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VST1

MAY 26

**CA FOUNDATION  
PAPER- 02  
BUSINESS LAW  
PORTION WISE TEST - 1**

Roll No. ....

Total No. of Printed Pages –04

Time – 1.30 Hrs.

Maximum Marks – 50

**GENERAL INSTRUCTIONS TO CANDIDATES**

1. The size of the scanned PDF file should be less than 25 MB.
2. Details to be compulsorily mentioned on your answer sheet:

NAME: Full Name

COURSE: CA Foundation

SUBJECT: Account / Law / Maths / Eco

TEST SERIES TYPE: e.g. Portion wise / Mock wise

TEST NO: 1/2/3/4/5

3. If any of the details are missing there would be delay in checking your answer sheets.
4. Ans. Sheet will be evaluated within 5 days.
5. Answer sheet submitted after 6 pm will be considered in next day Cycle.
6. Answer all the questions in English.

- 
1. Question paper Comprises of 5 questions.
  2. All the Questions are compulsory.



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### Instructions on How to Submit the Answer Sheet in the App.

**Step 1: Download our App using the following link:**

**[https://play.google.com/store/apps/details?id=com.classiolabs.vsmart&hl=en-IN&utm\\_source=apac\\_med](https://play.google.com/store/apps/details?id=com.classiolabs.vsmart&hl=en-IN&utm_source=apac_med)**

**Step 2: Enter your mobile number and enter OTP.**

**Step 3: Go to My Purchases.**

**Step 4: click on Test**

**Step 5: Details to be mentioned on your ans sheet compulsorily:**

**Name:**

**Mobile Number:**

**Subject:**

**Batch: F2F/Online**

**Test No:**

**Step 6: click start button you will be able to see the paper**

**Step 7: swipe right to upload answer.**

**Step 8: you need to compulsorily choose **upload PDF** option.**

**Step 9: **Please tick the question you have attempted carefully and compulsorily. (This step needs to be performed compulsorily otherwise you will not be able to submit the ans sheet)****

**Step 10: submit the answer sheet.**

**\*It is Important to scan your answer sheet properly and then only submit for evaluation.**

**Your content should be properly visible.**

**Please note if you follow all the above procedure properly you will not face any difficulty in submitting your ans sheet.**

**The evaluation period is 5 to 7 working days. (Excluding Sundays)**

**For any queries please whatsapp on 9130039454/55 or email us on [examprep@vsmartacademy.com](mailto:examprep@vsmartacademy.com)**



## V'Smart Academy

**QUESTION 1 (A):**

**(4 Marks)**

What is the significance of the Supreme Court and High Court in the Indian judiciary?

**QUESTION 1 (B):**

**(6 Marks)**

“A LLP (Limited Liability Partnership) is a type of partnership which provides the benefits of limited liability but allows its members the flexibility of organizing their internal structure as a partnership based on a mutually arrived agreement.”

In line with the above statement clearly elaborate the difference between LLP and Limited Liability Company (LLC).

**QUESTION 2 (A):**

**(7 Marks)**

State whether the following are partnerships under the Indian Partnership Act, 1932:

- (a) X, a contractor, appointed Y one of his servants to manage his business of loading and unloading railway wagons. Y was to receive 50% of the profits of the business and also to bear the losses, if any.
- (b) Two firms each having 12 partners combine by an agreement into one firm.
- (c) A and B, co-owners, agree to conduct the business in common for profit.
- (d) Some individuals form an association to which each individual contributes ₹500 annually. The objective of the association is to produce clothes and distribute the clothes free to the war widows.
- (e) A and B, co-owners share between themselves the rent derived from a piece of land.
- (f) A and B buy commodity X and agree to sell the commodity, sharing the profits equally.
- (g) 10 major persons form an association to which each member contributes ₹10,000. The purpose is to produce medicines for free distribution to poor patients.

**QUESTION 2 (B):**

**(3 Marks)**

What do you understand by Law? Also, elaborate the procedure for making a Law.

**QUESTION 3 (A):**

**(7 Marks)**

Can a partner be expelled? If so, how? Which factors should be kept in mind prior to expelling a partner from the firm by the other partners according to the provision of the Indian Partnership Act, 1932?

**QUESTION 3 (B):**

**(3 Marks)**

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Write a short note on the following:

- (i) Ministry of Corporate Affairs (MCA)
- (ii) Ministry of Home Affairs

**QUESTION 4 (A):**

**(6 Marks)**

- (i) When the continuing guarantee can be revoked under the Indian Partnership Act, 1932?  
(2 Marks)
- (ii) With reference to the provisions of Indian partnership Act, 1932 explain the various effects of insolvency of a partner.  
(4 Marks)

**QUESTION 4 (B):**

**(4 Marks)**

What do you mean by Designated Partner? Whether it is mandatory to appoint Designated partner in a LLP?

**QUESTION 5 (A):**

**(6 Marks)**

Describe in brief about the following Regulatory bodies of the Government of India:

- (i) Securities and Exchange Board of India
- (ii) Reserve Bank of India
- (iii) Insolvency and Bankruptcy Board of India

**QUESTION 5 (B)**

**(4 Marks)**

P, Q and R formed a partnership agreement to operate motor buses along specific routes for a duration of 12 years. After operating the business for four years, it was observed that the business incurred losses each year. Despite this, P is determined to continue the business for the remaining Period. Examine with reference to the Indian Partnership Act, 1932, can P insist to continue the business? If so, what options are available to Q and R who are reluctant to continue operating the business?

**\*ALL THE BEST\***

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**P.T.O**