light bulb. This statement not only revealed his grit but also his optimism for looking at the bright side.

Grit can be learned to help you become more successful. One of the techniques that helps is mindfulness. Mindfulness is a practice that helps the individual stay in the moment by bringing awareness of his or her experience without judgement. This practice has been used to quiet the noise of their fears and doubts. Through this simple practice of mindfulness, individuals have the ability to stop the self-sabotaging downward spiral of hopelessness, despair, and frustration.

- Artificial intelligence helps us manage highly complex systems such as global shipping networks. For example, the system at the heart of the Port Botany container terminal in Sydney manages the movement of thousands of shipping containers in and out of the port, controlling a fleet of automated, driverless straddle-carriers in a completely human-free zone. Similarly, in the mining industry, optimisation engines are increasingly being used to plan and coordinate the movement of a resource, such as iron ore, from initial transport on huge driverless mine trucks, to the freight trains that take the ore to port.

AI's are at work wherever you look, in industries from finance to transportation, monitoring the share market for suspicious trading activity or assisting with ground and air traffic control. They even help to keep spam out of your inbox. And this is just the beginning for artificial intelligence. As the technology advances, so too does the number of applications.

So what's the problem? Rather than worrying about a future AI takeover, the real risk is that we can put too much trust in the smart systems we are building. Recall that machine learning works by training software to spot patterns in data. Once trained, it is then put to work analysing fresh, unseen data. But when the computer spits out an answer, we are typically unable to see how it got there.

- As India is an agricultural country, the most important crops of India are rice, wheat and sugarcane. Significantly, these crops are the most water consuming crops. Rice, a major crop export, consumes about 3500 litres of water for a kilogram of grain produced. Punjab which is the third largest producer of rice in India is completely dependent on groundwater for the production of its rice and consumes two to three times more water than Bihar and West Bengal to produce a kilogram of rice.

Sugarcane is another water guzzling crop in India, which is a very popular crop among farmers in Maharashtra because they are assured of marketing by sugar mills. The primary source of water for growing sugarcane is groundwater, whereas state like Bihar which are more suitable for the production of sugarcane produce only 4% of India's sugar cane output.



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Thus, measures need to be taken to ensure that crop production patterns within the country and across states are aligned to regional water availability. Emphasis should be placed on the adoption of water- better technologies, latest management systems, awareness amongst farmers, and advisory services to improve water consumption in agriculture.

**Chapter-8 Article Writing**

1. Write an article on the following topics in not more than 200-250 words.
  - a. Should Physical Education be a compulsory subject for students till grade 12?
  - b. Importance of reading a newspaper every day.

**Chapter-9 Report Writing**

1. Write a newspaper report about a cultural/yoga held on 21st June, 2022 at Talkatora stadium, New Delhi on the occasion of International Yoga day.
2. You are the Secretary of an RWA (Resident Welfare Association). Write a formal report stating details of expenditure to be made in the next financial year towards purchase of items for the society. (Things like gardening tools, table fans for guards, plastic chairs, lock and key for the office room etc)

**Chapter-10 Formal letters and Official Communication**

1. You manage the supply of raw material for a local restaurant serving vegetarian food. Write a letter for placing the order of grocery items needed in the next one month. Address the letter to M/S Khurana and Sons Grocery Pvt Ltd. Prepare a list of at least 5 items.
2. You are Arun/Anita. Write a letter to the Fastnet Private Ltd, the local internet service provider in your locality complaining about the slow bandwidth and poor signal strength in your internet connection.

**Chapter-11 Writing formal mails**

1. On behalf of your Technology based organization, write a formal mail to all your employees requesting them to log their entry and exit time details in the company's new mobile based application. State that details should be sent to the HR department weekly. Sign yourself as a senior HR personnel of the firm.
2. Write a formal email on behalf of an educational institute addressing the parents to encourage students to attend offline classes regularly. Frequent leaves for reasons unstated is becoming a concern among the student community. Sign yourself as the college Principal.

**Chapter-12 Resume Writing**

1. You are Feroz/Fatima, holding a Master's degree in library Science. Draft your resume to apply for jobs in school as a senior librarian.





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2. You are Krish/Kavita Sethi, HR Head of Team Toppers Private Limited. Draft a formal e-mail stating the cause for rejecting a candidate named Sameer, who had applied for the post of the position of Accountant in your company

**Chapter-13 Meetings**

1. Write 'Minutes of the Meeting' for a meeting conducted to discuss the issue of an extended work from home and the need to call back employees to work.
2. Write the 'Minutes of the Meeting' for a meeting organized to discuss the need to refurbish/renovate the office space to create a better working environment. Mention few specific things to be changed/added.

**ANSWERS**

**Part A**

**Chapter-1 Communication**

- (1) The two characteristics of nonverbal communication are:
- (i) Physical nonverbal communication which includes an individual's facial expressions, gestures, stances and other physical signals.
  - (ii) Paralanguage refers to voice quality, intonation, pitch, stress, tone and style of speaking.
- (2) In communication process, a sender (encoder) encodes a message and then using a medium/channel sends it to the receiver (decoder) who decodes the message and after processing information sends back appropriate feedback/reply using a medium/channel.

**Part-B**

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

1.
  - a. A noted gangster stole the new blue car.
  - b. The Parliament passed a bill this year.
  - c. Mr. Sharma is teaching Accounts.
  - d. The little kids stole the cookies
  - e. Hydrocarbons cause a type of air pollution
2.
  - a. A house is being built by Jack
  - b. The window was broken by a burglar.
  - c. The plants were being watered by me.



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- d. An essay was written by the teacher on the blackboard.
- e. A new show will be telecasted by Star channel soon.
- 3. a. Radha said, 'Wait for me here until I return'.
- b. John said, 'German is easy to learn'.
- c. The speaker said, 'Be quiet and listen to me'.
- d. The helper said, 'Call the ambulance'.
- e. The Guru said to the student, 'Shoot the arrow'.

**Chapter-3 Vocabulary**

- 1. 1 c
- 2 a
- 3 d
- 4 a
- 2. (a) ii
- (b) iv
- (c) iv
- (d) ii
- (e) iii
- (f) i
- (g) iv

**Part-C**

**Chapter-4**

**Passage 1**

- 1. The word tyranny means a harsh rule or brutality.
- 2. The narrator is trying to preach the fact that liberty should be exercised to the extent that it doesn't harm anyone else. No citizen should take undue advantage of liberty and do whatever he wishes to.
- 3. The lady said that they had liberty, so she could walk anywhere, even in the middle of the road.
- 4. C. Confusion



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5. Liberty according to the author is not a personal affair only but a social contract. It is an accommodation of interests. One must exercise it within guaranteed limits and not misuse it.

**Passage 2**

1. Einstein was upset on 9<sup>th</sup> august because today within three another bomb was dropped at Nagasaki.
2. He picked up his violin to turn his mind on to other things.
3. d. Gentleness
4. The water was boiling due to the heat of bomb. As a result animals were boiled to death in water.
5. Einstein was sitting in a pensive mood because two nuclear bomb attacks had taken place. He was very well aware of the harmful consequences that had happened and would happen in the future that would badly effect life.

The attack had spread radiation that would affect people for generations to come and would also ring about destructive irreversible biological changes in animals and plants.

**Passage 3**

1. Extended hours of play can lead to backaches, sore eyes, and headaches or mental stress, even sleep disorders or depression
2. A. Rigorous
3. Those who spend extended and long hours playing these games are more likely to become addicted to video games.
4. Devices used by 80% of those surveyed was the smartphone, followed by home video game consoles at 48 % approximately and hand held game consoles at 33.5 approximately.
5. Video games: Fun or addiction -- The choice is yours!!

**Chapter-5 Note Making**

Title: Power of Concentration

- (1) One method of acqrgn knldg: Conc
  - 1.1 chmst shows knldg of elmnts
  - 1.2 The chmst does analysis
  - 1.3 Astrmr shows knldg of object in sky
    - 1.31 Uses telscps, stars and systm
  - 1.4 All profns need conc.



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- (2) More conc. pwr leads to more knldg  
2.1 Whthr it is polshng shoes, cking meals or wrshpng God
- (3) Conc. cn b devlpd thru patience and prac.  
3.1 Real yogi is one who masters conc.  
3.2 To master it, one needs to gthr awrnss and ctrl senses.  
3.3 With the no. of distrctns in life, the abv is nt an easy tsk  
3.4 The sub conscious mind gets divtrd and we dnt even realize.  
3.5 One needs to hv displn, will pwr and self ctrl to focus on conc.

**Key words**

- Acqrrng: acquiring
- Knldg: knowledge
- Chmst: chemist
- Elmnts: elements
- Astrmr: astronomer
- Telscps: telescope
- Systm: system
- Profns: professions
- Conc: concentration
- Pwr: power
- Whthr: whether
- Polshng: polishing
- Cking: cooking
- Wrshpng: worshipping
- Cn: can
- Devlpd: developed
- Thru: through
- Prac: practice
- Gthr: gather



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- Awnss: awareness
- Ctrl: control
- No: number
- Distrctn: distractions
- Abv: above
- Nt: not
- Divtrd: Diverted
- Dnt: don't
- Hv: have
- Displn: discipline
- Pwr: power
- Ctrl: control

### Summary

#### Key to knowledge: Concentration?

One way of gaining knowledge is to have concentration. Whether it is a yogi, an astronomer, a shoe polisher, a cook, a professor or a student- with concentration he can perform better. The sub conscious mind gets swayed away without our knowledge; the distractions can be controlled through practice and patience. One who does that becomes a 'yogi' and attains success and achieves his goals.

#### Chapter 7: Precis Writing

##### Passage -1 To fail is ok!

Failing is not about feeling embarrassed or facing agony. It is a learning in itself that increases one's perseverance and is a key to personal success. The other keys are curiosity, gratitude, optimism, self-control, social intelligence and zest. Thomas Edison described his unsuccessful attempts as ways of not creating a light bulb; thus showing his optimism. Being aware of your experience brings mindfulness which as a result brings grit. Being mindful avoids a person's downfall and helps overcome helplessness, despair and frustration.

##### Passage 2- Artificial Intelligence; Boon or a bane?

Artificial Intelligence (AI) is a subject that is being used in various fields like global shipping and mining. A good example is the Port Botany container terminal in Sydney where AI helps to manage movement of ships, and runs driverless carriers. In mining, optimization engines help in transportation of the iron ore end to end on driverless mine trucks. With the advancement of technology, AI is part of monitoring the share market and assisting with air traffic. The risk of AI



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taking over and our over dependence is a cause of concern. However, machine learning works when we feed the system, with a software and let it operate on its own!

**Passage 3 - Water: An important requirement for our primary crops**

In the agrarian India, wheat, rice and sugarcane are the most important crops and co incidentally all three of them have a heavy water dependency.

Rice, which is an export crop needs about 3500 litres of water per kilogram of the rain and states like Punjab, with their dependency on groundwater consume way more water than Bihar and West Bengal, also big producers of the grain. Sugarcane also depends on groundwater for its water needs. A crop famous amongst the farmers of Maharashtra for its sugar value, gives a very low output in Bihar of about 4%. Suitable measures if taken at the right time with emphasis on good technology, management systems, awareness amongst farmers and proper advice would enable the country for better production and efficient usage of water resources.

**Chapter-8 Article Writing**

1. (a) Hints : Exercise is the key- to physical health and mental peace (title)
  - (i) A sound mind resides in a healthy body.
  - (ii) Mental and physical health go hand in hand; to be physically fit, the mind should be stable and sound; also a stable mind shows energy and active strength.
  - (iii) Physical Education can help a child distress, especially after times of the pandemic.
  - (iv) In the present scenario, for the ongoing health issues and disorders in the students, physical exercise and activity can act as a saviour.
  - (v) Considering the need of hour, Physical Education can be made compulsory. Life these days in view of the pandemic has become a little dull and in the comfort zone. Children should indulge in outdoor activities more than sit at home and play video/phone games. It has been observed that children are becoming more obese and developing other health issues due to lack of physical exercise.
- (b) Hints: Newspaper Reading- the Treasure of knowledge (title)
  - (i) Newspapers helps you to stay aware about what is happening around the world.
  - (ii) They help in keeping you up to date in current affairs and other activities happening around the world.
  - (iii) Reading a newspaper helps to build vocabulary and enhance concentration.
  - (iv) Reading a newspaper is a good habit and keeps one active and dedicated towards knowing more. It creates a greed for knowledge and news.
  - (v) It also helps in clearing various competitive exams in different fields.



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### Chapter-9 Report Writing

(1) Hints:

#### 'International Yoga Day celebrated with fun and activities'

22<sup>nd</sup> June, 2022, New Delhi

Arvind Khanna

- The International Yoga Day was celebrated on 21<sup>st</sup> June, 2022 with a great pomp and show. The event included, speeches, skits, presentations and cultural programmes performed by kids. The event was inaugurated by Maha Yogi Ramchandra from Haridwar and was attended by noted celebrities from the field of yoga, education and entertainment.
- The celebrations started with a small introduction to 'what is yoga', explained by Mahayogi Ramchandra. He spoke about the benefits about yoga and also showed a few 'asanas' that would be helpful in general.
- This was followed by a speech by the state health minister Mr. XYZ. A short movie on the benefits of yoga was shown to the audience followed by cultural dances by children of different age groups.
- Towards the end of the programme, books and pamphlets were distributed to the audience.
- The session ended with a thank you note given by a team member of Maha Yogi. The celebrations were applauded and praised by one and all.

2. To: The Treasurer, Hind Apartments, RWA

From: Secretary, Hind Apartments, RWA

Date: 29<sup>th</sup> July, 2022

Subject: Expenditure to be made towards miscellaneous items purchased for the society.

Acknowledgements: I am deeply grateful to all my team members who helped me in formulating this detailed report. The expenditure and other related details have been recorded with precision.

Contents:

- Stating the need to buy new equipment
- List of items to be purchased, listed category wise
- Current budget versus last financial year's budget
- Conclusion

Summary: With the pandemic having caused havoc in the last two years, many society works have been pending. Things seem to be improving now, so we plan to upgrade the



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society garden, club house, install security cameras and place swings for children. To boost sports and other outdoor activities, we decided to allow our players to reap maximum benefit from the new equipment to be purchased and hence make a mark for themselves. All these suggestions have been stated keeping in the mind the welfare of the residents and their families.

*Can be continued with a few tables mentioned (list of items to be purchased, cost of each time).*

The RWA shall ensure that all residents benefit from the changes made in the society. We hope to receive the funds well in time to start the needful task.

**Chapter-10 Formal letters and Official Communication**

1. Eat Well Restaurant  
Sector 12, Dwarka  
New Delhi- 110075

28<sup>th</sup> July 2022

M/s Khuarana and Sons Grocery Pvt. Ltd.

Khari Baoli, Central Delhi

New Delhi- 110002

Subject: Placing an order for grocery items

Dear Sir,

As discussed over telephone, we would like to place an order for the following grocery items for our vegetarian restaurant in Dwarka.

Salt	5 kg
Turmeric	5 kg
Red chilli	2 kg
Coriander powder	4 kg
Rice	20 kg
Wheat flour refined	10 kg
Chick peas	5 kg





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Kindly ensure that the items are fresh and of best quality when packed. We would appreciate if the above items are packed in separate bags and as per the required quantity. It is a request to deliver these grocery items latest by 5th September, 2022. Bills for the same shall be cleared at the time of delivery. Please offer a suitable discount on the purchase.

An early delivery would be appreciated.

Thanking you,

Yours Sincerely,

Arjun Bhatt

Eat Well Restaurant, Dwarka

Manager

2. H.No.34/12,  
East Patel Nagar,  
New Delhi- 110008

30<sup>th</sup> July, 2022

Customer Service Manager,

Fast Net India Pvt. Ltd.,

Karol Bagh, New Delhi- 110005

Subject- Filing complaint for a defect in poor bandwidth and low signal strength in the internet (wifi) connection) Portfolio no. 123/EPN/202021

Dear Sir,

I hereby write to complain regarding the poor internet connection and low signal strength in the Wifi provided. The portfolio number is 123/EPN/20201, dated 20<sup>th</sup> June, 2021

The wires were laid on 20<sup>th</sup> June, 2021 and there seemed to be no problem initially. However, with one season of heavy rain, the internet connection has got disturbed. The band width is very low and the internet keeps going off multiple times in a day. As I am working from home, this kind of a lag is causing me lot of trouble.



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I request you to look into this matter without any delay and send a technician to check the wires and any other connection source. I have enclosed a copy of the bill for your reference. Looking forward to your early response.

Thanking you!

Yours truly,  
Arun/Anita,  
East Patel Nagar,  
New Delhi.

**Chapter-11 Writing formal mails**

1. Dear employees,

Greetings!

We request all our employees to use the company's new mobile application for logging in their entry and exit details. These details should be sent weekly to the concerned authorities in the HR department. For the ease and benefit of our employees, we have shared the link to download the application directly.

This is a mandatory process and we request all our employees to kindly follow the guidelines and do the needful. Defaulters will face unpleasant consequences.

For any help regarding the matter, a help desk counter has been set up at the reception area for the next two days. You can also write to [helpdesk.attendanceentry@email.com](mailto:helpdesk.attendanceentry@email.com) for clarifications.

Looking forward to your kind cooperation.

With warm regards

Mr. ABC,

Director, HR

Global Technologies

Link for app: <http://mobile.attendanceapp/globaltech>

2. Dear parents,

This is to inform you that we are witnessing a dwindling number in the attendance of students for offline/physical classes. With the pandemic effect having reduced, we would



like students to attend the classes regularly and diligently. Classroom teaching not only ensures academic skills but also helps in co scholastic grooming.

We request you to encourage your ward to attend all classes and take maximum benefit from them. Kindly note that leave shall be granted in case of a genuine reason only when approved' signed/authorized by parents.

Looking forward to your cooperation.

With warm regards,

Mr. A.K Sharma

Principal

Nav Darpan College

2<sup>nd</sup> Aug, 2022

#### **Chapter-12 Resume Writing**

##### **1. Cover Letter:**

KJ- 120, 2nd Floor,  
Rajouri Garden, Delhi,  
26<sup>th</sup> July, 2020

The Principal,  
Queen Field International School,  
Rajouri Garden,  
New Delhi.

Subject: Application for the post of librarian

It gives me immense pleasure to share my resume with you for position of Senior Librarian at your esteemed organization/school.

I hold a Master's degree in Library Sciences and have more than six years of experience in this work. My strong interest of working has motivated me to apply for your organization. I have a versatile experience of working with an International school and a branch of one of the top schools of Delhi NCR. I have a widespread knowledge of foreign author books also, which can be helpful in recommending good study material to senior students.

Please find my resume for the details of my credentials.



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Looking forward to hearing from you soon!

Yours Sincerely,

Feroz/Fatima

**Resume:**

**Feroz/Fatima Sheikh**

ABC, XYZ Colony, New Delhi- 110018 | +91- 11111 1111 | fatima@yahoo.com  
[feroz@yahoo.com](mailto:feroz@yahoo.com)

**Objective**

To offer meaningful suggestions through discussions , with a focus to prioritize student's individualistic needs in specific subjects.

**Educational Qualification**

Qualification	Year	Board/University	Institution's Name
M.Lib.I.Sc	2010	Chatrapati Shivaji University, Sholapur	Shivaji Maharaj College of Education
B.Lib.I.Sc.	2008	Chatrapati Shivaji University, Sholapur	Shivaji Maharaj College of Education
Class 12 <sup>th</sup>	2007	Maharashtra State Board	Rainbow Public School, Sholapur
Class 10 <sup>th</sup>	2005	Maharashtra State Board	Rainbow Public School, Sholapur

**Professional Experience**

**ABC Private Library, Pune, Librarian April'11 - December'11**

- Experience of handling students of various backgrounds.
- Conducted a workshop on 'Need to Read'.
- Attended seminars on library management.

**XYZ School, Librarian January'12 - March'18**

- Experience of handling students of Grade 8, 9 and 10
- Attended workshop organized by Cambridge University Press for library sciences and its future.



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- Awarded certificate for 'Outstanding Performance in the Role Assigned' for three consecutive years (2013, 2014 and 2015)
- Invited for a talk show by city school to discuss the fading subject of Library sciences.

**2. Sameer Sagar**

H-12, New Friends Colony,  
New Delhi-110025

Subject: Disapproval for the post of Accountant.

Dear Sameer,

We are sorry to inform you that you have not been shortlisted for the post of Accountant at Team toppers Pvt Ltd.

We appreciate your efforts and credentials, however there are some concerns in your CV which do not make you the best candidate. With the competition being neck to neck, we suggest, you work on advanced accounting skills that would help you stand a better chance next time.

We wish you luck in the future!

Kind regards,

Krish/Kavita Sethi,

HR Head of Team Toppers Private Limited

+91- 33333 3333

**Chapter-13 Meetings**

**1. Hint: State the agenda for the meeting**

Participants in the meeting: Mr. XY, Vice-President; Mr. A, HR Manager; Mr. B. HR employee; Mr. C, Business Development Manager

Date: July18, 2022

Meeting started at 12.00pm

Mr. B started the meeting and discussed the agenda.

Mr. XY intervenes and mentions how important is for the employees to return to work.

Mr. A and Mr. B together presented a presentation on the statistics of productivity and late attendance of employees while working from home.



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Mr. B gave suggestions/incentives to call the employees back.

Mr. XY gave his valuable inputs on how he wants everything should be.

Mr. C gives his opinion on how business can get effected if the work from home option gets prolonged.

**2.** Hint: Focus on the agenda.

Participants in the meeting: Mr. B, Vice-President; Mr. A, Mr. C, Sales Manager and their Associates

Date: July 15, 2022

Meeting started at 1.00pm.

Mr. C explains about the agenda of the meeting, and he talks about how people are facing issues in the old set up.

The associates have brainstormed few ideas about how the new look of the office space can bring in better productivity and encourage the employees too.

Mr. B listens to everyone carefully and shares his thoughts about changing specific areas/infrastructure in the office.

Mr. C agrees and informs that he will discuss with design team and share the appropriate designs with everyone soon.

The meeting concluded with few ideas that everyone is ready to explore and implement.



**PAPER – 2: BUSINESS LAWS AND BUSINESS CORRESPONDENCE AND REPORTING**

**SECTION A: BUSINESS LAWS**

**PART – I: Amendments for June, 2023 Examinations**

**1. Chapter 4: The Limited Liability Act, 2008**

The Limited Liability Act, 2008 has been amended through the Limited Liability Partnership (Amendment) Act, 2021 dated 13<sup>th</sup> August, 2021. The following are the amendments w.e.f. 1<sup>st</sup> April, 2022.

Earlier provision	New provision
-	Throughout the Limited Liability Partnership Act, 2008, for the words and figures “the Companies Act, 1956” wherever they occur, the words and figures “the Companies Act, 2013” shall be substituted.
<p><b>Body Corporate [(Section 2(d))]:</b> It means a company as defined in section 3 of the Companies Act, 1956 and includes—</p> <ul style="list-style-type: none"> <li>(i) a LLP registered under this Act;</li> <li>(ii) a LLP incorporated outside India; and</li> <li>(iii) a company incorporated outside India,</li> </ul> <p>but does not include—</p> <ul style="list-style-type: none"> <li>(i) a corporation sole;</li> <li>(ii) a co-operative society registered under any law for the time being in force; and</li> <li>(iii) any other body corporate (not being a company as defined in section 3 of the Companies Act, 1956 or a limited liability partnership as defined in this Act), which the Central Government may, by notification in the Official Gazette, specify in this behalf.</li> </ul>	<p><b>Body Corporate [(Section 2(d))]:</b> It means a company as defined in <b>clause (20) of section 2 of the Companies Act, 2013</b> and includes</p> <ul style="list-style-type: none"> <li>(i) a limited liability partnership registered under this Act;</li> <li>(ii) a limited liability partnership incorporated outside India; and</li> <li>(iii) a company incorporated outside India,</li> </ul> <p>but does not include</p> <ul style="list-style-type: none"> <li>(i) a corporation sole;</li> <li>(ii) a co-operative society registered under any law for the time being in force; and</li> <li>(iii) any other body corporate (not being a company as defined in <b>clause (20) of section 2 of the Companies Act, 2013</b> or a limited liability partnership as defined in this Act), which the Central Government may, by notification in the Official Gazette, specify in this behalf.</li> </ul>
<p><b>Business [Section 2(e)]:</b> “Business” includes every trade, profession, service and occupation.</p>	<p><b>Business [Section 2(e)]:</b> “Business” includes every trade, profession, service <b>and occupation except any activity which the Central Government may, by notification, exclude.</b></p>



<p><b>Newly inserted</b></p>	<p>“Small limited liability partnership [Section 2(ta)]: It means a limited liability partnership—</p> <ul style="list-style-type: none"> <li>(i) the contribution of which, does not exceed twenty-five lakh rupees or such higher amount, not exceeding five crore rupees, as may be prescribed; and</li> <li>(ii) the turnover of which, as per the Statement of Accounts and Solvency for the immediately preceding financial year, does not exceed forty lakh rupees or such higher amount, not exceeding fifty crore rupees, as may be prescribed; or</li> <li>(iii) which meets such other requirements as may be prescribed, and fulfils such terms and conditions as may be prescribed;</li> </ul>
<p><b>Designated partners (Section 7):</b></p> <ul style="list-style-type: none"> <li>(i) Every LLP shall have at least two designated partners who are individuals and at least one of them shall be a resident in India.</li> <li>(ii) If in LLP, all the partners are bodies corporate or in which one or more partners are individuals and bodies corporate, at least two individuals who are partners of such LLP or nominees of such bodies corporate shall act as designated partners.</li> <li>(iii) <i>Resident in India:</i> For the purposes of this section, the term “resident in India” means a person who has stayed in India for a period of not less than 182 days during the immediately preceding one year.</li> </ul>	<p><b>Designated partners (Section 7)</b></p> <ul style="list-style-type: none"> <li>(1) Every limited liability partnership shall have at least two designated partners who are individuals and at least one of them shall be a resident in India:            Provided that in case of a limited liability partnership in which all the partners are bodies corporate or in which one or more partners are individuals and bodies corporate, at least two individuals who are partners of such limited liability partnership or nominees of such bodies corporate shall act as designated partners.  <b>Explanation.</b> For the purposes of this section, the term resident in India means a person who has stayed in India for a period of not less than one hundred and <b>twenty days during the financial year.</b></li> <li>(2) Subject to the provisions of sub-section (1),           <ul style="list-style-type: none"> <li>(i) if the incorporation document</li> </ul> </li> </ul>





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	<p>(a) specifies who are to be designated partners, such persons shall be designated partners on incorporation; or</p> <p>(b) states that each of the partners from time to time of limited liability partnership is to be designated partner, every partner shall be a designated partner;</p> <p>(ii) any partner may become a designated partner by and in accordance with the limited liability partnership agreement and a partner may cease to be a designated partner in accordance with limited liability partnership agreement.</p> <p>(3) An individual shall not become a designated partner in any limited liability partnership unless he has given his prior consent to act as such to the limited liability partnership in such form and manner as may be prescribed.</p> <p>(4) Every limited liability partnership shall file with the Registrar the particulars of every individual who has given his consent to act as designated partner in such form and manner as may be prescribed within thirty days of his appointment.</p> <p>(5) An individual eligible to be a designated partner shall satisfy such conditions and requirements as may be prescribed.</p> <p>(6) Every designated partner of a limited liability partnership shall obtain a Designated Partners Identification Number (DPIN) from the Central Government and the provisions of <b>sections 153 to 159 (both inclusive) of the Companies Act, 2013</b> shall apply <i>mutatis mutandis</i> for the said purpose.</p>
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<p><b>Registered office of LLP and change therein (Section 13):</b></p> <ol style="list-style-type: none"> <li>(1) Every LLP shall have a registered office to which all communications and notices may be addressed and where they shall be received.</li> <li>(2) A document may be served on a LLP or a partner or designated partner thereof by sending it by post under a certificate of posting or by registered post or by any other manner, as may be prescribed, at the registered office and any other address specifically declared by the LLP for the purpose in such form and manner as may be prescribed.</li> <li>(3) A LLP may change the place of its registered office and file the notice of such change with the Registrar in such form and manner and subject to such conditions as may be prescribed and any such change shall take effect only upon such filing.</li> <li>(4) If the LLP contravenes any provisions of this section, the LLP and its every partner shall be punishable with fine which shall not be less than ` 2,000 but which may extend to ` 25,000.</li> </ol>	<p><b>Registered office of LLP and change therein (Section 13):</b></p> <ol style="list-style-type: none"> <li>(1) Every limited liability partnership shall have a registered office to which all communications and notices may be addressed and where they shall be received.</li> <li>(2) A document may be served on a limited liability partnership or a partner or designated partner thereof by sending it by post under a certificate of posting or by registered post or by any other manner, as may be prescribed, at the registered office and any other address specifically declared by the limited liability partnership for the purpose in such form and manner as may be prescribed.</li> <li>(3) A limited liability partnership may change the place of its registered office and file the notice of such change with the Registrar in such form and manner and subject to such conditions as may be prescribed and any such change shall take effect only upon such filing.</li> <li>(4) <b>If any default is made in complying with the requirements of this section, the limited liability partnership and its every partner shall be liable to a penalty of five hundred rupees for each day during which the default continues, subject to a maximum of fifty thousand rupees for the limited liability partnership and its every partner.</b></li> </ol>
<p><b>Name (Section 15):</b></p> <ol style="list-style-type: none"> <li>(1) Every limited liability partnership shall have either the words "limited liability partnership" or the acronym "LLP" as the last words of its name.</li> </ol>	<p><b>Name (Section 15):</b></p> <ol style="list-style-type: none"> <li>(1) Every limited liability partnership shall have either the words limited liability partnership or the acronym LLP as the last words of its name.</li> </ol>



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<p>(2) No LLP shall be registered by a name which, in the opinion of the Central Government is—</p> <p>(a) undesirable; or</p> <p>(b) identical or too nearly resembles to that of any other partnership firm or LLP or body corporate or a registered trade mark, or a trade mark which is the subject matter of an application for registration of any other person under the Trade Marks Act, 1999.</p>	<p>(2) No limited liability partnership shall be registered by a name which, in the opinion of the Central Government is</p> <p>(a) undesirable; or</p> <p>(b) <b>identical or too nearly resembles to that of any other limited liability partnership or a company or a registered trade mark of any other person under the Trade Marks Act, 1999.</b></p>
<p><b>Change of name of LLP (Section 17):</b></p> <p>(1) Notwithstanding anything contained in sections 15 and 16, where the Central Government is satisfied that a LLP has been registered (whether through inadvertence or otherwise and whether originally or by a change of name) under a name which —</p> <p>(a) is a name referred to in sub-section (2) of section 15; or</p> <p>(b) is identical with or too nearly resembles the name of any other LLP or body corporate or other name as to be likely to be mistaken for it, the Central Government may direct such LLP to change its name, and the LLP shall comply with the said direction within 3 months after the date of the direction or such longer period as the Central Government may allow.</p> <p>(2) (i) Any LLP which fails to comply with a direction given under sub-section (1) shall be punishable with fine which shall not be less</p>	<p><b>Change of name of LLP (Section 17):</b></p> <p>(1) <b>Notwithstanding anything contained in sections 15 and 16, if through inadvertence or otherwise, a limited liability partnership, on its first registration or on its registration by a new body corporate, its registered name; is registered by a name which is identical with or too nearly resembles to—</b></p> <p>(a) that of any other limited liability partnership or a company; or</p> <p>(b) a registered trade mark of a proprietor under the Trade Marks Act, 1999, as is likely to be mistaken for it, then on an application of such limited liability partnership or proprietor referred to in clauses (a) and (b) respectively or a company, the Central Government may direct that such limited liability partnership to change its name or new name within a period of three months from the date of issue of such direction:</p> <p><b>Provided that an application of the proprietor of the registered trade marks shall be maintainable within a</b></p>



<p>than ₹ 10,000 but which may extend to ₹ 5 Lakhs.</p> <p>(ii) The designated partner of such LLP shall be punishable with fine which shall not be less than ₹ 10,000 but which may extend to ₹ 1 Lakh.</p>	<p>period of three years from the date of incorporation or registration or change of name of the limited liability partnership under this Act.</p> <p>(2) Where a limited liability partnership changes its name or obtains a new name under sub-section (1), it shall within a period of fifteen days from the date of such change, give notice of the change to Registrar along with the order of the Central Government, who shall carry out necessary changes in the certificate of incorporation and within thirty days of such change in the certificate of incorporation, such limited liability partnership shall change its name in the limited liability partnership agreement.</p> <p>(3) If the limited liability partnership is in default in complying with any direction given under sub-section (1), the Central Government shall allot a new name to the limited liability partnership in such manner as may be prescribed and the Registrar shall enter the new name in the register of limited liability partnerships in place of the old name and issue a fresh certificate of incorporation with new name, which the limited liability partnership shall use thereafter:          Provided that nothing contained in this sub-section shall prevent a limited liability partnership from subsequently changing its name in accordance with the provisions of section 16.</p>
<p><b>Registration of changes in partners (Section 25):</b></p> <p>(1) Every partner shall inform the LLP of any change in his name or address</p>	<p><b>Registration of changes in partners (Section 25):</b></p> <p>(1) Every partner shall inform the limited liability partnership of any change in his</p>



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<p>within a period of 15 days of such change.</p> <p>(2) A LLP shall—</p> <p>(a) where a person becomes or ceases to be a partner, file a notice with the Registrar within 30 days from the date he becomes or ceases to be a partner; and</p> <p>(b) where there is any change in the name or address of a partner, file a notice with the Registrar within 30 days of such change.</p> <p>(3) A notice filed with the Registrar under sub-section (2)—</p> <p>(a) shall be in such form and accompanied by such fees as may be prescribed;</p> <p>(b) shall be signed by the designated partner of the LLP and authenticated in a manner as may be prescribed; and</p> <p>(c) if it relates to an incoming partner, shall contain a statement by such partner that he consents to becoming a partner, signed by him and authenticated in the manner as may be prescribed.</p> <p>(4) If the LLP contravenes the provisions of sub-section (2), the LLP and every designated partner of the LLP shall be punishable with fine which shall not be less than ₹ 2,000 but which may extend to ₹ 25,000.</p> <p>(5) If any partner contravenes the provisions of sub-section (1), such partner shall be punishable with fine which shall not be less than ₹ 2,000 but which may extend to ₹ 25,000.</p> <p>(6) Any person who ceases to be a partner of a LLP may himself file with</p>	<p>name or address within a period of fifteen days of such change.</p> <p>(2) A limited liability partnership shall</p> <p>(a) where a person becomes or ceases to be a partner, file a notice with the Registrar within thirty days from the date he becomes or ceases to be a partner; and</p> <p>(b) where there is any change in the name or address of a partner, file a notice with the Registrar within thirty days of such change.</p> <p>(3) A notice filed with the Registrar under sub-section (2)</p> <p>(a) shall be in such form and accompanied by such fees as may be prescribed;</p> <p>(b) shall be signed by the designated partner of the limited liability partnership and authenticated in a manner as may be prescribed; and</p> <p>(c) if it relates to an incoming partner, shall contain a statement by such partner that he consents to becoming a partner, signed by him and authenticated in the manner as may be prescribed.</p> <p>(4) <b>If the limited liability partnership contravenes the provisions of sub-section (2), the limited liability partnership and its every designated partner shall be liable to a penalty of ten thousand rupees.</b></p> <p>(5) <b>If the contravention referred to in sub-section (1) is made by any partner of the limited liability partnership, such partner shall be liable to a penalty of ten thousand rupees.</b></p> <p>(6) Any person who ceases to be a partner of a limited liability partnership may himself file with the Registrar the notice referred to in sub-section (3) if he has</p>
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<p>the Registrar the notice referred to in sub-section (3) if he has reasonable cause to believe that the LLP may not file the notice with the Registrar and in case of any such notice filed by a partner, the Registrar shall obtain a confirmation to this effect from the LLP unless the LLP has also filed such notice.</p> <p>However, where no confirmation is given by the LLP within 15 days, the registrar shall register the notice made by a person ceasing to be a partner under this section.</p>	<p>reasonable cause to believe that the limited liability partnership may not file the notice with the Registrar and in case of any such notice filed by a partner, the Registrar shall obtain a confirmation to this effect from the limited liability partnership unless the limited liability partnership has also filed such notice:</p> <p>Provided that where no confirmation is given by the limited liability partnership within fifteen days, the Registrar shall register the notice made by a person ceasing to be a partner under this section.</p>
<p><b>Unlimited liability in case of fraud (Section 30):</b></p> <p>(1) In case of fraud:</p> <ul style="list-style-type: none"> <li>• In the event of an act carried out by a LLP, or any of its partners,</li> <li>• with intent to defraud creditors of the LLP or any other person, or for any fraudulent purpose,</li> <li>• the liability of the LLP and partners who acted with intent to defraud creditors or for any fraudulent purpose</li> <li>• shall be unlimited for all or any of the debts or other liabilities of the LLP.</li> </ul> <p>However, in case any such act is carried out by a partner, the LLP is liable to the same extent as the partner unless it is established by the LLP that such act was without the knowledge or the authority of the LLP.</p> <p>(2) Where any business is carried on with such intent or for such purpose as mentioned in sub-section (1), every person who was knowingly a party to the carrying on of the business in the</p>	<p><b>Unlimited liability in case of fraud (Section 30):</b></p> <p>(1) In the event of an act carried out by a limited liability partnership, or any of its partners, with intent to defraud creditors of the limited liability partnership or any other person, or for any fraudulent purpose, the liability of the limited liability partnership and partners who acted with intent to defraud creditors or for any fraudulent purpose shall be unlimited for all or any of the debts or other liabilities of the limited liability partnership:</p> <p>Provided that in case any such act is carried out by a partner, the limited liability partnership is liable to the same extent as the partner unless it is established by the limited liability partnership that such act was without the knowledge or the authority of the limited liability partnership.</p> <p>(2) Where any business is carried on with such intent or for such purpose as mentioned in sub-section (1), every person who was knowingly a party to the carrying on of the business in the manner aforesaid shall be punishable with imprisonment for a term which may</p>





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<p>manner aforesaid shall be punishable with</p> <ul style="list-style-type: none"> <li>• imprisonment for a term which may extend to 2 years and</li> <li>• with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 5 Lakhs.</li> </ul> <p>(3) Where a LLP or any partner or designated partner or employee of such LLP has conducted the affairs of the LLP in a fraudulent manner, then without prejudice to any criminal proceedings which may arise under any law for the time being in force, the LLP and any such partner or designated partner or employee shall be liable to pay compensation to any person who has suffered any loss or damage by reason of such conduct. However, such LLP shall not be liable if any such partner or designated partner or employee has acted fraudulently without knowledge of the LLP.</p>	<p>extend to <b>five years</b> and with fine which shall not be less than fifty thousand rupees but which may extend to five lakh rupees.</p> <p>(3) Where a limited liability partnership or any partner or designated partner or employee of such limited liability partnership has conducted the affairs of the limited liability partnership in a fraudulent manner, then without prejudice to any criminal proceedings which may arise under any law for the time being in force, the limited liability partnership and any such partner or designated partner or employee shall be liable to pay compensation to any person who has suffered any loss or damage by reason of such conduct:</p> <p>Provided that such limited liability partnership shall not be liable if any such partner or designated partner or employee has acted fraudulently without knowledge of the limited liability partnership.</p>
<p><b>Maintenance of books of account, other records and audit, etc. (Section 34):</b></p> <p>(1) <b>Proper Books of account:</b></p> <ul style="list-style-type: none"> <li>• The LLP shall maintain such proper books of account as may be prescribed</li> <li>• relating to its affairs for each year of its existence</li> <li>• on cash basis or accrual basis and</li> <li>• according to double entry system of accounting and</li> <li>• shall maintain the same at its registered office</li> <li>• for such period as may be prescribed.</li> </ul>	<p><b>Maintenance of books of account, other records and audit, etc. (Section 34):</b></p> <p>(1) The limited liability partnership shall maintain such proper books of account as may be prescribed relating to its affairs for each year of its existence on cash basis or accrual basis and according to double entry system of accounting and shall maintain the same at its registered office for such period as may be prescribed.</p> <p>(2) Every limited liability partnership shall, within a period of six months from the end of each financial year, prepare a Statement of Account and Solvency for the said financial year as at the last day of the said financial year in such form as may be prescribed, and such statement</p>



<p>(2) <b>Statement of Account and Solvency:</b></p> <ul style="list-style-type: none"> <li>• Every LLP shall,</li> <li>• within a period of 6 months from the end of each financial year,</li> <li>• prepare a Statement of Account and Solvency</li> <li>• for the said financial year as at the last day of the said financial year</li> <li>• in such form as may be prescribed, and</li> <li>• such statement shall be signed by the designated partners of the LLP.</li> </ul> <p>(3) Every LLP shall file within the prescribed time, the Statement of Account and Solvency prepared pursuant to sub-section (2) with the Registrar every year in such form and manner and accompanied by such fees as may be prescribed.</p> <p>(4) The accounts of LLP shall be audited in accordance with such rules as may be prescribed. However, the Central Government may, by notification in the Official Gazette, exempt any class or classes of LLP from the requirements of this sub-section.</p> <p>(5) Any LLP which fails to comply with the provisions of this section shall be punishable</p> <ul style="list-style-type: none"> <li>• with fine which shall not be less than ₹ 25,000</li> <li>• but which may extend to ₹ 5 Lakhs</li> </ul> <p>Every designated partner of such LLP shall be punishable</p> <ul style="list-style-type: none"> <li>• with fine which shall not be less than ₹ 10,000</li> </ul>	<p>shall be signed by the designated partners of the limited liability partnership.</p> <p>(3) Every limited liability partnership shall file within the prescribed time, the Statement of Account and Solvency prepared pursuant to sub-section (2) with the Registrar every year in such form and manner and accompanied by such fees as may be prescribed.</p> <p>(4) The accounts of limited liability partnerships shall be audited in accordance with such rules as may be prescribed: Provided that the Central Government may, by notification in the Official Gazette, exempt any class or classes of limited liability partnerships from the requirements of this sub-section.</p> <p>(5) <b>Any limited liability partnership which fails to comply with the provisions of sub-section (3), such limited liability partnership and its designated partners shall be liable to a penalty of one hundred rupees for each day during which such failure continues, subject to a maximum of one lakh rupees for the limited liability partnership and fifty thousand rupees for every designated partner.</b></p> <p>(6) <b>Any limited liability partnership which fails to comply with the provisions of sub-section (1), sub-section (2) and sub-section (4), such limited liability partnership shall be punishable with fine which shall not be less than twenty-five thousand rupees, but may extend to five lakh rupees and every designated partner of such limited liability partnership shall be punishable with fine which shall not</b></p>
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<ul style="list-style-type: none"> <li>but which may extend to ₹ 1 Lakh.</li> </ul>	<p>be less than ten thousand rupees, but may extend to one lakh rupees.</p>
<p>Newly inserted</p>	<p>[34A. Accounting and auditing standards. The Central Government may, in consultation with the National Financial Reporting Authority constituted under section 132 of the Companies Act, 2013,—</p> <p>(a) prescribe the standards of accounting; and</p> <p>(b) prescribe the standards of auditing, as recommended by the Institute of Chartered Accountants of India constituted under section 3 of the Chartered Accountants Act, 1949, for a class or classes of limited liability partnerships.]</p>
<p><b>Annual return (Section 35):</b></p> <p>(1) Every LLP shall file an annual return duly authenticated with the Registrar within 60 days of closure of its financial year in such form and manner and accompanied by such fee as may be prescribed.</p> <p>(2) Any LLP which fails to comply with the provisions of this section shall be punishable with fine which shall not be less than ₹ 25,000 but which may extend to ₹ 5 Lakhs.</p> <p>(3) If the LLP contravenes the provisions of this section, the designated partner of such LLP shall be punishable with fine which shall not be less than ₹ 10,000 but which may extend to ₹ 1 Lakh.</p>	<p><b>Annual return (Section 35):</b></p> <p>(1) Every limited liability partnership shall file an annual return duly authenticated with the Registrar within sixty days of closure of its financial year in such form and manner and accompanied by such fee as may be prescribed.</p> <p>(2) If any limited liability partnership fails to file its annual return under subsection (1) before the expiry of the period specified therein, such limited liability partnership and its designated partners shall be liable to a penalty of one hundred rupees for each day during which such failure continues, subject to a maximum of one lakh rupees for the limited liability partnership and fifty thousand rupees for designated partners.</p>
<p>Newly inserted</p>	<p>67A. Establishment of Special Courts.</p> <p>(1) The Central Government may, for the purpose of providing speedy trial of offences under this Act, by notification, establish or designate as many Special Courts as may be</p>



	<p>necessary for such area or areas, as may be specified in the notification.</p> <p>(2) The Special Court shall consist of—</p> <p>(a) a single Judge holding office as Sessions Judge or Additional Sessions Judge, in case of offences punishable under this Act with imprisonment of three years or more; and</p> <p>(b) a Metropolitan Magistrate or a Judicial Magistrate of the first class, in the case of other offences, who shall be appointed by the Central Government with the concurrence of the Chief Justice of the High Court:</p> <p>Provided that until Special Courts are designated or established under subsection (1), the Courts designated as Special Courts in terms of section 435 of the Companies Act, 2013 shall be deemed to be Special Courts for the purpose of trial of offences punishable under this Act:</p> <p>Provided further that notwithstanding anything contained in the Code of Criminal Procedure, 1973, any offence committed under this Act, which is triable by a Special Court shall, until a Special Court is established under this Act or the Companies Act, 2013, be tried by a Court of Sessions or the Court of Metropolitan Magistrate or a Judicial Magistrate of the first class, as the case may be, exercising jurisdiction over the area.</p> <p><b>67B. Procedure and powers of Special Court.</b></p> <p>(1) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, all offences specified under subsection (1) of section 67A shall be</p>
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	<p>triable only by the Special Court established or designated for the area in which the registered office of the limited liability partnership is situated in relation to which the offence is committed or where there are more than one Special Courts for such area, by such one of them as may be specified in this behalf by the High Court concerned.</p> <p>(2) While trying an offence under this Act, a Special Court may also try an offence other than an offence under this Act with which the accused may, under the Code of Criminal Procedure, 1973 be charged at the same trial.</p> <p>(3) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, the Special Court may, if it thinks fit, try in a summary way any offence under this Act which is punishable with imprisonment for a term not exceeding three years:</p> <p>Provided that in the case of any conviction in a summary trial, no sentence of imprisonment for a term exceeding one year shall be passed:</p> <p>Provided further that, when at the commencement of or in the course of a summary trial, it appears to the Special Court that the nature of the case is such that the sentence of imprisonment for a term exceeding one year may have to be passed or that it is, for any other reason, undesirable to try the case summarily, the Special Court shall, after hearing the parties, record an order to that effect and thereafter recall any witnesses who may have been examined and proceed to hear or re-hear the case in accordance with the procedure for the regular trial.</p>
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<p>Newly inserted</p>	<p><b>67C. Appeal and revision.</b> The High Court may exercise, so far as may be applicable, all the powers conferred by Chapters XXIX and XXX of the Code of Criminal Procedure, 1973 on a High Court, as if a Special Court within the local limits of the jurisdiction of the High Court were a Court of Sessions trying cases within the local limits of the jurisdiction of the High Court.</p>
<p>Newly inserted</p>	<p><b>68A. Registration offices.</b></p> <ol style="list-style-type: none"> <li>(1) For the purpose of exercising such powers and discharging such functions as are conferred on the Central Government by or under this Act or under rules made thereunder and for the purpose of registration of limited liability partnerships under this Act, the Central Government shall, by notification, establish such number of registration offices at such places as it thinks fit, specifying their jurisdiction.</li> <li>(2) The Central Government may appoint such Registrars, Additional Registrars, Joint Registrars, Deputy Registrars and Assistant Registrars as it considers necessary, for the registration of limited liability partnerships and discharge of various functions under this Act.</li> <li>(3) The powers and duties of the Registrars referred to in sub-section (2) and the terms and conditions of their service shall be such as may be prescribed.</li> <li>(4) The Central Government may direct the Registrar to prepare a seal or seals for the authentication of documents required for, or connected with the registration of limited liability partnerships.</li> </ol>



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<p><b>Payment of additional fee (Section 69):</b> Any document or return required to be filed or registered under this Act with the Registrar, if, is not filed or registered in time provided therein, may be filed or registered after that time upto a period of 300 days from the date within which it should have been filed, on payment of additional fee of ₹ 100 for every day of such delay in addition to any fee as is payable for filing of such document or return. However, such document or return may, without prejudice to any other action or liability under this Act, also be filed after such period of 300 days on payment of fee and additional fee specified in this section.</p>	<p><b>Payment of additional fee (Section 69):</b> <b>Any document or return required to be registered or filed under this Act with Registrar, if, is not registered or filed in time provided therein, may be registered or filed after that time, on payment of such additional fee as may be prescribed in addition to any fee as is payable for filing of such document or return:</b> <b>Provided that such document or return shall be filed after the due date of filing, without prejudice to any other action or liability under this Act:</b> <b>Provided further that a different fee or additional fee may be prescribed for different classes of limited liability partnerships or for different documents or returns required to be filed under this Act or rules made thereunder.</b></p>
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**2. Chapter 5: The Companies Act, 2013**

Notification G.S.R. 700(E) dated 15<sup>th</sup> September, 2022

The Central Government has amended Companies (Specification of definition details) Rules, 2014, through the Companies (Specification of definition details) Amendment Rules, 2022.

Earlier provision	New provision
<p>As per the Companies (Specification of Definitions Details) Rules, 2014, for the purposes of sub-clause (i) and sub-clause (ii) of clause (85) of section 2 of the Act, paid up capital and turnover of the small company shall not exceed rupees <b>two crores</b> and rupees <b>twenty crores</b> respectively.</p>	<p>As per the Companies (Specification of Definitions Details) Rules, 2014, for the purposes of sub-clause (i) and sub-clause (ii) of clause (85) of section 2 of the Act, paid up capital and turnover of the small company shall not exceed rupees <b>four crores</b> and rupees <b>forty crores</b> respectively.  (Page No. 5.11)</p>



**PART – II**

**QUESTION AND ANSWER**

1. State which of the following agreements are valid contract under the Indian Contract Act, 1872?
  - (a) A, who owns two cars is selling red car to B. B thinks he is purchasing the black car.
  - (b) A threatened to shoot B if he (B) does not lend him ₹ 2,00,000 and B agreed to it.
  - (c) A agrees to sell his house to B against 100 kgs of cocaine (drugs).
  - (d) A ask B if he wants to buy his bike for ₹ 50,000. B agrees to buy bike.
  - (e) Mr. X agrees to write a book with a publisher. But after few days, X dies in an accident.
2. Mr. Harish owes payment of 3 bills to Mr. Ashish as on 31<sup>st</sup> March, 2022. (i) ₹ 12,120 which was due in May 2018. (ii) ₹ 5,650 which was due in August 2020 (iii) ₹ 9,680 which was due in May 2021. Mr. Harish made payment on 1<sup>st</sup> April 2022 as below without any notice of how to appropriate them:
  - (i) A cheque of ₹ 9,680
  - (ii) A cheque of ₹ 15,000Advice under the provisions of the Indian Contract Act, 1872.
3. Mr. Shyam Mundra was a big businessman having one son and one married daughter. He decided to gift his house to his daughter. For this purpose, he called his lawyer at his house and made a written document for such gift. The lawyer advised him to get the transfer document properly registered. When they both were going for registration of document, they met with an accident and both died. Later, the daughter found the document and claimed the house on the basis of that document. Explain, whether she can get the house as gift under the Indian Contract Act, 1872?
4. Mr. Mukund wants to sell his car. For this purpose, he appoints Mr. Parth, a minor as his agent. Mr. Mukund instructs Mr. Parth that car should not be sold at price less than ₹ 2,00,000. Mr. Parth ignores the instruction of Mr. Mukund and sells the car to Mr. Naman for ₹ 1,50,000. Explain the legal position of contract under Indian Contract Act, 1872 whether:
  - (a) Mr. Mukund can recover the loss of ₹ 50,000 from Mr. Parth?
  - (b) Mr. Mukund can recover his car from Mr. Naman?
5. Mukesh is running a grocery store in Delhi. He sells his grocery business, including goodwill worth ₹ 1,00,000 to Rohit for a sum of ₹ 5,00,000. After the sale of goodwill, Rohit made an agreement with Mukesh. As per this agreement, Mukesh cannot open another



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grocery store (similar kind of business) in the whole of India for next ten years. However, Mukesh opens another store in the same city two months later. What are the rights available with Rohit regarding the restriction imposed on Mukesh with reference to Indian Contract Act, 1872?

6. P left his carriage on D's premises. Landlord of D seized the carriage against the rent due from D. P paid the rent and got his carriage released. Can P recover the amount from D?
7. Avyukt purchased 100 Kgs of wheat from Bhaskar at ₹ 30 per kg. Bhaskar says that wheat is in his warehouse in the custody of Kishore, the warehouse keeper. Kishore confirmed Avyukt that he can take the delivery of wheat from him and till then he is holding wheat on Avyukt's behalf. Before Avyukt picks the goods from warehouse, the whole wheat in the warehouse has flowed in flood. Now Avyukt wants his price on the contention that no delivery has been done by seller. Whether Avyukt is right with his views under the Sale of Goods Act, 1930.
8. Priyansh orders an iron window to an Iron Merchant for his new house. Iron merchant sends his technician to take the size of windows. The technician comes at the site and takes size of area where window to be fitted. Afterwards, Iron merchant on discussion with his technician intimates Priyansh that cost of the window will be ₹ 5,000 and he will take ₹ 1,000 as advance. Priyansh gives ₹ 1,000 as advance and rest after fitting of window. After three days when technician try to fit the window made by him at the site of Priyansh, it was noticed that the size of window was not proper. Priyansh requests the Iron merchant either to remove the defect or return his advance. Iron merchant replies that the window was specifically made for his site and the defect cannot be removed nor can it be of other use. So, he will not refund the advance money rather Priyansh should give him the balance of ₹ 4,000. State with reason under the provisions of the Sale of Goods Act, 1930, whether Priyansh can take his advance back?
9. Ayushman is the owner of a residential property situated at Indraprastha Marg, New Delhi. He wants to sell this property and for this purpose he appoints Ravi, a mercantile agent with a condition that Ravi will not sell the house at a price not less than ₹ 5 crores. Ravi sells the house for ₹ 4 crores to Mudit, who buys in good faith. Ravi misappropriated the money received from Mudit. Ayushman files a suit against Mudit to recover his property. Decide with reasons, can Ayushman do so under the Sale of Goods Act, 1930?
10. A agrees to sell certain goods to B on a certain date on 10 days credit. The period of 10 days expired and goods were still in the possession of A. B has also not paid the price of the goods. B becomes insolvent. A refuses to deliver the goods to exercise his right of lien on the goods. Can he do so under the Sale of Goods Act, 1930?
11. State the difference between Sale and Agreement to sell.





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**FOUNDATION EXAMINATION: JUNE, 2023**

12. Mr. Ram and Mr. Raheem are working as teacher in Ishwarchand Vidhyasagar Higher Secondary School and also are very good friends. They jointly purchased a flat which was given on rent to Mr. John. It was decided between landlords and tenant that the rent would be ₹ 10,000 per month inclusive of electricity bill. It means electricity bill will be paid by landlords. The landlords, by mistake, did not pay the electricity bill for the month of March 2021. Due to this, the electricity department cut the connection. Mr. John has to pay the electricity bill of ₹ 2800 and ₹ 200 as penalty to resume the electricity connection. Mr. John claimed ₹ 3000 from Mr. Ram but Mr. Ram replied that he is liable only for ₹ 1500. Mr. John said that Mr. Ram and Mr. Raheem are partners therefore he can claim the full amount from any of the partner. Explain, whether under the provision of Indian Partnership Act, 1932, Mr. Ram is liable to pay whole amount of ₹ 3000 to Mr. John?
13. Shyam, Mohan and Keshav were partners in M/s Nandal Gokulwale and Company. They mutually decided that Shyam will take the responsibility to sell the goods, Mohan will do the purchase of goods for firm and Keshav will look after the accounts and banking department. No one will interfere in other's department. Once, when Shyam and Keshav were out of town, Mohan got the information that the price of their good is going down sharply due to some government policy which would result in heavy loss to firm if goods not sold immediately. He tried to contact Shyam who has authority to sell the goods. When Mohan couldn't contact to Shyam, he sold all goods at some reduced price to save the firm from heavy loss. Thereafter, Shyam and Keshav denied accepting the loss due to sale of goods at reduced price as it's only Shyam who has express authority to sell the goods. Discuss the consequences under the provisions of the Indian Partnership Act, 1932.
14. X and Y were partners in a firm. The firm was dissolved on 12<sup>th</sup> June, 2022 but no public notice was given. Thereafter, X purchased some goods in the firm's name from Z. Z was ignorant of the fact of dissolution of firm. X became insolvent and Z filed a suit against Y for recovery of his amount. State with reasons whether Y would be liable under the provisions of the Indian Partnership Act, 1932?
15. 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?
16. Explain the Small Limited Liability Partnership under the LLP Act, 2008.
17. In the Flower Fans Private Limited, there are only 5 members. All of them go in a boat on a pleasure trip into an open sea. The boat capsizes and all of them died being drowned. Explain with reference to the provisions of Companies Act, 2013:
  - (i) Is Flower Fans Private Limited no longer in existence?
  - (ii) Further is it correct to say that a company being an artificial person cannot own property and cannot sue or be sued?





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18. ABC Limited was into sale and purchase of iron rods. This was the main object of the company mentioned in the Memorandum of Association. The company entered into a contract with Mr. John for some finance related work. Later on, the company repudiated the contract as being ultra vires.

With reference to the same, briefly explain the doctrine of “ultravires” under the Companies Act, 2013. What are the consequences of ultravires acts of the company?

19. Articles of Association of XYZ Private Limited provides that Board of Directors (BOD) can take the loan upto ₹ 5,00,000 for Company by passing the board resolution. In that case, the loan amount is in excess of the limit, special resolution is required to be passed in general meeting. Due to urgent needs of funds, BOD applied for loan in a reputed bank for ₹ 10,00,000 without passing the resolution in the general meeting. BOD gave an undertaking to bank that Special Resolution has been passed for such loan. The bank on believing on such undertaking lend the money. On demanding the repayment of loan, company denied the payment as act was ultra vires to company. Kindly, advise.
20. Explain the classification of the companies on the basis of control as per the Companies Act, 2013.

**ANSWERS**

- (a) A, who owns two cars is selling red car to B. B thinks he is purchasing the black car. There is no *consensus ad idem* and hence not a valid contract.
  - (b) A threatened to shoot B if he (B) does not lend him ₹ 2,00,000 and B agreed to it. Here the agreement is entered into under coercion and hence not a valid contract.
  - (c) A agrees to sell his house to B against 100 kgs of cocaine (drugs). Such agreement is illegal as the consideration is unlawful.
  - (d) A ask B if he wants to buy his bike for ₹ 50,000. B agrees to buy bike. It is agreement which is enforceable by law. Hence, it is a valid contract.
  - (e) Mr. X agrees to write a book with a publisher. But after few days, X dies in an accident. Here the contract becomes void due to the impossibility of performance of the contract.
- If the performance consists of payment of money and there are several debts to be paid, the payment shall be appropriated as per provisions of Sections 59, 60 and 61 of the Indian Contract Act, 1872. The debtor has, at the time of payment, the right of appropriating the payment. In default of debtor, the creditor has option of election and in default of either, the law will allow appropriation of debts in order of time.



In the present case, Mr. Harish had made two payments by way of two cheques. One cheque was exactly the amount of the bill drawn. It would be understood even though not specifically appropriated by Mr. Harish that it will be against the bill of exact amount. Hence cheque of ₹ 9,680 will be appropriated against the bill of ₹ 9,680 which was due in May 2021.

Cheque of ₹ 15000 can be appropriated against any lawful debt which is due even though the same is time-barred.

Hence, Mr. Ashish can appropriate the same against the debt of ₹ 12,120 which was due in 2018 and balance against ₹ 5650 which was due in August 2020.

3. Section 25 of Indian Contract Act, 1872 provides that an agreement made without consideration is valid if it is expressed in writing and registered under the law for the time being in force for the registration of documents and is made on account of natural love and affection between parties standing in a near relation to each other. In other words, a written and registered agreement based on natural love and affection between the parties standing in near relation to each other is enforceable even without consideration.

In the given problem, the transfer of house made by Mr. Shyam Mundra on account of natural love and affection between the parties standing in near relation to each other is written but not registered. Hence, this transfer is not enforceable.

4. According to the provisions of Section 11 of Indian Contract Act, 1872, a minor is disqualified from contracting. A contract with minor is void-ab-initio but minor can act as an agent. But he will not be liable to his principal for his acts.

In the instant case, Mr. Mukund appoints Mr. Parth, a minor as his agent to sale his car. Mr. Mukund clearly instructed to Mr. Parth that the minimum sale price of the car should be ₹ 2,00,000 yet Mr. Parth sold the car to Mr. Naman for ₹ 1,50,000.

- (a) Considering the facts, although the contract between Mr. Mukund and Mr. Parth is valid, Mr. Parth will not be liable to his principal for his acts. Hence, Mr. Mukund cannot recover the loss of ₹ 50,000.
- (b) Further, Mr. Naman purchased the car from agent of Mr. Mukund, he got good title. Hence, Mr. Mukund cannot recover his car from Mr. Naman.
5. According to Section 27 of the Indian Contract Act, 1872, any agreement that restrains a person from carrying on a lawful trade, profession or business is a void agreement. However, there are certain exceptions to this rule. One of the statutory exceptions includes sale of Goodwill. The restraint as to sale of goodwill would be a valid restraint provided -
- (i) Where the restraint is to refrain from carrying on a similar business,
- (ii) The restraint should be within the specified local limits,



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- (iii) The restraint should be not to carry on the similar business after sale of goodwill to the buyer for a price,
- (iv) The restriction should be reasonable. Reasonableness of restriction will depend upon number of factors as considered by court.

In the given case, Mukesh has sold the goodwill and there is restraint for not carrying on the same business of grocery store. However, the restriction imposed on Mukesh is unreasonable as he cannot carry similar business in whole of India for next 10 years. The restriction on restraint to similar kind of trade should be reasonable to make it a valid agreement.

Hence, Rohit cannot take any legal action against Mukesh as the restriction is unreasonable as per Section 27 of Indian Contract Act, 1872. Hence, the agreement made between in restraint of trade between Mukesh and Rohit is void agreement.

6. Section 69 of the Indian Contract Act, 1872 states that a person who is interested in the payment of money which another person is bound by law to pay, and who therefore pays it, is entitled to get it reimbursed by the other.

In the present case, D was lawfully bound to pay rent. P was interested in making the payment to D's landlord as his carriage was seized by him. Hence being an interested party, P made the payment and can recover the same from D.

7. As per the provisions of the Sale of Goods Act, 1930 there are three modes of delivery, i) Actual delivery, ii) Constructive delivery and iii) Symbolic delivery. When delivery is affected without any change in the custody or actual possession of the things, it is called constructive delivery or delivery by acknowledgement. Constructive delivery takes place when a person in possession of goods belonging to seller acknowledges to the buyer that he is holding the goods on buyer's behalf.

On the basis of above provisions and facts, it is clear that possession of the wheat has been transferred through constructive delivery. Hence, Avyukt is not right. He cannot claim the price back.

8. By virtue of provisions of Section 16 of the Sale of Goods Act, 1930, there is an implied condition that the goods should be in merchantable position at the time of transfer of property. Sometimes, the purpose for which the goods are required may be ascertained from the facts and conduct of the parties to the sale, or from the nature of description of the article purchased. In such a case, the buyer need not tell the seller the purpose for which he buys the goods.



On the basis of above provisions and facts given in the question, it is clear that as window size was not proper, window was not in merchantable condition. Hence, the implied condition as to merchantability was not fulfilled and Priyansh has the right to avoid the contract and recover his advance money back.

9. As per the Proviso to Section 27 of the Sale of Goods Act, 1930, a sale made by a mercantile agent of the goods would pass a good title to the buyer in the following circumstances; namely;
- (a) If he was in possession of the goods or documents with the consent of the owner;
  - (b) If the sale was made by him when acting in the ordinary course of business as a mercantile agent; and
  - (c) If the buyer had acted in good faith and has at the time of the contract of sale, no notice of the fact that the seller had no authority to sell.

On the basis of above, it can be said that Ravi, the mercantile agent, sells property to Mudit who bought in good faith. Mudit obtained a good title of that residential property. Hence, Ayushman cannot recover his property from Mudit. Rather, Ayushman can recover his loss from Ravi.

10. Lien is the right of a person to retain possession of the goods belonging to another until claim of the person in possession is satisfied. The unpaid seller has also right of lien over the goods for the price of the goods sold.

Section 47(1) of the Sale of Goods Act, 1930 provides that the unpaid seller who is in the possession of the goods is entitled to exercise right of lien in the following cases:-

1. Where the goods have been sold without any stipulation as to credit
2. Where the goods have been sold on credit but the term of credit has expired
3. Where the buyer has become insolvent even though the period of credit has not yet expired.

In the given case, A has agreed to sell certain goods to B on a credit of 10 days. The period of 10 days has expired. B has neither paid the price of goods nor taken the possession of the goods. That means the goods are still physically in the possession of A, the seller. In the meantime, B, the buyer has become insolvent. In this case, A is entitled to exercise the right of lien on the goods because the buyer has become insolvent and the term of credit has expired without any payment of price by the buyer.



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11. The differences between Sale and Agreement to sell are as follows:

Basis of difference	Sale	Agreement to sell
<b>Transfer of property</b>	The property in the goods passes to the buyer immediately.	Property in the goods passes to the buyer on future date or on fulfilment of some condition.
<b>Nature of contract</b>	It is an executed contract i.e. contract for which consideration has been paid.	It is an executory contract i.e. contract for which consideration is to be paid at a future date.
<b>Remedies for breach</b>	The seller can sue the buyer for the price of the goods because of the passing of the property therein to the buyer.	The aggrieved party can sue for damages only and not for the price, unless the price was payable at a stated date.
<b>Liability of parties</b>	A subsequent loss or destruction of the goods is the liability of the buyer.	Such loss or destruction is the liability of the seller.
<b>Burden of risk</b>	Risk of loss is that of buyer since risk follows ownership.	Risk of loss is that of seller.
<b>Nature of rights</b>	Creates Jus in rem means right against the whole world.	Creates Jus in personam means rights against a particular party to the contract.
<b>Right of resale</b>	The seller cannot resell the goods.	The seller may sell the goods since ownership is with the seller.
<b>In case of insolvency of seller</b>	The official assignee will not be able to take over the goods but will recover the price from the buyer.	The official assignee will acquire control over the goods but the price will not be recoverable.
<b>In case of insolvency of buyer</b>	The official assignee will have control over the goods.	The official assignee will not have any control over the goods.



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**FOUNDATION EXAMINATION: JUNE, 2023**

12. According to Section 4 of the Indian Partnership Act, 1932, "Partnership" is the relation between persons who have agreed to share the profits of a business carried on by all or any of them acting for all. Therefore, for determining the existence of partnership, it must be proved.

1. There must be an agreement between all the persons concerned;
2. The agreement must be to carry on some business;
3. The agreement must be to share the profits of a business and
4. The business was carried on by all or any of them acting for all.

On the basis of above provisions and facts provided in the question, Mr. Ram and Mr. Raheem cannot be said under partnership as they are teachers in a school and just purchased a flat jointly. By merely giving the flat on rent, they are not doing business. They are just earning the income from the property under their co-ownership. Hence, there is no partnership between them. Therefore, Mr. Ram is liable to pay his share only i.e. ₹ 1500. Mr. John has to claim rest ₹ 1500 from Mr. Raheem.

13. According to Section 20 of Indian Partnership Act, 1932, the partners in a firm may, by contract between the partners, extend or restrict the implied authority of any partner. Notwithstanding any such restriction, any act done by a partner on behalf of the firm which falls within his implied authority binds the firm, unless the person with whom he is dealing knows of the restriction or does not know or believe that partner to be a partner.

Further, according to Section 21, a partner has authority, in an emergency to do all such acts for the purpose of protecting the firm from loss as would be done by a person of ordinary prudence, in his own case, acting under similar circumstances, and such acts bind the firm.

On the basis of provisions and facts provided in the question, though Shyam was expressly authorised to sell the goods, Mohan sold the goods at some loss. It was very much clear that Mohan has done what a person of ordinary prudence does in an emergency to protect the firm from heavy loss. Hence, this sale will bind the firm.

14. By virtue of provisions of Section 45 of the Indian Partnership Act, 1932, notwithstanding the dissolution of a firm, the partners continue to be liable as such to third parties for any act done by any of them which would have been an act of the firm, if done before the dissolution, until public notice is given of the dissolution.

In the instant case, X and Y were partners in a firm which was dissolved but no public notice was given. After dissolution, X purchased some goods in the firm's name from Z who was ignorant of the fact of dissolution of firm. X became insolvent and Z filed a suit against Y for recovery of his amount.



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Following the provisions of Section 45, X and Y are continuing liable against third party even after dissolution of firm until public notice is given. As in the given problem, X became insolvent, therefore, Y will be liable to Z.

15. 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.

16. **Small Limited Liability Partnership [Section 2(ta) of the LLP Act, 2008]:** It means a limited liability partnership—
- (i) the contribution of which, does not exceed twenty-five lakh rupees or such higher amount, not exceeding five crore rupees, as may be prescribed; and
  - (ii) the turnover of which, as per the Statement of Accounts and Solvency for the immediately preceding financial year, does not exceed forty lakh rupees or such higher amount, not exceeding fifty crore rupees, as may be prescribed; or





(iii) which meets such other requirements as may be prescribed, and fulfils such terms and conditions as may be prescribed.

17. (i) **Perpetual Succession** - A company on incorporation becomes a separate legal entity. It is an artificial legal person and have perpetual succession which means even if all the members of a company die, the company still continues to exist. It has permanent existence.

The existence of a company is independent of the lives of its members. It has a perpetual succession. In this problem, the company will continue as a legal entity. The company's existence is in no way affected by the death of all its members.

- (ii) The statement given is 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.

18. **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 even by the unanimous consent of all the shareholders of the company.





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Hence in the given case, ABC Limited cannot enter into a contract outside the purview of its object clause of Memorandum of Association as it becomes ultra vires and thus null and void.

19. According to doctrine of Indoor Management, persons dealing with the Company are presumed to have read the registered documents and to see that the proposed dealing is not inconsistent therewith, but they are not bound to do more; they need not enquire into the regularity of internal proceedings as required by Memorandum and Articles. This was also decided in case of *Royal British Bank Vs. Turquand*.

In the instant case, XYZ Private Limited have taken loan from reputed bank for ₹ 10,00,000 by passing Board Resolution while Special Resolution was necessary for such amount. BOD gave an undertaking to bank that Special Resolution has been passed for such loan. The bank on believing on such undertaking lends the money. On demanding the repayment of loan, company denied the payment as act was ultra vires to company.

On the basis of provisions of doctrine of indoor management, the bank can claim the amount of his loan from the company. The bank can believe on the undertaking given by board and no need to enquire further.

20. **In line with the Companies Act, 2013, following are the classification of the Companies on the basis of control:**

- (a) **Holding and subsidiary companies:** 'Holding and subsidiary' companies are relative terms.

A company is a holding company in relation to one or more other companies, means a company of which such companies are subsidiary companies. [Section 2(46)]

For the purposes of this clause, the expression "company" includes any body corporate.

Whereas section 2(87) defines "subsidiary company" in relation to any other company (that is to say the holding company), means a company in which the holding company—

- (i) controls the composition of the Board of Directors; or
- (ii) exercises or controls more than one-half of the total voting power either at its own or together with one or more of its subsidiary companies:

Provided that such class or classes of holding companies as may be prescribed shall not have layers of subsidiaries beyond such numbers as may be prescribed.

- (b) **Associate company [Section 2(6)]:** In relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.



Explanation. – For the purpose of this clause –

- (i) the expression “significant influence” means control of at least twenty per cent of total voting power, or control of or participation in business decisions under an agreement;
- (ii) the expression “joint venture” means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

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

- (1) Paid-up equity share capital; and
- (2) Convertible preference share capital.



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**SECTION 2B: BUSINESS CORRESPONDENCE AND REPORTING**

**Part A**

**Chapter-1 Communication**

1. What is 'Aesthetic Communication'? Explain briefly.
2. Visual Communication is a powerful medium. Justify.

**Part-B**

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

1. Change the following sentences into passive voice.
  - a. Savita had missed the last metro.
  - b. The course co-ordinator will give them instructions.
  - c. The two neighbouring countries are signing the treaty.
  - d. Shekhar received a cheque of rupees five thousand.
  - e. Aruna is baking a chocolate cake today.
2. Change the following sentences into active voice.
  - a. The dinner is being prepared by the Master Chef.
  - b. The assignments were submitted by class 10 students.
  - c. Holi was played by the young and the old.
  - d. The city was nearly destroyed by the hurricane.
  - e. The cookies were stolen by the kids.
3. Change the following sentences from direct to indirect speech.
  - a. Reena said, 'I have been a studying a lot'.
  - b. Ajay asked, 'Do they live nearby?'
  - c. Karthik said, 'I can speak perfect Spanish'.
  - d. 'Please help me to carry the bag', exclaimed mother.
  - e. Kids shouted, 'We saw a thief'.



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**Chapter-3 Vocabulary**

1. In the following question, out of the four alternatives, select the one which best expresses the meaning of the given word.
  1. MESMERIZE
    - a. Control
    - b. Ignore
    - c. Achieve
    - d. Fascinate
  2. EPITOME
    - a. Relatable
    - b. Tomb
    - c. Exemplar
    - d. Peculiar
  3. FATHOM
    - a. Comprehend
    - b. Feelings
    - c. Over night
    - d. Untrue
  4. PREVALENT
    - a. widespread
    - b. Cheap
    - c. Summary
    - d. Judgement
2. In the following question, out of the given four alternatives, select the one which is opposite in meaning of the given word.
  1. Vital
    - a. Essential
    - b. Easy



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- c. Unimportant
- d. Heavy
- 2. Dearth
  - a. Less
  - b. Insufficient
  - c. Shortage
  - d. Abundance
- 3. Lethargy
  - a. Energy
  - b. Enervate
  - c. Illegal
  - d. Remote
- 4. Arbitrary
  - a. Casual
  - b. Rational
  - c. Account for
  - d. Judgement
- 3. Choose the correct meaning of the idioms given below.
  - a. To shed light on
    - (i) To help someone
    - (ii) To work as an electrician
    - (iii) To interfere
    - (iv) To give further information
  - b. The lion's share
    - (i) To get scared of big animals
    - (ii) Big amount
    - (iii) Feel proud



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- (iv) Act smart
- c. To turn over a new leaf
  - (i) To turn pages quickly
  - (ii) To make a new start
  - (iii) To meditate
  - (iv) To hold anger
- d. To work a miracle
  - (i) To know magic
  - (ii) To make the almost impossible happen
  - (iii) To regret
  - (iv) To leave it to God
- e. Over the moon
  - (i) Bored
  - (ii) Arrogant
  - (iii) Delighted
  - (iv) Careless

**Part-C**

**Chapter-4**

1. Read the following passage carefully and answer the questions that follow.

Selfie is the latest fad among people, especially the younger generation. Whether you are at a railway station, at a restaurant, in the park or just walking on a street, you would come across youngsters clicking pictures of themselves, which are more commonly known as selfies. Though these selfies are good for social media post's but there have been several instances where selfie obsessed youngsters have severely injured themselves or even met with their death while taking a selfie. Oblivious of the surroundings, people have fallen to their death or have been run over by vehicles while in the process of taking a selfie. Some individuals have even gone a step ahead and attempted to take a selfie at a dangerous place or in difficult positions, there by meeting a gory end.

Infact, such is the craze of selfies in India that it has been recorded as having one of the highest number of selfie related deaths in the world. A study conducted in 2016, titled, 'Me Myself and my Killfie', estimated that of the 127 selfie deaths across the globe in the same



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year, 76 occurred in India alone. In contrast, Pakistan reported just 9 deaths while both the US and Russia witnessed 8 and 6 deaths respectively. It is the youngsters, under the age of 25, who are more prone to explore newer and more dangerous selfies. While in US, most people had selfie related deaths by falling off high buildings and mountain cliffs, in India most such deaths have been water related or near the railway tracks. The authors of the study hope that their study will serve as a warning for the people and would inspire new technology that would warn selfie takers when they are in risky zones.

Taking selfies is not wrong, but it is imperative to be aware of the surroundings. Selfies should be avoided in dangerous places, for it is always better to be safe than sorry.

**Questions**

1. Why does the author feel that selfies have become a fad among the young generation?
  2. Which segment of the society is prone to explore newer and more dangerous selfies?
  3. How can the study on selfies, according to the author be helpful?
  4. Choose the synonym of the word 'oblivious' as used in the passage.
    - (a) Warning
    - (b) Scared
    - (c) Easy going
    - (d) Unaware
  5. Choose the antonym of the word 'imperative' as used in the passage.
    - (a) Optional
    - (b) Important
    - (c) Difficult
    - (d) Unending
2. Read the given passage carefully and answer the questions that follow.

In the heart of the city of Kolkata, a man is singing his voice straining to be heard over the roar of traffic that encircles the maidan. A veteran singer of kathas, he is past of a vast gathering of entertainers, acrobats, palmists, and 'sundry folk', who meet at the Dharamtala Mela every Sunday afternoon. Accompanied by his dholak, the singer punctuates his story of blood and romance with pithy reverences to the state of the downtrodden. Listening to him intently are labourers and vagrants who sit around him in a circle, responding to his skillful interweaving of fact and fiction, myth and history.

Clearly, the singer knows how to tell a story as can be judged from the way he pitches his voice, varies his rhythm, breaks the narrative, then picks it up unexpectedly, only to shift



the perspective of his story with a change in voice and transformation of character. The performance ends after hours of non-stop delivery, whereupon 10 to 20 paise coins are collected from the crowd who part with what they can spare. The entire collection adds up to barely four to five rupees.

As the crowd disperses, I talk to the performer haltingly and express my appreciation with a small donation. I learn that he is in his 70's, he lives in Shyam bazar though his home state is Bihar and that he has been singing all his life. Later, as he rushes to catch his bus, I am left thinking about him and the possibilities of his representation. He is free to sing, but he is also desperately poor. In spite of the state, he exists. But for how long? And at what cost?

### Questions

1. The singer is a native of which state?
  - (a) West Bengal
  - (b) Kolkata
  - (c) Bihar
  - (d) Cant say.
2. The passage is mainly about:
  - (a) An unrecognised singer
  - (b) Art and culture
  - (c) Life in Kolkata
  - (d) Life in Shyam bazar
3. The tone of the author in the passage is
  - (a) Energetic
  - (b) Informing
  - (c) Thoughtful
  - (d) Depressing
4. Select the suitable meaning of the word 'vagrants' as used in Para 1
  - (A) Elite people
  - (b) Wanderers
  - (c) Thieves
  - (d) Artists
5. What story does the singer sing about?





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3. Read the given passage carefully and answer the questions that follow.

It is an indisputable fact that the world has gone too far with the innovation of new technologies such as mobile phones, the internet and so on, due to which people are able to tour the cosmos virtually sitting at one place using their smart devices or other technological gadgets. Though mobile internet access is oftentimes hurried and short, it can still provide common interest features like alerts, weather data, emails, search engines, instant messages, and game and music downloading.

Due to the easy access of smart phones, communication has been very efficient and quick. Messages get conveyed in an instant, even around the world, personal and professional talks/meetings happen; even business deals of high valuation happen over the internet now a days. Moreover, youngsters have been able to enhance their skills by the use of internet and these gadgets. Many educational institutions have started offering online classes for various courses for the easy and comfort of the students.

The mobile smart phone has acted as a life saver for many, especially in times of exigency. Likewise, smart phones can be used to avoid/prevent and even detect crimes in the society. Information can easily get tracked and the culprits can be traced by their location.

Nonetheless, for the young the use of mobile phones can be like an addiction and they can misuse it. Youngsters are prone to getting involved in undesirable and anti-social activities by virtue of their inquisitiveness. This might not only effect their academic performance, but also cause mental health issues. A number of depression and suicide cases have been observed in adolescents due to over exposure to the internet and involvement in morally incorrect activities. A major contributor to this problem is the prepaid or pay as you go service offered by a phone shop or an online store. Without having understood the repercussions of such services, youngsters get trapped and even end up sharing the PIN numbers of their parents' debit and credit cards. This further leads to misuse of money and related crimes.

The fact remains that technology has its own pros and cons. It depends on us whether we make use of it judiciously or impetuously.

**Questions**

1. How has the mobile phone acted as a life saver?
2. How have mobile phones made communication easy and quick?
3. What negative effects has the author mentioned, youngsters can face while using mobiles?
4. The word 'judiciously' as used in the passage means:
  - a) Attractively
  - b) Carelessly



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- c) Wisely
  - d) Dedicatedly
5. Explain the main idea of the passage in about 20 to 30 words.
6. What common interest features does mobile internet provide?

### Chapter-5

1. Read the following passages carefully.
- (i) Make notes, using headings, sub-headings and using abbreviations wherever necessary.
  - (ii) Give a suitable title and write summary.

#### Passage-1

The Indus Valley Civilization is one of the oldest civilizations in human history. It arose on the Indian subcontinent nearly 5,000 years ago – roughly the same time as the emergence of ancient Egypt and nearly 1,000 years after the earliest Sumerian cities of Mesopotamia. The Indus Valley Civilization, in its mature phase, thrived for about 700 years, from around 2600 B.C. to 1900 B.C.

"The Indus Valley Civilization, also called the Saraswati or Harappan civilization, is one of the 'pristine' civilizations on our planet," William Belcher, an anthropologist at the University of Nebraska-Lincoln, told Live Science.

A pristine civilization is one that arose indigenously or independently of other civilizations. More specifically, it is one that developed on its own, without conquest, and without the benefit of cultural exchange or immigration with another established society. Generally, the six pristine civilizations recognized by archaeologists and historians are in the following areas: Egypt, Mesopotamia, China, Mesoamerica (which includes parts of Mexico and Central America), the Andean region and the Indus Valley. These civilizations arose at different times – the earliest of these, Mesopotamia, arose some 6,000 years ago, while the earliest Andean civilization, the Chavin, (opens in new tab) developed in approximately 900 B.C.

The Indus Valley Civilization derives its name from the Indus River, one of the longest rivers in Asia. Many of the Indus Valley Civilization's large, well-planned cities, such as Mohenjo-Daro, Kot Diji and Chanhu-Daro, were situated along the course of the Indus river, which flows from the mountains of western Tibet, through the disputed region of Kashmir and southwestward before emptying into the Arabian Sea near the modern city of Karachi, Pakistan. Other Indus Valley Civilization cities were located next to different major rivers, such as the Ghaggar-Hakra, Sutlej, Jhelum, Chenab and the Ravi rivers or on the alluvial floodplains between rivers. Today, much of this area is part of the Punjab region, which is translated as the "land of the five rivers" in what is now Pakistan. Other Indus



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Valley Civilization cities are located in northwest India, and a few additional cities are in northeastern Afghanistan, near archaeological sites where tin and lapis lazuli, a blue metamorphic rock, were mined.

**Passage -2**

Ideas rule the world. You shape your fate and decide your destiny by your thoughts. You have to think high to rise. You have to believe and be sure of yourself to win a prize. Life's battles don't always go stronger or the faster man. But sooner or later, the man who wins is the man who thinks he can.

Success starts with your thoughts. Whatever your mind can conceive and believe, it can achieve. And your mind is nothing more than a bundle of thoughts. Since you have the power to shape your thoughts, you automatically have the power to fashion your fate and decide your destiny. Thus, your thoughts are the most potent, powerful and prime source of your success. For your thoughts to blossom into success, they should be combined with definiteness of purpose, perseverance and a burning, pulsating strong desire to translate them into action. Believe that you will success and believe it firmly. You will then do whatever is necessary to bring success about.

Faith in yourself as well as the confidence that you can and will succeed are the key to your success at any step in life. If you keep your mind and heart focused on your goal and your thoughts have only the goal in them, you will do splendid in your life. You will find yourself capturing all the opportunities that come your way. Your energy will be directed, consciously or unconsciously towards your goal and you will be close to success.

Always, remember, thoughts are the most supreme, the most significant. Preserve the right attitude, right courage, frankness and confidence. Think of success in your work and you will do great. If your desire is weak, changing; your focus will be the same and the percentage of achieving success will reduce. But if you pursue your goal, with single minded attention, then nobody can stop you. A well- defined goal, a clear thought, a planned path and the will to win, are the key ingredients to become successful.

**Chapter-7 Précis Writing**

Write a précis and give an appropriate title to the passage given below.

1. Logic is the study of the methods and principles used to distinguish good (correct) reasoning from bad (incorrect) reasoning. This definition must not be taken to imply that only the student of logic can reason well or correctly. To say so, would be mistaken as to say that to run well requires studying the physics and physiology involved in that activity. Some excellent athletes are quite ignorant of the complex processes that go inside their bodies while they perform. And needless to say the somewhat elderly professors who know most about such things would perform very poorly, were they to risk their dignity on the athletic field. Even given the same basic muscular and nervous apparatus, the person who knows might not surpass the 'natural athlete'.



Logic has frequently been defined as the science of the laws of thought. But this definition, although it gives a clue to the nature of logic, is not accurate. In the first place, thinking is studied by psychologists. Logic cannot be 'the' science of the laws of thought, because psychology is also a science that deals with the laws of thoughts.

2. When we survey our lives and efforts, we soon observe that almost the whole of our actions and desires are bound up with the existence of other human beings. We notice that whole nature resembles that of the social animals. We eat food that others have produced, wear clothes that others have made, live in houses that others have built. The greater part of our knowledge and beliefs has been passed on to us by other people through the medium of a language which others have created. Without language and mental capacities, we would have been poor indeed comparable to higher animals. We have, therefore, to admit that we owe our principal knowledge over the least to the fact of living in human society. The individual if left alone from birth would remain primitive and beast like in his thoughts and feelings to a degree that we can hardly imagine. The individual is what he is and has the significance that he has, not much in virtue of the individuality, but rather as a member of a great human community, which directs his material and spiritual existence from the cradle to grave.
3. The tree is worshipped as the Earth mother in tribal India. It gives us food, air and work and also housing material. Moreover, trees also sometimes give fodder for animals and fuel for energy making. Without trees, there is no soil; nothing can prevent soil from getting washed away. In the tribal areas of India, where we find the Bhils, Santhals, the Nagas and the Bishnois, whenever a child is born, a tree is planted in his/her name. This enables a strong relationship between the child and the tree. As the child grows, the tree also grows and starts bearing fruits. It starts its life a food giver to the tribal community and the tribal become the guardian of the tree. This kind of a nature shows the true faith in nature. The tribals worship nature and make sure no human intervenes. This is a learning lesson for all those who tamper with nature in the name of urbanization. Every entity, small or big, plant or animal has a place in life; with its due importance. If humans start intervening and disturbing Nature, the fury is felt in the form of natural calamities like floods, and droughts. It is an earnest request to all the mankind; Lets work together to make the world a better place to love, not a bitter place.

#### Chapter-8 Article Writing

1. Write an article on the following topics in not more than 200-250 words.
  - a. Impact of advertisements on the young generations.
  - b. Easy and basic ways to contribute towards keeping the environment clean and pollution free.



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**Chapter-9 Report Writing**

1. Write a report on the following topics.
  - a. A newspaper report about a health campaign organized by an NGO in a local area.
  - b. You are the Accounts head of a Call centre. Write a formal report stating details of expenditure made in the last financial year towards purchase of systems and other items needed in office.

**Chapter-10 Formal letters and Official Communication**

1. You manage the food supply in your organization. Write a letter to a nearby, famous restaurant for a monthly tie up with it, to supply breakfast and lunch meals for the employees of your organization.
2. Write a letter to the customer service manager of 'Wooden Store', complaining about the bad quality of a study table unit and a chair purchased from it last week. Sign yourself as Mitali/ Mahesh.
3. You plan to open a cyber café in your area, Arjun Nagar, New Delhi. Write a letter to M/S PC electronics, giving an order of computers and related accessories needed in your café. Mention the quantity of each item as required.

**Chapter-11 Writing formal mails**

1. On behalf of your private firm, write a formal mail to all your employees, requesting them to provide the necessary KYC information, needed to be updated in a newly installed employee software. State that details should be sent well in time, before the last date i.e 10<sup>th</sup> April, 2023. Sign yourself as Manager, HR of the firm.
2. You are Raj/Rani, Head, Advertising in Admad Technologies. Write a letter to your clients stating the new terms and conditions that your organization has decided upon for future projects with effect from 15<sup>th</sup> March 2023.

**Chapter-12 Resume Writing**

1. You are Sumita/Sumit, MBA, marketing. Draft your resume to apply for jobs in private companies (Any MNC) along with a cover letter.
2. You are Rani /Raj Mehta, HR Head of C and C Pvt. Limited, an investment firm. Draft a formal e-mail stating the details of an interview scheduled with a candidate for the post of Senior Accountant.

**Chapter-13 Meetings**

1. Write 'Minutes of the Meeting' for a meeting conducted to discuss the low attendance in office after Covid. State reasons and discuss solutions.



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2. Write the 'Minutes of the Meeting' for a meeting organized to discuss the bad customer feedback about a product. Discuss future course of action. (Choose a food item like biscuit, chips, snacks etc.)

### ANSWERS

#### Part A

##### Chapter-1 Communication

1. **Aesthetic Communication** includes art forms like dancing, painting, sculpting and music. These art forms convey the ideas and thoughts of the artists.
2. **Visual Communications** includes sign language, typography, graphics, illustrations etc. These means re inforce the written communication. The print and audio visual media make effective use of visuals to convey their message. Also, pie charts and other diagrammatic representation are now widely used in office presentations and convey a lot more. Hence, Visual communication is a powerful medium

#### Part-B

##### Chapter-2 Sentence Types, Active-Passive Voice and Direct-Indirect Speech

1.
  - a. The last metro was missed by Savita.
  - b. The instructions will be given by the course coordinator.
  - c. The treaty is being signed by the two neighbouring countries.
  - d. A cheque of rupees five thousand was received by Shekhar.
  - e. A chocolate cake is being baked by Aruna today.
2.
  - a. The Master Chef is preparing dinner.
  - b. Class 10 students submitted the assignments
  - c. The young and the old played Holi.
  - d. The hurricane nearly destroyed the city.
  - e. The kids stole the cookies.
3.
  - a. Reena said that she had been studying a lot.
  - b. Ajay asked if they lived nearby.
  - c. Karthik said that he could speak perfect Spanish.
  - d. Mother requested to help her to carry the bag.
  - e. Kids shouted that they saw a thief.



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**Chapter-3 Vocabulary**

1. 1. d
2. c
3. a
4. a
2. 1. c
2. d
3. a
4. b
3. a. iv
- b. ii
- c. ii
- d. ii
- e. iii

**Part-C**

**Chapter-4**

1. 1. The author feels that selfies have become a fad because whether you are at a railway station, at a restaurant, in the park or just walking on a street, you would come across youngsters clicking pictures of themselves.
2. The youngsters, under the age of 25, who are more prone to explore newer and more dangerous selfies.
3. The authors of the study hope that their study will serve as a warning for the people and would inspire new technology, that would warn the selfie takers when they are in risky zones.
4. (d) Unaware
5. (a) Optional
2. 1. (c) Bihar
2. (a) an unrecognized singer
3. (c) Thoughtful
4. (b) Wanderers.



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5. The singer sings a story of blood and romance with pithy reverences to the state of the downtrodden.
3.
  1. The mobile phone has acted as life saver in times of exigency/emergency. Smart phones can also be used to prevent and detect crimes in society. Tracking of information is possible, when mobiles are used.
  2. Mobile phones have made communication easy and quick as information can be transferred around the world, personal and professional meetings can happen; even business deals can happen through internet using mobiles.
  3. Youngsters can addicted to the usage of the mobile phones. They might get involved in undesirable and anti-social activities. The addiction can impact their mental and physical health.
  4. (c) Wisely
  5. The main idea in the passage is to highlight the pros and cons of mobile phone usage. The author preaches to make a wise use of internet and mobiles, to avoid getting addicted to it and getting involved in undesirable activities.
  6. A mobile internet offers features like alerts, weather data, emails, search engines, instant messages, and game and music downloading.

### Chapter-5

#### Passage 1

Indus Valley Civilization

1. Indus Valley Oldest cvlzn
  - 1.1 started nrly 50,000 yrs ago
  - 1.2 strtd some time as ancnt Egypt
  - 1.3 Thrvd fr 700 yrs
2. Also known as Saraswati/Harappan Cvlzn
  - 2.1 Called 'pristine' by William Belcher, anthropologist
  - 2.2 devlpd on its own; indpdntly
  - 2.3. Six Pristine cvlzn:
    - 2.3.1 Egypt
    - 2.3.2 Mesopotamia
    - 2.3.3. China
    - 2.3.4 Mesoamerica





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- 2.3.4. Andean region
- 2.3.5. Indus valley
- 2.4. Earliest civilization was Mesopotamia came 6000 yrs ago
- 2.5. Andean civilization developed in 900 BC
- 3. Name Indus valley derived from the river Indus
  - 3.1. Indus river flows from mountains of western Tibet, Kashmir, Karachi
  - 3.2. Indus valley civilization has cities namely: Mohenjo daro, Kot Diji, Chanhu Daro
  - 3.3. Other cities located near rivers Ravi, Chenab, Sutlej, Ghaggar Hakra
- 4. The area of five rivers is now in Punjab, 'land of five rivers'.
- 5. Other cities located in northwest India, north eastern Afghanistan
  - 5.1. Archaeological sites where tin and lapis lazuli were mined, another site of Indus Valley

**Key:**

- 1. Civilization= civilization
- 2. Nearly= nearly
- 3. Years= years
- 4. Started= started
- 5. Ancient= ancient
- 6. Thrived= thrived
- 7. For=for
- 8. Developed= developed
- 9. Independently= independently
- 10. Earliest=earliest
- 11. Valley=valley
- 12. Derived= derived
- 13. Rivers= rivers
- 14. Mountains= mountains
- 15. Namely= namely
- 16. Located= located
- 17. Eastern= eastern



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18. Whr= where

### Summary

Indus Valley Civilization is the oldest civilizations of the human race, which in its mature phase, thrived for about 700 years, from 2600 BC to 1900 BC. Also known as Harappan /Saraswati civilization, it developed indigenously without any conquest or cultural exchange. One of the 'pristine' civilization of our planet, it derives its name from the river Indus and has well planned cities like Mohenjo daro, Kot diji and Chanhnu daro. Other cities of the civilization are located in north western India and on the 5 rivers from which the state Punjab derives its name: Sutlej, Chenab, Ravi, Jhelum and Ghagar Hakra.

### Passage- 2

Think positive! Be positive!

1. Imprtno of ideas
  - 1.1. Thgts dcd fate and dstny
  - 1.2. Thnkng high lds to a rise
  - 1.3. Blv in yrslf
2. One who thinks he can win, acly wins
3. Succs strts with ones thgts
  - 3.1 Mnd is a bndl of thgts
  - 3.2 Thgts are potnt, pwrfl and prime src of succs
  - 3.3 Thgts be cmbnd with prpose, psrvnc, dsr to fulfill
4. Blv firmly and you will succd.
5. Keys to succs
  - 5.1 Fth, cnfdc, will to succd
  - 5.2 Fcsd mind, fcsd heart
  - 5.3 Opptnts get cptrd close to succs
6. Thgts are suprm and sigfent
7. Rght attd, rght courage, frankness, cnfdcnc: elmnts needed
8. Well dfnd goal, clr thgts, plnnd path, will to win: gv you succs and you becm an exmpl

### Key

1. Imprtno= importance
2. Thgts= thoughts



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3. Dct = decide
4. Dstny=destiny
5. Thnkng= thinking
6. Lds=leads
7. Blv=believe
8. Yrslf= yourself
9. Acly= actually
10. Succs= success
11. Strts=starts
12. Mnd= mind
13. Bndl= bundle
14. Potnt= potent
15. Pwrfl= powerful
16. Src= source
17. Cmbnd= combined
18. Prpose= purpose
19. Psrvnc= preserverence
20. Dsr= desire
21. Blv= believe
22. Succd= succeed
23. Fth= faith
24. Cnfdc= confidence
25. Fcsd= focused
26. Opptnts= opportunities
27. Cptrd= captured
28. Suprm= supreme
29. Sigfcnt= significant
30. Rght= right
31. Attd= attitude



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32. Elmnts= elements
33. Dfnd= defined
34. Clr=clear
35. Plnd= planned
36. Exmpl= example

### Summary

Thoughts are the most important aspect of one's success. A positive mind and a one track focus on the goal are required to pursue success. Moreover, the belief that one can do it combined with faith and confidence leads one on the path that will lead to being a winner. The path should be planned with a clear focus. With this in hand, no one can stop and you set an example for others.

### Chapter-7 Précis Writing

#### 1. What is logic?

Logic is the study of methods and principles that helps to differentiate between the good/correct and the bad/incorrect. This does not hint towards only students studying logic can apply the correct thoughts. A person can perform well in sports without knowing the logic behind his body/physiological changes. However, it is a misconception to believe that logic is a law of thoughts as Psychology is also a science that primarily studies the same.

#### 2. Life is about interdependence

A survey on the lives and efforts of humans would show that all the actions and desires are dependent on the existence of other human beings. From the food we eat, to the clothes we wear, to the houses we stay in, to the passing of knowledge from generation to generation; all this hints towards being social. The individual, thus becomes a member of the great humanity and that is what takes him through the journey from cradle to grave.

#### 3. Let's worship mother Nature

The tribals in India have always worshipped mother Earth as the source of housing, food and fuel, and also occupation. The tribal communities like namely, the Bhils, the Santhals, the Nagas and the Bishnois plant a tree when a child is born, bringing an ownership to the tree. The tribals become the guardian of the tree and ensure no unwanted human intervention with nature. One needs to fear nature's fury and work in harmony with the environment. The idea is to promote peace and stay one with Nature as we are dependent on it.

### Chapter-8 Article Writing

#### 1. a. Hints

- Advertisements and their Impact (Title)



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- 'Advertisement is the art of persuasion', William Bernbach.
- Advertisements have become part and parcel of the visual and audio media. Whether it is a cricket match on TV, or a top 10 Hindi music show on radio, advertisements can be seen and heard often.
- While some ads are meaningful and lesson oriented, some others are irrelevant. Social campaigns advertisements leave a deep impact on the young generation.
- Some good ads are those that have a creative angle to them. They show the product with a catchy jingle, or some good humour which leaves an impact on the audience, especially the youngsters who easily get influenced. Talk about the other side of the coin.
- It has been noted that, good or bad, ads have a strong influence on the young minds.
- Moreover, these days ads on social media have become a source of earning. More the ads on one's channel, more it gets popularity.
- It is request to all the young minds of the country. Believe by finding out the why and the how. Do not accept things at their face value.
- The world of advertisement is a creative, innovative yet misleading one. Make your choices wisely.

*(The student may write other relevant points. Above mentioned are hints for a better understanding)*

**b. Hints:**

- Keep your environment green and clean! (Suitable title)
- Numerous discussions happen, several policies are made to keep the environment clean and healthy.
- All this might be happening at a higher level. But what can we do as good citizens of our country is the question?
- Start from our own house our own neighbourhood. Let's make an effort to not throw garbage on the road. Littering is one of the most difficult problem to tackle.
- State ways of preventing environmental pollution:  
Less usage of fossil fuels  
Control carbon footprints  
Stop using old model vehicles that disrupt the AQI  
Shift towards recycle, reduce and reuse (3 R's)



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- Another easy step is using public transport, or car pool for specific destinations. This will ensure less traffic on the road and hence control air pollution.
- It is imperative for citizens of the country, young and old, to contribute to the best of their ability to help to keep our surroundings clean. This will ensure a greener and safer environment for the future generations.

*(The student may write other relevant points. Above mentioned are hints for a better understanding)*

### Chapter-9 Report Writing

#### 1. Hints:

a.

- Newspaper report writing format (Timeline, name of reporter) Heading to the news brief.
- Name the NGO that has organized the health campaign
- Location, venue, date/time details
- Few lines on the background of the NGO
- Details about the campaign: who inaugurated, how many people participated, what is the purpose, how is the issue being addressed

b.

To: The Director, Finance

From: Secretary, Finance

Date: 27<sup>th</sup> Dec, 2022

Subject: Expenditure made towards systems and office stationery in the last financial year

Acknowledgements: I am deeply grateful to all my team members who helped me in formulating this detailed report. The expenditure and other related details have been recorded with precision.

#### (1) Contents

- i. List of items purchased
- ii. Segregation of systems, office stationery and other miscellaneous items
- iii. Cost and invoice details
- iv. Current budget versus amount spent
- v. Conclusion



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**Summary:** With the advancement in technology, we decided to enhance our working conditions ensuring a comfortable and employee friendly work zone. The items purchased will lead to better productivity and efficiency on the part of the work staff. It will add to the revenues of the organization and bring a good name in the industry.

Can be continued with a few tables mentioned and then the conclusion.

**Chapter-10 Formal letters and Official Communication**

**1. Creative Arts Pvt. Ltd.**

Sarojini Nagar

New Delhi- 110023

27th December 2022

Kasturi Vegetarian Dhaba.

Sarojini Nagar Market

New Delhi- 110023

Subject: Placing an order for breakfast and lunch on monthly basis

Dear Sir,

As discussed over telephone, we would like to place an order for breakfast and lunch meals supply on a monthly basis. This would be for around 25 employees. The meals would be needed five days a week (Monday to Friday).

Breakfast delivery: 9:00-9:30 am

Lunch delivery: 1:30 to 2:00 pm

The food should be delivered hot, in a hygienic way. The delivery has to be at our office premises and we would appreciate punctuality.

We wish to start the service from 1<sup>st</sup> April, 2023. Kindly revert so that the needful can be done.

Thanks and Regards

Rajesh

Assistant Manager (Admin)

Creative Arts



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Flat no. 508, tower 12  
Green Valley apartments  
Sector 6, Dwarka  
New Delhi 110075

28<sup>th</sup> December, 2022

Customer Service Manager  
Wooden Store  
Shop No. 34,  
Jail road, Tilak Nagar  
New Delhi

Dear Sir,

Subject: Filing complaint for a broken item against Bill no. WS-60ST/2022

I hereby write to complain regarding the defect in the study table unit purchased on 22<sup>nd</sup> December, 2022 from your store, Jail road outlet.

The product when received at home was in a broken condition. One leg of the table was broken, the table top had several scratches; the arm of the chair was also broken into two pieces. The delivery man says, he got the product as given to him in the shop.

I request you to look into this matter without any delay and provide a new unit. I have enclosed a copy of the bill of purchase for your reference. Looking forward to your early response.

Thanking you

Yours truly,

Mitali/ Mahesh

Dwarka, New Delhi.





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3.

Future Cyber Cafe  
Arjun Nagar  
New Delhi- 110000

4th March 2023

PC Electronics.  
Nehru Place  
New Delhi- 110023

Subject: Placing an order for computer systems and accessories.

Dear Sir,

This is with respect to our newly opened cyber café, Future Cyber Café' in Arjun Nagar. I would like to place an order for some computer systems and related accessories for the same. Below is a detailed table listing the requirements.

Product Name	Quantity
Computers (Full units)	10
UPS	5
Speakers	5
Modem	10

We wish to start operations from 1<sup>st</sup> April 2023. Kindly ensure that all products are quality checked and in a warranty period. Please send the items by next week to allow smooth flow of business. We would also need your help for installation.

Thanks and Regards

Arpit/Arpita  
Future Cyber Cafe (Owner)



**Chapter-11 Writing formal mails**

1. Dear employees,

Greetings!

This is with respect to your KYC details needed, to be updated in a newly installed software. We request you to share your details in the given format (attached) by 10<sup>th</sup> April, 2023 to avoid any delay in work.

This is a mandatory process and we request our employees to kindly do the needful at the earliest.

For any help regarding the matter, an executive has been assigned to every department. The details of executives are enclosed with this mail. You can also write to [helpdesk@sittech.com](mailto:helpdesk@sittech.com) for any further clarifications.

Looking forward to your kind cooperation.

With warm regards

Mr. Sushil

Manager, HR

Sitcom Technologies

2. Dear clients,

Greetings!

This is with respect to the new norms and policies our organization has decided upon for future business. In the light of a mutually beneficial business relationship, the committee members have decided to revise the fee for print and social media advertising. Also, we request the clients to give us atleast two weeks for working on the requirements, to enable us to deliver quality work.

We would expect 25% of the full payment to be paid, at the beginning of the project. Balance amount can be paid, after the full completion of the project. This has been done seeing our past bitter experiences with a few clients. We have full faith in you; however business ethics cannot be over ruled

A team member will share with you all the necessary changes/additions made to our work policies. For any help regarding the matter, please feel free to contact him through email or phone call.



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Looking forward to your kind cooperation.

With warm regards

Mr. Raj/Rani

Head, Advertising

Admad Technologies

**Chapter-12 Resume Writing**

1. Cover Letter:

36/7

Old Rajinder Nagar,

Delhi 110060

29<sup>th</sup> December 2022

Manager, HR

Infra Technologies, USA Inc

Gurugram

Dear Ma'am/Sir,

Subject: Application for the Associate Consultant

This is with respect to the position of Associate Consultant in your esteemed organization.

I hold a Master's degree in Management (MBA) Finance from the premiere Management Development Institute, Gurugram. I have a work experience of 5 years with a Fintech firm. I am well aware of the developments in the finance sector and can contribute well with my expertise and knowledge.

Please find my resume for the details of my credentials.

Looking forward to hearing from you soon!

Yours sincerely,

Sumita/Sumit

11111-11111



**Resume:**

**Sumita/Sumit Khanna**

36/7, Old Rajinder Nagar, Delhi | +91- 11111 1111 | sumita@gmail.com

**Objective**

To impart meaningful knowledge to the organization and help in better revenue and sales with the parallel aim of working for the betterment of the economy/society.

**Educational Qualification**

Qualification	Year	Board/University	Institution's Name
MBA	2015	MDI, Gurgaon	MDI Gurgaon
BBA	2013	Delhi University	College of Business Studies
Class 12 <sup>th</sup>	2010	CBSE	Springdales, Dhaula Kuan, New Delhi
Class 10 <sup>th</sup>	2008	CBSE	Springdales, Dhaula Kuan, New Delhi

**Professional Experience**

**Consultant ABC Technologies (April'17 - December'17)**

- Worked in association with the Finance team
- Delivered multiple projects within deadlines
- Handled Accounts of big clients
- Member of the Audit team, for learning purpose
- Attended professional development workshops organized by the organization

**Project Associate XYZ Pvt. Ltd. (April'15 - March'17)**

- Experience of working in a finance led team of seven members.
- Certified as 'finance literate', awarded as the best employee for a financial year.
- teaching Grade 3, 4, 5 and 6 as per CIE curriculum
- Worked in close association with senior finance executives of the firm,
- Built on the deck for client meetings and onsite projects.

**Social Work**

**Volunteer for the Non-Profit Organization, education for all (December 2013-March 2014)**

- Project: Each one teach one



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- Job Role: Helping children with their education; majorly working over their mathematics skills

**Volunteer for the Non-Profit Organization, Teach India (October 2009-March 2011)**

- Job Role: Organized campaigns to help spread literacy among the poor and backward classes.

**(The student may add more details if needed; the above are Hints)**

**2. Rajkumar Rao**

Flat no. 78, Dream View hills,  
Sector 57  
NOIDA, UP

Subject: Interview Scheduled for 3<sup>rd</sup> May, 2023 at office premises for the post of Associate Offer for appointment for the post of Senior Accountant.

Dear Rajkumar,

We are pleased to inform you that your name has been shortlisted for an interview, for the post of Senior Accountant at C and C Pvt Ltd. Please find the details below.

Date of interview: 3<sup>rd</sup> Jan, 2023

Location: C and C Pvt Ltd, Sector 62, Noida

Time: 10:30 am

You requested to wear formals for the interview. Please carry all your credentials (Mark sheets, certificates, work experience proofs etc) that you wish to show to the interview panel. We also would like you to carry your Aadhar Card.

The interview would last for maximum 20 minutes. Kindly plan your day accordingly.

Kind regards,

Rani/Raj Mehta

Head - HR

+91- 33333000



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### Chapter-13 Meetings

**1. Hint: Mention the agenda and the cause for the same.**

Participants in the meeting: Mr. XY, Vice-President; Mr. A, HR Manager; Mr. AB. Operations Head; Mr. ABC, Operations Manager and Mr. XY's Secretary

Date: December 30th, 2022

Meeting started at 10:30 am

Mr. A started the meeting and discussed the agenda as to why there was a low percentage of employees present in office.

Mr. AB intervenes and mentions how important it is for the company to have staff being present in the office. It will ensure better facilities being offered and operations cost is approved.

Mr. A and Mr. AB together presented a presentation with the statistics of absent versus present in the last financial year.

Mr. ABC suggests ideas to have atleast 50 % attendance in every division, on a daily basis.

Mr. XY gave his valuable inputs on how the attendance of staff can be increased.

Mr. ABC gives his suggestions on having some bonus or incentive schemes for the employees so as to attract them .

Mr. A concluded the meeting with vote of thanks to all the members who attended the meeting.

**2. Hint: Focus on one product. Mention the product and product specifications**

Participants in the meeting: Mr. B, Vice-President; Mr. A Product Manager, Mr. C, Sales Manager and their Associates

Date: December 29th, 2022

Meeting started at 12.00pm

Mr. C explains about the agenda of the meeting, and he talks about how people are facing issues using their new product. Negative feedback discussed

The associates have brainstormed few ideas about how the product can be changed according to the market requirements.

Mr. A listens to everyone carefully and shares his thoughts about changing the packaging too. He also proposes to work on the ingredients, pricing and presentation of the product. (We are taking the product to be edible)



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Mr. A agrees and informs that he would like to discuss with the design team and finalize the appropriate designs with everyone soon. Vice Chairman also exclaims the need to bring down the price for a better and healthy competition in the market.

The meeting concluded with few ideas that everyone is ready to explore and implement.



**PAPER – 2: BUSINESS LAWS AND BUSINESS CORRESPONDENCE AND REPORTING**

**SECTION A: BUSINESS LAWS**

Amendments for Paper 2A: Business Laws, Foundation November 2023 examinations

**1. Chapter 4: The Limited Liability Act, 2008**

The Limited Liability Act, 2008 has been amended through the Limited Liability Partnership (Amendment) Act, 2021 dated 13<sup>th</sup> August, 2021. The following are the amendments w.e.f. 1<sup>st</sup> April, 2022.

Earlier provision	New provision
-	Throughout the Limited Liability Partnership Act, 2008, for the words and figures “the Companies Act, 1956” wherever they occur, the words and figures “the Companies Act, 2013” shall be substituted.
<p><b>Body Corporate [(Section 2(d))]:</b> It means a company as defined in section 3 of the Companies Act, 1956 and includes—</p> <ul style="list-style-type: none"> <li>(i) a LLP registered under this Act;</li> <li>(ii) a LLP incorporated outside India; and</li> <li>(iii) a company incorporated outside India,</li> </ul> <p>but does not include—</p> <ul style="list-style-type: none"> <li>(i) a corporation sole;</li> <li>(ii) a co-operative society registered under any law for the time being in force; and</li> <li>(iii) any other body corporate (not being a company as defined in section 3 of the Companies Act, 1956 or a limited liability partnership as defined in this Act), which the Central Government may, by notification in the Official Gazette, specify in this behalf.</li> </ul>	<p><b>Body Corporate [(Section 2(d))]:</b> It means a company as defined in <b>clause (20) of section 2 of the Companies Act, 2013</b> and includes</p> <ul style="list-style-type: none"> <li>(i) a limited liability partnership registered under this Act;</li> <li>(ii) a limited liability partnership incorporated outside India; and</li> <li>(iii) a company incorporated outside India,</li> </ul> <p>but does not include</p> <ul style="list-style-type: none"> <li>(i) a corporation sole;</li> <li>(ii) a co-operative society registered under any law for the time being in force; and</li> <li>(iii) any other body corporate (not being a company as defined in <b>clause (20) of section 2 of the Companies Act, 2013</b> or a limited liability partnership as defined in this Act), which the Central Government may, by notification in the Official Gazette, specify in this behalf.</li> </ul>
<p><b>Business [Section 2(e)]:</b> “Business” includes every trade, profession, service and occupation.</p>	<p><b>Business [Section 2(e)]:</b> “Business” includes every trade, profession, service and occupation <b>except any activity which the Central Government may, by notification, exclude.</b></p>





<p><b>Newly inserted</b></p>	<p><b>“Small limited liability partnership [Section 2(ta)]: It means a limited liability partnership—</b></p> <ul style="list-style-type: none"> <li><b>(i) the contribution of which, does not exceed twenty-five lakh rupees or such higher amount, not exceeding five crore rupees, as may be prescribed; and</b></li> <li><b>(ii) the turnover of which, as per the Statement of Accounts and Solvency for the immediately preceding financial year, does not exceed forty lakh rupees or such higher amount, not exceeding fifty crore rupees, as may be prescribed; or</b></li> <li><b>(iii) which meets such other requirements as may be prescribed, and fulfils such terms and conditions as may be prescribed;</b></li> </ul>
<p><b>Designated partners (Section 7):</b></p> <ul style="list-style-type: none"> <li><b>(i) Every LLP shall have at least two designated partners who are individuals and at least one of them shall be a resident in India.</b></li> <li><b>(ii) If in LLP, all the partners are bodies corporate or in which one or more partners are individuals and bodies corporate, at least two individuals who are partners of such LLP or nominees of such bodies corporate shall act as designated partners.</b></li> <li><b>(iii) Resident in India:</b> For the purposes of this section, the term “resident in India” means a person who has stayed in India for a period of not less than 182 days during the immediately preceding one year.</li> </ul>	<p><b>Designated partners (Section 7)</b></p> <ul style="list-style-type: none"> <li><b>(1) Every limited liability partnership shall have at least two designated partners who are individuals and at least one of them shall be a resident in India:</b>            Provided that in case of a limited liability partnership in which all the partners are bodies corporate or in which one or more partners are individuals and bodies corporate, at least two individuals who are partners of such limited liability partnership or nominees of such bodies corporate shall act as designated partners.  <b>Explanation.</b> For the purposes of this section, the term resident in India means a person who has stayed in India for a period of not less than one hundred and <b>twenty days during the financial year.</b></li> <li><b>(2) Subject to the provisions of sub-section (1),</b> <ul style="list-style-type: none"> <li><b>(i) if the incorporation document</b></li> </ul> </li> </ul>



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	<p>(a) specifies who are to be designated partners, such persons shall be designated partners on incorporation; or</p> <p>(b) states that each of the partners from time to time of limited liability partnership is to be designated partner, every partner shall be a designated partner;</p> <p>(ii) any partner may become a designated partner by and in accordance with the limited liability partnership agreement and a partner may cease to be a designated partner in accordance with limited liability partnership agreement.</p> <p>(3) An individual shall not become a designated partner in any limited liability partnership unless he has given his prior consent to act as such to the limited liability partnership in such form and manner as may be prescribed.</p> <p>(4) Every limited liability partnership shall file with the Registrar the particulars of every individual who has given his consent to act as designated partner in such form and manner as may be prescribed within thirty days of his appointment.</p> <p>(5) An individual eligible to be a designated partner shall satisfy such conditions and requirements as may be prescribed.</p> <p>(6) Every designated partner of a limited liability partnership shall obtain a Designated Partners Identification Number (DPIN) from the Central Government and the provisions of <b>sections 153 to 159 (both inclusive) of the Companies Act, 2013</b> shall apply <i>mutatis mutandis</i> for the said purpose.</p>
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<p><b>Registered office of LLP and change therein (Section 13):</b></p> <ol style="list-style-type: none"> <li>(1) Every LLP shall have a registered office to which all communications and notices may be addressed and where they shall be received.</li> <li>(2) A document may be served on a LLP or a partner or designated partner thereof by sending it by post under a certificate of posting or by registered post or by any other manner, as may be prescribed, at the registered office and any other address specifically declared by the LLP for the purpose in such form and manner as may be prescribed.</li> <li>(3) A LLP may change the place of its registered office and file the notice of such change with the Registrar in such form and manner and subject to such conditions as may be prescribed and any such change shall take effect only upon such filing.</li> <li>(4) If the LLP contravenes any provisions of this section, the LLP and its every partner shall be punishable with fine which shall not be less than ` 2,000 but which may extend to ` 25,000.</li> </ol>	<p><b>Registered office of LLP and change therein (Section 13):</b></p> <ol style="list-style-type: none"> <li>(1) Every limited liability partnership shall have a registered office to which all communications and notices may be addressed and where they shall be received.</li> <li>(2) A document may be served on a limited liability partnership or a partner or designated partner thereof by sending it by post under a certificate of posting or by registered post or by any other manner, as may be prescribed, at the registered office and any other address specifically declared by the limited liability partnership for the purpose in such form and manner as may be prescribed.</li> <li>(3) A limited liability partnership may change the place of its registered office and file the notice of such change with the Registrar in such form and manner and subject to such conditions as may be prescribed and any such change shall take effect only upon such filing.</li> <li>(4) <b>If any default is made in complying with the requirements of this section, the limited liability partnership and its every partner shall be liable to a penalty of five hundred rupees for each day during which the default continues, subject to a maximum of fifty thousand rupees for the limited liability partnership and its every partner.</b></li> </ol>
<p><b>Name (Section 15):</b></p> <ol style="list-style-type: none"> <li>(1) Every limited liability partnership shall have either the words "limited liability partnership" or the acronym "LLP" as the last words of its name.</li> </ol>	<p><b>Name (Section 15):</b></p> <ol style="list-style-type: none"> <li>(1) Every limited liability partnership shall have either the words limited liability partnership or the acronym LLP as the last words of its name.</li> </ol>



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<p>(2) No LLP shall be registered by a name which, in the opinion of the Central Government is—</p> <p>(a) undesirable; or</p> <p>(b) identical or too nearly resembles to that of any other partnership firm or LLP or body corporate or a registered trade mark, or a trade mark which is the subject matter of an application for registration of any other person under the Trade Marks Act, 1999.</p>	<p>(2) No limited liability partnership shall be registered by a name which, in the opinion of the Central Government is</p> <p>(a) undesirable; or</p> <p><b>(b) identical or too nearly resembles to that of any other limited liability partnership or a company or a registered trade mark of any other person under the Trade Marks Act, 1999.</b></p>
<p><b>Change of name of LLP (Section 17):</b></p> <p>(1) Notwithstanding anything contained in sections 15 and 16, where the Central Government is satisfied that a LLP has been registered (whether through inadvertence or otherwise and whether originally or by a change of name) under a name which —</p> <p>(a) is a name referred to in sub-section (2) of section 15; or</p> <p>(b) is identical with or too nearly resembles the name of any other LLP or body corporate or other name as to be likely to be mistaken for it, the Central Government may direct such LLP to change its name, and the LLP shall comply with the said direction within 3 months after the date of the direction or such longer period as the Central Government may allow.</p> <p>(2) (i) Any LLP which fails to comply with a direction given under sub-section (1) shall be punishable with fine which shall not be less than ₹ 10,000 but which may extend to ₹ 5 Lakhs.</p>	<p><b>Change of name of LLP (Section 17):</b></p> <p>(1) <b>Notwithstanding anything contained in sections 15 and 16, if through inadvertence or otherwise, a limited liability partnership, on its first registration or on its registration by a new body corporate, its registered name;" name, is registered by a name which is identical with or too nearly resembles to—</b></p> <p>(a) that of any other limited liability partnership or a company; or</p> <p>(b) a registered trade mark of a proprietor under the Trade Marks Act, 1999, as is likely to be mistaken for it, then on an application of such limited liability partnership or proprietor referred to in clauses (a) and (b) respectively or a company, the Central Government may direct that such limited liability partnership to change its name or new name within a period of three months from the date of issue of such direction:</p> <p><b>Provided that an application of the proprietor of the registered trade marks shall be maintainable within a</b></p>



<p>(ii) The designated partner of such LLP shall be punishable with fine which shall not be less than ₹ 10,000 but which may extend to ₹ 1 Lakh.</p>	<p>period of three years from the date of incorporation or registration or change of name of the limited liability partnership under this Act.</p> <p>(2) Where a limited liability partnership changes its name or obtains a new name under sub-section (1), it shall within a period of fifteen days from the date of such change, give notice of the change to Registrar along with the order of the Central Government, who shall carry out necessary changes in the certificate of incorporation and within thirty days of such change in the certificate of incorporation, such limited liability partnership shall change its name in the limited liability partnership agreement.</p> <p>(3) If the limited liability partnership is in default in complying with any direction given under sub-section (1), the Central Government shall allot a new name to the limited liability partnership in such manner as may be prescribed and the Registrar shall enter the new name in the register of limited liability partnerships in place of the old name and issue a fresh certificate of incorporation with new name, which the limited liability partnership shall use thereafter: Provided that nothing contained in this sub-section shall prevent a limited liability partnership from subsequently changing its name in accordance with the provisions of section 16.</p>
<p><b>Registration of changes in partners (Section 25):</b> (1) Every partner shall inform the LLP of any change in his name or address</p>	<p><b>Registration of changes in partners (Section 25):</b> (1) Every partner shall inform the limited liability partnership of any change in his</p>



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<p>within a period of 15 days of such change.</p> <p>(2) A LLP shall—</p> <p>(a) where a person becomes or ceases to be a partner, file a notice with the Registrar within 30 days from the date he becomes or ceases to be a partner; and</p> <p>(b) where there is any change in the name or address of a partner, file a notice with the Registrar within 30 days of such change.</p> <p>(3) A notice filed with the Registrar under sub-section (2)—</p> <p>(a) shall be in such form and accompanied by such fees as may be prescribed;</p> <p>(b) shall be signed by the designated partner of the LLP and authenticated in a manner as may be prescribed; and</p> <p>(c) if it relates to an incoming partner, shall contain a statement by such partner that he consents to becoming a partner, signed by him and authenticated in the manner as may be prescribed.</p> <p>(4) If the LLP contravenes the provisions of sub-section (2), the LLP and every designated partner of the LLP shall be punishable with fine which shall not be less than ₹ 2,000 but which may extend to ₹ 25,000.</p> <p>(5) If any partner contravenes the provisions of sub-section (1), such partner shall be punishable with fine which shall not be less than ₹ 2,000 but which may extend to ₹ 25,000.</p> <p>(6) Any person who ceases to be a partner of a LLP may himself file with</p>	<p>name or address within a period of fifteen days of such change.</p> <p>(2) A limited liability partnership shall</p> <p>(a) where a person becomes or ceases to be a partner, file a notice with the Registrar within thirty days from the date he becomes or ceases to be a partner; and</p> <p>(b) where there is any change in the name or address of a partner, file a notice with the Registrar within thirty days of such change.</p> <p>(3) A notice filed with the Registrar under sub-section (2)</p> <p>(a) shall be in such form and accompanied by such fees as may be prescribed;</p> <p>(b) shall be signed by the designated partner of the limited liability partnership and authenticated in a manner as may be prescribed; and</p> <p>(c) if it relates to an incoming partner, shall contain a statement by such partner that he consents to becoming a partner, signed by him and authenticated in the manner as may be prescribed.</p> <p>(4) <b>If the limited liability partnership contravenes the provisions of sub-section (2), the limited liability partnership and its every designated partner shall be liable to a penalty of ten thousand rupees.</b></p> <p>(5) <b>If the contravention referred to in sub-section (1) is made by any partner of the limited liability partnership, such partner shall be liable to a penalty of ten thousand rupees.</b></p> <p>(6) Any person who ceases to be a partner of a limited liability partnership may himself file with the Registrar the notice referred to in sub-section (3) if he has</p>
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<p>the Registrar the notice referred to in sub-section (3) if he has reasonable cause to believe that the LLP may not file the notice with the Registrar and in case of any such notice filed by a partner, the Registrar shall obtain a confirmation to this effect from the LLP unless the LLP has also filed such notice.</p> <p>However, where no confirmation is given by the LLP within 15 days, the registrar shall register the notice made by a person ceasing to be a partner under this section.</p>	<p>reasonable cause to believe that the limited liability partnership may not file the notice with the Registrar and in case of any such notice filed by a partner, the Registrar shall obtain a confirmation to this effect from the limited liability partnership unless the limited liability partnership has also filed such notice:</p> <p>Provided that where no confirmation is given by the limited liability partnership within fifteen days, the Registrar shall register the notice made by a person ceasing to be a partner under this section.</p>
<p><b>Unlimited liability in case of fraud (Section 30):</b></p> <p>(1) In case of fraud:</p> <ul style="list-style-type: none"> <li>• In the event of an act carried out by a LLP, or any of its partners,</li> <li>• with intent to defraud creditors of the LLP or any other person, or for any fraudulent purpose,</li> <li>• the liability of the LLP and partners who acted with intent to defraud creditors or for any fraudulent purpose</li> <li>• shall be unlimited for all or any of the debts or other liabilities of the LLP.</li> </ul> <p>However, in case any such act is carried out by a partner, the LLP is liable to the same extent as the partner unless it is established by the LLP that such act was without the knowledge or the authority of the LLP.</p> <p>(2) Where any business is carried on with such intent or for such purpose as mentioned in sub-section (1), every person who was knowingly a party to the carrying on of the business in the</p>	<p><b>Unlimited liability in case of fraud (Section 30):</b></p> <p>(1) In the event of an act carried out by a limited liability partnership, or any of its partners, with intent to defraud creditors of the limited liability partnership or any other person, or for any fraudulent purpose, the liability of the limited liability partnership and partners who acted with intent to defraud creditors or for any fraudulent purpose shall be unlimited for all or any of the debts or other liabilities of the limited liability partnership:</p> <p>Provided that in case any such act is carried out by a partner, the limited liability partnership is liable to the same extent as the partner unless it is established by the limited liability partnership that such act was without the knowledge or the authority of the limited liability partnership.</p> <p>(2) Where any business is carried on with such intent or for such purpose as mentioned in sub-section (1), every person who was knowingly a party to the carrying on of the business in the manner aforesaid shall be punishable with imprisonment for a term which may</p>



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<p>manner aforesaid shall be punishable with</p> <ul style="list-style-type: none"> <li>• imprisonment for a term which may extend to 2 years and</li> <li>• with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 5 Lakhs.</li> </ul> <p>(3) Where a LLP or any partner or designated partner or employee of such LLP has conducted the affairs of the LLP in a fraudulent manner, then without prejudice to any criminal proceedings which may arise under any law for the time being in force, the LLP and any such partner or designated partner or employee shall be liable to pay compensation to any person who has suffered any loss or damage by reason of such conduct. However, such LLP shall not be liable if any such partner or designated partner or employee has acted fraudulently without knowledge of the LLP.</p>	<p>extend to <b>five years</b> and with fine which shall not be less than fifty thousand rupees but which may extend to five lakh rupees.</p> <p>(3) Where a limited liability partnership or any partner or designated partner or employee of such limited liability partnership has conducted the affairs of the limited liability partnership in a fraudulent manner, then without prejudice to any criminal proceedings which may arise under any law for the time being in force, the limited liability partnership and any such partner or designated partner or employee shall be liable to pay compensation to any person who has suffered any loss or damage by reason of such conduct:</p> <p>Provided that such limited liability partnership shall not be liable if any such partner or designated partner or employee has acted fraudulently without knowledge of the limited liability partnership.</p>
<p><b>Maintenance of books of account, other records and audit, etc. (Section 34):</b></p> <p>(1) <b>Proper Books of account:</b></p> <ul style="list-style-type: none"> <li>• The LLP shall maintain such proper books of account as may be prescribed</li> <li>• relating to its affairs for each year of its existence</li> <li>• on cash basis or accrual basis and</li> <li>• according to double entry system of accounting and</li> <li>• shall maintain the same at its registered office</li> <li>• for such period as may be prescribed.</li> </ul>	<p><b>Maintenance of books of account, other records and audit, etc. (Section 34):</b></p> <p>(1) The limited liability partnership shall maintain such proper books of account as may be prescribed relating to its affairs for each year of its existence on cash basis or accrual basis and according to double entry system of accounting and shall maintain the same at its registered office for such period as may be prescribed.</p> <p>(2) Every limited liability partnership shall, within a period of six months from the end of each financial year, prepare a Statement of Account and Solvency for the said financial year as at the last day of the said financial year in such form as may be prescribed, and such statement</p>





<p>(2) <b>Statement of Account and Solvency:</b></p> <ul style="list-style-type: none"> <li>• Every LLP shall,</li> <li>• within a period of 6 months from the end of each financial year,</li> <li>• prepare a Statement of Account and Solvency</li> <li>• for the said financial year as at the last day of the said financial year</li> <li>• in such form as may be prescribed, and</li> <li>• such statement shall be signed by the designated partners of the LLP.</li> </ul> <p>(3) Every LLP shall file within the prescribed time, the Statement of Account and Solvency prepared pursuant to sub-section (2) with the Registrar every year in such form and manner and accompanied by such fees as may be prescribed.</p> <p>(4) The accounts of LLP shall be audited in accordance with such rules as may be prescribed. However, the Central Government may, by notification in the Official Gazette, exempt any class or classes of LLP from the requirements of this sub-section.</p> <p>(5) Any LLP which fails to comply with the provisions of this section shall be punishable</p> <ul style="list-style-type: none"> <li>• with fine which shall not be less than ₹ 25,000</li> <li>• but which may extend to ₹ 5 Lakhs</li> </ul> <p>Every designated partner of such LLP shall be punishable</p> <ul style="list-style-type: none"> <li>• with fine which shall not be less than ₹ 10,000</li> </ul>	<p>shall be signed by the designated partners of the limited liability partnership.</p> <p>(3) Every limited liability partnership shall file within the prescribed time, the Statement of Account and Solvency prepared pursuant to sub-section (2) with the Registrar every year in such form and manner and accompanied by such fees as may be prescribed.</p> <p>(4) The accounts of limited liability partnerships shall be audited in accordance with such rules as may be prescribed: Provided that the Central Government may, by notification in the Official Gazette, exempt any class or classes of limited liability partnerships from the requirements of this sub-section.</p> <p>(5) <b>Any limited liability partnership which fails to comply with the provisions of sub-section (3), such limited liability partnership and its designated partners shall be liable to a penalty of one hundred rupees for each day during which such failure continues, subject to a maximum of one lakh rupees for the limited liability partnership and fifty thousand rupees for every designated partner.</b></p> <p>(6) <b>Any limited liability partnership which fails to comply with the provisions of sub-section (1), sub-section (2) and sub-section (4), such limited liability partnership shall be punishable with fine which shall not be less than twenty-five thousand rupees, but may extend to five lakh rupees and every designated partner of such limited liability partnership shall be punishable with fine which shall not</b></p>
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<ul style="list-style-type: none"> <li>but which may extend to ₹ 1 Lakh.</li> </ul>	<p>be less than ten thousand rupees, but may extend to one lakh rupees.</p>
<p>Newly inserted</p>	<p>[34A. Accounting and auditing standards. The Central Government may, in consultation with the National Financial Reporting Authority constituted under section 132 of the Companies Act, 2013,—</p> <p>(a) prescribe the standards of accounting; and</p> <p>(b) prescribe the standards of auditing, as recommended by the Institute of Chartered Accountants of India constituted under section 3 of the Chartered Accountants Act, 1949, for a class or classes of limited liability partnerships.]</p>
<p><b>Annual return (Section 35):</b></p> <p>(1) Every LLP shall file an annual return duly authenticated with the Registrar within 60 days of closure of its financial year in such form and manner and accompanied by such fee as may be prescribed.</p> <p>(2) Any LLP which fails to comply with the provisions of this section shall be punishable with fine which shall not be less than ₹ 25,000 but which may extend to ₹ 5 Lakhs.</p> <p>(3) If the LLP contravenes the provisions of this section, the designated partner of such LLP shall be punishable with fine which shall not be less than ₹ 10,000 but which may extend to ₹ 1 Lakh.</p>	<p><b>Annual return (Section 35):</b></p> <p>(1) Every limited liability partnership shall file an annual return duly authenticated with the Registrar within sixty days of closure of its financial year in such form and manner and accompanied by such fee as may be prescribed.</p> <p>(2) If any limited liability partnership fails to file its annual return under subsection (1) before the expiry of the period specified therein, such limited liability partnership and its designated partners shall be liable to a penalty of one hundred rupees for each day during which such failure continues, subject to a maximum of one lakh rupees for the limited liability partnership and fifty thousand rupees for designated partners.</p>
<p>Newly inserted</p>	<p>67A. Establishment of Special Courts.</p> <p>(1) The Central Government may, for the purpose of providing speedy trial of offences under this Act, by notification, establish or designate as many Special Courts as may be</p>



	<p>necessary for such area or areas, as may be specified in the notification.</p> <p>(2) The Special Court shall consist of—</p> <p>(a) a single Judge holding office as Sessions Judge or Additional Sessions Judge, in case of offences punishable under this Act with imprisonment of three years or more; and</p> <p>(b) a Metropolitan Magistrate or a Judicial Magistrate of the first class, in the case of other offences, who shall be appointed by the Central Government with the concurrence of the Chief Justice of the High Court:</p> <p>Provided that until Special Courts are designated or established under subsection (1), the Courts designated as Special Courts in terms of section 435 of the Companies Act, 2013 shall be deemed to be Special Courts for the purpose of trial of offences punishable under this Act:</p> <p>Provided further that notwithstanding anything contained in the Code of Criminal Procedure, 1973, any offence committed under this Act, which is triable by a Special Court shall, until a Special Court is established under this Act or the Companies Act, 2013, be tried by a Court of Sessions or the Court of Metropolitan Magistrate or a Judicial Magistrate of the first class, as the case may be, exercising jurisdiction over the area.]</p> <p><b>67B. Procedure and powers of Special Court.</b></p> <p>(1) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, all offences specified under subsection (1) of section 67A shall be</p>
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	<p>triable only by the Special Court established or designated for the area in which the registered office of the limited liability partnership is situated in relation to which the offence is committed or where there are more than one Special Courts for such area, by such one of them as may be specified in this behalf by the High Court concerned.</p> <p>(2) While trying an offence under this Act, a Special Court may also try an offence other than an offence under this Act with which the accused may, under the Code of Criminal Procedure, 1973 be charged at the same trial.</p> <p>(3) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, the Special Court may, if it thinks fit, try in a summary way any offence under this Act which is punishable with imprisonment for a term not exceeding three years:</p> <p>Provided that in the case of any conviction in a summary trial, no sentence of imprisonment for a term exceeding one year shall be passed:</p> <p>Provided further that, when at the commencement of or in the course of a summary trial, it appears to the Special Court that the nature of the case is such that the sentence of imprisonment for a term exceeding one year may have to be passed or that it is, for any other reason, undesirable to try the case summarily, the Special Court shall, after hearing the parties, record an order to that effect and thereafter recall any witnesses who may have been examined and proceed to hear or re-hear the case in accordance with the procedure for the regular trial.</p>
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<p>Newly inserted</p>	<p>67C. Appeal and revision. The High Court may exercise, so far as may be applicable, all the powers conferred by Chapters XXIX and XXX of the Code of Criminal Procedure, 1973 on a High Court, as if a Special Court within the local limits of the jurisdiction of the High Court were a Court of Sessions trying cases within the local limits of the jurisdiction of the High Court.]</p>
<p>Newly inserted</p>	<p>68A. Registration offices.</p> <ol style="list-style-type: none"> <li>(1) For the purpose of exercising such powers and discharging such functions as are conferred on the Central Government by or under this Act or under rules made thereunder and for the purpose of registration of limited liability partnerships under this Act, the Central Government shall, by notification, establish such number of registration offices at such places as it thinks fit, specifying their jurisdiction.</li> <li>(2) The Central Government may appoint such Registrars, Additional Registrars, Joint Registrars, Deputy Registrars and Assistant Registrars as it considers necessary, for the registration of limited liability partnerships and discharge of various functions under this Act.</li> <li>(3) The powers and duties of the Registrars referred to in sub-section (2) and the terms and conditions of their service shall be such as may be prescribed.</li> <li>(4) The Central Government may direct the Registrar to prepare a seal or seals for the authentication of documents required for, or connected with the registration of limited liability partnerships.]</li> </ol>



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<p><b>Payment of additional fee (Section 69):</b>          Any document or return required to be filed or registered under this Act with the Registrar, if, is not filed or registered in time provided therein, may be filed or registered after that time upto a period of 300 days from the date within which it should have been filed, on payment of additional fee of ₹ 100 for every day of such delay in addition to any fee as is payable for filing of such document or return.          However, such document or return may, without prejudice to any other action or liability under this Act, also be filed after such period of 300 days on payment of fee and additional fee specified in this section.</p>	<p><b>Payment of additional fee (Section 69):</b>  <b>Any document or return required to be registered or filed under this Act with Registrar, if, is not registered or filed in time provided therein, may be registered or filed after that time, on payment of such additional fee as may be prescribed in addition to any fee as is payable for filing of such document or return:</b>  <b>Provided that such document or return shall be filed after the due date of filing, without prejudice to any other action or liability under this Act:</b>  <b>Provided further that a different fee or additional fee may be prescribed for different classes of limited liability partnerships or for different documents or returns required to be filed under this Act or rules made thereunder.</b></p>
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**2. Chapter 5: The Companies Act, 2013**

Notification G.S.R. 700(E) dated 15<sup>th</sup> September, 2022

The Central Government has amended Companies (Specification of definition details) Rules, 2014, through the Companies (Specification of definition details) Amendment Rules, 2022.

Earlier provision	New provision
As per the Companies (Specification of Definitions Details) Rules, 2014, for the purposes of sub-clause (i) and sub-clause (ii) of clause (85) of section 2 of the Act, paid up capital and turnover of the small company shall not exceed rupees <b>two crores</b> and rupees <b>twenty crores</b> respectively.	As per the Companies (Specification of Definitions Details) Rules, 2014, for the purposes of sub-clause (i) and sub-clause (ii) of clause (85) of section 2 of the Act, paid up capital and turnover of the small company shall not exceed rupees <b>four crores</b> and rupees <b>forty crores</b> respectively.  (Page No. 5.11)



**Part II – QUESTIONS AND ANSWERS**

**QUESTIONS**

1. Shital was a classical dancer. She entered into an agreement with Sharad Vidya Mandir for 50 dance performances. As per the contract, she was supposed to perform every weekend and she will be paid ₹ 8,000/- per performance. However, after a month, she was absent without informing, due to her personal reasons. Answer the following questions as per the Indian Contract Act, 1872.
  - (i) Whether the management of Sharad Vidya Mandir has right to terminate the contract?
  - (ii) If the management of Sharad Vidya Mandir informed Shital about its continuance, can the management still rescind the contract after a month on this ground subsequently?
  - (iii) Can the Sharad Vidya Mandir claim damages that it has suffered because of this breach in any of the above cases?
  
2. Paridhee, a minor, falsely representing her age, enters into an agreement with an authorised Laptop dealer Mr. Mittal, owner of MP Laptops, for purchase of Laptop on credit amounting ₹ 60,000/- on 1<sup>st</sup> August 2022. She promised to pay back the outstanding amount with interest @ 16% p.a. by 31<sup>st</sup> July 2023. She told him that in case she won't be able to pay the outstanding amount, her father Mr. Ram will pay back on her behalf. After One year, when Paridhee was asked to pay the outstanding amount with interest she refused to pay the amount and told the owner that she is minor and now he can't recover a single penny from her.

She will be a major on 1<sup>st</sup> January 2025 and only after that agreement can be ratified. Explain by which of the following ways, Mr. Mittal will succeed in recovering the outstanding amount with reference to the Indian Contract Act, 1872.

  - (i) By filing a case against Paridhee, a minor for recovery of outstanding amount with interest?
  - (ii) By filing a case against Mr. Ram, father of Paridhee for recovery of outstanding amount?
  - (iii) By filing a case against Paridhee, a minor for recovery of outstanding amount after she attains majority?
  
3. Rohan found a wallet in a restaurant. He enquired all the customers present there but the true owner could not be found. He handed over the same to the manager of the restaurant to keep the wallet till the true owner is found. After a week, Rohan went back to the restaurant to enquire about the wallet. The manager refused to return it to Rohan, saying





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that it did not belong to him. In the light of the Indian Contract Act, 1872, can Rohan recover the wallet from the Manager?

4. Mr. Sohan, a wealthy individual provided a loan of ₹ 80,000 to Mr. Mukesh on 26<sup>th</sup> February, 2021. The borrower, Mr. Mukesh asked for a further loan of ₹ 1,50,000. Mr. Sohan agreed but provided the loan in parts on different dates. He provided ₹ 1,00,000 on 28<sup>th</sup> February, 2021 and remaining ₹ 50,000 on 3<sup>rd</sup> March, 2021.

On 10<sup>th</sup> March, 2021 Mr. Mukesh while paying off part ₹ 75,000 to Mr. Sohan insisted that the lender should adjust ₹ 50,000 towards the loan taken on 3<sup>rd</sup> March, 2021 and balance as against the loan on 26<sup>th</sup> February, 2021.

Mr. Sohan objected to this arrangement and asked the borrower to adjust in the order of date of borrowal of funds.

Now you decide:

- (i) Whether the contention of Mr. Mukesh correct or otherwise as per the provisions of the Indian Contract Act, 1872?
  - (ii) What would be the answer in case the borrower does not insist on such order of adjustment of repayment?
  - (iii) What would be the mode of adjustment/appropriation of such part payment in case neither Mr. Sohan nor Mr. Mukesh insist any order of adjustment on their part?
5. State with reason(s) whether the following agreements are valid or void as per the Indian Contract Act, 1872:
- (i) Where two courts have jurisdiction to try a suit, an agreement between the parties that the suit should be filed in one of those courts alone and not in the other.
  - (ii) X offers to sell his Maruti car to Y. Y believes that X has only Wagon R Car but agrees to buy it.
  - (iii) X, a physician and surgeon, employs Y as an assistant on a salary of ₹ 75,000 per month for a term of two years and Y agrees not to practice as a surgeon and physician during these two years.
6. Mr. Seth (an industrialist) has been fighting a long-drawn litigation with Mr. Raman (another industrialist). To support his legal campaign, Mr. Seth enlists the services of Mr. X, a legal expert stating that an amount of ₹ 5 lakhs would be paid, if Mr. X does not take up the case of Mr. Raman. Mr. X agrees, but at the end of the litigation, Mr. Seth refused to pay. Decide whether Mr. X can recover the amount promised by Mr. Seth under the provisions of the Indian Contract Act, 1872.
7. What are the consequences of the destruction of specified goods, before making of contract and after the agreement to sell under the Sale of Goods Act, 1930.





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**FOUNDATION EXAMINATION: NOVEMBER, 2023**

8. What are the implied conditions in a contract of 'Sale by sample' under the Sale of Goods Act, 1930? Also state the implied warranties operative under the Act.
9. Shubhangi went to a Jewellery shop and asked the salesgirl to show her diamond necklace with Sapphire stones. The Jeweller told her that we have a lot of designs of diamond necklace but with blue stones. If she chooses for herself any special design of diamond necklace with blue stones, they will replace blue stones with Sapphire stones. But for the Sapphire stones they will charge some extra cost. Shubhangi selected a beautiful designer necklace and paid for it. She also paid the extra cost of Sapphire stones. The Jeweller requested her to come back a week later for delivery of that necklace. When she came after a week to take delivery of necklace, she noticed that due to Sapphire stones, the design of necklace had been completely disturbed. Now, she wants to terminate the contract and thus, asked the manager to give her money back, but he denied for the same. Answer the following questions as per the Sale of Goods Act, 1930.
- (i) State with reasons whether Shubhangi can recover the amount from the Jeweller.
- (ii) What would be your answer if Jeweller says that he can change the design, but he will charge extra cost for the same?
10. State the various essential elements involved in the sale of unascertained goods and its appropriation as per the Sale of Goods Act, 1930.
11. Mrs. Kanchan went to the local rice and wheat wholesale shop and asked for 100 kgs of Basmati rice. The Shopkeeper quoted the price of the same as ₹ 125 per kg to which she agreed. Mrs. Kanchan insisted that she would like to see the sample of what would be provided to her by the shopkeeper before she agreed upon such purchase.
- The shopkeeper showed her a bowl of rice as sample. The sample exactly corresponded to the entire lot.
- Mrs. Kanchan examined the sample casually without noticing the fact that even though the sample was that of Basmati Rice but it contained a mix of long and short grains.
- The cook on opening the bags complained that the dish if prepared with the rice would not taste the same as the quality of rice was not as per requirement of the dish.
- Now Mrs. Kanchan wants to file a suit of fraud against the seller alleging him of selling a mix of good and cheap quality rice. Will she be successful?
- Decide the fate of the case and options open to Mrs. Kanchan for grievance redressal as per the provisions of Sale of Goods Act 1930?
- What would be your answer in case Mrs. Kanchan specified her exact requirement as to length of rice?



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12. Ravi sold 500 bags of wheat to Tushar. Each bag contains 50 Kilograms of wheat. Ravi sent 450 bags by road transport and Tushar himself took remaining 50 bags. Before Tushar receives delivery of 450 bags sent by road transport, he becomes bankrupt. Ravi being still unpaid, stops the bags in transit. The official receiver, on Tushar's insolvency claims the bags. Decide the case with reference to the provisions of the Sale of Goods Act, 1930.
13. (i) What do you mean by 'Partnership for a fixed period' as per the Indian Partnership Act, 1932?  
(ii) When the continuing guarantee can be revoked under the Indian Partnership Act, 1932?  
(iii) What do you mean by Goodwill as per the provisions of Indian Partnership Act, 1932?
14. M/s ABC Associates has been a partnership firm since 1990. Mr. A, Mr. B and Mr. C were partners in the firm since beginning. Mr. A, being a very senior partner of aged 78 years transfers his share in the firm to his son Mr. Vikas, a Chartered Accountant. Mr. B and Mr. C were not interested that Mr. Vikas joining them as partner in M/s ABC Associates. After some time, Mr. Vikas felt that the books of accounts were displaying only a small amount as profit despite a huge turnover. He wanted to inspect the book of accounts of the firm arguing that it is his entitlement as a transferee. However, the other partners believed that he cannot challenge the books of accounts. Can Mr. Vikas be introduced as a partner if his father wants to retire? As an advisor, help them resolve the issues applying the necessary provisions from the Indian Partnership Act, 1932.
15. With reference to the provisions of Indian Partnership Act, 1932 explain the various effects of insolvency of a partner.
16. Master X was introduced to the benefits of partnership of M/s ABC & Co. with the consent of all partners. After attaining majority, more than six months elapsed and he failed to give a public notice as to whether he elected to become or not to become a partner in the firm. Later on, Mr. L, a supplier of material to M/s ABC & Co., filed a suit against M/s ABC & Co. for recovery of the debt due.  
In the light of the Indian Partnership Act, 1932, explain:  
(i) To what extent X will be liable if he failed to give public notice after attaining majority?  
(ii) Can Mr. L recover his debt from X?
17. State whether the following are partnerships under the Indian Partnership Act, 1932:  
(i) Two firms each having 12 partners combined by an agreement into one firm.  
(ii) A and B, co-owners, agree to conduct the business in common for profit.



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- (iii) Some individuals form an association to which each individual contributes ₹ 500 annually. The objective of the association is to produce clothes and distribute the clothes free to the war widows.
- (iv) A and B, co-owners share between themselves the rent derived from a piece of land.
- (v) A and B buy commodity X and agree to sell the commodity with sharing the profits equally.
18. Discuss the conditions under which LLP will be liable and not liable for the acts of the partner under Limited Liability Partnership Act, 2008.
19. BC Private Limited and its subsidiary KL Private Limited are holding 90,000 and 70,000 shares respectively in PQ Private Limited. The paid-up share capital of PQ Private Limited is ₹ 30 Lakhs (3 Lakhs equity shares of ₹ 10 each fully paid). Analyse with reference to provisions of the Companies Act, 2013 whether PQ Private Limited is a subsidiary of BC Private Limited. What would be your answer if KL Private Limited is holding 1,60,000 shares in PQ Private Limited and no shares are held by BC Private Limited in PQ Private Limited?
20. Narendra Motors Limited is a Government Company. Shah Auto Private Limited have share capital of ₹ 10 crore in the form of 10,00,000 shares of ₹ 100 each. Narendra Motors Limited is holding 5,05,000 shares in Shah Auto Private Limited. Shah Auto Private Limited claimed the status of Government Company. Advise as legal advisor, whether Shah Auto Private Limited is government company under the provisions of Companies Act, 2013?

**ANSWERS**

1. Section 39 of the Indian Contract Act, 1872 provides that when a party to a contract has refused to perform or disabled himself from performing his promise in its entirety, the promisee may put an end to the contract unless he had signified, by words or conduct his acquiescence in its continuance. Further, in terms of Section 40, the promisee shall be required to perform personally, if there is such an apparent intention of the parties.
- Also, as per Section 75 of the Act, a person who rightfully rescinds a contract is entitled to compensation for any damage which he has sustained through non-fulfilment of the contract.
- Therefore, in the instant case,
- (i) Since, Shital could not perform as per the terms of contract, Sharad Vidya Mandir can terminate the contract.



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- (ii) In the second situation, the management of Sharad Vidya Mandir informed Shital about the continuance of the contract. Hence, the management cannot rescind the contract after a month on this ground subsequently.
- (iii) As per Section 75, Sharad Vidya Mandir can claim damages that it has suffered because of this breach in part (i).

**2. A contract made with or by a minor is void ab-initio:** Pursuant to Section 11 of the Indian Contract Act, 1872, a minor is not competent to contract and any agreement with or by a minor is void from the very beginning.

- (i) By following the above provision, Mr. Mittal will not succeed in recovering the outstanding amount by filing a case against Paridhee, a minor.
- (ii) **Minor cannot bind parent or guardian:** In the absence of authority, express or implied, a minor is not capable of binding his parent or guardian, even for necessities. The parents will be held liable only when the child is acting as an agent for parents.

In the instant case, Mr. Mittal will not succeed in recovering the outstanding amount by filing a case against Mr. Ram, father of Paridhee.

- (iii) **No ratification after attaining majority:** A minor cannot ratify the agreement on attaining majority as the original agreement is void ab initio and a void agreement can never be ratified.

Hence, in this case also, Mr. Mittal will not succeed in recovering the outstanding amount by filing a case against Paridhee, after she attains majority.

**3. Responsibility of finder of goods (Section 71 of the Indian Contract Act, 1872):** A person who find goods belonging to another and takes them into his custody is subject to same responsibility as if he were a bailee.

Thus, a finder of lost goods has:

- (i) to take proper care of the property as man of ordinary prudence would take
- (ii) no right to appropriate the goods and
- (iii) to restore the goods if the owner is found.

In the light of the above provisions, the manager must return the wallet to Rohan, since Rohan is entitled to retain the wallet found against everybody except the true owner.

**4. 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. Mukesh is correct, and he can specify the manner of appropriation of repayment of debt.

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

Hence in case Mr. Mukesh fails to specify the manner of appropriation of debt on part repayment, Mr. Sohan 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.

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

5. (i) **The given agreement is valid.**

**Reason:** An agreement in restraint of legal proceeding is the one by which any party thereto is restricted absolutely from enforcing his rights under a contract through a Court (Section 28 of the Indian Contract Act, 1872). A contract of this nature is void. However, in the given statement, no absolute restriction is marked on parties on filing of suit. As per the agreement, suit may be filed in one of the courts having jurisdiction.

- (ii) **The said agreement is void.**

**Reason:** This agreement is void as the two parties are thinking about different subject matters so that there is no real consent, and the agreement may be treated as void because of mistake of fact as well as absence of consensus.

- (iii) **The said agreement is valid.**

**Reason:** An agreement by which any person is restrained from exercising a lawful profession, trade or business of any kind, is to that extent void (Section 27). But, as an exception, agreement of service by which an employee binds himself, during the term of his agreement, not to compete with his employer is not in restraint of trade.



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6. According to Section 27 of Indian Contract Act, 1872 an agreement by which any person is restrained from exercising a lawful profession, trade or business of any kind, is to that extent void.

In the instant case, Mr. Seth is in litigation with Mr. Raman since long. Mr. Seth enlists the services of Mr. X a legal expert stating that an amount of ₹ 5 lakhs would be paid, if Mr. X does not take up the case of Mr. Raman. Mr. X agrees, but at the end of the litigation, Mr. Seth refused to pay.

As section 27 makes the contracts in restraint of trade, void, the contract between Mr. Seth and Mr. X is also void. Hence, Mr. X cannot recover the amount promised by Mr. Seth.

7. (i) **Goods perishing before making of Contract (Section 7 of the Sale of Goods Act, 1930):** In accordance with the provisions of the Sale of Goods Act, 1930 as contained in Section 7, a contract for the sale of specific goods is void, if at the time when the contract was made; the goods without the knowledge of the seller, perished or become so damaged as no longer to answer to their description in the contract, then the contract is void ab initio.
- (ii) **Goods perishing before sale but after agreement to sell (Section 8 of the Sale of Goods Act, 1930):** Where there is an agreement to sell specific goods, and subsequently the goods without any fault on the part of the seller or buyer perish or become so damaged as no longer to answer to their description in the agreement before the risk passes to the buyer, the agreement is thereby avoided or becomes void.
8. (i) **Sale by sample [Section 17 of the Sale of Goods Act, 1930]:** In a contract of sale by sample, there is an implied condition that
- the bulk shall correspond with the sample in quality;
  - the buyer shall have a reasonable opportunity of comparing the bulk with the sample,
  - the goods shall be free from any defect rendering them un-merchantable, which would not be apparent on reasonable examination of the sample. This condition is applicable only with regard to defects, which could not be discovered by an ordinary examination of the goods. If the defects are latent, then the buyer can avoid the contract. This simply means that the goods shall be free from any latent defect i.e. a hidden defect.
- (ii) **The following are the implied warranties operative under the Act:**
- Warranty as to undisturbed possession [Section 14(b)]:** An implied warranty that the buyer shall have and enjoy quiet possession of the goods. That is to say, if the buyer having got possession of the goods, is later on disturbed in his possession, he is entitled to sue the seller for the breach of the warranty.



2. **Warranty as to non-existence of encumbrances [Section 14(c)]:** An implied warranty that the goods shall be free from any charge or encumbrance in favour of any third party not declared or known to the buyer before or at the time the contract is entered into.
3. **Warranty as to quality or fitness by usage of trade [Section 16(3)]:** An implied warranty as to quality or fitness for a particular purpose may be annexed or attached by the usage of trade.

Regarding implied condition or warranty as to the quality or fitness for any particular purpose of goods supplied, the rule is 'let the buyer beware' i.e., the seller is under no duty to reveal unflattering truths about the goods sold, but this rule has certain exceptions.

4. **Disclosure of dangerous nature of goods:** Where the goods are dangerous in nature and the buyer is ignorant of the danger, the seller must warn the buyer of the probable danger. If there is a breach of warranty, the seller may be liable in damages.
9. As per Section 4(3) of the Sale of Goods Act, 1930, where under a contract of sale, the property in the goods is transferred from the seller to the buyer, the contract is called a sale, but where the transfer of the property in the goods is to take place at a future time or subject to some condition thereafter to be fulfilled, the contract is called an agreement to sell and as per Section 4(4), an agreement to sell becomes a sale when the time elapses or the conditions are fulfilled subject to which the property in the goods is to be transferred.
- (i) On the basis of above provisions and facts given in the question, it can be said that there is an agreement to sell between Shubhangi and Jeweller and not a sale. Even though the payment was made by Shubhangi, the property in goods can be transferred only after the fulfilment of conditions fixed between the buyer and the seller. As due to Sapphire Stones, the original design is disturbed, necklace is not in original position. Hence, Shubhangi has right to avoid the agreement to sell and can recover the price paid.
  - (ii) If Jeweller offers to bring the necklace in original position by repairing, he cannot charge extra cost from Shubhangi. Even though he has to bear some expenses for repair; he cannot charge it from Shubhangi.
10. **Sale of unascertained goods and Appropriation (Section 23 of the Sale of Goods Act, 1930):** 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) There is a contract for the sale of unascertained or future goods.
- (b) The goods should conform to the description and quality stated in the contract.





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- (c) The goods must be in a deliverable state.
  - (d) The goods must be unconditionally appropriated to the contract either by delivery to the buyer or his agent or the carrier.
  - (e) 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.
  - (f) The assent may be express or implied.
  - (g) The assent may be given either before or after appropriation.
11. (i) **As per the provisions of Sub-Section (2) of Section 17 of the Sale of Goods Act, 1930, in a contract of sale by sample, there is an implied condition that:**
- (a) the bulk shall correspond with the sample in quality;
  - (b) the buyer shall have a reasonable opportunity of comparing the bulk with the sample.

In the instant case, in the light of the provisions of Sub-Clause (b) of Sub-Section (2) of Section 17 of the Act, Mrs. Kanchan will not be successful as she casually examined the sample of rice (which exactly corresponded to the entire lot) without noticing the fact that even though the sample was that of Basmati Rice but it contained a mix of long and short grains.

- (ii) In the instant case, Mrs. Kanchan does not have any option available to her for grievance redressal.
  - (iii) In case Mrs. Kanchan specified her exact requirement as to length of rice, then there is an implied condition that the goods shall correspond with the description. If it is not so, the seller will be held liable.
12. **Right of stoppage in transit (Section 50 of the Sale of Goods Act, 1930):**

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

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

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





13. (i) **Partnership for a fixed period (Indian Partnership Act, 1932):** Where a provision is made by a contract for the duration of the partnership, the partnership is called 'partnership for a fixed period'. It is a partnership created for a particular period of time. Such a partnership comes to an end on the expiry of the fixed period.
- (ii) **Revocation of continuing guarantee (Section 38 of the Indian Partnership Act, 1932):** According to section 38, a continuing guarantee given to a firm or to third party in respect of the transaction of a firm is, in the absence of an agreement to the contrary, revoked as to future transactions from the date of any change in the constitution of the firm. Such change may occur by the death, or retirement of a partner, or by introduction of a new partner.
- (iii) **Goodwill:** The term "Goodwill" has not been defined under the Indian Partnership Act, 1932. Section 14 of the Act lays down that goodwill of a business is to be regarded as a property of the firm.
- Goodwill may be defined as the value of the reputation of a business in respect of profits expected in future over and above the normal level of profits earned by undertaking belonging to the same class of business.
14. (i) **Introduction of a Partner (Section 31 of the Indian Partnership Act, 1932):** Subject to contract between the partners and to the provisions of Section 30, no person shall be introduced as a partner into a firm without the consent of all the existing partners.
- In the instant case, Mr. Vikas can be introduced as a partner with the consent of Mr. B and Mr. C, the existing partners.
- (ii) **Rights of Transferee of a Partner's interest (Section 29):** A transfer by a partner of his interest in the firm, either absolute or by mortgage, or by the creation by him of a charge on such interest, does not entitle the transferee, during the continuance of the firm, to interfere in the conduct of business, or to require accounts, or to inspect the books of the firm, but entitles the transferee only to receive the share of profits of the transferring partner, and the transferee shall accept the account of profits agreed to by the partners.
- Hence, here Mr. Vikas, the transferee in M/S ABC Associates, cannot inspect the books of the firm and the contention of the other partners is right that Mr. Vikas cannot challenge the books of accounts.
15. **Effects of insolvency of a partner (Section 34 of the Indian Partnership Act, 1932):**
- (i) The insolvent partner cannot be continued as a partner.
- (ii) He will be ceased to be a partner from the very date on which the order of adjudication is made.
- (iii) The estate of the insolvent partner is not liable for the acts of the firm done after the date of order of adjudication.



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- (iv) The firm is also not liable for any act of the insolvent partner after the date of the order of adjudication,
  - (v) Ordinarily, the insolvency of a partner results in dissolution of a firm; but the partners are competent to agree among themselves that the adjudication of a partner as an insolvent will not give rise to dissolution of the firm.
- 16.** As per the provisions of Section 30(5) of the Indian Partnership Act, 1932, at any time within six months of his attaining majority, or of his obtaining knowledge that he had been admitted to the benefits of partnership, whichever date is later, such person may give public notice that he has elected to become or that he has elected not to become a partner in the firm, and such notice shall determine his position as regards the firm.
- However, if he fails to give such notice, he shall become a partner in the firm on the expiry of the said six months.
- If the minor becomes a partner by his failure to give the public notice within specified time, his rights and liabilities as given in Section 30(7) are as follows:
- (A) He becomes personally liable to third parties for all acts of the firm done since he was admitted to the benefits of partnership.
  - (B) His share in the property and the profits of the firm remains the same to which he was entitled as a minor.
    - (i) In the instant case, since, X has failed to give a public notice, he shall become a partner in the M/s ABC & Co. and becomes personally liable to Mr. L, a third party.
    - (ii) In the light of the provisions of Section 30(7) read with Section 30(5) of the Indian Partnership Act, 1932, since X has failed to give public notice that he has not elected to not to become a partner within six months, he will be deemed to be a partner after the period of the above six months and therefore, Mr. L can recover his debt from him also in the same way as he can recover from any other partner.
- 17.** (i) Yes, this is a case of partnership because there is an agreement between two firms to combine into one firm.
- (ii) Yes, this is a case of partnership because A & B, co-owners, have agreed to conduct a business in common for profit.
  - (iii) No, this is not a case of partnership as no charitable association can be floated in partnership.
  - (iv) No, this is not a case of partnership as they are co-owners and not the partners. Further, there exist no business.
  - (v) Yes, this is a case of partnership as there exist the element of doing business and sharing of profits equally.



**18. Conditions under which LLP will be liable [Section 27(2) of the LLP Act, 2008]**

The LLP is liable if a partner of a LLP is liable to any person as a result of a wrongful act or omission on his part in the course of the business of the LLP or with its authority.

**Conditions under which LLP will not be liable [Section 27(1) of the LLP Act, 2008]**

A LLP is not bound by anything done by a partner in dealing with a person if–

- (a) the partner in fact has no authority to act for the LLP in doing a particular act; and
- (b) the person knows that he has no authority or does not know or believe him to be a partner of the LLP.

**19. Section 2(87) of the Companies Act, 2013 defines “subsidiary company” in relation to any other company (that is to say the holding company), means a company in which the holding company–**

- (i) controls the composition of the Board of Directors; or
- (ii) exercises or controls more than one-half of the total voting power either at its own or together with one or more of its subsidiary companies:

For the purposes of this section –

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

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

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

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

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

**20. According to the provisions of Section 2(45) of Companies Act, 2013, Government Company means any company in which not less than 51% of the paid-up share capital is held by-**

- (i) the Central Government, or



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- (ii) by any State Government or Governments, or
- (iii) partly by the Central Government and partly by one or more State Governments, and the section includes a company which is a subsidiary company of such a Government company.

According to Section 2(87), “subsidiary company” in relation to any other company (that is to say the holding company), means a company in which the holding exercises or controls more than one-half of the total voting power either at its own or together with one or more of its subsidiary companies.

By virtue of provisions of Section 2(87) of Companies Act, 2013, Shah Auto Private Limited is a subsidiary company of Narendra Motors Limited because Narendra Motors Limited is holding more than one-half of the total voting power in Shah Auto Private Limited. Further as per Section 2(45), a subsidiary company of Government Company is also termed as Government Company. Hence, Shah Auto Private Limited being subsidiary of Narendra Motors Limited will also be considered as Government Company.



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**SECTION 2B: BUSINESS CORRESPONDENCE AND REPORTING**

**Part A**

**Chapter-1 Communication**

1. What is 'Circuit Network' in organizations? Explain briefly.
2. Communication modes today are primarily technology driven. Yet 'technology' acts a barrier. Justify.

**Part-B**

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

1. Change the following sentences into passive voice.
  - a. Ravi has bought a new sports car.
  - b. Archana can do sky diving.
  - c. Karthik wrote a book on child psychology.
  - d. Rahman sang a Tamil song in the music concert.
  - e. Monica is cooking Chinese cuisine for dinner.
2. Change the following sentences into active voice.
  - a. The car is being repaired by the young mechanic.
  - b. Auditorium walls were painted by students of the Art School.
  - c. Chocolates are being distributed to the old age home residents by small children
  - d. The city was devastated by the rains and floods.
  - e. Herbs were planted by the gardener in our backyard.
3. Change the following sentences from direct to indirect speech.
  - a. Amit said, 'I have been watching a lot of movies.'
  - b. Kiran asked, 'Do they teach French?'
  - c. Pavan said, 'I can finish the assignment in two hours.'
  - d. Samyak shouted, ' I am stuck in the elevator'
  - e. Children exclaimed, 'We can see a rainbow!'



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**Chapter-3 Vocabulary**

1. In the following question, out of the four alternatives, select the one which best expresses the best meaning of the given word.
  1. RETICENT
    - a. Reserved
    - b. Happy
    - c. Willing
    - d. Freedom
  2. FELICITATE
    - a. Provide
    - b. Condemn
    - c. Honour
    - d. Erase
  3. AGILE
    - a. Short
    - b. Angry
    - c. Dependent
    - d. Acrobatic
  4. TRIVIAL
    - a. Global
    - b. Memorable
    - c. Related
    - d. Insignificant
2. In the following question, out of the given four alternatives, select the one which is opposite in meaning of the given word.
  1. Menial
    - a. Low grade
    - b. Elevated



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- c. War like
- d. Careful
- 2. Horrible
  - a. Attractive
  - b. Weird
  - c. Surplus
  - d. Bad
- 3. Inquisitive
  - a. Curious
  - b. Energetic
  - c. Victorious
  - d. Uninterested
- 4. Ambiguous
  - a. Far away
  - b. Remote
  - c. Certain
  - d. Judicious
- 3. Choose the correct meaning of the idioms given below.
  - a. Fair and square
    - (i) To be good at a skill
    - (ii) To be direct
    - (iii) To learn geometry
    - (iv) To be arrogant
  - b. Go that extra mile
    - (i) To do more effort
    - (ii) Big responsibility
    - (iii) Walk a long way



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- (iv) Willing to change
- c. Face the music
  - (i) Often listen to music
  - (ii) Work very hard
  - (iii) Understand music
  - (iv) Face the reality
- d. Take a rain check
  - (i) Find fault
  - (ii) Do continuous efforts
  - (iii) Postpone your plans
  - (iv) Use a raincoat
- e. On cloud nine
  - (i) Feeling depressed
  - (ii) Excited
  - (iii) Not sure
  - (iv) Still in doubt

**Part-C**

**Chapter-4 Comprehension Passages**

Read the following passages carefully and answer the questions that follow:

**Passage-1**

When the bamboo flowers- famine, death and destruction will soon follow, goes a traditional saying in Mizoram, the tiny hill state in North East India. Who better than the hardy inhabitants would know this, considering that theirs is probably the only land on earth where history is closely intertwined with the mysterious cycle of bamboo flowering. Back in 1959, bamboo flowering in the state set off a chain of events in the rugged hilly state that ultimately led to one of the most powerful insurgencies against the Indian union spanning over two decades.

Folklore apart, scientists say that the strange phenomena of bamboo flowering, is called 'gregarious bamboo flowering' because the bamboo flowers, all at the same time, only once in the plant's lifetime. It wreaks ecological havoc because the bamboo plants die after flowering. It will be atleast some years before those plants take seed again, leaving bare exposed soil – which could be disastrous in mountainous states and also leading to food scarcity, since animals





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depend on bamboo plants. The second factor is that rats feed on the flowers and seeds of the dying bamboo tree. This activates a rapid birth rate among the rodents, which leads to the huge rat population feeding on cultural crops in the fields and on granaries and causes famine.

Now the bamboo is going to flower again within the next four to five years, as per the experts. And this time it is going to be not just in Mizoram, but in the huge bamboo forested areas across the other North Eastern states of Tripura, Manipur and southern Assam, an occurrence that has attracted national and international attention as well as the concern of the authorities. A thriving economy revolves around bamboo. The pulp and paper industry, construction, cottage industry and handloom, food, fuel, fodder and medicine annually consume about 22 million tons of bamboo.

While there seems to be a consensus among the experts that the resources should be used before they become worthless, the problem is how to do that. What would happen to common rural north easterners who depend on bamboo for almost everything—from raw material to build their homes to food and as one of the few sources of cash.

#### **Questions**

1. Why is bamboo flowering considered to be a strange phenomenon?
2. How do rodents act as a cause of famine?
3. Name the industries that depend on bamboo as a resource.
4. Find a word from the passage that means the same as 'in abundance'
  - (a) Wreaks
  - (b) Thriving
  - (c) Gregarious
  - (d) Easterners
5. Choose the synonym of the word 'sturdy' as used in the passage.
  - (a) Havoc
  - (b) Hardy
  - (c) Rugged
  - (d) insurgencies

#### **Passage-2**

Hiking is a great source of pleasure and happiness to humans besides being something helpful and beneficial for health. Once we leave the crowded streets of a city and go out for walking or somewhere away from the chaotic world, our mind feels free. The open air has a bracing effect on the mind. The congestion of the city, the world, the uproar and the tumult, the daily and may



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be monotonous routine are forgotten and our mind feels relaxed and calm. That moment is one of happiness; laughter; jumping, dancing and embracing ourselves.

Hiking takes us in the midst of nature. The wonderful waterfalls, flowers, the brooks, the birds, the bushes all appear to be enticing and pleasing. A connect is established between us and nature. Various sounds of nature, like the sound of the gushing river, or the chirping of birds acquires a new meaning and we start loving life. We enjoy the beauty of nature. We have no fears, no worries, no stress and no anxieties. We have leisure to stand, to walk, to talk, to observe nature. It is more thrilling and pleasurable to hike in the mountains than in plains. The excitement of climbing up to the top of a hill, the adventure of coming down a slope, the grandeur of sunset behind a mountain—all these add beauty and charm to our hiking journey.

Hiking is one the healthiest sports. It ensures a complete escape from the urgent and busy activities of life and therefore gives solace to our mind and brain. It regains its lost energy and is able to do twice as much work as before. Hence, it could be said that, if our mind is free, its productivity increases. The nature and its elements make one's mind and soul at peace. Hiking is unique in that it can help patients meet guidelines for regular physical activity and concurrently tap the significant health benefits that may be attained by spending time in natural settings. Hiking can be considered accessible in terms of the limited skills and equipment needed, as well as the ability for individuals to pick the terrain difficulty and the speed at which they walk.

Hiking is also an opportunity to hone new skills, or the nervous system's ability to accommodate new demands and information. On a hike, you can further exercise your brain by learning to use a compass. Or, after you feel prepared fitness-wise, you could plan an overnight backpacking trip, which requires you to hone a whole new set of skills, like pitching a tent, filtering water, cooking on a camp stove, and mastering a bear bag hang, just to name a few. Hence, we all must try to go for hiking once, atleast when our minds needs a break!

1. Why is it more thrilling to hike in the mountains than in the plains?
2. Why is Hiking considered to be unique sport by the author?
3. Select the option which means same as 'monotonous' as used in the passage;
  - (a) Important
  - (b) Rare
  - (c) Repetitive
4. What new skills can one learn while hiking?
5. Select the word that can appropriately replace the word 'grandeur' as used in the passage:
  - (a) Splendour
  - (b) Spendthrift
  - (c) Serene
  - (d) Serendipity



### Passage-3

The great Himalayas are one of the best gifts of nature to mankind. This mountainous range is an earthly example of what heaven really looks and feels like. From thick woodlands to lavish valleys, from tropical wildernesses to compelling slopes, from various types of verdures to the sentimental climate, the Himalayan ranges have it all. If, by any chance, you get to visit the Himalayas just once you will be able to deduce why it's known as the heaven on earth. We step into Himalayan kingdom wonderstruck every time how boundlessly nature has gifted these terrains with beauty and resources. Mile after mile of never-ending virgin greens, the clean air full of oxygen, mineral-rich waters of mountain streams, wildflower carpet and strawberry shrubs—suddenly it is inexhaustible life all around!

Relatively few places on this planet can engage you like the Himalayas. Only one out of every odd place gives you the motivation to be there each season. Be that as it may, at that point only one out of every odd place is the Himalayas. Tourist places in Himalayas are the home to the extraordinary, compared to other enterprise sports zones on the planet. For thousands of years the Himalayas have held a profound significance for the people of South Asia, as their literature, mythologies, and religions reflect.

Since ancient times, the vast glaciated heights have attracted the attention of the pilgrim mountaineers of India, who coined the Sanskrit name Himalaya—from hima (“snow”) and alaya (“abode”)—for that great mountain system. In contemporary times the Himalayas have offered the greatest attraction and the greatest challenge to mountaineers throughout the world. Likewise enjoy adventurous thrill in the Himalayas like trekking, boating, skiing, mountaineering and numerous others like this. For mountain lovers, the Himalayas are convincingly counted as the delegated peak of nature's greatness.

Tourist places in Himalayas also include notable lakes include Shey-Phoksundo Lake in the Shey Phoksundo National Park of Nepal, Gurudongmar Lake, in North Sikkim, Gokyo Lakes in Solukhumbu district of Nepal and Lake Tsongmo

### Questions

1. 'Relatively few places on this planet can engage you like the Himalayas' what does the author mean when he says this.
2. Select the correct usage of the word 'profound'
  - (a) The profound thoughts of the sage brought a change in my thoughts.
  - (b) It is not profound for us to get up late every morning
  - (c) He who offers help is not profound.
  - (d) Profound is a stronger currency than rupee.



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3. Describe the Himalayas in your own words, taking reference from the passage. 20 to 30 words.
4. Give the passage a suitable title.
5. What is the style of writing, the narrator uses?
  - (a) Descriptive
  - (b) Expository
  - (c) Persuasive
  - (d) None of these

**Chapter-5 Note Making**

1. Read the following passages carefully.
  - (i) Make notes, using headings, sub-headings and using abbreviations wherever necessary.
  - (ii) Give a suitable title and write summary.

**Passage-1**

The Aztecs were the last group of native people whose civilization dominated the Valley of Mexico. The Valley of Mexico is located in central Mexico where the country narrows as the land between the Gulf of Mexico on the east and the Pacific Ocean on the west narrows. The Valley of Mexico is a high plateau, around 7,000 feet above sea level, surrounded by volcanic mountains. The first people to influence culture in the Valley of Mexico were the Olmecs whose civilization began around 1200 BCE in the jungles of eastern Mexico. The Olmecs are known for their finely crafted artwork, especially giant heads that are 10 feet tall. The Olmecs invented a system of writing and were well-versed in astronomy and mathematics. As their culture evolved, it spread to the Valley of Mexico even if they didn't officially rule the area.

Somewhere at the very beginning of the Common Era, native people built a city from stone called Teotihuacan in the Valley of Mexico. The name Teotihuacan means "Place of the Gods" and the city contained religious pyramids that were constructed by 200 CE. Scholars believe that Teotihuacan was the 6th largest city in the world when it was flourishing. After about 200 years, the great city declined from famine and revolts.

The Toltecs, who also built pyramids, controlled the Valley of Mexico from about 1000 to 1200 CE. Their capital city was Tula which was attacked and destroyed around 1200 CE. Meanwhile the Mesheeca or Mexica people, later called Aztecs by the Spanish, lived as nomads throughout central Mexico, without a home territory, but seeking a land for themselves. The Aztecs finally settled on swampy island in Lake Tecoco in the Valley of Mexico around 1325 CE.



The Aztec people named their settlement Tenochtitlan. The Aztecs converted their swampland to fertile crop fields and the people developed skilled crafts. They began trading food and goods with neighboring tribes. Over the years Tenochtitlan became a city and the Aztecs spread to other islands. The nobles and rulers of Aztec society began to intermarry with the royal families of neighboring tribes and eventually ruling their territory. By 1500 CE the Aztec Empire controlled the entire Valley of Mexico, only to be destroyed by Spanish conquerors under Cortez beginning in 1519.

**Passage -2**

Bharat is a contiguous land with a common civilization identity for many millennia. Pre-independence India, on the other hand, consisted of territories that were administered by more than 560 princely states and several colonial powers. The first half of 1947 was a crucial period in India's history. The end of colonial rule was certain and so was India's partition, but there was no clarity on the political integration of the territories under the princely states. The partition of the country into the dominions of India and Pakistan raised the important question of peacefully merging the princely states which were as diverse as they could be in size, population, terrain or economic situation.

Here comes the role of Sardar Vallabhai Patel. The full name of Vallabhbhai Patel was Vallabhbhai Jhaverbhai Patel and very famously called Sardar Patel. Sardar was his name in India and everywhere else, the word is popular in Hindi, Urdu and Persian languages which also means 'chief'. He is an Indian barrister who also contributed majorly to Indian Independence as a senior leader of the Indian National Congress party. During the Indo - Pak war in 1947, his role as Home Minister was vital as during the struggle, he guided the independent nation to unity through integration. He truly was at the helm of integrating and merging the British provinces that were allotted to India with the new Independent India, leading the task of forging a united front. Therefore, the challenge in front of Sardar Vallabhbhai Patel was not an easy one. As the architect of Ek Bharat, the Iron Man understood the ground realities and took up the mammoth task of unifying the princely states. This set the seeds for building a modern nation state - merging India's political boundaries with our civilisational boundaries to the extent possible. Sardar Patel understood the importance of uniting the country and highlighted the fact that without unity it will be impossible to have a sustainable state.

Since 2014, India has been celebrating the birthday of Sardar Patel as National Unity Day, i.e 31<sup>st</sup> October. This day not only recognises his monumental contribution and service to the nation but also engages with his legacy.

**Chapter-7 Précis Writing**

Write a précis and give an appropriate title to the passage given below.

1. Global climate change due to excessive fossil fuel combustion, the fluctuating oil prices, geopolitical tensions and growth in energy demand urges immediate measures to be taken in order to limit global energy crisis and green house gas emission in the environment.



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Current and future markets in fossil fuels are subject to volatile price changes in oil and natural gas. National and international energy and environmental crisis is motivating to think about renewable energy resources, especially solar energy. Solar energy is the most ancient source, and it is the root material for almost all fossil and renewable types. Special devices have been used for benefiting from the solar energy since time immemorial and such applications actually date back to before Christ. Energy is a continuous driving power for the social and technological prospective developments. Energy sources are vital and essential ingredients for all human transactions and without these sources, human activities of all kinds will not be progressive at all. Since the energy crisis in 1973, air pollution from combustion processes has caused serious damage and danger to the forests, monuments, human health as has been documented by official studies and yearly statistics. It has been recently realized that solar energy can have a beneficial impact on the following essential technical, environmental, and political issues of the world like major environmental problems such as acid rain, stratospheric ozone depletion, greenhouse effect and smog; environmental degradation. It can be a good way to prevent the depletion of the world's non-renewable conventional sources such as coal, oil, natural gas, and increasing energy use in developing countries.

2. The explosion of interest in artificial intelligence has drawn attention not only to the astonishing capacity of algorithms to mimic humans but to the reality that these algorithms could displace many humans in their jobs. The economic and societal consequences could be nothing short of dramatic. A key metric for tracking the consequences of technology on the economy is growth in worker productivity - defined as how much output of work an employee can generate per hour. This seemingly dry statistic matters to every working individual, because it ties directly to how much a worker can expect to earn for every hour of work. Said another way, higher productivity is expected to lead to higher wages.

Generative AI products are capable of producing written, graphic and audio content or software programs with minimal human involvement. Professions such as advertising, entertainment and creative and analytical work could be among the first to feel the effects. Individuals in those fields may worry that companies will use generative AI to do jobs they once did, but economists see great potential to boost productivity of the workforce as a whole.

3. Ozone (O<sub>3</sub>) depletion does not cause global warming, but both of these environmental problems have a common cause: human activities that release pollutants into the atmosphere altering it. Global warming is caused primarily by putting too much carbon dioxide into the atmosphere when coal, oil, and natural gas are burned to generate electricity or to run our cars. Carbon dioxide spreads around the planet like a blanket, and is one of the main gases responsible for the absorption of infrared radiation (felt as heat), which comprises the bulk of solar energy. Ozone depletion occurs when chlorofluorocarbons (CFCs) and halons—gases formerly found in aerosol spray cans and refrigerants—are released into the atmosphere. Ozone sits in the upper atmosphere and absorbs ultraviolet radiation, another type of solar energy that's harmful to humans,



animals and plants. CFCs and halons cause chemical reactions that break down ozone molecules, reducing ozone's ultraviolet radiation-absorbing capacity.

**Chapter-8 Article Writing**

1. Write an article on the following topics in not more than 200-250 words.
  - a. Internet is the major cause of distraction in human life these days.
  - b. Materialistic things have gained more importance than emotional values.

**Chapter-9 Report Writing**

1. Write a report on the following topics.
  - a. A newspaper report about a classical dance event organized by an NGO that works towards the cause of women empowerment.
  - b. You are the Accounts head of a Fast growing hotel chain. Write a formal report stating details of expenditure made in the last financial year towards purchase of inventory (tables, chairs, utensils etc), hiring staff and opening new outlets in different cities.

**Chapter-10 Formal letters and Official Communication**

1. You manage the stationery supply in a privately owned library. Write a letter to a stationery vendor complaining about low quality supplies made to you. Also mention the order was delayed.
2. Write a letter to the nearby Courier service provider stating your regular requirements to send domestic couriers. Ask him for the rates and if any discount possible. Sign yourself as Rashmi/Rajesh.
3. You plan to open a coffee shop in your area, Kondapur, Hyderabad. Write a letter to M/S Wooden Mart, Kukatpally, Hyderabad giving an order of garden furniture and extra chairs and tables needed in your café. Mention the quantity of each item as required.

**Chapter-11 Writing formal mails**

1. On behalf of your private firm, write a formal mail to all your employees, requesting them to cooperate for the limited parking slots available in the office building. State a few solutions possible and mention how the organization is being considerate towards the employee. Sign yourself as Anisha Sharma, HR Head, Serendipity Solutions, Gurugram, Haryana
2. You are Kishore/Kanika, Head, Admin in Spark Technologies, BPO. Write a letter to your employees inviting applications and entries for the cultural program on 14<sup>th</sup> August to celebrate the Independence Day (15<sup>th</sup> August). State a few events lined up and give a reference email for further clarifications.





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**Chapter-12 Resume Writing**

1. You are Rani/Raja, B.Ed., English (honors). Draft your resume to apply for jobs in a school for the post of a language teacher.
2. Draft a basic resume for a fresher with a Bachelors degree in commerce, applying for a job in finance, with no experience.

**Chapter-13 Meetings**

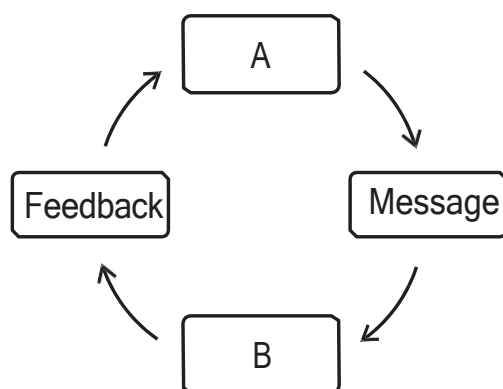
1. Write 'Minutes of the Meeting' for a meeting conducted to discuss the visit plan of foreign clients in your organization.
2. Write the 'Minutes of the Meeting' for a meeting organized to discuss the increase in costing of your daily bath soaps (fmcg goods). Discuss the need to increase the price even though the product is not selling well.

**ANSWERS**

**Part A**

**Chapter-1 Communication**

1. When two persons communicate with each other sending messages and feedback, they form a communication circuit. This is the Circuit network. The two people interacting can be colleagues placed at the same hierarchical level in the organisation.



**Circuit Network**

2. Communication modes are primarily technology driven, however communication technology is constantly upgraded and new formats emerge. Anyone who is not tech friendly struggles to communicate effectively via the medium





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Moreover, an individual is swamped 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 resulting in miscommunication.

**Part-B**

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

1.
  - a. A new sports car has been bought by Ravi.
  - b. Sky diving can be done by Archana.
  - c. A book on child psychology has been written by Karthik.
  - d. A Tamil song was sung by Rahman in the music concert.
  - e. Chinese cuisine is being cooked by Monica for dinner.
2.
  - a. The young mechanic is repairing the car.
  - b. Students of at the Art school painted the auditorium walls.
  - c. Small children are distributing chocolates to the residents of the old age home.
  - d. Rains and floods devastated the city.
  - e. Gardener planted herbs in our backyard.
3.
  - a. Amit said that he had been watching a lot of movies.
  - b. Kiran asked if they taught French?
  - c. Pavan said that he could finish the assignment in two hours.
  - d. Samyak shouted he was stuck in the elevator.
  - e. Children exclaimed that they could see a rainbow.

**Chapter-3 Vocabulary**

1.
  1. a
  2. c
  3. d
  4. d
2.
  1. b
  2. a
  3. d
  4. c



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3. a. ii  
b. i  
c. iv  
d. iii  
e. ii

**Part-C**

**Chapter-4**

1. 1. Bamboo flowering is a strange phenomena because the bamboo flowers, all at the same time, only once in the plant's lifetime. It wrecks ecological havoc because the bamboo plants die after flowering.  
2. Rats feed on the flowers and seeds of the dying bamboo tree. This activates a rapid birth rate among the rodents, which leads to the huge rat population feeding on cultural crops in the fields and on granaries and causes famine.  
3. The pulp and paper industry, construction, cottage industry and handloom, food, fuel, fodder and medicine annually consume about 22 million tons of bamboo and hence depend on bamboo.  
4. (c) Gregarious  
5. (b) Hardy
2. 1. It is more thrilling to hike in the mountains than in the plains because the excitement of climbing up to the top of a hill, the adventure of coming down a slope, the grandeur of sunset behind a mountain—all these add beauty and charm to our hiking journey.  
2. Hiking is considered a unique sport as it can help patients meet guidelines for regular physical activity and concurrently tap the significant health benefits that may be attained by spending time in natural settings.  
3. Option c Repetitive  
4. While hiking, one can learn pitching a tent, filtering water, cooking on a camp stove, and mastering a bear bag hang.  
5. Option a Splendour
3. 1. The author means there are very few places on Earth that have the splendour and calmness like that of Himalayas and that can mesmerize our minds.  
2. Option a.  
3. Himalayas, the abode of snow are natures gift to mankind with their beauty, serenity and utility. They not only act as a tourist spot, but also a place that offers mountaineering and trek as a sport. The valleys, the wilderness, the slopes are a



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perfect combination of a place that one can dare to visit every season; to see something new each time!

4. Himalayas: A mix of emotions and a perfect blend of nature!
5. Option a Descriptive

### Chapter-5

#### Passage 1

##### The Aztecs

1. Aztecs: Valley of Mexico
  - 1.1 Valley of Mexico
    - 1.11 lctd cntrl Mexico, bet gulf and Pac ocean
    - 1.12 7000 ft above sea lvl; vlcnc mntns arnd
  - 1.2 The Olmecs
    - 1.21 Frst ppl to visit the vllly
    - 1.22 Knwn fr crftd art wrk
      - 1.23 invntd stm of wrtng
      - 1.24 knew astrny and mthmtcs
2. Teotihuacan: Place of Gods
  - 2.1 6<sup>th</sup> largest city
  - 2.2 Had relgus pyramids
  - 2.3. Dcln after 200yrs: famine and revolts
3. Toltecs: Capital city Tula
  - 3.1 Also blt the pyramids; ctrlld the valley of Mexico
  - 3.2 Tula attckd arnd 1200 CE
4. Mesheeca ppl or Mexica ltr clld Aztecs.
  - 4.1 Sfld in Lake Tecoco
  - 4.2 Named the stlmnt Tinochtltlan
  - 4.3 Dvlpd crop and fertile lnds
  - 4.4 Dvlpd skills
  - 4.5 Inter cmmnty marriage started



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5. Aztec empire dstryd by Spn cnqr under Cortez

**Key**

Lctd=located

Cntrl=control

Bet = Between

Pac-Pacific

Ft=feet

Lvl=level

Vlcn= volcanic

Mntns= mountains

Arnd=around

Frst= first

Ppl= people

Vlly= valley

Knwn= known

Fr= for

Crftd= crafted

Wrk= work

Invntd= invented

Stm= system

Wrtng= writing

Astrny= astronomy

Mths= mathematics

Relgus = religious

Dcln =Decline

Blt= built

Ctrld= controlled

Attckd= attacked

Ltr= later



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Cld= called

Stld= settled

Stlmnt= settlement

Dvlpd= developed

Lnds= Lands

Cmmnty= community

Dstryd= destroyed

Spn= Spanish

Conqr= conqueror

Lrgst= largest

### Summary

#### The Aztech history

The Valley of Mexico was dominated by the Aztech who were the last native group, although the Olmecs were the first people to influence the Valley with their culture. The Olmecs were a talented group with knowledge of astronomy, mathematics and artwork. 'Teotihuacan, a city from stone was built in the beginning of the common era. This city had religious Pyramids built in 200 CE; however the city met a downfall and decline due to famine and revolts. The Meesheca/ Mexican people later called Aztech by the Spanish led a nomadic life and finally settled on an island in Lake Tecoco in the Valley of Mexico. 'Tenochtitlan', their civilization, was known for their development of skilled crafts and the fact that they made fertile fields. Inter community marriages led to ruling larger areas. They only to see a downfall after the Spanish conquered them, beginning 1519.

#### 2. Sardar Patel

1. Bharat: cmmn cvlnz
2. Pre-indpndc had trtrs
  - 2a. prncly sts
  - 2b. Cnl pwr
3. Frst half of 1947 crucial
  - 3a. End of cnl rule
  - 3b. prtn certain
  - 3c. no clrty on trts



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4. Ques of mrgr of princly sts: dvr in size, ppln, trrn and eco stn
5. Sardar Vallabhai Patel: fmsly clld Sardar Patel
  - 5a. Indian barrister
  - 5b. Sr ldr of INC
  - 5c. HM drng Indo Pak war
  - 5d. plyd mjr role in intgt Btsh prvncs with new Independent India
6. Iron Man: Sardar vallabhai Patel
  - 6a. Archt of ek Bharat
  - 6b. Unfd the princly sts
  - 6c. He hgltd the impn of unity
  - 6d. wtht unity; not pssbl to have a stnbl state
7. National Unity Day: Patel's birthday, 31st October

**Key**

Cmmnly= commonly

Clvz= civilization

Indpndc= independence

Trtrs- territories

Prncly= princely

Sts= states

Clnl= colonial

Pwrs= powers

Frts= first

Prtn= partition

Clrty= clarity

Ques= question

Mrgr= merger

Dvrs= diverse

Ppln= population

Trrn= terrain

Stn= situation

Fmsly= famously



Cld= called  
Sr= senior  
Ldr= leader  
Drng= during  
Plyd= played  
Mjr= major  
Intgt= integrating  
Btsh= British  
Prvnscs= provinces  
Arch= architect  
Unfd= unified  
Hgltd= highlighted  
Impn= importance  
Wtht= without  
Pssbl= possible  
Stnbl= sustainable

### Summary

Sardar Vallabhbhai Patel, fondly known as Sardar Patel played a major role in the unification of the princely states and territories after the Indian independence. A barrister by profession, he is the architect of unified India, which pre independence had princely states, provinces etc ruled by different people. To end the colonial rule and build the concept of 'Ek Bharat' on a sustainable lines, Patel is remembered for his contribution. His birthday is celebrated as National Unity Day.

### Chapter 7- Precis Writing

#### 1. Solar energy: a long term and safe energy solution

Climate changes across the world have been noticed due to burning of fossil fuels and other related activities. The need of the hour is to shift the focus to a renewable resource of energy especially Solar energy. The energy crisis of 1973 has caused serious damage to flora and fauna, buildings and human health. In view of this, solar energy comes to be a wise choice and can be a good solution for environmental issues like acid rain, ozone layer depletion, greenhouse effect, smog etc. Using solar energy can also be a solution to prevent depletion of non-renewable resources of energy.



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**2. Does AI pose a danger to workforce?**

The boom of artificial intelligence has created a speculation on the demand for workers/humans in job. AI and its effect on society and economy can be evaluated on the basis of the productivity of a labour per hour; that eventually decides the wages. Although a lot of advertisement, entertainment and content development work is done by AI, economists feel that there can be still scope for human intervention to boost productivity.

**3. Major factors for Ozone depletion**

The main cause of ozone layer depletion and global warming is human activities interfering with the atmosphere. Global warming is caused by putting too much carbon dioxide into the atmosphere when coal, oil and natural gases are burned to generate electricity and run cars. The release of carbon dioxide into the atmosphere leads to the absorption of infra-red rays into the earth and hence high temperature felt as heat. Chlorofluorocarbons and halons are the main two ingredients that lead to ozone depletion thus reducing the ultra violet rays that protect the earth's atmosphere.

**Chapter-8 Article Writing**

**1. a. Hints: Internet is the major cause of distraction in human life these days.**

- Internet: Boon or Bane for humans (Title)
- Parents have been constantly complaining about over exposure to internet.
- Especially during student life, where the primary focus should be studies.
- Internet is a tool; one must use it judiciously.
- A good way of enhancing knowledge, rather than taking it as an addiction.
- Social media platforms should be used for informing, influencing and learning.
- Once it becomes an addiction, it takes the form of distraction.
- Wise use is recommended.

**b. Hints: Materialistic things have gained more importance than human values.**

Money or emotions: what matters most? (title)

- Money is like a bubble, it comes and goes
- One should work hard in life for inner happiness.
- Materialistic things can be bought; they don't remain with us forever
- Emotions build relationships which last forever
- Family bonding, friendship, all this dependent on emotions, not money or status
- In this fast paced world, where everything is getting 'artificial', getting a true friend, a supporting family and a passionate mentor is what is most precious.





(The student may write other relevant points. Above mentioned are hints for a better understanding)

**Chapter-9 Report Writing**

1. Hints:

a.

- Newspaper report writing format (Timeline, name of reporter) Heading to the news brief.
- Name the NGO that has organized the dance event.
- Location, venue, date/time details
- Few lines on the background of the NGO: specially that it works towards women empowerment.
- Mention a few achievements of the NGO towards its cause.
- Details about the campaign: who inaugurated, how many people participated, what is the purpose, why dance is being promoted. (Can mention names of few dignitaries who attended the event)
- A few lines about why dance is being used a form to promote expression and freedom of thought.

b. To: The Director, Accounts

From: Head, Accounts department

Date: 8<sup>th</sup> Aug 2023

Subject: Expenditure made towards inventory, hiring staff and opening of new outlets

Acknowledgements: I am deeply grateful to all my team members who helped me in formulating this detailed report. The expenditure and other related details have been recorded with precision.

(1) Contents

- i. List of items purchased (chairs, tables, utensils, serving utensils)
- ii. Expenditure towards opening new outlets (Names of cities)
- iii. Hiring new staff; campaign and cost details
- iv. Cost and invoice details
- v. Current budget versus amount spent
- vi. Conclusion

**Summary:** As a means to progress and spread our presence, we decided to open new outlets in four other Indian cities. In lieu of that, the organization



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requires new inventories and more staff. Hence new inventories were purchased, and recruits were hired to cater to the needs of new outlets. Our aim is to establish our brand as a household name in the realm of family dining.

Can be continued with a few tables mentioned and then the conclusion.

**Chapter-10 Formal letters and Official Communication**

1. 'Books for all' Library.

Whitefields

Bengaluru

Karnataka- 560066

9th August 2023

The Stationery Suppliers

Koramangla

Benagaluru

Karnataka 560034

Subject: Delay of order and low quality supply

Dear Sir,

As discussed over the telephone, we would like to raise a concern about our last placed order (No 654/15<sup>th</sup>/7/23/100). The stationery supplies delivered were of poor quality; half of the pens had dried ink and many rims of sheets were stained and old. Moreover, the delivery of the order was delayed by 20 days.

We request you to look into the matter as this has caused a lot of damage to the reputation of our organization. If this continues, we will discontinue our alliance with your organization.

Kindly revert so that the needful can be done.

Thanks and Regards,

Aradhana,

Assistant Manager (Admin)

Books for all library



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2. Shop No 37/9  
Gomti Nagar  
Lucknow- 226010  
Uttar Pradesh  
10<sup>th</sup> August 2023

Speed Courier Service  
Shop No. 22, 2<sup>nd</sup> floor  
Valley Tower  
Charbagh Metro station  
Lucknow -226004  
Uttar Pradesh

Dear Sir,

Subject: Request for quotation for domestic couriers

I hereby write to enquire about the rates for domestic courier using your services. We are a retail firm dealing in apparel business and need to send frequent couriers to our customers across the country. Here are a few queries, we would like you to resolve:

- What is the standard rate per kilogram for a domestic courier?
- Is there a relaxation, if the item is only a few grams more than a kg?
- After booking a courier, how much time does it takes to dispatch a parcel?
- Do you offer a pick up facility if there are bulk orders?
- Is there any discount on bulk orders.

Kindly help us understand the process so that we can start our business association smoothly.

Thanking you

Yours truly,

Rashmi/ Rajesh

Lucknow, UP.



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3. The Coffee Point  
Kondapur  
Hyderabad- 500084  
Telangana  
8th August 2023

Wooden Mart  
Kukatpally  
Hyderabad 500072

Subject: Placing an order for garden furniture and other items.

Dear Sir,

This is with respect to the opening of our new coffee shop in Kondapur. I would like to place an order for some garden furniture and other furniture for the same. Below is a detailed table listing the requirements.

Product Name	Quantity
Garden furniture (1 round table and 4 chairs)	5
Rectangle tables	5
Cane chairs	25
High chairs	10

We wish to start operations from 1<sup>st</sup> September, 2023. Kindly ensure that all products are quality checked and in a warranty period. Please send the items by next week to allow smooth flow of business. We will also need your help with installation so please send someone to assist us in fixing the furniture.

Thanks and Regards

ABC

The Coffee Point (Owner)

**Chapter-11 Writing formal mails**

1. Dear employees,  
Greetings!

This is with respect to the car parking rules of our organization. Since we share the building with three other corporate firms, the number of slots available to our employees is 45 (total divided by 3). This parking is in the basement and is free of cost, on first cum first basis.



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**FOUNDATION EXAMINATION: NOVEMBER, 2023**

Due to the limited number of parking slots, we are unable to accommodate the vehicles of all the employees in basement.

A provision has been made in the nearby field to park cars who cannot get space in the basement. However, it will be on a payment basis. For convenience, there are minimal charges for parking the vehicle in the nearby field. Please carry your office identity cards to avail discount.

Looking forward to your kind cooperation.

With warm regards

Ms Anisha Sharma

Manager, HR

Serendipity Solutions

2. Dear employees,

Greetings!

This is with respect to the Independence Day celebrations to be held in the office premises. The celebrations will done on 14<sup>th</sup> August, Monday in the office seminar hall, 2<sup>nd</sup> floor.

We have a planned a few activities like:

Ad mad challenges

Comedy skit

Vocal music performance

Instrumental music performance and cultural dances.

We request all the employees to participate and send their entries by 11<sup>th</sup> August with their personal details and the name of the division.

Program details will be shared via email. The entries can be sent to [garima@sparktech.net](mailto:garima@sparktech.net) for any more details, you may visit the 1<sup>st</sup> floor admin department and clarify your concerns.

Looking forward to your active and enthusiastic participation.

With warm regards

Kishore/Kanika

Head, Admin

Spark Technologies , BPO



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Chapter 12 -Resume Writing

1. Sumita/Sumit Khanna

H no.234, Kavi Nagar, Ghaziabad,, UP | +91- 11111 1111 | akshay@gmail.com

**Objective**

To impart meaningful knowledge to the students and to make them fluent in English.

**Educational Qualification**

Qualification	Year	Board/University	Institution's Name
B.Ed	2014	Rohtak University	Maharishi Dayanand University
BA English	2011	Delhi University	Shivaji College
Class 12 <sup>th</sup>	2008	CBSE	Silver line Public School, Ghaziabad
Class 10 <sup>th</sup>	2006	CBSE	Silver line Public School, Ghaziabad

**Professional Experience**

English teacher (April'15 - December'17) Uttam Girls School, Ghaziabad

- Have taught grades 3 to 5
- Handled inter school competitions

Have attended various seminars on Education of girl child.

Published research papers on women empowerment.

**Personal Details**

Name: Sumita/Sumit Khanna

Date of Birth: 17/05/1995

Marital Status: Unmarried

Address: H no.234, Kavi Nagar, Ghaziabad,

Ph No: 11111 1111

e-mail : akshay@gmail.com

(The student may add more details if needed; the above are hints. You may write about your hobbies and interests.)



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FOUNDATION EXAMINATION: NOVEMBER, 2023

## 2. Freshers resume

**Address:** H no.64/5, Jawaharpur Gwalior, MP

**Phone:** +91- 11111 1111 | **Email:** abc@gmail.com

### Objective

To work for a finance firm with the aim to learn and impart financial expertise to everyone around.

### Educational Qualification

Qualification	Year	Board/University	Institution's Name
Class 12 <sup>th</sup>	2016	IGCSE	Amity Public, Gwalior
Class 10 <sup>th</sup>	2018	IGCSE	Amity Public, Gwalior
B.Com (H)	2018-2021	Gwalior University	XYZ college

### Participation in School

- Actively participated in school debates and declamations
- Inter school finance quiz and won the first prize (Individual and team)
- Avid badminton player; in school Sports team

### Participation in college

- Represented the college in an inter college festival for 'know your country'
- Committee member for cultural festival and 'economics club'
- Worked as an intern in a finance start up

### Hobbies and Interests

- Like to play badminton
- Avid reader of books on finance and economics
- Learning to play guitar
- Social service is a passion.

### Personal Details

Name: Avantika Verma

Date of Birth: 28/10/1996

Marital Status: Unmarried

Address: H no.546, Ludhiana, Punjab

Ph No: 11111 111 e-mail : avant@gmail.com



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(The student may add more details if needed; the above are hints. You may write about your hobbies and interests.)

**Chapter-13 Meetings**

**1. Hint: Mention the agenda and the cause for the same.**

Participants in the meeting: Mr. XY, Vice-President; Mr. A, HR Manager; Mr. AB. Operations Head; Mr. ABC, Operations Manager and Mr. XY's Secretary

Date: August 2023

Meeting started at 10:00 am

Mr. A started the meeting and discussed the agenda with details of the visit of foreign delegates.

Mr. ABC adds to the trip details and also emphasizes on their comfort and meetings to be held.

Mr. A and Mr. ABC together presented a presentation with the travel plans, itinerary, and meetings planned with vendors in the city.

Mr. XY gave his valuable inputs on how the attendance of staff should be maximum during the visit of the foreign delegates.

Mr. ABC gives his suggestions on having some cultural night planned as part of a recreation activity.

Mr. A concluded the meeting with vote of thanks to all the members who attended the meeting.

**2. Hint: Focus on one product. Mention the product and product specifications**

Participants in the meeting: Mr. A, Vice-President; Mr. AB Product Manager, Mr. ABC, Sales Manager and their Associates, Mrs. XY, Finance Manager

Date: August 20th, 2023

Meeting started at 11:00pm

Mr. AB explains about the agenda of the meeting, and he talks about the need to increase the price of the specific product.

The associates have brainstormed few ideas about how the product can be changed according to the market requirements.





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Mr. ABC listens to everyone carefully and shares his thoughts about changing the packaging too. He also proposes to work on the ingredients, pricing and presentation of the product. (We are taking the product to be a soap)

Mrs. XY expresses her concern over rising prices of similar competitive products.

Mr. A agrees and informs that he would like to discuss with the design team and finalize the appropriate pricing with the team soon.

The meeting concluded with few ideas regarding packaging and pricing that everyone is ready to explore and implement.



# ABOUT OUR FACULTY



Niraj Agarwal is a Chartered Accountant, Company Secretary, Cost & Management Accountant. He is an All India Rank Holder in all the 3 courses. He has graduated from St. Xavier's College, Kolkata and holds a Master's degree in Commerce too. He believes that learning is a continuous process and hence he is also a ICAI certified IFRS professional, an Associate from Insurance Institute of India and completed 5 papers of Actuarial Science. He is also a visiting Faculty at ICAS, Kolkata

## WHAT DO WE OFFER?



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Above Amit Agarwal Blind School,  
Kolkata 700 006**

