CA FOUNDATION- MOCK TEST

(GCF-9, 11, 12, 13 & VCF-VDCF-SCF-3)

DATE: 05.04.2022 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) What is the procedure of registration of a partnership firm under the Indian Partnership Act, 1932?

(6 Marks)

(b) Briefly explain the doctrine of "ultravires" under the Companies Act, 2013. What are the consequences of ultravires acts of the company?

(6 Marks)

Question 2:

(a) "All contracts are agreements, but all agreements are not contracts". Comment.

(6 Marks)

(b) Mr. Sohanlal sold 10 acres of his agricultural land to Mr. Mohanlal on 25th September 2020 for Rs. 25 Lakhs. The Property papers mentioned a condition, amongst other details, that whosoever purchases the land is free to use 9 acres as per his choice but the remaining 1 acre has to be allowed to be used by Mr. Chotelal, son of the seller for carrying out farming or other activity of his choice. On 12th October, 2020, Mr. Sohanlal died leaving behind his son and life. On 15th October, 2020 purchaser started construction of an auditorium on the whole 10 acres of land and denied any land to the son.

Now Mr. Chotelal wants to file a case against the purchaser and get a suitable redressal. Discuss the above in light of provisions of Indian Contract Act, 1872 and decide upon Mr. Chotelal's plan of action?

(6 Marks)

Question 3:

- (a) 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 15th March but due to riots in between reached A on 19th 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 Marks)

(b) Mrs. Geeta 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 Rs. 125 per kg to which she agreed. Mrs. Geeta insisted that she would like to see the sample of what will 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.

CA FOUNDATION- MOCK TEST

The buyer 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. Geeta wants to file a suit of fraud against the seller alleging him of selling mix of good and cheap quality rice. Will she be successful?

Decide the fate of the case and options open to the buyer for grievance redressal as per the provisions of Sale of Goods Act, 1930?

What would be your answer in case Mrs. Geeta specified her exact requirement as to length of rice?

(6 Marks)

Question 4:

(a) When does dissolution of a partnership firm take place under the provisions of the Indian Partnership Act, 1932? Explain.

(6 Marks)

(b) Sound Syndicate Ltd., a public company, its articles of association empowers the managing agents to borrow both short and long term loans on behalf of the company, Mr. Liddle, the director of the company, approached Easy Finance Ltd., a non banking finance company for a loan of Rs. 25,00,000 in name of the company. The Lender agreed and provided the above said loan. Later on, Sound Syndicate Ltd. refused to repay the money borrowed on the pretext that no resolution authorizing such loan have been actually passed by the company and the lender should have enquired about the same prior providing such loan hence company not liable to pay such loan.

Analyse the above situation in terms of the provisions of Doctrine of Indoor Management under the Companies Act, 2013 and examine whether the contention of Sound Syndicate Ltd. is correct or not?

(6 Marks)

Question 5:

(a) Mr. SAMANT owned a motor car. He approached Mr. CHHOTU and offered to sell his motor car or Rs. 3,00,000. Mr. SAMANT told Mr. CHHOTU 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. CHHOTU agreed with the proposal of Mr. SAMANT and took delivery of the car by paying Rs. 3,00,000/- to Mr. SAMANT. After 10 days, Mr. CHHOTU came back with the car and stated that the claim made by Mr. SAMANT 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. CHHOTU can rescind the contract in the above ground.

(6 Marks)

- **(b)** 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 sugar out of the lot of one hundred packets lying in his shop.
 - (iii) T agrees to sell to S all the apples which will be produced in his garden this year.

(6 Marks)

CA FOUNDATION- MOCK TEST

Question 6:

(a) Ms. Lucy while drafting partnership deed taken care of few important points. What are those points? She want to know the list of information which must be part of partnership deed drafted by her. Also, give list of information to be included in partnership deed?

(6 Marks)

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

(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 given below:

Being the daughter of a physics professor, Marie who was born in 1867 in Warsaw, Poland, was greatly influenced by the wonders of Science and technology. Since an early age, she displayed a blithe personality. Her fascination for learning prompted her to continue with her studies even after school. She become disgruntled, however, when she learned that the university in Warsaw was closed for women. Determined to complete higher education, she defiantly left Poland and in 1891 entered the Sorbonne, a French university, where she completed her doctorate in physics.

Marie met Pierre Curie at the Sorbonne along with some of the other greatest scientists of her day. 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. For Marie it was an horrible misfortune and heartbreaking event. 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 physics 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

(i) What did Marie did not like about the Warsaw University?

(1 Mark)

(ii) What was first step that Marie took towards her becoming a scientist?

(1 Mark)

- (iii) How did Marie deal with the desolation caused by her husband's death? (1 Mark)
- (iv) Write a Summary of the above Passage.

revealing the mysteries of the physical world.

(2 Marks)



CA FOUNDATION- MOCK TEST

(b) Read the Passage:

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

(3 Marks)

(ii) Write summary

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.

(2 Marks)

Question 8:

(a) What is the 'chain of command' in communication? What are its drawbacks?

(3 Marks)

- **(b)** Change the following sentences into passive voice:
 - (i) Rana Pratap fought many battles.
 - (ii) People watch football matches late night.

(2 Marks)

(c) 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.

(5 Marks)

Question 9:

(a) (i) Discuss the term "Virtual Communication" in communication.

(2 Marks)

OR

(ii) What do you mean by an "Attitude Barrier"?

(2 Marks)



CA FOUNDATION- MOCK TEST

(b)	(i)	Choose the word which best expresses the meaning of the given word: Relevant (1) Related (2) Important (3) Pertinent (4) Common (1 Mark)
	(ii)	Choose the word which best. expresses the meaning of the given word: Unabashed (1) Not fast (2) Not Finding (3) Not Embarrassed (4) Not Angry
		(1 Mark)
	(iii)	Change the following sentence to indirect speech: He said, "Will you all come for the meeting?" (1 Mark)
(c)	Draft Newspaper Report on "Flood. situation grim in southern, western states" to be	
	publish	ned in a National newspaper. (5 Marks)
Question 10:		
(a)	Explair	how emotional awareness and control helps in communication? (2 Marks)
(b)	(i)	Change the sentence from Active to Passive Voice. The audience loudly cheered the Prime Minister's speech. (1 Mark)
	(ii)	Change the sentence from Passive to Active Voice The Bird was killed by a cruel boy. (1 Mark)
	(iii)	Change the following sentence to indirect speech. He said, "My Mother is writing letters".
		(1 Mark)
(c)		an article of about 250 words on the topic, "The Importance of water vation".
		(5 Marks)
Question 11:(a) List at least 5 barriers of communication. Explain any two of them in your ow words.		
		(3 Marks)
(b):	(i)	Change the following Direct speech into Indirect speech: The athlete said, 'I can break old records' (1 Mark)

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- **(b): (ii)** Select the suitable synonym for the given words: Distort
 - (a) Save
 - (b) Abundant
 - (c) Deform
 - (d) Overwhelm
 - (e) Move

(1 Mark)

(c) Write a précis and give appropriate title to the passage given below.

Digital payments in India took off in a massive way right after demonetization, with the likes of Paytm, Google pay leveraging the government move to become a household name. However, a new study now reveals that more than half of the shops in Indian cities want to stay away from digital payments. Awareness is not enough to get Indians to use digital payments as only 48% of merchants accept digital payments, according to a report done by CUTS international. Expensive and unreliable infrastructure, unaware customers, lack of interoperability, transaction failures and charges are reasons why merchants don't prefer digital payments in India.

Cash is still king in India and digital payments today hold a mere 10% of all transactions in the country. Recognising that, the Payments Council of India recently submitted recommendations to the newly-formed panel by the government for digital payments. The PCI suggested seamless access to payments infrastructure and formation of a KYC bureau among multiple other things. While right after demonetization going cashless meant digital payments saw a huge spike in numbers, in 2018 the conversation rate actually fell. According to data from the Reserve Bank of India, there was a one percent fall in digital payments in November 2018 when compared to November 2017. Regulations, too, form a major role in the adoption of digital payments in India. While the current government has been encouraging of India's shift to digitization and has been promoting a cashless India, mandates like compulsory KYC had halted the operations of many payment wallets.

(5 Marks)

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