

MOCK TEST PAPER - 1

FOUNDATION COURSE

PAPER 2: BUSINESS LAWS AND BUSINESS CORRESPONDENCE AND REPORTING

SECTION A: BUSINESS LAWS

ANSWERS

1. (i) **An invitation to offer is different from offer.** Quotations, menu cards, price tags, advertisements in newspaper for sale are not offer. These are merely invitations to public to make an offer. An invitation to offer is an act precedent to making an offer. Acceptance of an invitation to an offer does not result in the contract and only an offer emerges in the process of negotiation.

In the instant case, Ashwin reaches to super market and selects a Air Conditioner with a discounted price tag of ₹ 40,000 but cashier denied to sell at discounted price by saying that discount is closed from today and request to make full payment. But Ashwin insists to purchase at discounted price.

On the basis of above provisions and facts, the price tag with Air Conditioner was not offer. It is merely an invitation to offer. Hence, it is the Ashwin who is making the offer not the super market. Cashier has right to reject the Ashwin's offer. Therefore, Ashwin cannot enforce cashier to sell at discounted price.

- (ii) **Doctrine of Indoor Management:** The Doctrine of Indoor Management is the exception to the Doctrine of Constructive Notice. The Doctrine of Constructive Notice does not mean that outsiders are deemed to have notice of the internal affairs of the company. For instance, if an act is authorised by the Articles or Memorandum, an outsider is entitled to assume that all the detailed formalities for doing that act have been observed.

The doctrine of Indoor Management is important to persons dealing with a company through its directors or other persons. They are entitled to assume that the acts of the directors or other officers of the company are validly performed, if they are within the scope of their apparent authority. So long as an act is valid under the articles, if done in a particular manner, an outsider dealing with the company is entitled to assume that it has been done in the manner required.

In the given question, Mr. Mohan has made payment to Mr. Ramesh and he (Mr. Ramesh) gave to receipt of the same to Mr. Mohan. Thus, it will be rightful on part of Mr. Mohan to assume that Mr. Ramesh was also authorised to receive money on behalf of the company. Hence, Mr. Mohan will be free from liability for payment of goods purchased from Sunflower Limited, as he has paid amount due to an employee of the company.

- (iii) (a) A wholesaler of cotton has 100 bales in his godown. So, the goods are existing goods. 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.
- (b) If A agrees to sell to B one packet of sugar out of the lot of one hundred packets lying in his shop, it is a sale of existing but unascertained goods because it is not known which packet is to be delivered.
- (c) T agrees to sell to S all the apples which will be produced in his garden in the year 2023. It is contract of sale of future goods, amounting to 'an agreement to sell.'

2. (i) 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.

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 for 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.

- (ii) **LLP is an alternative corporate business form that gives the benefits of limited liability of a company and the flexibility of a partnership**

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 of the LLP Act, 2008). The liability of the partners will be limited to their agreed contribution in the LLP, while the LLP itself will be liable for the full extent of its assets.

Flexibility of a partnership: The LLP allows its members the flexibility of organizing their internal structure as a partnership based on a mutually arrived agreement. The LLP form enables entrepreneurs, professionals and enterprises providing services of any kind or engaged in scientific and technical disciplines, to form commercially efficient vehicles suited to their requirements. Owing to flexibility in its structure and operation, the LLP is a suitable vehicle for small enterprises and for investment by venture capital.

3. (i) 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 of such a partner will be governed under Section 30 as follows:

Rights:

- (i) A minor partner has a right to his agreed share of the profits and of the firm.
- (ii) He can have access to, inspect and copy the accounts of the firm.
- (iii) 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.
- (iv) 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) **Subsequent or Supervening impossibility (Becomes impossible after entering into contract):** When performance of promise become impossible or illegal by occurrence of an unexpected event or a change of circumstances beyond the contemplation of parties, the contract becomes void e.g. change in law etc.

Also, according to section 65 of the Indian Contract Act, 1872, when an agreement is discovered to be void or when a contract becomes void, any person who has received any advantage under such agreement or contract is bound to restore it, or to make compensation for it to the person from whom he received it.

In the given question, after Mr. Gaurav and Mr. Vikas have entered into the contract to supply 100 tons of sugar, the event of flood occurred which made it impossible to deliver the sugar within the stipulated time. Thus, the promise in question became void. Further, Mr. Gaurav has to pay back the amount of ₹ 70,000 that he received from Mr. Vikas as an advance for the supply of sugar within the stipulated time. Hence, the contention of Mr. Vikas is correct.

4. (i) In the following cases, a non-owner can convey better title to the bona fide purchaser of goods for value:

(1) **Sale by a Mercantile Agent:** A sale made by a mercantile agent of the goods for 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 has 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)].

(2) **Sale by one of the joint owners (Section 28):** If one of several joint owners of goods has the sole possession of them by permission of the co-owners, the property in the goods is transferred to any person who buys them from such joint owner in good faith and has not at the time of the contract of sale notice that the seller has no authority to sell.

(3) **Sale by a person in possession under voidable contract:** A buyer would acquire a good title to the goods sold to him by a 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**).

(4) **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 and 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 disposition of the goods or documents of title by the seller in possession are equally valid [**Section 30(1)**].

(5) **Sale by buyer obtaining possession before the property in the goods has vested in him:** Where a buyer with the consent of the 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, he would get a good title to them **[Section 30(2)]**.

However, a person in possession of goods under a 'hire-purchase' agreement which gives him only an option to buy is not covered within the section unless it amounts to a sale.

- (6) **Effect of Estoppel:** Where the owner is estopped 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.
- (7) **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)]**.
- (8) **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 **[Section 169 of the Indian Contract Act, 1872]**
 - (iii) A sale by pawnee can convey a good title to the buyer **[Section 176 of the Indian Contract Act, 1872]**

(ii) Expulsion of a Partner (Section 33 of the Indian Partnership Act, 1932):

A partner may not be expelled from a firm by a majority of partners except in exercise, in good faith, of powers conferred by contract between the partners.

The test of good faith as required under Section 33(1) includes three things:

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

If a partner is otherwise expelled, the expulsion is null and void.

- (a) Action by the partners of M/s ABC & Associates, a partnership firm to expel Mr. P from the partnership was justified as he was expelled by approval of the other partners exercised in good faith to protect the interest of the partnership against the unauthorized activities charged against Mr. P. A proper notice and opportunity of being heard has to be given to Mr. P.
- (b) The following are the factors to be kept in mind prior expelling a partner from the firm by other partners:
 - the power of expulsion must have existed in a contract between the partners;
 - the power has been exercised by a majority of the partners; and
 - it has been exercised in good faith.

5. (i) According to Section 15 of the Sale of Goods Act, 1930, whenever the goods are sold as per sample as well as by description, the implied condition is that the goods must correspond to both sample as well as description. In case, the goods do not correspond to sample or description, the buyer has the right to repudiate the contract.

Further under Sale of Goods Act, 1930, when the buyer makes known to the seller, the particular purpose for which the goods are required and he relies on his judgment and skill of the seller, it is the duty of the seller to supply such goods which are fit for that purpose.

In the given case, Mr. Vishal has informed to Mr. Dheeraj that he wanted the washing machine for washing woollen clothes. However, the machine which was delivered by Mr. Dheeraj was unfit for the purpose for which Mr. Vishal wanted the machine.

Based on the above provision and facts of case, there is breach of implied condition as to sample as well as description, therefore Mr. Vishal can either repudiate the contract or claim the refund of the price paid by him or he may require Mr. Dheeraj to replace the washing machine with desired one.

- (ii) 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 facade and hold the persons in control of the management of its affairs liable for the acts of the company. Where a company 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 facade of the assessee himself. Therefore, the whole idea of Mr. Rajeev 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 Maneckjee Petit and Juggilal vs. Commissioner of Income Tax*.

6. (i) **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 does or abstains from doing of 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.
- (2) It may proceed from the promisee or any other person on his behalf.
- (3) It may be executed or executory. It may be past, present or future.
- (4) It must be real and have some value in the eyes of law.
- (5) It must not be something which the promisor is already legally bound to do.
- (6) It must not be unlawful, immoral or opposed to public policy.

- (7) Inadequacy of consideration does not invalidate the contract. Thus, it need not be proportionate to the value of the promise of the other.
- (8) It may comprise of some benefit, profit, right or interest accruing to one or some loss, detriment, obligation or responsibility undertaken by the other.
- (ii) **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 breach of agreement by a partner; (v) transfer or sale of the whole interest of a partner; (vi) business being carried on at a loss; (vii) the court being satisfied on other equitable grounds that the firm should be dissolved.
- (iii) 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, Aqua 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.

PAPER 2: SECTION-B: BUSINESS CORRESPONDENCE AND REPORTING

ANSWERS

1. (a)
 1. The first choice of ignoring people is not effective as it is neither effective nor predictable. We give up on hope of influencing people and thus surrender ourselves to the whims of fate.
 2. Option b
 3. The third way of influencing people is to persuade them to do what you want them to do simply because they really want to.
 4. Fear forces people to operate in a survival mode, and thus brings short terms results. Hence it does not bring the best out of people
 5. Option c
- (b) All About Kangaroos
 1. Whr are kngrs fnd?
 - 1.1 Australia
 - 1.2 Tasmania
 - 1.3 New Guinea
 2. Phycl ftres of kngrs
 - 2.1 Man sized kngrs
 - 2.1.1 High speed 88 km/hr
 - 2.1.2 Cn jump upto 9 metres
 - 2.1.3 Hind legs hpfl for locmtn
 - 2.2 Weight and life span
 - 2.2.1 70 kgs
 - 2.2.2 Avg life spn of 6 to 8 yrs
 - 2.2.3 Max lngvty 20 yrs
 3. Bhvrl patterns
 - 3.1 Intelligent while fcng their prdtrs
 - 3.1.1 Head twds wtr
 - 3.1.2 Sbmrg thmslvs to chest
 - 3.1.3 Try to drown the atckr
 - 3.2 Play defensive
 - 3.2.1 Get to a tree
 - 3.2.2 Atck their prdtr with shrp claws
 - 3.2.3 Sometimes sfnt force to kill man

- 3.3 Normally shy animals
 - 3.3.1 Make a loud stamp snd
 - 3.3.2 Alert thr grp membris
- 4. Physiology
 - 4.1 Tail is imp as helps in
 - 4.1.1 Balance whl sitting
 - 4.1.2 Fighting fellw kangaroos
 - 4.2 Short legs used for:
 - 4.2.1 Fnctn of arm
 - 4.2.1.1 scratching,
 - 4.2.1.2 cleaning fur
 - 4.2.1.3 holding branches
- 5. Gwth and dvlpmnt
 - 5.1 Marsupial category
 - 5.2 Females hv pouches to carry babies
 - 5.3 Stay in pouch for 225 days to eat, sleep and grow
- 6. Attributes
 - 6.1 Young kngrs is a 'joey'
 - 6.2 Take naps in afrn
 - 6.3 Graze at night
 - 6.4 Drool and lick saliva over faces to stay cool!

Key

- 1. Kngrs= Kangaroos
- 2. Whr= where
- 3. Fnd= found
- 4. Phycl= physical
- 5. Ftres= features
- 6. Hr= hour
- 7. Cn= can
- 8. Hpfl= helpful
- 9. Locmtn= locomotion
- 10. Avg= average
- 11. Spn= span

12. Max= Maximum
13. Longvty= longevity
14. Bhvrl= behavioral
15. Fcng= facing
16. Prdtrs= predators
17. Twds= towards
18. Wtr= water
19. Sbmrg= submerge
20. Thmslvs= themselves
21. Atckr= attacker
22. Sfnt=Sufficient
23. Shrp= sharp
24. Thr= their
25. Grp= group
26. Membrs= members
27. Imp= important
28. Whl= while
29. Fllw= fellow
30. Fnctn= function
31. Gwth= growth
32. Dvlpmnt= development
33. Hv= have
34. Afrn= afternoon

Summary

Kangaroos are marsupials that run fast and have a life span of about 6 to 8 years. They are defensive with their predators and have the ability to attack when in danger. Their tail and short legs help them perform various functions. A baby kangaroo known as 'joey' stays in its mothers pouch for about 225 days before it comes out. They are usually active at night and sleep in the afternoon. Kangaroos are known to stay cool by a unique habit of licking their faces and bodies with saliva.

2. (a) 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 through non- verbal communication. Therefore, dressing appropriately in all formal interactions is emphasised.
- (b) (i) Option d
- (ii) Option a

(iii) Reema prompted, 'Call the ambulance'.

(c) Handicrafts: the dying art form

Technology has its own repercussions when we become highly dependent on its usage. One such example is the handicraft industry losing its importance and significance. With about 35 languishing crafts, the need has shifted to the reducing the effort of making goods, increasing production and of course promoting efficiency. While devices have taken over common tools, machinery has intruded into all stages of production from cutting, polishing to edging and designing. However, the fact remains that around 65 lakh artisans depend on handicrafts for their bread and butter. The government and private sectors should take appropriate steps to save this dying form of art and help the artisan revive their skills and expertise. This will ensure a stronger presence not only of the artisans but also of the culture of handicrafts.

3. (a) Perception is the way one sees the world and things around. Each one of us perceives the world differently and this causes problems in communicating. The same content is seen and interpreted differently by two people and therein lies the root cause of miscommunications and misunderstandings which act as a barrier to communication.

- (b) (i) Option b
(ii) Option d
(iii) Unsolicited advice should not be given.
(iv) Suraj exclaimed that he would do it the next day.

(c)

ABC Pvt Ltd,
Ashok Nagar,
New Delhi

18th April, 2023

M/S Vijay Enterprises,
Nehru Place,
New Delhi

Subject: Placing an order for stationery supplies

Dear Sir,

This is with respect to placing an order for stationery items needed in our office. Please find the detailed list below:

Name of the product	Quantity required
Ball point pens (Black and blue ink)	20 each
Glue sticks/Fevicol	15 each
Staplers and pins	15 each
Pencil packs of 12	10 each

Rim of A 4 white paper	30 sets
------------------------	---------

Kindly ensure all items are in good condition and nothing is broken or defective. We request you to expedite the delivery of our order since the above items are in short supply in our stationary stock.

We also request you to offer a reasonable discount for the order, since we are an old and regular customer. We will make sure that your invoice for the above items is processed on time, once received.

Thanking You!

Yours Sincerely,

Kamal Bhatia

Operations Manager

ABC Pvt. Ltd

4. (a)

Wheel & Spoke Network	Star Network
This network has a single controlling authority.	This network allows multiple controls.
It allows linear flow of orders and instructions.	It allows group communication and team work.
All employees get instructions directly from the leader and report back to him/her.	The members communicate and exchange information with each other freely, and without hindrance or hesitation

- (b) (i) The commander ordered the soldiers to get ready as it was time for war.
(ii) The students of class 10 made the wooden box.
(iii) An important topic of algebra is being taught by the teacher.

(c) A healthy mind and a healthy body (Title)

Hints

- Healthy mind healthy body.
- Need to decrease screen time.
- Need to tackle health problems like obesity!
- Regular habit of exercise to be inculcated in the youth
- Easy way is to start from schools.
- Motivation from school teachers
- Other options can include, yoga, aerobics, gymnastics
- Health awareness camps, with parents and children
- Towards a fit society

OR

Hints

- Illiteracy is a sin
 - The educated/literate child/student can help
 - Spread awareness in the rural side
 - Talk to new parents in rural areas
 - Organize literacy camps
 - Inculcate civic sense
 - Discuss the need to educate girl child
 - Share your thoughts, values as learnt in school
 - Aspire for a better future
5. (a) Diagonal communication is the cross functional communication between employees at different levels of the organizational hierarchy. It is common in large organizations. 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 a project.
- (b) (i) Option 4
(ii) Option 1
(iii) All the English literature books were stocked by the librarian.
(iv) Option a
- (c) Newspaper Report format

Landslide causes havoc in Tehri Garhwal

By Senior Correspondent

A severe and sudden landslide has caused havoc in the Tehri district on 9th April. While life was running smoothly, a big boulder was seen rolling down on a narrow internal road of the city. Gradually, one after the other boulders came tumbling causing obstacle to the movement of people and traffic.

Soon, there was thunder, lightning and a break in the land. This landslide was so intense that it led to the complete blockage of the narrow road. About 10 people got injured during the landslide. Fortunately, no casualties have been recorded. The state government has asked for help from paramilitary forces, that are on their way. A call to the local disaster management team has also been made by the state CM to start the rescue process. The CM has addressed the locals requesting them to stay strong in this time of trouble and pray for improvement in the situation. Markets, shops and kiosks have been shut down due to the landslide and unfavourable weather. Many two wheelers were seen falling and getting damaged, when parked near the location of the slide. Schools, colleges and government offices have announced a full 5 day leave to allow the city to get back to normal. The injured were rushed to the municipal hospital for first aid.

The Central government has also released funds for rescue and repair work in the terror stricken state.

OR

Minutes of Meeting

Participants in the meeting: Mr. ABC, Marketing Head; Mr. A, Sales Director; Mr. B. HR Head and Chairman; Mr. C, Operations Manager and other senior managers across verticals.

Date: April 18, 2023

Meeting started at 11.00 am

Mr. B started the meeting and discussed the agenda announcing the need for a lay offs in lieu of cost cutting

Mr. ABC agrees and adds his points supporting the lay- offs.

Mr. C presents the falling revenue chart and shares the news of loss of many projects in hand.

Mr. B gives the ideas of putting a few people on bench and waiting for at least next three months before laying off.

Mr. A gave his valuable inputs on how the modus operandi, as sales in the last quarters have dwindled.

Mr. XY a senior team member proposes to freeze the new recruitment process to reduce the increasing fixed cost.

All senior personnel agree to the points put forward and decide to implement the latest policies regards lay- offs and recruitment as discussed.

Action Taken Report

As per the meeting held on 18th April at the Head office of Aztech Technologies, following actions have been reported:

- The decision to lay off selected employees has been put on hold
- Recruitment process has been put on hold for the next few months.
- New policies to be implemented vis-à-vis employees for the next three months

Undersigned

Marketing Head

HR Head

Operations Head