CA FOUNDATION- MOCK TEST

(GCF-9, GCF-11, VCF-VDCF-SCF-3)

DATE: 02.03.2022 MAXIMUM MARKS: 100 TIMING: 3 Hours

BUSINESS LAW & BUSINESS CORRESPONDENCE & REPORTING

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

Working Notes should from part of the answer.

Question 1:

- (a) 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.

(6 Marks)

- **(b)** State whether there is any contract in following cases:
 - (a) A engages B to do certain work and remuneration to be paid as fixed by C.
 - (b) A and B promise to pay for the studies of their maid's son
 - (c) A takes a seat in public bus.
 - (d) A, a chartered accountant promises to help his friend to file his return.

(6 Marks)

Question 2:

(a) "Mere silence does not amount to fraud". Discuss.

(6 Marks)

- (b) X, Y and Z jointly borrowed Rs. 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.

(6 Marks)

Question 3:

(a) What are implied warranties in a contract of Sale?

(6 Marks)

(b) What are remedies of buyer against the seller?

(6 Marks)

Question 4:

(a) Explain the doctrine of 'Indoor management' in brief. The Secretary of a Company issued a share certificate to 'A' under the Company's seal with his own signature and the signature of a Director forged by him. 'A' borrowed money from 'B' on the strength of this certificate. 'B' wanted to realise the security and requested the company to register him as a holder of the shares. Explain whether 'B' will succeed in getting the share registered in his name.

(6 Marks)



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

(6 Marks)

Question 5:

(a) On which companies, Companies Act, 2013 is applicable?

(6 Marks)

(b) Enumerate the circumstances in which LLP may be wound up by Tribunal.

(6 Marks)

Question 6:

(a) What are duties of partners as per Indian partnership Act, 1932?

(6 Marks)

(b) Explain Provision relating to Insolvency & Death of Partner under Indian Partnership Act, 1932.

(6 Marks)

PAPER: BUSINESS CORRESPONDENCE & REPORTING

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

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

Question 7:

(a) Read the passage carefully and answer the questions that follow:

Three years ago, technophobic Sushmi Ghosh refused to exchange her feature phone for a smart phone. But last month, the 45-years-old high schoolteacher ordered a front-loading washing machine through an e-retailer's app on her iPhone. "I was pleasantly surprised," she said, "It was not only delivered in a day but also installed immediately. I didn't have to walk to a shop in this heat. I saved some money too because I bought it during a sale." Online sales of large appliances have boomed in the past two years as e-retailers have addressed buyers' delivery and installation concerns. While they also offered discounts earlier, delivery took days and installation was another waiting game, with further uncertainty about warranty. During its recently concluded sale, Amazon claimed in the first day it sold around half (20,000 units) of the average daily TV sales in India. "There has been a huge shift in the number of brands that want to do business with us," said Manish Tiwary, VP (category management), Amazon India. Some manufacturers have even teamed up with e-retailers to officer TVs, refrigerators and washing machines with specific features. "This helps bring down prices," said Sandeep Karwa, head of large appliances at Flipkart. From being a negligible part of its business, the large appliances category has become one of the top three earners for Flipkart. It acquired Jeeves, a repair services and maintenance company, for providing after-sales services. At present, Flipkart o ers one-day delivery on 72% of large appliances through 10 dedicated warehouse. "We are working on a pilot that will enable installation of 70% of our large appliances at the time of delivery," said Karwa. Exchange offers and financing options provided by e-retailers have also pushed

sales. "During our last sale 35% of shoppers opted for no-interest EMIs," said Karwa.

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Amazon has also created a home services arm to synchronise delivery and installation of products. Amazon's Tiwary said, "We created our group of technicians who will get the installation done according to the convenience of the customer. In smaller towns, this is a big help since many brands don't have a robust presence." Amazon has nine warehouses from which it can reach 80% of the country. Most manufacturers, however, are tight-lipped about online sales as e-retailers' discounts and freebies eat into the margins of their brick-and-mortar dealers. While a spokesperson for LG turned down an interview request for this story, Samsung India did not reply to an email.

Ajay Seth, director of sales and service at Panasonic India, said, "It's still early days for online. Customers want to have a look and feel of the product before buying. Most of our online sales consist of small appliances." Companies such as BPL, Vu and TCL, which follow an online- first model, are optimistic, though of favourable response from buyers.. Devita Saraf, founder of Vu Technologies, which sells 40% of all TVs sold on Flipkart, said, "When I started selling Vu televisions we did a business of Rs. 35 crore in 2013-14. After going online, we ended 2016-17 at Rs 500 crore."

- Q1. Sushma Ghosh says, "I was pleasantly surprised." She was surprised
 - (a) By the promptness of the service for the washing machine.
 - (b) Because she managed to save money while buying the washing machine.
 - (c) By the warranty offered for the washing machine.
 - (d) By the quick delivery and instant installation of the washing machine.
- Q2. Some manufacturers have even teamed up with e-retailers to
 - (a) Give special discounts
 - (b) Have special sale offers on large appliances like T.V.s with specific features
 - (c) Get discounts from e retailers
 - (d) To give discounts to e retailers
- O3. One of the top three earners of Flipkart is
 - (a) Household goods
 - (b) Clothes brands
 - (c) Large appliances
 - (d) Mobile phones
- O4. The two factors that are promoting sales of e retailers are
 - (a) Exchange offers and easy financing options available.
 - (b) Quick delivery and good products.
 - (c) Ease of service and no disturbance of any kind.
 - (d) Many options to choose from and ability to view products from home
- Q5. Brick and mortar stores are affected by e retailers
 - (a) Promoting their sales
 - (b) In no major way
 - (c) By starting a price war
 - (d) By eating into their profits

 $(5 \times 1 \text{ M Each} = 5 \text{ Marks})$

(b) Read the Passage :

Recycling is simply the process of reusing the items from which utility can still be derived. It is important to recycle waste so that we can at least conserve some of our natural resources for the generations to come. Many products such as paper, cardboards, and cups come from trees. In fact trees are our natural assets: you can conserve trees by recycling the paper products as by doing so we can minimize the number of trees cut down a year. This is one form of waste recycling.

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Recycling waste will not only save our natural resources but will also help save energy. By simply recycling an item or making a basic fix to it, we can save all the energy that would have been consumed in the process of making it. The same example can be taken with plastic items. A large amount of energy can be saved by simply reusing the plastic items. To recycle waste is to simply reduce pollution. By recycling plastic material, we can reduce air pollution as well as water pollution. Plastic factories produce a large amount of smoke while producing plastic material at same time; if we don't have a proper waste disposal system then those waste emissions will cause water pollution. Recycling helps reduce pollution too.

In simple words, recycling waste is essential for both the natural environment and humans. To sum up, recycling minimizes the need for raw materials so that the rainforests can be preserved. Great amounts of energy are used when making products from raw materials. Recycling requires much less energy and therefore helps to preserve natural resources. One needs to know the importance of recycling; at the same time being earth friendly can help make our planet a better place to live in.

(i) Make Notes, using Headings, Subheadings and abbreviations whenever necessary.

(3 Marks)

(ii) Write Summary

(2 Marks)

Question 8:

(a) Explain Physical non-verbal communication:

(2 Marks)

- **(b)** Convert the following sentences into active voice:
 - (i) A story was written on the wall by Rohit.
 - (ii) A song was sung by Ravi.
 - (iii) What was eaten by you for breakfast?

 $(3 \times 1 \text{ M Each} = 3 \text{ Marks})$

(c) Précis Writing

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

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

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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 community 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.

(5 Marks)

Question 9:

(a) Body language speaks the truth while speaker may play with words to hide the truth, comment?

(2 Marks)

- **(b) (i)** Choose the word which best expresses the meaning of the given word :
 - **SCINTILLATING**
 - (1) Smoldering
 - (2) Glittering
 - (3) Touching
 - (4) Warming

(1 Mark)

(ii) Select a suitable antonym for the word given under:

FIDELITY

- (1) Commitment
- (2) Inconstancy
- (3) Ambitious
- (4) Devotion

(1 Mark)

(iii) Change the following sentence to indirect speech: Varun Said, "Every Kid should learn coding".

(1 Mark)

(c) 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.

(5 Marks)

Question 10:

(a) Differentiate between the Vertical Network and the Wheel and spoke method of communication.

(3 Marks)

- **(b)** 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.

(2 Marks)

(c) Write article on Growing health problems in the youth today: Causes and Consequences.

Include words: lifestyle, lethargy, physical work, internet, obsession

(5 Marks)

MITTAL COMMERCE CLASSES

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Question 11:

(a) What is formal communication, explain.

(2 Marks)

OR

Encoding the matter is an important element of communication, comments?

(2 Marks)

- (b) (i) Choose the word which best expresses the meaning of the given word : Concise
 - (1) Brief
 - (2) Better
 - (3) Important
 - (4) Interesting

(1 Mark)

(ii) Choose the word which best expresses the meaning of the given word:

Cryptic

- (1) Pertinent
- (2) Common
- (3) Mysterious
- (4) Loyalty

(1 Mark)

(iii) Change the following sentence to indirect speech:
"Do you suppose you know better than your own father?" jeered his angry mother.

(1 Mark)

(c) Write a letter to an applicant informing him about the postponement of his interview date.

(5 Marks)

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