

# M.K.G CA EDUCATION

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**TEST- 6**

**08-05-2022**

**CA FOUNDATION**

**Business Laws and Business Correspondence and Reporting**  
**Full Syllabus**

Roll No .....902538.....

Total No. of Question: 11

Time allowed: 3 hours

Total No. of Printed Pages:9

Maximum Marks: 100

## **IMPORTANT INSTRUCTIONS TO CANDIDATES**

1. Question in Section – A are to be answered in the medium opted by the candidate. If a candidate has not opted for Hindi medium, his/her answers in Hindi, will not be evaluated.
2. Question in Section – B are to be answered in English only, by all the candidates, including those who have opted for Hindi Medium.
3. Answer to both the Sections are to be written in the same answer book.

**Section A (60 Marks)**

**Question :1**

**All parts carry 5 marks each**

**(a)**

"A breach of condition can be treated as a breach of warranty". Explain this statement as per relevant provisions of the Sale of Goods Act, 1930.

**(b)**

Distinguish between a Limited Liability Company and LLP.

**Question :2**

**All parts carry 5 marks each**

**(a)**

X entered into an agreement with Y to deliver him X 10,000 bags to be manufactured in his factory. The bags could not be manufactured because of strike by the worker and X failed to supply the said bags to Y. Decide whether X can be exempted from liability under the provisions of the Indian Contract Act, 1872.

**(b)**

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

**Question :3**

**All parts carry 5 marks each**

**(a)**

Kiran and Ravi are carrying on business in partnership. In the partnership deed it is provided that neither of the partners should borrow money except with the consent of both. Kiran borrowed a sum of ₹10,000 from Suresh for the business of the firm without the consent of Ravi. Is the firm liable? Give reasons for your answer.

**(b)**

Explain the validity of agreements in restraint of trade.

**Question :4****All parts carry 5 marks each****(a)**

Explain the provisions of the Indian Partnership Act, 1932 relating to the creation of Partnership by holding out.

**(b)**

X placed an order with Y for supply of Urid Dhall on 10.1.2018 at a contracted price of 80 per kg. The order was for the supply of 20 tonnes within a month's time viz. before 09.2.2018. On 05.02.2018 Y informed X that the price of Urid Dhall was sky rocketing to 100 Per. Kg. and he would not be able to supply as per original contract. The price of Urid Dhall rose to 106 on 09.02.2018. Advise X citing the legal position.

**Question :5****(a)**

What are the significant points of Section 8 Company which are not applicable for other companies? Briefly explain with reference to provisions of the Companies Act, 2013.

**(b)**

What are the rules which regulate the Sale by Auction under the Sale of Goods Act, 1930?

**Question :6****All parts carry 5 marks each****(a)**

X, a minor was studying M.Com. in a college. On 1<sup>st</sup> July, 2005 he took a loan of 10,000 from B for payment of his college fees and to purchase books and agreed to repay by 31<sup>st</sup> December, 2005. X possesses assets worth ₹ 2 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 the Indian Contract Act, 1872 decide whether B would succeed.

**(b)**

“Indian Partnership Act does not make the registration of firms compulsory nor does it impose any penalty for non-registration.” Explain. Discuss the various disabilities or disadvantages that anon-registered partnership firm can face in brief?

### **Section B (40 Marks)**

Question No. 7 is compulsory.

Answer any **THREE** questions from the remaining **FOUR** questions.

#### **Question 7:**

**(a) Read the passage carefully and answer the questions given below : (5 Marks)**

Success of any organization depends on offering quality products at competitive prices. All over the world, it is being realized that quality control be ensured through inspection and test alone. Every department and individual has a contribution to make in the achievement of quality. Quality product at competitive prices is the most significant factor in determining the long - run success of any organization. High quality of products can give a competitive edge to an organization. On the other hand, good quality generates satisfied customers who reward the organization with continued patronage and favourable word of mouth advertising.

Growth in consumer quality awareness has put a greater strain on businesses. Consumer demand and dynamic technological changes have opened up new and highly competitive markets. The quality of goods and services can no longer be taken for granted.

The rapid growth of the service sector has also introduced new perceptions of quality management. Institutions, such as the Government, banks and hospitals do not produce tangible goods. The interaction between employees and customers is much more critical in such organizations. As a result, the skills, attitudes and training of service personnel affect the quality of the services delivered. Information processing represents a large component of the work done by service organizations and poses special quality considerations. Errors in computer billing, or airline and hotel reservations are the results of poor quality control of computer software and data input systems.

In view of globalization of markets, Governments have begun to realize that quality is essential to international trade and the national economy. Therefore, public purchasing authorities have been instructed to buy goods that conform to the quality standards.

- (i) In what manner good quality products give rewards to organizations?
- (ii) Most significant factor which determines the long run success of an organization?
- (iii) Quality of goods and services cannot be compromised by organizations, give reasons.
- (iv) Write the summary of the above passage.

**(b) Read the Passage :****(5 Marks)**

Whether one runs a large business, or is starting out with a new venture, or works as a corporate professional, chances are that at some point, one would be required to make a business presentation. Whether you are selling a product to a client, sharing your vision with your employees, or looking for new investors for your business, your presentation will always matter.

Making a good business presentation can be intimidating - you want to capture as much information as possible to answer any prospective questions from your audience, yet you want to keep your audience constantly engaged and interested. So, what makes a good presentation?

It is important to connect with your audience with a story. And no, it doesn't mean your presentation needs to be the most exciting work of fiction. Take your audience on a journey. When trying to convince potential investors, make them see the success you are striving for and what it will do for you and for them. To win over

your employees with your new staff policy, take them through the journey of why you are introducing a new policy and how does it benefit them. Tell personal stories, give analogies and cite examples. Get your audience emotionally involved and you will be more likely to get them to side with you.

You want to keep your audience engaged at all times. Do not overwhelm them with a lot of information. Settle on three to five key messages that you want them to absorb and stick with them. You do not want to include everything. Instead, choose out powerful points that you want to make. It is important to keep your presentation as straight forward and concise as possible.

At the same time, you need to know your content extremely well. While you keep your presentation short and to the point, it is no excuse for you to not have more detailed information regarding the subject of your presentation. It is likely you would need to answer questions from your audience at the end of the presentation. You must review all pertinent information and key facts and figures before your presentation. Not only will it help you answer questions later, but it will also give you more confidence during your presentation, so you refer to your notes less and connect with your audience more.

In the end, a business presentation is about selling ideas. Do your researches well, describe your ideas crisply, weave them into an interesting story and you are more likely to succeed.

Make notes, using headings, sub -- headings and abbreviations whenever necessary.

Write Summary.

**Question 8:**

- (a) Emotional barriers affect communication, discuss. **(2 Marks)**
- (b) (i) Choose the word which best expresses the meaning of the given word **(1 Mark)**  
**Repulsive**  
 (1) Attractive  
 (2) Normal  
 (3) Disgusting  
 (4) Confused
- (ii) Select a suitable antonym for the word given under **(1 Mark)**  
**Gratify**  
 (1) Frustrate  
 (2) Depress  
 (3) Discourage  
 (4) Distress
- (iii) Change the following sentence to indirect speech **(1 Mark)**  
**He said, "The horse died in the night".**
- (c) **Write a precis and give appropriate title to the passage given below (5 Marks)**

Gratitude implies thankfulness or an appreciation of benefits conferred together with a desire, when practicable, to return those benefits. It should be distinguished from thanks, which is too often a matter of words and not accompanied by a feeling of thankfulness or by those actions which indicate a grateful mind. The grateful man feels joy at the kindness of his benefactor and cultivates a respect that is akin to love.

In almost all the relations of ordinary life the feelings of gratitude should be aroused. The child owes thanks to his parents for food, clothes, education and tender care; the scholar to his teachers for the training of his intelligence; personal friends to one another for mutual services.

The frequent use of the phrase, "Thank you," though Wien not more than a polite convention, nevertheless shows the universal belief in the necessity for cultivating a grateful attitude towards those who do something for us, however small that service be. As Citizens, there are few who have no cause to be grateful. Great generals who have given devoted service gratuitously, statesmen, poets and philosophers, all those who have stood for right, justice and freedom of thought, have conferred inestimable benefits upon their countrymen.

When deeds are impossible, the expression of thanks is the best that can be done. The inscriptions on the tombs and monuments erected by a nation to its great men are an expression of thanks in words. As for deeds, an old story will serve as an excellent illustration. An old man was found

planting fruit trees by a friend who came to him and said, "Why do you plant trees, the fruit of which I enjoy. I now plant trees that those who come after may enjoy fruit."

In conclusion, no good man wishes to give pain, especially to those who have done him good. The ungrateful man hurts the feelings of his benefactor and cannot, therefore, be a good man.

**Question 9:**

- (a) (i) Define circuit and star network under network in communication. **(2 Mark)**

**OR**

- (ii) Discuss the term "physical non – verbal communication" in communication.

- (b) (i) Choose the word which best expresses the meaning of the given word **(1 Mark)**

**Nostalgic**

- (1) Sharp
- (2) Painful
- (3) Delighted
- (4) Homesick

- (ii) Choose the word which best expresses the meaning of the given word: **(1 Mark)**  
**Economise**

- (1) Reduce
- (2) Save
- (3) Minimise
- (4) Accumulate

- (iii) Change the following sentence to indirect speech. **(1 Mark)**  
**He said to him, "Please wait here till I return."**

- (c) **Draft a circular to warn the employees of Packing Department not to participate in strike.** **(5 Marks)**

**Question 10:**

- (a) How do organizational structure barriers affect communication? **(2 Marks)**

- (b) (i) Change the sentence from Active to Passive Voice. **(1 Mark)**  
**Rama was making a kite.**

- (ii) Change the sentence from Passive to Active Voice. **(1 Mark)**  
**The lion was shot by the hunter.**

- (iii) Change the following sentence to indirect speech. **(1 Mark)**  
**Father said to his son, "Work hard for success in life".**

- (c) **Write an article of about 250 words on the topic, "The Pleasures of reading".** **(5 marks)**

**Question 11:**

(a) What do you mean by diagonal communication? **(1 Mark)**

(b) Select the correct meaning of Idioms/Phrases given below **(2 Marks)**

(i) **Pen and Ink**

- (1) Modern day technology
- (2) Extensively
- (3) Wastage
- (4) In writing

(ii) **A snake in the grass.**

- (1) Unforeseen happening
- (2) Secret or hidden enemy
- (3) Unreliable person
- (4) Unrecognizable danger

(iii) Change the sentence into Active voice : **(1 Mark)**  
**Twenty runs were scored by him.**

(iv) Choose the word which best expresses the meaning of the given word. **(1 Mark)**

**Applaud**

- (1) Flatter
- (2) Praise
- (3) Pray
- (4) Request

(c) Mr. ABC is an IT manager in Quick Software Solution Private Limited. Write a mail on behalf of Mr. ABC to Mr. MNJ, dealer of HP Laptops seeking quotation for 100 new laptops of Model HP-610. The laptops are required for new branch of Quick Software Solutions Private Limited.

**(5 Marks)**

**SPACE FOR ROUGH WORK**