

Scanner Appendix

CMA Foundation (2022 Syllabus)
(Questions and Answers of December - 2023)

Paper - 1 : Fundamentals of Business Laws and Business Communication

Chapter - 1 : Introduction

2023 - Dec [1] What are the sources of law?

- (a) Constitution of India
- (b) Constitution of India, judicial precedents, customary law, statutes and ordinance
- (c) Statutes enacted by the Parliament of India and State Legislature
- (d) Religion

(2 marks)

Answer:

- (b) Constitution of India, judicial precedents, customary law, statutes and ordinance.

2023 - Dec [2] What kind of structure does the Indian Constitution have?

- (a) Unitary
- (b) Federal
- (c) Autocracy
- (d) Totalitarian

(2 marks)

Answer:

- (b) Federal.

2023 - Dec [3] Under which Article can we amend the provisions of the Constitution of India?

- (a) Article 356
- (b) Article 368
- (c) Article 254
- (d) Article 245

(2 marks)

Answer:

- (b) Article 368.

2023 - Dec [4] Mention the number of Judges in the Supreme Court of India including Chief Justice of India currently.

- (a) 32
- (b) 23
- (c) 34
- (d) 46

(2 marks)

Answer:

- (c) 34

2023 - Dec [5] Which is the highest civil court in a district?

- (a) Session Court
- (b) Supreme Court of India
- (c) District Court
- (d) High Court

(2 marks)

Answer:

- (c) District Court.

Chapter - 2 : Indian Contract Act, 1872

2023 - Dec [6] While obtaining the consent of the promisee, keeping silence by the promisor when he had a duty to speak about the material facts, amounts to consent obtained by:

- (a) Coercion
- (b) Misrepresentation
- (c) Mistake
- (d) Fraud

(2 marks)

Answer:

- (d) Fraud.

2023 - Dec [7] Consider the following:

1. Active concealment of fact.
2. Promise made without any intention of performing it.
3. Breach of duty which gains an advantage to the person committing it.
4. Inducing mistake as to subject matter.

Which of the above amount to fraud?

- (a) 1 and 2
- (b) 1, 2 and 3

(c) 3 and 4

(d) 1 and 3

Answer:

(a) 1 and 2.

2023 - Dec [8] A master asks his servant to sell his cycle to him at less than the market price. This contract can be avoided by the servant on grounds of:

(a) Coercion

(b) Undue influence

(c) Fraud

(d) Mistake

Answer:

(b) Undue influence.

2023 - Dec [9] In Indian Contract Act, the term "Consensus ad idem" means:

(a) Parties under a mistake

(b) Parties under a free consent

(c) Parties agreeing upon the same thing in the same sense

(d) None of the above

Answer:

(c) Parties agreeing upon the same thing in the same sense.

2023 - Dec [10] A finder of goods can:

(a) file a suit to recover his expenses voluntarily incurred.

(b) sell the goods if he likes.

(c) can sue for a reward, if any.

(d) Both (a) and (b).

Answer:

(d) Both (a) and (b).

2023 - Dec [11] Quasi-contracts or implied contracts are exceptional kinds of contracts by which:

(a) One party is bound to pay money in consideration of something done or suffered by the other party.

(b) No contractual relation exists between the parties.

(c) No contract has been made by the parties.

(d) All of the above

Answer:

(b) No contractual relation exists between the parties.

(2 marks)

(2 marks)

(2 marks)

(2 marks)

(2 marks)

2023 - Dec [12] When both the parties to an agreement are under a mistake as to a matter of fact essential to an agreement, the agreement is:

(a) Void

(b) Valid

(c) Voidable

(d) Illegal

Answer:

(a) Void.

2023 - Dec [13] A person contracted to deliver a part of a specific crop of potatoes. The potatoes were destroyed by blight (fungus) though no fault of the party. The contract is:

(a) Valid

(b) Voidable

(c) Void due to frustration of contract

(d) Illegal

Answer:

(c) Void due to frustration of contract.

2023 - Dec [14] A borrows from B ₹ 500 to bet with C. Can B recover the amount of his loan?

(a) Yes, the agreement between them is collateral to a wagering agreement and hence, enforceable.

(b) Yes, the agreement is not opposed to public policy.

(c) No, the agreement is a voidable agreement and can be avoided by A.

(d) No, the agreement is wagering agreement and falls under section 23 and hence, void.

Answer:

(d) No, the agreement is wagering agreement and falls under section 23 and hence, void.

2023 - Dec [15] If a proposal has been accepted subject to certain conditions, then:

(a) the contract is voidable.

(b) the contract is valid and conditions are binding.

(c) the contract is not constituted at all.

(d) the contract is valid but conditions are not binding.

Answer:

(b) the contract is valid and conditions are binding.

(2 marks)

(2 marks)

(2 marks)

(2 marks)

(a)

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2023 - Dec [16] Which statement is correct?

- (a) Only abstinence can be consideration.
- (b) Only act can be consideration for promise.
- (c) Only promise can be consideration.
- (d) Out of act, abstinence or promise, any can be consideration.

Answer:

(2 marks)

- (d) Out of act, abstinence or promise, any can be consideration.

2023 - Dec [17] The validity of contract is not affected by:

- (a) Mistake of fact.
- (b) Mistake of Indian law.
- (c) Misrepresentation.
- (d) Fraud.

Answer:

(2 marks)

- (b) Mistake of Indian law.

2023 - Dec [18] In a wagering agreement:

- (a) Both the parties win.
- (b) Both the parties lose.
- (c) None of the parties wins.
- (d) One party wins and the other loses.

Answer:

(2 marks)

- (d) One party wins and the other loses.

2023 - Dec [19] Which of the following is correct?

- (a) The proposal when accepted becomes a promise.
- (b) The valid contract cannot result from identical offers.
- (c) The rejected offer cannot be accepted.
- (d) All of the above

Answer:

(2 marks)

- (d) All of the above.

2023 - Dec [20] An agreement of service under which an employee agrees that he will serve a particular employer for a certain duration and that he will not serve anybody else during that period, is a:

- (a) Valid agreement
- (b) Void agreement

- (c) Illegal agreement
- (d) None of the above

Answer:

(2 marks)

- (b) Void agreement.

Chapter - 3 : Sale of Goods Act, 1930

2023 - Dec [21] An agreement to sell is:

- (a) an executory contract
- (b) an executed contract
- (c) neither (a) nor b)
- (d) sometime (a) or sometime (b)

Answer:

(2 marks)

- (a) an executory contract.

2023 - Dec [22] Where a contract of sale purports to effect a present sale of future goods, the contract operates as:

- (a) a sale
- (b) an agreement to sell
- (c) Both (a) and (b)
- (d) All of the above

Answer:

(2 marks)

- (d) All of the above.

2023 - Dec [23] In case of appropriation of goods, which are the essential requirements?

- (a) The goods should confirm to the description and quality stated in the contract.
- (b) The goods must be in a deliverable state.
- (c) The appropriation must be by the seller with the assent of the buyer.
- (d) All of the above.

Answer:

(2 marks)

- (d) All of the above.

2023 - Dec [24] When a seller can stop the goods in transit?

- (a) When the buyer of the goods informs that he will make payment after some time.
- (b) The seller has no right to stop the goods in transit.

- (c) When the buyer of goods becomes insolvent and goods are in transit.
 (d) When the buyer informs that he is now not in need of the goods.

(2 marks)

Answer:

(c) When the buyer of goods becomes insolvent and goods are in transit.
2023 - Dec [25] In case of contract for the sale of specific or ascertained goods the property in goods passes to the buyer:

- (a) at such time as the parties to the contract intend it to be transferred.
 (b) when the price is paid.
 (c) when delivery is given.
 (d) when the contract is made.

(2 marks)

Answer:

- (d) when the contract is made.

2023 - Dec [26] The contract of sale may provide for:

- (a) the immediate payment of the price.
 (b) the delivery or payment by installments, or that the delivery or payment or both shall be postponed.
 (c) the immediate delivery of the goods.
 (d) All of the above

(2 marks)

Answer:

- (d) All of the above.

2023 - Dec [27] In a contract of sale of goods the seller is under no obligation to point out the defects in his own goods. This doctrine is called as:

- (a) Doctrine of indoor management.
 (b) Caveat Emptor.
 (c) Unjust enrichment.
 (d) Doctrine of ultra vires.

(2 marks)

Answer:

- (b) Caveat Emptor.

2023 - Dec [28] Sale of goods act defines 'Buyer' as:

- (a) Person who buys or agrees to buy goods and services.
 (b) Person who only agrees to buy goods.

- (c) Person who buys or agrees to buy goods.
 (d) Person who buys goods and services.

(2 marks)

Answer:

- (c) Person who buys or agrees to buy goods.

2023 - Dec [29] Can you identify any odd ones among the following?

- (a) Specific goods
 (b) Un-ascertained goods
 (c) Future goods
 (d) Ascertained goods

(2 marks)

Answer:

- (c) Future goods.

2023 - Dec [30] Unless otherwise agreed:

- (a) Delivery of the goods and payment of the price are concurrent conditions.
 (b) First delivery of goods and then payment of price.
 (c) First payment of price and then delivery of goods.
 (d) No payment no delivery.

(2 marks)

Answer:

- (a) Delivery of the goods and payment of the price are concurrent conditions.

Chapter - 4 : Negotiable Instruments Act, 1881

2023 - Dec [31] A corporation can be party to a Negotiable Instrument if:

- (a) authorized by its article of association.
 (b) a special permission of Board of Directors is taken.
 (c) a special resolution by shareholders is passed.
 (d) yes, absolutely without any restriction.

(2 marks)

Answer:

- (a) authorized by its article of association.

2023 - Dec [32] Where a cheque is crossed generally the banker on whom it is drawn:

- (a) Shall not pay it otherwise than to a banker.
 (b) Shall not pay it otherwise than to the holder.

- (c) S
 (d) N

Answer:

- (a) S

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- (c)

- (d)

- (c) Shall not pay it to a banker.
 (d) None of the above is correct.

(2 marks)

Answer:

- (a) Shall not pay it otherwise than to a banker.

2023 - Dec [33] _____ is an instrument in writing, containing an unconditional order, signed by the maker, directing a certain person, to pay a certain sum of money only to, or to the order of a certain person or to the bearer of the instrument.

- (a) Promissory Note
 (b) Bill of exchange
 (c) Cheque
 (d) None of the above

(2 marks)

Answer:

- (b) Bill of exchange.

2023 - Dec [34] 'At sight' and 'on presentation' under section 21 of the Negotiable Instrument Act, 1881, means:

- (a) on presentation
 (b) on demand
 (c) on coming into vision
 (d) None of the above

(2 marks)

Answer:

- (b) on demand.

2023 - Dec [35] Generally, the maker of the cheque makes the crossing. If he does not cross:

- (a) the holder of the cheque can cross it generally or specially.
 (b) in certain occasions the banker may also cross it.
 (c) Both (a) & (b) can also cross as mentioned above.
 (d) None other than the maker can cross.

(2 marks)

Answer:

- (c) Both (a) & (b) can also cross as mentioned above.

2023 - Dec [36] If an instrument may be construed either as a promissory note or bill of exchange, it is:

- (a) a valid instrument
 (b) an ambiguous instrument

- (c) a returnable instrument
 (d) None of the above

(2 marks)

Answer:

- (b) an ambiguous instrument.

2023 - Dec [37] The party which is involved in Bill of Exchange and to whom the order to pay is made is called _____.

- (a) Payee
 (b) Drawer
 (c) Drawee
 (d) Endorser

(2 marks)

Answer:

- (a) Payee

2023 - Dec [38] Crossing of a cheque effects the:

- (a) mode of payment on the cheque
 (b) negotiability of the cheque
 (c) both (a) & (b)
 (d) None of the above

(2 marks)

Answer:

- (c) both (a) & (b).

2023 - Dec [39] In the negotiable instrument, where amount is stated differently in words and figures:

- (a) amount stated in words shall be taken into account.
 (b) amount stated in figures shall be taken into account.
 (c) amount which is larger shall be taken into account.
 (d) Instrument is void due to uncertainty.

(2 marks)

Answer:

- (d) Instrument is void due to uncertainty.

2023 - Dec [40] A cheque is a _____.

- (a) Promissory note
 (b) Bill of exchange
 (c) Both (a) and (b) above
 (d) None of the above

(2 marks)

Answer:

- (b) Bill of exchange.

Chapter - 5 : Business Communication**2023 - Dec [41]** A cloud computing is availability of computer resources:

- (a) off demand.
- (b) automatic.
- (c) on demand.
- (d) None of the above

(2 marks)**Answer:**

- (c) on demand.

2023 - Dec [42] Study of 'Body Language' of a person is called _____.

- (a) Kinesics
- (b) Chronemics
- (c) Paralanguage
- (d) None of the above

(2 marks)**Answer:**

- (a) Kinesics.

2023 - Dec [43] The use of 'touch' in communication is one type of Non-verbal Communication. It is known as:

- (a) Proxemics;
- (b) Haptics;
- (c) Artifacts;
- (d) None of the above

(2 marks)**Answer:**

- (b) Haptics;

2023 - Dec [44] Need of proper grammar and syntax comes under which C of communication?

- (a) Completeness
- (b) Coherence
- (c) Correctness
- (d) Concreteness

(2 marks)**Answer:**

- (c) Correctness.

2023 - Dec [45] If a message is short and to the point, the message is said to be:

- (a) Correct
- (b) Concise
- (c) Coherent
- (d) Complete

(2 marks)**Answer:**

- (b) Concise.

2023 - Dec [46] Affirming comments with regard to future behaviour is called _____.

- (a) Positive Feedback
- (b) Negative Feedforward
- (c) Positive Feedforward
- (d) Decoding

(2 marks)**Answer:**

- (c) Positive Feedforward.

2023 - Dec [47] _____ is the first step in identifying the information the sender wants to communicate.

- (a) Encoding
- (b) Transmitting
- (c) Decoding
- (d) Development of an idea

(2 marks)**Answer:**

- (d) Development of an idea.

2023 - Dec [48] At which stage, the communicator focuses on correcting the grammar, spelling and punctuations?

- (a) Proof reading
- (b) Revising and Editing
- (c) Preparing the message
- (d) None of the above

(2 marks)**Answer:**

- (b) Revising and Editing.

FOR NOTES

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FOR NOTES

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