



The Institute of Chartered Accountants of India

Code: FD2BL100521
Subject : 02 Business Laws

Total Marks: 100
Marks Obtained : 56.5

GRAPH PAPER IS ON THE PENULTIMATE PAGE
Book No. 1 (containing 28 pages)

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

Foundation Examination

Group No. Paper No. 02

Subject Business Laws

Number of Answer Books used : Main + 3 additional sheets

For use by ICAI only
100521

15 SEP 2024

ICAI

Q.No.	To be ticked (✓) by the candidate against the Questions answered	Marks Awarded (To be filled by Examiner)					Total
		a	b	c	d	e	
1	✓						
2							
3	✓						
4	✓						
5	✓						
6	✓						
7							
8							
9							
10							
11							
12							
13							
14							
Total							

Total Marks awarded (in words)

Examiner's Signature

Use only Blue / Black Ball Point Pen to write and shade the circles.
AVOID RED PEN.
Write the marks in the boxes before shading the respective circles.

Total Marks awarded

0	0
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9



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INSTRUCTIONS TO THE CANDIDATE

Answers are not to be written on this page

- Answers should be written in figures and words in the allotted space at the right hand corner of the answer book only and nowhere else including additional answer book/s and graph paper.
- Roll number should be written in the box in numbers and darken the appropriate circles of the OMR response grid provided in the right hand corner of the cover page with **Black / Blue** ball point pen.
3. Fill particulars such as name of Examination, Group No., Paper No. and subject at the appropriate space at the left hand upper corner.
 4. Remove the Bar Code sticker of the particular paper from the Attendance sheet and affix the same on the box provided in the right hand corner of the cover page.
 5. Since a machine will read the Roll no., please check and ensure that Roll number written in numbers, words and circles darkened are correct. In case any candidate fills this information wrongly, Institute will not take any responsibility for rectifying the mistake.
 6. The answers should be written neatly and legibly.
 7. The answer to each question must be commenced on a fresh page and question number prominently written at the top of each answer. Alternatively, the question number should be distinctly written in the margin.
 8. The answer to each question in all parts should be fully completed in one page or in a consecutive set of pages, before the next question is taken up.
 9. Writing of Roll number in place/s other than the space provided for the purpose or writing distinguishing mark, symbols like "OM", "Sri", "Jesus", "786", etc., will tantamount to adoption of "unfair means".
 10. Before submission of answer book to the invigilator take care to score out (X) blank pages, if any, that you might have left.



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Answer No. 1 Part (a)

(i) Quasi Contract:- These are As Per the Provision of the Indian Contract Act 1872, there are contract in which no essential elements of a contract are present but the law willfully apply an obligation on such type of contract, these are known as Quasi Contract.

Payment by the Interested Party:- As the Party to a contract which has interested in the subject matter of the contract paid the amount due upon the contract. Thus, the Party interested who paid the amount has a right to receive the amount from the Party on whose behalf amount is duly paid by him.

As in the instant case Residential house is lent out by L to M and L does not pay dues of electricity bill and therefore M pays the dues to avoid disconnection of electricity.

As On the basis of above mentioned Provision L & M has interested in subject matter. Therefore he pay all electricity dues of 5 months. So as per above mentioned Provision Mr. M is entitled to be reimbursed by Mr. L.

1aiStep1 ✓ 1.5

1aiStep2 ✓ 1

1ai ✓ 2.5



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(ii) Standing offer:- Standing offer are those type of offer which will remain open for a certain period of time.

Special offer:- These are those type of offer which is being made by a Person to a specific Person to receive acceptance from that.

1aiiStep1



0

In the instant case Mr. A offered to Mr. B to sell chair but subsequently before expiry of the time of acceptance he sold to Mr. C. at a higher price.

1aiiStep2



0

On the basis of the above provision made Mr. B was given an offer whose time of acceptance is not completed and he gives his acceptance in a time prescribed. So Mr. B can claim damages from Mr. A.

1aii



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Answer No. 1 Part (a)

(iii) As per the Provision of the Indian Contract Act 1872, "any contract made of gratuitous activity are not duly enforceable by law."

1iiiStep1



0

As in this case an orphanage run by Mr. A and Mr. S, a Philanthropist agreed to donate 2 lakh for treatment of child. But on emergency on by Mr. A Mr. S refused to pay.

1iiiStep2



0

On the basis of the above mentioned Provision the contract agreement between Mr. S and Mr. A is for of gratuitous activity and the agreement of such a nature are not duly enforceable by law. So Mr. A cannot claim ₹ 1.5 lakh from Mr. S.

1iii



0



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Answer No.1 Part (b)

(i) One Person Company is a company which has only one person as a member and the minimum paid up capital as may be prescribed.

→ Any person an Indian citizen or resident in India for a period of 180 days in India for the preceding financial year

✓ → may become a member of OPC or

1biStep1



1

→ Become a nominee of OPC

(1) As Kamal wants to replace Sudhakar with Robert who is an Indian citizen

✗ but he is not resident in India for a period of 180 days for last financial year. ^{But he is a resident of India} So he will be ~~not~~ appointed as a nominee.

(2) As Dinkar is an Indian citizen and NRI

^{cannot} who resides in India for a period of 180 days in the preceding financial year, so he cannot be appointed as a nominee.

1biStep2



0.5



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As the Karma wants to change the nominee of OPC, he can change Sudhakar and appoint Robert in his place.

1biStep3



0.5

He should file a notice in this respect to the registrar of the Companies.

1bi



2

Answer No. 1 Part (b)

(ii) Dormant Company:- As per Section 455 of the Companies Act 2013, a Dormant company is a company which does form for a future project or hold the assets or intellectual Property, shall subscribe to the Registrar of the company to obtain the title of dormant company.

1biStep1



1.5

An inactive company is a company which has no transaction for the last two accounting years.

The transaction which are not included:-

- (i) Expenses incurred for the incorporation to Registrar.
- (ii) Expenses or transaction made with Registrar.
- (iii) Transaction made to maintain the firm.



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8			
<p>So, on the conclusion of the above mentioned Provision of the Companies Act 2013, XY 2 Company Ltd can go for acquiring the status of a <u>deemed</u> company.</p>			
1biiStep2	<input checked="" type="checkbox"/>	0	DO NOT WRITE ANYTHING HERE
1bii	<input checked="" type="checkbox"/>	1.5	
<p><u>Answer No. 1 Part(c)</u></p>			
<p><u>(i) Exclusion of a Partner:-</u></p>			
<p>In a Partnership a Partner is not expelled otherwise and the exclusion is null and void when:-</p>			
<p>(i) The right of exclusion existed in the contract of Partnership.</p>			
<p>(ii) The right exercised by majority of Partner.</p>			
<p>(iii) The exclusion is in good <u>faith</u> of Partnership.</p>			
<p>The test of Good faith includes:-</p>			
<p>(i) It must be done in the interest of Partnership.</p>			
<p>(ii) The The Partner expelled must be served with</p>			
<p>(iii) a notice.</p>			
<p>(iv) He must be given a reasonable opportunity being heard.</p>			
1ciStep1	<input checked="" type="checkbox"/>	2.5	DO NOT WRITE ANYTHING HERE
1ciStep2	<input checked="" type="checkbox"/>	0	
1ci	<input checked="" type="checkbox"/>	2.5	



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Barcode

Answer No. 1 Part (c)

(ii) The Partner who has been expelled from the Partnership by a right exercised by majority of Partner will cease the Partner expelled for the liability of the firm done after expulsion to the Third Party.

A Partner who has been duly expelled from Partnership will be liable to the Third Party for his act done before his exclusion. He will be further restricted from the liability of the firm done after his exclusion.

The Third Party can recover the amount for the act done after exclusion from the Partner remaining not from the Partner expelled.

1ciiStep1 ✓ 1

1ciiStep2 ✗ 0

1cii ✓ 1

1 ✓ 9.5



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Answer No. 3 Part (a)

(i) Partner by Estoppel:- When a Person who represents another Person as a Partner of the firm and that other Person also allowing him to represent himself as a Partner without having a Partner. Such a Partner is known as Partner by Estoppel.

When a Person who represents himself by express or conduct as a Partner of the firm and the third Party on whose behalf contacted the firm, such a Person will become liable to the third Party.

3aiStep1



1.5

In the instant case Ram introduced Gopal as a Partner of the firm and Gopal knowing he is not a Partner become keep quiet. On the fact of that Sundar supplied Raw material and Machinery ₹ 5 lakh to the Ram and Shyam Co.

On the basis of the above provision mentioned as representation of Gopal as a Partner of firm by Ram and remaining Gopal keep quiet. Constitute him as a Partner by Estoppel. So, the Gopal is liable to Sundar but he



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11	
3aiStep2	1
3ai	2.5
Answer No. 3 Part (a)	
<u>(ii)</u>	
When a Partner is being	
According to the Relevant Provision of the Indian Partnership Act 1932, when a Partner is being admitted to the Partnership, he will be liable to the debts of the firm from an account from the date of the admission.	
3aiStep1	1
But if there is a contract exist between the Partner, creditors and the incoming Partner for upon his liability for the debts of the firm before his admission. He is also liable to pay such type of old debts.	
As in this instant case, Amar (new Partner) agrees to be liable for the existing debts of the firm by an agreement between all of them.	
3aiStep2	0
3ai	1
On the basis of above mentioned Provision and fact Amar will be liable in a suit filed by the creditor against the firm for recovery of debt.	



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Answer No. 3 Part (a)

iii) According to Section 37 of the Indian Partnership Act 1932, when after the retirement or death of a Partner, a Partnership firm will continue to run without any final settlement of accounts of the firm, the Partner of such Partnership firm will be liable to pay the share of Profit earned by firm during that time or interest of 6% p.a. on account of use of his Property.

3aiiiStep1



1

In the instant case S Partnership continue without any final settlement and Surman (Retiring Partner) demand 3 lakh from the firm towards the use of his share of Property.

On the basis of above mentioned provision Surman can demand for Profit i.e. 10% of 10 lakh (1 lakh) of 6% interest on Property i.e. (10 lakh \times 6%) or = 1 lakh 20 thousand which ever is higher. So Surman can claim interest on his Property.

3aiiiStep2



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3aiii



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Answer No. 3 Part (b)

(1) Do Ultra Vires:- The term ultra vires means 'beyond their Powers'. Ultra Vires describes the act which is done beyond which a Company can act to do.

A Memorandum of Association is a Public document in Section 399 of Company Act and any one Person has right to inspect such the Book and can know the Powers of the Company to which it can deal.

If The Contract made under Ultra Vires is void and cannot be sue or sued. It is Presumed that the Person dealing with the Company has knowledge of its Powers or object whether he reads or not. The leading case of this is the 'Ashbury Railway Carriage and Iron Ltd. Company v's Riche'.

3biStep1



1

Fact of the Case:- As in this instant case the company by its memorandum can borrow amount upto 1 crore but the



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bank lent amount of 5 crore and on the ground of ultra vires the company refused to pay.

Conclusion:- On the basis of the above mentioned Provision and fact the contract made between Company is ultra vires and is subject to ultra vires and thus it is null and void.

3biStep2



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The remedy which the bank only available that it can recover only a amount of 5 crore from company.

3bi



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(ii) <u>Common Seal</u> :- Company being an artificial legal person, has operate through its common seal. Common seal constitute a document attached to company.	
As Per Amendment in 2015, in the Company Act 2013, a company may or may not have a common seal. A Company which has never a common seal, the document will be attached by two directors or a director ^{and} a company secretary in case company has a company Secretary.	3biiStep1 <input checked="" type="checkbox"/> 1
As in the above ment instant case; share certificate issued by the two directors of the company are valid as it constitute a common seal for them.	3biiStep2 <input checked="" type="checkbox"/> 0
If the Company has a Company Secretary the answer will remain the same as the above described.	3biiStep3 <input checked="" type="checkbox"/> 0
	3bii <input checked="" type="checkbox"/> 1



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Answer No. 3 Part (c)

(i) In case of breach of a contract the court may award compensation or damages in the following cases:-

(1) Ordinary damages:- When the Party to a contract has suffered from a breach of contract any loss or damage, he must be compensated by the Person making such type of breach.

(ii) Special damage:- When the special motive of the contract are indicated by the Person making the contract with the Person performing it, and such Person breach the contract, the Person who is not in default is by the order of court compensated by special damages along to General damages

(iii) Liquidated damages:- When the Person contracting does not face any type of loss or sustained from any damage the court may compensate him or provide damage in itself.

3ci Step 1



2

3ci



2



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Answer No. 3 Part (c)

(ii) According to Section 25 of Indian Contract Act 1872, any contract made without consideration is void. However there are certain exception to this:-

(A) Agreement made based on natural love and affection:- When any agreement or contract made by Person in natural love and affection is valid. These should have following:-

- ☒ (i) Contract made in natural love & affection
- ☒ (ii) The Party to a contract are near relation to each other.
- ☒ (iii) It must be in writing.
- ☒ (iv) It is enforceable by law.

(B) Promise to Pay time-barred debt:- When there is contract signed in writing between by the Principal or his agent with the Party for the Payment of debt barred by the limitation of time is valid.

3ciiStep1 ☒ 1.5

3ciiStep2 ☒ 1

3cii ☒ 2.5

3 ☒ 11.5



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Answer No 4. Part (a)

- (i) According to the relevant Provision of the Indian Contract Act 1872, a contract emerge by the law without any essential element of a contract is known as Quasi Contract.

Responsibility of finder of lost Goods:-

The Responsibility of finder of lost Goods is:-

- (i) duly take care of Goods as a man of ordinary Prudence.
- (ii) to retain the Goods until the owner is not find out
- (iii) to Handover to the owner of Goods on finding out.

✓ (17) The Gifting of Waistwatch by the Raghu to his son is unlawful because it is the duty of his own to take reasonable care of Goods until the true owner of Goods not to be find out.

(B) Raghu has incurred 20000 to find and to take reasonable care of Goods. Thus, he has the right to sue for recovery of lawful expenses incurred by him.



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4aiStep1



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(C) The Raghav has also option as per the Provision of Indian Contract Act 1873, that he can retain the Possession of the Goods until he can recover lawful expenses.

(D) If the find of lost Goods has incurred expenses more than $\frac{2}{3}$ that of the cost of the Goods. He can recover that by selling the Goods. As in this case he does not incur $\frac{2}{3}$. So he does not claim by sale of wristwatch.



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Answer No. 4 Part (a)

(ii) Super Supervening Impossibility:- At When in the contract some time happens which becomes the contract impossible or illegal due to some hindrance occurs beyond the contemplation of Party. There are certain times a contract is quite possible when it is made but becomes illegal or impossible due to happening of certain event is known as Supervening Impossibility. And the contract is void.

4aiiStep1



0.5

(A) As the Strike of is not constituted as a Supervening Impossibility and it results in the

4aiiStep2



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As in the above instant case Woolen Garments contracted with women for supply of woolen clothes but the women are unable to supply due to prolonged strike.

4aiiStep3



0.5

(B) As the Strike is not constituted as a Supervening Impossibility and it results to breach of a contract and the company can reject the total supply by women group.

4aii



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(B) It is at the option of the company that he can accept the total supply on request of women



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and may ask from them such type of
breach.

Answer No. 4 Part (b)

(i) As per Section 138 of the NI Act 138 :-
When a Person draws a cheque on the
bank account maintained with bank :-

- for the discharge for the Payment of amount
- due to another Person
- to discharge liability in Part or whole (A Contract of Gift or donation is not covered in this section) that cheque is returned by the bank on ground of :-
- ✓ The amount standing to credit of that account is insufficient.
- That the account allowed for Payment is not meet by an agreement with bank.

4biStep1



1.5

Such Person has deemed to commit an offence and subject to that offence he is punishable for a period of 2 years or a fine double the Instrument Rate.



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Such Act is constituted when:-

- (i) Cheque has been given in a reasonable time
- (ii) Notice of Dishonour is given
- (iii) The drawer may reply within 15 days

As per Section 139, it is presumed that the cheque is drawn for discharge of liability unless it is proved.

As per Section 140, No defence on account Prosecution done under Section 138, because drawer has no option to believe demand by the drawee the cheque.

4biStep2



0.5

4bi



2



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Answer No 4 Part (b)

(ii) ^(B) All cheque are bills but all bill are not a cheque. This feature of cheque reflects because all the features of bill of exchange are duly present in cheque but bill of exchange does not contain all features of a cheque.

4biiStep1



1) cheque is specified on bamboo and it is so expressly not payable than on demand distinguish it from that

(B) Ambiguous instrument: - Ambiguous instrument as per Section 17 of N.I. Act 1881 are those which are created either as a promissory note or a bill of exchange, and the holder of it at its discretion either treat it as out of it and such is duly exercised. After once selected, no one has option to change the nature of the instrument.

4biiStep2



1.5

4bii



2.5



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Answer No. 4 Part (c)

The laws in Indian legal system:-

(i) Criminal law:-

Criminal law is the law concerned with the violation of Right of Public and Public at wrong and the Punishment for the same. It is governed by the Indian Penal Code 1860 and code of Criminal Procedure 1973. The IPC 1860 defines the crimes, its nature and its Punishment while CRPC act defines the exhaustive Procedure for Punishment.

(ii) Civil law:-

Matters of disputes between Individual and organisation are dealt under this law. This law concerned with the violation of the right and obligation of an individual. This law majorly concerned on dispute resolution than Punishment. It is governed by Code of Civil Procedure 1907. It contains Indian Contract Act, Sales of Goods Act etc.

(iii) Common law:-

A Judicial Precedent or a case

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law is known as Common law. The Article 141 of Constitution states that the law framed by supreme court of India binding upon the all courts under it. The Principle of doctrine of Stare Decisis, which means to stand by what is decided is based on this. The all courts should follow the same as followed is Pre-Judicial decision.

(iv) Principle of Natural Justice:- Jus natural deals of term known as Natural Justice is a fundamental right of a or beyond the written law. According to this no one will be Judge in his own case and every Person has the right of opportunity being heard.

4cStep1



4

4c



4

4



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Answer No. 5 Part (a)

on Approval

(i) Sale on Return basis:- As per Provision of Sales of Goods Act 1930
Sale on Return basis is duly complied when:-

- (i) The Person informs the Person of his acceptance
- (ii) When he does something which is equivalent to sale
- (iii) When the time of contract is expired and the Person in case no time specified, expiry of reasonable time.

5aiStep1



1

Sale on cash or Return:- When the Goods are sold in cash the buyer has right to return the Goods. Such case is known as Sale on cash or Return.

With
In this instant case, Ashok sold to Mangesh on sale or return basis and Mangesh sold to Rahul on sale for cash only and Rahul to Vishal on sale on Return basis.

5aiStep2



0

Hence, the further sold, on the conclusion of fact & Provision make force, Mangesh & Rahul are jointly liable to pay the price of camera to Ashok.

5ai



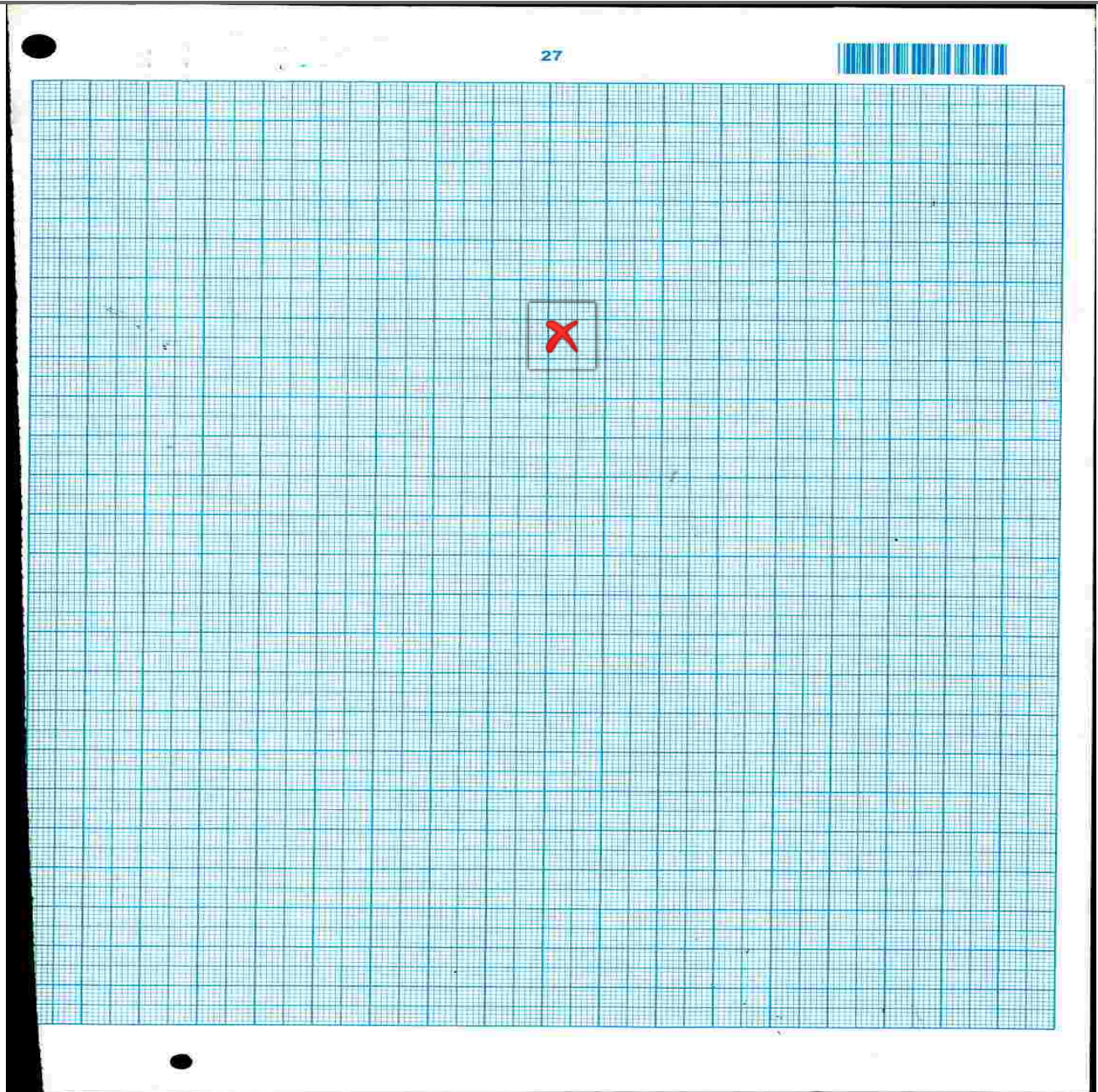
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Addl. Book No. 1

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
ADDL. BOOK

DO NOT WRITE ROLL NUMBER ANYWHERE IN THIS
ADDITIONAL ANSWER BOOK

Answer No. 5 (a)

(ii) Right of Stoppage in transit:- A Person who has withdrawn with the Possession of Goods may exercise his right of Stoppage in transit and this right is to regain the Possession. This can be duly made exercised when:-

- (i) He Parted with the Goods
- (ii) Goods is in transit
- (iii) The buyer become insolvent
- (iv) He is an unpaid seller
- (v) And any other compliancy according to the Section.

5aiiStep1



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Right of buyer for non delivery:- As per Sales of Goods Act 1930, any buyer who must have obtained the goods not obtain the Goods due to non-delivery by seller shall account for a reasonable amount of Compensation to be Paid.



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5aiiStep2



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(A) As Per above mentioned Provision, the buyer is not insolvent, so the Anand has no right to stop the Goods in transit

5aiiStep3



1

(B) Baburam who suffers from such type of non-delivery will account for damages Paid by Anand.

5aii



2.5

Answer No. 5 Part (b)

Court may dissolve a Partnership under the following circumstances:-

(i) Insanity or unsound mind:- When a Person in the Partnership became Insanity or of unsound mind the Partnership may be dissolved by the Partner by applying to the court.



(ii) Permanent incapacity:- When the Partner other than the Partner filed has become Permanent incapable to perform in business, court may dissolve Partnership.

(iii) Misconduct:- When a Partner other than Partner suing is guilty of misconduct



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in caused by firm, court may dissolve Partnership.

(iv) Persistent breach of contract: - When the Partnership is conducting through Persistent breach of contract a court may dissolve the firm. It includes:-

- ✓ → Embezzlement
- Keeping erroneous account
- Not disclosing account in proper instead of several request.

(v) Transfer of Right: - When a Partner transfer a right in Partnership, then the other Partners may dissolve the Partnership by court.

✓

(vi) Continuous Perpetual loss: - Where a Partnership is not to be continued instead of a loss

(vii) Just & Equitable Grounds: - A Court may dissolve Partnership on Just & Equitable Grounds. It includes:-

- ✓ 5b Step 1 → Gambling by Partner in stock Exchange
- 5b ✓ → Partner are not in talking terms



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Answer No. 5 Part (c)

5cStep1



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(i) Rights of Bailor against wrongdoer:- The Third Party who through his act or omission done any fault or damage to the Product or the Goods bailed the bailor and bailee both can claim damages for the loss caused due to them.

(ii) The Rights of Duties of Pawnee are:-

- Pawnee duty to take reasonable care of Goods
- Pawnee duty to not mix the Goods
- Pawnee duty not to incur expense of use of Goods
- Pawnee duty to Pay back the Goods when the Payment is made by Pawnee
- Pawnee duty not to make adverse title to Goods
- Pawnee duty to sale the Goods in account of fault made by Pawnee in Payment.
- Pawnee duty to return any accretion from the Goods Pledged.

5cStep2



3

5c



4

5



12.5



The Institute of Chartered Accountants of India

Code: FD2BL100521
Subject: 02 Business Laws

Total Marks: 100
Marks Obtained: 56.5



15 SEP



Addl. Book No. 2

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
ADDL. BOOK

DO NOT WRITE ROLL NUMBER ANYWHERE IN THIS
ADDITIONAL ANSWER BOOK

DO NOT WRITE ANYTHING HERE

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Answer No. 6. Part (a)

(i) According to the Provision of Section 57 of the Negotiable Instrument Act 1881, an instrument which is duly indorsed and the delivery of the instrument is due. Such instrument before such delivery the Person died then in this condition the Person indorsed does not get the Good title against the goods indorsed inspite the legal representative is willing to deliver it.

6aiStep1



1

In this instant case Aman drew a bill of exchange on Bahan, who accepted it, Payable to Magan. Magan indorsed the bill to Gagan. Gagan indorsed to Akash but before delivery of that Gagan died.

As Per the Provision and fact above mentioned the Bill only indorsed by



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Subject: 02 Business Laws

Total Marks: 100
Marks Obtained: 56.5

6aiStep2



1

Gagan to ARash. It is not delivered. So he neither gets good title on bill either Gagan nor has delivered to him. So the bill is not to be lawful Presented and baban refusal to Pay is valid. ARash cannot enforce it against any Part.

6ai



2

Answer No. 6 Part (a)

(ii) Inland Instrument:-

An Inland Instrument is the one which is not foreign instrument. It is one when either of these followed:-

(i) When the Instrument is made in India and Payable in India.

6aiiStep1



0.5

(ii) When it is made in India and drawn from a resident in India.

Foreign Instrument:-

An Foreign Instrument is the one which is not Inland Instrument. For a foreign instrument it should:-

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Total Marks: 100
Marks Obtained: 56.5

10041		3	1034821
		Made outside + Payable in India or India drawn upon resident of India	
		Made in India + Payable and drawn upon resident outside India	
		In the instant case, the bill is made by the Indian company and a resident of India but it is Payable outside India in Los Angeles, USA. As it fulfills the condition of Inland Instrument it will be considered as a inland instrument	
6aii Step 2	✓	1	
6aii	✓	1.5	



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Total Marks: 100
Marks Obtained: 56.5

4			
<u>Answer No. 6 Part (c)</u>			
(A)			
(i) Bid by seller without notification:-			
6ciStep1	<input checked="" type="checkbox"/>	0.5	When the bill by seller is duly expressed then he must put a person in a contract of auction sale for such bidding if such act is not be notified by seller then he made a unlawful act.
(B) Bidder to Retract from his bid:- A bidder may retract from his bid before the completion of auction sale by the fall of Hammer.			
6ciStep2	<input checked="" type="checkbox"/>	1	
(C) Effect of Pretending bidding:- When the Person who uses Pretended bidding to rise the Price then it is committed a fraud.			
6ciStep3	<input checked="" type="checkbox"/>	0.5	
6ci	<input checked="" type="checkbox"/>	2	Auction Sale is a sale made by the Person



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Total Marks: 100
Marks Obtained: 56.5

15 SEP 2022

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Addl. Book No. 3

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
ADDL. BOOK

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ADDITIONAL ANSWER BOOK

Answer No. 6 Part (c)

ii) Delivery of Wrong Quantity:- As per the Provision of the Indian Contract Act 1872, when the seller delivers the Goods in the Wrong Quantity or not according to the Sample or description as may be provided by buyer. The buyer has following remedies:-

- To reject the Goods in default and accept another.
- To reject whole of the Goods.
- To accept all the Goods and pay for the extra Quantity of Goods.
- To ask for damages from seller.
- To accept Goods which is non-severable and ask to give the difference.

6cii Step 1 1.5

6cii 1.5



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Subject: 02 Business Laws

Total Marks: 100
Marks Obtained: 56.5

2



Answer No 6 Part (b)

- (ii) According to Section 15, of Indian Contract Act 1872:-
The threat to commit suicide means to make the Person in Position which will reflect him to cause suicide is a ~~coercion~~ coercion.

However, a suicide by a Person not caused to commit coercion but if it is due because the fact are not able to disclosed.

6biiStep1



1

But if the fact are duly disclosed then the Person who involved in committing another Person to cause ~~coercion~~ suicide is coercion and is Punishable under Indian Penal Code 1860.

6bii



1

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Code: FD2BL100521
Subject: 02 Business Laws

Total Marks: 100
Marks Obtained: 56.5

3

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Answer No. 6 Part (b)

(1) Difference between Contract of Indemnity and Contract of Guarantee:-

	Contract of Indemnity	Contract of Guarantee
1. Basis Meaning	It is a contract to indemnify Indemnity holder.	It is a contract to pay amount on respect of default of debtor by third party to creditor.
2. Parties	2 Parties:- Indemnifier Indemnity holder	3 Parties:- Surety Debtor (Principal) Creditor
3. Nature of Contract	In the contract is the indemnifier has primary motive	Surety has secondary motive in contract
4. Time to perform	The indemnity holder does not perform the indemnifier to perform	It should be act be Surety on request of Principal debtor.

6biStep1 ✓ 2

6bi ✓ 2

6 ✓ 10



Total Marks:	100
Marks Obtained :	56.5

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The Institute of Chartered Accountants of India

Code: FD2BL100521
Subject : 02 Business Laws

Total Marks: 100
Marks Obtained : 56.5

Result Overview

Awarded Marks: 56.5

Max Marks:100

Not Attempted

Optional

Marked

Q1_Compulsory (Score: 9.5/20)

Question No	Awarded Marks	Maximum Marks	Status
1	9.5	20	
1ai	2.5	3	
1aii	0	2	
1aiii	0	2	
1bi	2	4	
1bii	1.5	3	
1ci	2.5	4	
1cii	1	2	

Q2_Q6 (Score: 47/80)

Question No	Awarded Marks	Maximum Marks	Status
2	0	20	
2ai	0	4	
2aii	0	3	
2bi	0	5	
2bii	0	2	
2ci	0	4	
2cii	0	2	
3	11.5	20	
3ai	2.5	3	
3aii	1	2	
3aiii	1.5	2	

3bi	1	4	M
3bii	1	3	M
3ci	2	3	M
3cii	2.5	3	M
4	13	20	M
4ai	3	4	M
4aii	1.5	3	M
4bi	2	4	M
4bii	2.5	3	M
4c	4	6	M
5	12.5	20	M
5ai	1	4	M
5aii	2.5	3	M
5b	5	7	M
5c	4	6	M
6	10	20	M
6ai	2	4	M
6aii	1.5	3	M
6bi	2	4	M
6bii	1	2	M
6ci	2	4	M
6cii	1.5	3	M