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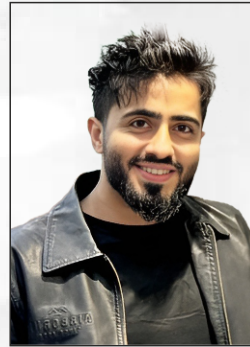
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On behalf of TEAM YES

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**BUSINESS LAWS AND BUSINESS COMMUNICATION**

**QUESTION BANK**

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## CHAPTER 1 - INTRODUCTION

1. *A Money Bill can be introduced only in: (MQP Dec 25)*
  - a) Lok Sabha
  - b) Rajya Sabha
  - c) Both Houses
  - d) Supreme Court
  
2. *President of India is elected by: (MQP Dec 25)*
  - a) People directly
  - b) Parliament only
  - c) Electoral College
  - d) Supreme Court
  
3. *Fundamental Rights are contained in: (MQP Dec 25)*
  - a) Part II
  - b) Part III
  - c) Part IV
  - d) Part V
  
4. *Which Article of the Constitution of India deals with inconsistency between laws made by Parliament and laws made by the Legislatures of States? (MQP Dec 25)*
  - a) Article 245
  - b) Article 254
  - c) Article 368
  - d) Article 32

5. Money Bill is introduced in which House of the Parliament? (MQP Dec 25)
- a) Council of People - Lok Sabha
  - b) Council of States - Rajya Sabha
  - c) Both the Houses
  - d) None of the Houses
6. Right to Constitutional Remedies is under Article: (MQP Dec 25)
- a) 19
  - b) 21
  - c) 32
  - d) 368
7. Arbitration award is: (MQP Dec 25)
- a) Advisory
  - b) Binding
  - c) Optional
  - d) Illegal
8. Information Technology Act, 2000 provides legal recognition to: (MQP Dec 25)
- a) Digital signatures
  - b) Oral contracts
  - c) Handwritten agreements only
  - d) Registered documents only

9. In which method is the decision of a third party generally binding on the disputing parties? (MQP Dec 25)
- a) Mediation
  - b) Conciliation
  - c) Negotiation
  - d) Arbitration
10. Fundamental Duties are contained in: (MQP Dec 25)
- a) Part III
  - b) Part IV
  - c) Part IVA
  - d) Part V
11. The Information Technology Act was enacted in the year: (MQP Dec 25)
- a) 1999
  - b) 2000
  - c) 2001
  - d) 2002
12. Fundamental Duties are contained in: (MQP June 25)
- a) Part III
  - b) Part IV
  - c) Part IVA
  - d) Part V

13. *Fundamental Rights are contained in: (MQP June 25)*

a) Part II

b) Part III

c) Part IV

d) Part V

14. *Right to Constitutional Remedies is under Article: (MQP June 25)*

a) 14

b) 19

c) 21

d) 32

15. *What are the sources of law?*

a) Constitution of India

b) Constitution of India, judicial precedents, customary laws, statutes and ordinance

c) Statutes enacted by the Parliament of India and State Legislatures

d) Religion

16. *Which Article in the Constitution of India, 1950 has provisions for introduction of a bill in the Parliament of India?*

a) Article 119

b) Article 141

c) Article 107

d) Article 243

17. Money Bill is introduced in which House of the Parliament?
- a) Council of People - Lok Sabha
  - b) Council of States - Rajya Sabha
  - c) Both the Houses
  - d) None of the Houses
18. Under what Article of the Constitution of India, 1950 is the President of India empowered to make an Ordinance?
- a) Article 243
  - b) Article 123
  - c) Article 129
  - d) Article 368
19. The essence of Sub-Ordinate legislation can be found in which Article of the Constitution of India, 1950?
- a) Article 12
  - b) Article 32
  - c) Article 13
  - d) Article 14
20. When was the Constitution of India passed by the Constituent Assembly?
- a) 26th January 1950
  - b) 26th November 1949
  - c) 25th November 1949
  - d) 15th August 1947

21. Which is the highest Court in India?
- a) High Court
  - b) Supreme Court of India
  - c) International Court of Justice
  - d) Sessions Court
22. Which Articles of the Constitution of India have the power to entertain petitions of violation of Fundamental Right?
- a) Article 32
  - b) Article 226
  - c) Article 226 and Article 32
  - d) Article 356
23. Which is the highest civil court in a district?
- a) Sessions Court
  - b) Supreme Court of India
  - c) District Court
  - d) High Court
24. Which Article of the Constitution of India empowers the legislature to make laws?
- a) Article 12
  - b) Article 243
  - c) Article 141
  - d) Article 245

25. When was the Supreme Court of India established?
- a) 26th November 1949
  - b) 26th January 1950
  - c) 28th January 1950
  - d) 1st October 1937
26. Which Article of the Constitution of India stipulates law made by the Supreme Court of India?
- a) Article 141
  - b) Article 245
  - c) Article 368
  - d) Article 352
27. What is the Schedule in the Constitution of India, for Separation of Subject for Legislature?
- a) 9th Schedule
  - b) 7th Schedule
  - c) 32nd Schedule
  - d) 14th Schedule
28. What kind of structure does the Indian Constitution have?
- a) Unitary
  - b) Federal
  - c) Autocracy
  - d) Totalitarian

29. 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
30. Which is the lowest court to approach for criminal matters?
- a) Munsif Court
  - b) Judicial Magistrate
  - c) Sessions Court
  - d) District Court
31. Mention the number of judges in the Supreme Court of India including Chief Justice of India currently.
- a) 23
  - b) 32
  - c) 34
  - d) 46
32. Fundamental Rights are mentioned under which part of the Constitution of India?
- a) Part-II
  - b) Part-III
  - c) Part-IX
  - d) Part-XII

33. Municipalities are provided for authority under which part of the Constitution of India?

- a) Part IX
- b) Part IXA
- c) Part III
- d) Part I

34. Under what Article of the Constitution of India, 1950 is the Governor of a State empowered to make an Ordinance?

- a) Article 123
- b) Article 243
- c) Article 245
- d) Article 213

35. What Are Personal Laws?

- a) Laws relating to inter personal behaviour
- b) Customs (religious beliefs) that have now been codified
- c) Laws that a person makes
- d) Laws based on opinion

36. Which Article of the Constitution of India deals with inconsistency between laws made by Parliament and laws made by the Legislatures of States?

- a) Article 245
- b) Article 254
- c) Article 368
- d) Article 32

37. What is a Private Bill?

- a) A bill introduced by a member other than a Minister
- b) Bill introduced by a private citizen
- c) Bill introduced by a Private company
- d) A bill relating affairs which are private to individual

38. The Parliament for the Union of India shall consist of:

- a) The President, the Council of States (Rajya Sabha) and the House of the People (Lok Sabha)
- b) Rajya Sabha
- c) Lok Sabha
- d) Legislative Assembly

39. Secondary/Sub-ordinate legislation cannot go beyond:

- a) The ambit of the Act
- b) The ambit of the Act or the Constitution of India
- c) The Constitution of India
- d) Directive Principles of State Policy

40. Elements of Law include:

- a) Command
- b) Duty
- c) Sanction
- d) All the above

41. *As per the Historical definition of law, it is not universal in nature.*

- a) True
- b) False
- c) Partly True
- d) Partly False

42. *..... is a primary source of Hindu law.*

- a) Vedas
- b) Holy Kuran
- c) Bible
- d) None of the above

43. *..... is the most ancient source of Hindu Law*

- a) Judicial decisions
- b) Personal Law
- c) Statutes
- d) Customs

44. *..... Custom prevails in a particular locality.*

- a) Legal
- b) General
- c) Conventional
- d) Local

45. *Custom to be valid must not be:*

- a) Immemorial

- b) *Uncertain*
- c) *Reasonable*
- d) *In confirmation with Law and public morality*

46. *Rule of Court decision to be followed in future cases is known as .....*

- a) *Doctrine of Court Decisis*
- b) *Doctrine of Stare Decisis*
- c) *Doctrine of Indoor Management*
- d) *None of the above*

47. *In case of any conflict between decisions of co-equal benches.....decision prevails*

- a) *Later*
- b) *Previous*
- c) *Both (a) and (b)*
- d) *None of the above*

48. *Benches of two judges is known as .....*

- a) *Small Bench*
- b) *Full Bench*
- c) *Division Bench*
- d) *None of the above*

49. *Supreme Court is bound by its own decisions.*

- a) *True*
- b) *False*

c) Partly True

d) Partly False

50. .... Precedents creates law for the whole country.

a) Declaratory

b) Pervasive

c) Absolutely Authoritative

d) Original

51. Legislation can be:

a) Supreme

b) Subordinate

c) Absolutely Authoritative

d) All of the above

52. Shruthi includes.....number of Vedas.

a) 1

b) 2

c) 3

d) 4

53. Hindu and Muhammedan law is .....

a) Personal Law

b) Principal Law

c) Historical Law

d) Customary Law

54. "A Declaratory Precedent is one which is merely the application of already existing rule of law". This was said by:

- a) Ulpine
- b) Cicero
- c) Salmond
- d) None

55. .... is the last stage of law making and therefore, the lawyer or the jurist is more important than legislature.

- a) Custom
- b) Social control
- c) Legislation
- d) None of these

56. .... refers to some pattern set for guiding the future conduct.

- a) Doctrine of Stare Decisis
- b) Precedent
- c) Judicial Precedent
- d) Both A and B

57. Law administered by Chancellor is known as:

- a) Statued Law
- b) Equity
- c) Equity Courts
- d) All of These

58. These customs which are not obligatory and are observed due to the pressure of public opinion is known as:

- a) Custom having sanction
- b) Positive Morality
- c) Both A and B
- d) None of these

59. Customs that are enforced by the state are known as:

- a) Customs having Sanction
- b) Local Customs
- c) General Customs
- d) All of these

60. This is an essential condition for making a valid custom.

- a) Compulsory Observations
- b) Peaceable Enjoyment
- c) Certainty
- d) All of these

61. The term precedent means:

- a) Observation
- b) Set pattern for guiding the future conduct
- c) Both A and B
- d) None of these

62. Article makes clear that the law declared by the Supreme Court shall be binding on all the courts within the territory of India.
- a) Article 171 of the Constitution
  - b) Article 141 of the Constitution
  - c) Article 187 of the Constitution
  - d) All of these
63. Which proceeds from the sovereign power in the state or which derives the power directly from the Constitution?
- a) Supreme Legislation
  - b) Obiter Dicta
  - c) Judiciary
  - d) Both A and C
64. Which of the following is not the branch of Law?
- a) Civil Law
  - b) Administrative Law
  - c) Commercial Law
  - d) None of these
65. Which of the following statement is not correct in context to the Supreme Court?
- a) It is bound by its own decisions
  - b) Its decisions are binding on all courts in India
  - c) It is bound by the decision of the Federal Court
  - d) None of these

66. Which of the following is NOT correct in context to the High Court in India?

- a) It is the court of coordinate jurisdiction
- b) Privy Council decisions are binding on the High Court
- c) Its decisions are binding on all tribunals within its jurisdiction
- d) All of the above

67. A smallest bench in a High Court consists of how many judges?

- a) Five
- b) Two
- c) One
- d) None of these

68. A bench of two judges in High Court is called as:

- a) Smallest Bench
- b) Division Bench
- c) Full Bench
- d) None of the above

69. The Hindu personal Law is basically found in:

- a) Shruti
- b) Smriti
- c) Both A and B
- d) None of the above

70. Which of the following is not a Smriti?

- a) Manu
- b) Yajnavalkya
- c) Narada
- d) Shruti

71. The guidance or authority of the past decisions of the court are called:

- a) Judicial Precedents
- b) Original Precedents
- c) Persuasive Precedents
- d) None of the above

72. Legal customs and Conventional customs are a part of:

- a) Customs without Sanction
- b) Customs having Sanction
- c) Judicial Customs
- d) Voluntary Customs

73. Which of the following is not a source of Indian Law?

- a) English Mercantile Law
- b) Judicial Law
- c) Civil Law
- d) None of the above

74. Decision of one High Court has only a ... value in a court within the jurisdiction of another High Court.

- a) Voluntary
- b) Mandatory
- c) Persuasive
- d) All of the above

75. The decisions given by Supreme Court are recorded in:

- a) AIR
- b) SCC
- c) AIR and SCC
- d) ITR

76. Meaning of Intra Vires:

- a) Within the power
- b) Amongst the other
- c) Beyond the power
- d) None of these

77. Which Law is related to the commercial activities of the people of the society?

- a) Constitutional Law
- b) Administrative Law
- c) Civil Law
- d) Mercantile Law

78. Past decision of the courts for future cases is known as:

- a) Customs
- b) Previous work

- c) Precedence
- d) Historical record

79. In case of Hindu and Muslim Family Business, which laws prevail to divide their family properties?

- a) Government Law
- b) Their own laws
- c) Legal laws
- d) None of these

80. Custom as a source has a very inferior place in the .....

- a) Hindu Law
- b) Judicial decision
- c) Criminal law
- d) None of the above

81. A ..... is one which is merely the application of an already existing rule of law.

- a) Conditionally Authoritative Precedent
- b) Declaratory Precedent
- c) Persuasive Precedent
- d) Absolutely Authoritative Precedent

82. Customs are considered as ..... of Law.

- a) Rules
- b) Source

c) Principle

d) Decision

83. Highest court of India:

a) Supreme Court

b) High Court

c) Civil Court

d) Tribunal

84. .... is the court whose decisions are binding on all courts and other judicial tribunals.

a) High Court

b) Supreme Court

c) Indian Penal Court

d) None of the above

85. Find the odd one out:

a) Manu

b) Yajnavalkya

c) Shruti

d) Narada

Q. No.	Correct Option	Q. No.	Correct Option	Q. No.	Correct Option	Q. No.	Correct Option
1	a	26	a	51	d	76	a
2	c	27	b	52	d	77	d
3	b	28	b	53	a	78	c
4	b	29	b	54	c	79	b
5	a	30	b	55	c	80	a
6	c	31	c	56	d	81	b
7	b	32	b	57	b	82	b
8	a	33	b	58	b	83	a
9	d	34	d	59	a	84	b
10	c	35	b	60	d	85	c
11	b	36	b	61	b		
12	c	37	a	62	b		
13	b	38	a	63	a		
14	d	39	b	64	d		
15	b	40	d	65	c		
16	c	41	a	66	b		
17	a	42	a	67	c		
18	b	43	d	68	b		
19	c	44	d	69	c		
20	b	45	b	70	d		
21	b	46	b	71	a		
22	c	47	a	72	b		
23	c	48	c	73	c		
24	d	49	b	74	c		
25	c	50	c	75	c		



## THE INDIAN CONTRACT ACT 1872

1. *A proposal when accepted becomes a:*
  - a) *Contract*
  - b) *Promise*
  - c) *Agreement*
  - d) *Offer*
  
2. *An agreement enforceable by law is a:*
  - a) *Promise*
  - b) *Contract*
  - c) *Obligation*
  - d) *Proposal*
  
3. *Every promise and every set of promises forming consideration for each other is an:*
  - a) *Agreement*
  - b) *Contract*
  - c) *Offer*
  - d) *Acceptance*
  
4. *An agreement not enforceable by law is said to be:*
  - a) *Valid*
  - b) *Void*
  - c) *Voidable*
  - d) *Illegal*

5. All contracts are agreements but all agreements are:
- a) Contracts
  - b) Valid
  - c) Not contracts
  - d) Void
6. When one party signifies his willingness to do or abstain from doing something with a view to obtaining the assent of the other, he makes a:
- a) Promise
  - b) Acceptance
  - c) Proposal
  - d) Contract
7. When the person to whom the proposal is made signifies his assent thereto, the proposal is said to be:
- a) Promised
  - b) Accepted
  - c) Agreed
  - d) Enforced
8. Proposal and acceptance together form:
- a) Contract
  - b) Agreement
  - c) Promise
  - d) Consideration

9. Consideration must move at the desire of the:

- a) Promisee
- b) Promisor
- c) Agent
- d) Third party

10. Consideration may move from:

- a) Promisee only
- b) Promisor only
- c) Any other person
- d) Stranger to contract only

11. A stranger to consideration can:

- a) Sue on contract
- b) Cannot sue on contract
- c) Enforce contract
- d) Become promisor

12. Consideration may be:

- a) Past
- b) Present
- c) Future
- d) All of these

13. An agreement made without consideration is:

- a) Valid

- b) Illegal
- c) Void
- d) Voidable

14. Consideration is not required in case of:

- a) Agreement in restraint of trade
- b) Agreement made out of natural love and affection
- c) Wagering agreement
- d) Illegal agreement

15. Capacity to contract means:

- a) Age of majority
- b) Soundness of mind
- c) Not disqualified by law
- d) All of these

16. A minor's agreement is:

- a) Valid
- b) Voidable
- c) Void
- d) Illegal

17. A person of unsound mind cannot enter into a contract when he is:

- a) Of sound mind
- b) Of unsound mind

c) Major

d) Minor

18. Free consent is not caused by:

a) Coercion

b) Undue influence

c) Mistake

d) Consideration

19. Coercion involves:

a) Threatening to commit any act forbidden by IPC

b) Physical force only

c) Mental pressure only

d) Fraud

20. Consent obtained by coercion makes the contract:

a) Valid

b) Void

c) Voidable

d) Illegal

21. Undue influence arises when the relations between parties are such that one party is in a position to:

a) Dominate the will of the other

b) Force the other

- c) Cheat the other
- d) Threaten the other

22. A contract induced by undue influence is:

- a) Void
- b) Illegal
- c) Voidable
- d) Valid

23. Fraud includes:

- a) Suggestion of untrue fact
- b) Active concealment of fact
- c) Promise without intention of performing
- d) All of these

24. Silence amounts to fraud when there is:

- a) Duty to speak
- b) No relation between parties
- c) No intention to deceive
- d) No loss caused

25. Misrepresentation makes a contract:

- a) Void
- b) Voidable
- c) Illegal
- d) Valid

26. *A mistake of law of the country:*
- a) *Makes agreement void*
  - b) *Makes agreement voidable*
  - c) *Does not make agreement voidable*
  - d) *Makes contract illegal*
27. *Bilateral mistake of fact makes the agreement:*
- a) *Valid*
  - b) *Void*
  - c) *Voidable*
  - d) *Illegal*
28. *An agreement forbidden by law is:*
- a) *Valid*
  - b) *Voidable*
  - c) *Illegal*
  - d) *Enforceable*
29. *An agreement in restraint of marriage is:*
- a) *Valid*
  - b) *Void*
  - c) *Voidable*
  - d) *Illegal*

30. An agreement in restraint of trade is:
- a) Valid
  - b) Void
  - c) Voidable
  - d) Enforceable
31. An agreement in restraint of legal proceedings is:
- a) Valid
  - b) Void
  - c) Voidable
  - d) Illegal
32. A wagering agreement is:
- a) Valid
  - b) Void
  - c) Illegal
  - d) Voidable
33. Contingent contract is defined under Section:
- a) 30
  - b) 31
  - c) 32
  - d) 33

34. A contingent contract to do or not to do something if an uncertain future event happens can be enforced when the event:
- a) Becomes impossible
  - b) Happens
  - c) Does not happen
  - d) Is certain
35. Performance of contract means:
- a) Discharge of obligations
  - b) Breach of contract
  - c) Creation of contract
  - d) Rescission of contract
36. Tender of performance is also known as:
- a) Offer of performance
  - b) Acceptance
  - c) Agreement
  - d) Consideration
37. Reciprocal promises which are to be performed simultaneously are called:
- a) Mutual promises
  - b) Concurrent promises
  - c) Conditional promises
  - d) Joint promises

38. When one party prevents the other from performing his promise, the contract becomes:

- a) Void
- b) Voidable at option of aggrieved party
- c) Illegal
- d) Valid

39. A contract is discharged by impossibility of performance under doctrine of:

- a) Frustration
- b) Consideration
- c) Acceptance
- d) Coercion

40. Novation means:

- a) Substitution of new contract
- b) Cancellation of contract
- c) Breach of contract
- d) Alteration of terms only

41. Alteration of a contract means:

- a) Substitution of a new contract
- b) Change in one or more terms of contract
- c) Cancellation of contract
- d) Breach of contract

42. Remission means:
- a) Acceptance of lesser performance
  - b) Substitution of contract
  - c) Cancellation of contract
  - d) Alteration of contract

43. Rescission of contract means:
- a) Cancellation of contract
  - b) Substitution of contract
  - c) Alteration of contract
  - d) Performance of contract

44. Breach of contract may be:
- a) Actual
  - b) Anticipatory
  - c) Both actual and anticipatory
  - d) None of these

45. Damages are awarded to:
- a) Punish the defaulter
  - b) Compensate the aggrieved party
  - c) Reward the promisor
  - d) Create contract

46. Liquidated damages are:
- a) Penalty
  - b) Reasonable compensation
  - c) Pre-estimated damages
  - d) Exemplary damages
47. Quantum meruit means:
- a) As much as earned
  - b) As much as promised
  - c) As much as demanded
  - d) As much as possible
48. Indemnity is defined under Section:
- a) 124
  - b) 125
  - c) 126
  - d) 127
49. A contract of guarantee involves:
- a) Two parties
  - b) Three parties
  - c) Four parties
  - d) One party
50. Bailment is defined under Section:
- a) 147

b) 148

c) 149

d) 150

51. The person delivering the goods in bailment is called:

a) Bailee

b) Bailor

c) Agent

d) Principal

52. The person to whom goods are delivered in bailment is called:

a) Bailor

b) Bailee

c) Agent

d) Surety

53. Finder of lost goods is subject to responsibilities of:

a) Agent

b) Bailee

c) Surety

d) Trustee

54. Pledge is defined under Section:

a) 170

b) 171

c) 172

d) 173

55. The bailor in case of pledge is called:

a) Pawnee

b) Pledgor

c) Bailee

d) Agent

56. The bailee in case of pledge is called:

a) Pledgor

b) Pawnee

c) Surety

d) Principal

57. Agency is defined under Section:

a) 180

b) 181

c) 182

d) 183

58. The person who employs another to do any act for him is called:

a) Agent

b) Principal

c) Surety

d) Bailee

59. *Consideration is necessary to create:*
- a) *Agency*
  - b) *Bailment*
  - c) *Guarantee*
  - d) *Pledge*
60. *An agency may be created by:*
- a) *Express agreement*
  - b) *Implied agreement*
  - c) *Ratification*
  - d) *All of these*
61. *Agency by estoppel arises when:*
- a) *Principal by his conduct induces third party to believe another is his agent*
  - b) *There is written agreement*
  - c) *There is consideration*
  - d) *There is registration*
62. *Agency by ratification requires that the act must be done:*
- a) *Without authority*
  - b) *With authority*
  - c) *For consideration*
  - d) *Under coercion*
63. *Sub-agent is appointed by:*
- a) *Principal*

- b) Agent
- c) Third party
- d) Surety

64. The principal is bound by acts of sub-agent when:

- a) Properly appointed
- b) Improperly appointed
- c) Without authority
- d) Fraudulently appointed

65. Agency is terminated by:

- a) Death of principal
- b) Insanity of principal
- c) Completion of business
- d) All of these

66. A contract of indemnity has:

- a) Two parties
- b) Three parties
- c) Four parties
- d) One party

67. In a contract of guarantee, the person who gives guarantee is called:

- a) Creditor
- b) Principal debtor

c) Surety

d) Agent

68. Liability of surety is:

a) Secondary

b) Conditional

c) Co-extensive with principal debtor

d) Limited only

69. Finder of lost goods has right of:

a) Suit for reward

b) Lien

c) Sale in certain cases

d) All of these

70. Bailment for reward is called:

a) Gratuitous bailment

b) Non-gratuitous bailment

c) Pledge

d) Agency

71. Gratuitous bailment can be terminated by:

a) Death of bailor

b) Death of bailee

c) Inconsistent use of goods

d) All of these

72. A pledge can be made by:
- a) Owner only
  - b) Mercantile agent
  - c) Person in possession under voidable contract
  - d) All of these
73. Agency coupled with interest cannot be terminated by:
- a) Death of principal
  - b) Insanity of principal
  - c) Revocation
  - d) All of these
74. An agent has authority to do:
- a) Lawful acts
  - b) Unlawful acts
  - c) Personal acts of principal
  - d) Illegal acts
75. Principal is liable for acts of agent done:
- a) Within authority
  - b) Beyond authority
  - c) Personally
  - d) Without consent
76. Goods perishing before contract is:
- a) Voidable

- b) Void
- c) Valid
- d) Illegal

77. Which of the following is not an essential element of a valid contract under the Indian Contract Act, 1872? (MQP Dec 25)

- a) Free consent
- b) Lawful object
- c) Registered agreement
- d) Consideration

78. A contract made by a minor is: (MQP Dec 25)

- a) Voidable at the option of minor
- b) Valid
- c) Void ab initio
- d) Illegal

79. Communication of acceptance is complete as against the proposer when: (MQP Dec 25)

- a) Acceptance is put in course of transmission
- b) Acceptance comes to knowledge of proposer
- c) Acceptance is written
- d) Acceptance is posted

80. Which of the following agreements is expressly declared void? (MQP Dec 25)
- a) Agreement in restraint of trade
  - b) Agreement with consideration
  - c) Agreement with lawful object
  - d) Agreement by competent parties
81. A contract of guarantee involves: (MQP Dec 25)
- a) Two parties
  - b) Three parties
  - c) Four parties
  - d) One party
82. Which of the following is not a mode of discharge of contract? (MQP Dec 25)
- a) Performance
  - b) Mutual agreement
  - c) Breach
  - d) Registration
83. Consideration must be: (MQP Dec 25)
- a) Adequate
  - b) Lawful
  - c) Equal
  - d) Monetary only

84. In case of breach of contract, the injured party is entitled to: (MQP Dec 25)

- a) Damages
- b) Imprisonment
- c) Fine
- d) Confiscation

85. Capacity to contract means: (MQP Dec 25)

- a) Financial ability
- b) Legal competence
- c) Physical strength
- d) Social status

86. Free consent is affected by: (MQP Dec 25)

- a) Coercion
- b) Undue influence
- c) Fraud
- d) All of these

87. An agreement in restraint of marriage is: (MQP Dec 25)

- a) Valid
- b) Void
- c) Voidable
- d) Illegal

88. A voidable contract can be enforced at the option of: (MQP Dec 25)
- a) Either party
  - b) Aggrieved party
  - c) Third party
  - d) Court
89. In a contract of bailment, the person delivering goods is called: (MQP Dec 25)
- a) Bailee
  - b) Bailor
  - c) Agent
  - d) Principal
90. Which of the following is a contingent contract? (MQP Dec 25)
- a) Insurance contract
  - b) Sale contract
  - c) Bailment
  - d) Agency
91. An agreement enforceable by law is called: (MQP Dec 25)
- a) Promise
  - b) Contract
  - c) Offer
  - d) Proposal



92. A proposal is made when: (MQP Dec 25)
- a) Two parties sign a written agreement
  - b) One person demands something from another
  - c) One person signifies willingness to do or not do something, to obtain assent of the other
  - d) An agreement is enforced by law
93. A minor enters into an agreement during his minority. Upon attaining majority, he wants to ratify the agreement. Which of the following is legally correct? (MQP Dec 25)
- a) He can ratify the old agreement without any new consideration
  - b) He can ratify the agreement only through a court order
  - c) He must create a new agreement with fresh consideration
  - d) The original agreement automatically becomes valid
94. Consideration in a contract may move from: (MQP Dec 25)
- a) Promisee only
  - b) Promisor only
  - c) Any person
  - d) Third party only
95. An agreement without consideration is: (MQP Dec 25)
- a) Valid
  - b) Void
  - c) Voidable
  - d) Illegal

96. A contract induced by undue influence is: (MQP Dec 25)
- a) Void
  - b) Voidable
  - c) Illegal
  - d) Valid
97. In a contract of indemnity, there are: (MQP Dec 25)
- a) Two parties
  - b) Three parties
  - c) Four parties
  - d) One party
98. An agreement to do an impossible act is: (MQP Dec 25)
- a) Valid
  - b) Void
  - c) Voidable
  - d) Illegal
99. In a contract of guarantee, the liability of surety is: (MQP Dec 25)
- a) Primary
  - b) Secondary
  - c) Joint only
  - d) Independent

100. A proposal when accepted becomes a: (MQP June 25)
- a) Promise
  - b) Agreement
  - c) Contract
  - d) Offer
101. Consideration must move at the desire of: (MQP June 25)
- a) Promisee
  - b) Promisor
  - c) Any person
  - d) Stranger
102. An agreement enforceable by law is called: (MQP June 25)
- a) Contract
  - b) Promise
  - c) Offer
  - d) Proposal
103. A contract with a minor is: (MQP June 25)
- a) Void
  - b) Voidable
  - c) Valid
  - d) Illegal

104. Consent is said to be free when it is not caused by: (MQP June 25)

- a) Coercion
- b) Undue influence
- c) Fraud
- d) All of these

105. An agreement without consideration is: (MQP June 25)

- a) Valid
- b) Void
- c) Voidable
- d) Illegal

106. An agent can bind the principal by acts done within: (MQP Dec 25)

- a) Apparent authority
- b) Personal capacity
- c) Illegal authority
- d) Implied fraud

107. Silence does not amount to: (MQP Dec 23)

- a) Acceptance
- b) Offer
- c) Agreement
- d) Contract

108. Offer can be revoked before: (MQP Dec 23)

- a) Acceptance

b) Performance

c) Consideration

d) Proposal

109. A contract without consideration is: (MQP Dec 23)

a) Valid

b) Void

c) Voidable

d) Illegal

110. Specific performance is granted when damages are: (MQP Dec 23)

a) Adequate

b) Inadequate

c) Nominal

d) Punitive

111. Bailment involves delivery of goods for: (MQP Dec 23)

a) Sale

b) Some purpose

c) Transfer of ownership

d) Mortgage

112. A void agreement is void: (MQP June 25)

a) From beginning

b) Subsequently

c) By agreement

d) By court

113. In contract of guarantee there are: (MQP June 25)

a) Two parties

b) Three parties

c) Four parties

d) One party

114. Agency can be created by: (MQP June 25)

a) Agreement

b) Ratification

c) Necessity

d) All of these

115. An agreement to do impossible act is: (MQP June 25)

a) Valid

b) Void

c) Voidable

d) Illegal

116. Consideration may move from: (MQP June 25)

a) Promisee only

b) Promisor only

c) Any person

d) Stranger

117. A contract induced by fraud is: (MQP June 25)
- a) Void
  - b) Voidable
  - c) Illegal
  - d) Valid
118. Termination of agency may take place by: (MQP June 25)
- a) Revocation
  - b) Completion of business
  - c) Death
  - d) All of these
119. A contract which ceases to be enforceable becomes: (MQP June 25)
- a) Void
  - b) Voidable
  - c) Illegal
  - d) Valid
120. An agreement with minor is: (MQP June 25)
- a) Valid
  - b) Void
  - c) Voidable
  - d) Enforceable
121. A proposal when accepted becomes a: (MQP June 25)
- a) Promise

b) Agreement

c) Contract

d) Offer

122. Consideration must move at the desire of: (MQP June 25)

a) Promisee

b) Promisor

c) Any person

d) Stranger

123. An agreement enforceable by law is called: (MQP June 25)

a) Contract

b) Promise

c) Offer

d) Proposal

124. A contract with a minor is: (MQP June 25)

a) Void

b) Voidable

c) Valid

d) Illegal

125. Consent is said to be free when it is not caused by: (MQP June 25)

a) Coercion

b) Undue influence

- c) Fraud
- d) All of these

126. An agreement without consideration is: (MQP June 25)

- a) Valid
- b) Void
- c) Voidable
- d) Illegal

127. A void agreement is void: (MQP June 25)

- a) From beginning
- b) Subsequently
- c) By agreement
- d) By court

128. A minor cannot be a: (MQP Dec 23)

- a) Partner
- b) Agent
- c) Beneficiary
- d) Surety

129. Acceptance must be: (MQP Dec 23)

- a) Absolute and unqualified
- b) Conditional
- c) Partial
- d) Oral only

130. A void agreement is: (MQP Dec 23)

- a) Enforceable
- b) Not enforceable
- c) Illegal
- d) Valid

131. An agreement opposed to public policy is: (MQP Dec 23)

- a) Valid
- b) Void
- c) Voidable
- d) Enforceable

132. Agency may be created by: (MQP Dec 23)

- a) Agreement
- b) Ratification
- c) Necessity
- d) All of the above

133. Consideration may move from: (MQP Dec 23)

- a) Promisee
- b) Any other person
- c) Promisor
- d) Both (a) and (b)

134. Contract of indemnity is defined under Section: (MQP Dec 23)

- a) 124

b) 125

c) 126

d) 127

135. Contract of guarantee involves: (MQP Dec 23)

a) Two parties

b) Three parties

c) Four parties

d) One party

136. Quasi contract is based on: (MQP Dec 23)

a) Agreement

b) Promise

c) Equity

d) Offer

137. Voidable contract is one:

a) Which is lawful

b) Which is invalid

c) Which is valid so long it is not avoided by the party entitled to do so

d) None of these

138. The difference between an advertisement for sale and a proposal is:

a) No difference at all

b) That a proposal becomes a promise as soon as the party to whom it is made accepts it but an advertisement does not

- c) Every case will be viewed according to the circumstances  
d) None of these

139. In a Book depot a catalogue of books enlisting the price of each book and specifying the place where the particular book is available is:

- a) An invitation to offer  
b) An offer  
c) An invitation to visit the book shop  
d) None of these

140. A catalogue of the goods of a company for sale ..... a series of offers but only an invitation for offers:

- a) Is  
b) Is not  
c) In normal cases is  
d) In normal cases is not

141. An offer does not lapse if the:

- a) Offeror dies before acceptance  
b) The offeree dies before acceptance  
c) Acceptance is made by the offeree in ignorance of the death of the offeror  
d) Acceptance is made by the offeree with knowledge of the death of the offeror

142. A telephonic acceptance is complete when the offer is:

- a) Spoken into the telephone  
b) Heard but not understood by the offeror

c) Heard and understood by the offeror

d) Is received, heard and understood by some person in the offeror's house

143. With regard to the contractual capacity of a person of unsound mind, which one of the following statements is most appropriate?

a) A person of unsound mind can never enter into a contract

b) A person of unsound mind can enter into a contract

c) A person who is usually of unsound mind can contract when he is, at the time of entering into a contract, of sound mind

d) A person who is occasionally of unsound mind can contract although at the time of making the contract, he is of unsound mind

144. While obtaining the consent of the promisee, keeping silence by the promisor when he has a duty to speak about the material facts, amounts to consent obtained by:

a) Coercion

b) Misrepresentation

c) Mistake

d) Fraud

145. 'A' threatened to commit suicide if his wife did not execute a sale deed in favour of his brother. The wife executed the sale deed. This transaction is:

a) Voidable due to undue influence

b) Voidable due to coercion

c) Void being immoral

d) Void being forbidden by law

146. A contract which is vitiated by undue influence is declared as which one of the following by the Indian Contract Act?

- a) Invalid
- b) Void
- c) Illegal
- d) Voidable

147. Consider the following:

Active concealment of fact.

Promise made without any intention of performing it.

Breach of duty which gains without an intent to deceive an advantage to the person committing it.

Inducing mistakes as to subject matter.

Which of the above amount to fraud?

- a) 1 and 2
- b) 2 and 3
- c) 3 and 4
- d) 1 and 4

148. Factors vitiating consent are:

- a) Coercion, Undue influence
- b) Fraud, Misrepresentation
- c) Mistake

149. A and B agree that law of limitation shall not apply to them. A debt becomes time barred and A refuses to pay the amount. Can B recover the amount under the terms of the agreement?

- a) yes, the agreement between them is valid and 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 falls under section 23 and hence void

150. A borrows ₹ 5,000 from B to purchase a revolver to shoot C. Can B recover his loan of ₹ 5,000.

- a) yes, the agreement between them is valid and 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 falls under section 23 and hence void

151. 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

152. A paid ₹500 to a Government servant to get him a contract for the canteen. The Government servant could not get the contract. Can A recover ₹500 paid by him to the Government servant?

- a) yes, the agreement between them is valid and 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 void

153. A person contracted to deliver a part of a specific crop of potatoes. The potatoes were destroyed by blight though no fault of the party. The contract is

- a) Valid
- b) Voidable
- c) Void due to frustration of contract
- d) Illegal

154. A contracts to sing for B at a concert for ₹ 1,000 which are paid in advance. A is too ill to sing. Which of the following options is correct?

- a) A is bound to make compensation
- b) A is not bound to make compensation to B for the loss of the profit which B would have made if A had been able to sing, but must refund to B ₹ 1,000 paid in advance
- c) A is not liable to refund to B ₹ 1,000 paid in advance
- d) A is liable for loss of profit as well as for refund

155. A contractor entered into an agreement with Government to construct a godown and received advance payments for the same. He did not complete the work and the Government terminated the contract.

- a) The Government can claim damages
- b) The Government under sec. 65 could recover the amount advanced to the

contractor

- c) The Government cannot claim damages
- d) Both (a) & (b)

156. In an executed contract, the obligation of

- a) both the parties have been fulfilled
- b) Both the parties are outstanding
- c) one party is outstanding
- d) None of these

157. A contract with or by a minor is a

- a) Valid contract
- b) Void contract
- c) Voidable contract
- d) Voidable at the option of either party

158. Two persons have the capacity to contract :

- a) If both are not of unsound mind.
- b) If none is disqualified from contracting by any law to which he is subject
- c) If both have attained the age of maturity
- d) All of the above

159. A contract can be performed by

- a) Promisor himself
- b) Agent of the promisor

- c) Legal representative of the promisor
- d) Either of these three

160. The term "Quid Pro Quo" is applied in connection with :

- a) Capacity of the parties
- b) Consideration
- c) Free consent
- d) Legality of object

161. In a contract not specifying the time for performance, the promisor can perform the contract :

- a) Immediately
- b) Within the shortest time
- c) Within a reasonable time
- d) With in next 21 days

162. A void agreement is one which is :

- a) Valid but not enforceable
- b) Enforceable at the option of both the parties
- c) Enforceable at the option of one party
- d) Not enforceable at the court of law

163. Consideration must move at the desire of :

- a) Promisor
- b) Promisee

c) Any other person

d) Any of these

164. A contract is discharged by recession which means the :

a) Change in one or more terms of the contract

b) Acceptance of lesser performance

c) Abandonment of rights by a party

d) Cancellation of existing contract

165. In case of breach of contract, which of the following remedy is available to the aggrieved party?

a) Suit for rescission

b) Suit for damages

c) Suit for specific performance

d) All of these

166. A voidable contract is one which :

a) Can be enforced at the option of the aggrieved party

b) Can be enforced at the option of both parties

c) cannot be enforced in a Court /Tribunal of Law

d) Courts prohibit

167. A agrees to sell his car worth Rs 10,00,000 to B for Rs 5,00,000 only and A's consent was obtained by coercion. Here the agreement is:

a) Void

b) Valid

c) Voidable

d) Unlawful

168. When the consent to an agreement is obtained by coercion the agreement is voidable at the option of :

a) Either party to agreement

b) A party whose consent was so obtained

c) A party who obtained consent

d) None of these

169. A party entitled to rescind the contract, loses the remedy where:

a) He has ratified the contract

b) Third party has acquired right in good faith

c) Contract is not separable and rescission is sought of party only.

d) All of these

170. Consent is free under Section 14 if not caused by -

a) Coercion and undue influence

b) Fraud and misrepresentation

c) Mistake subject to the provisions of Sec 20,21 and 22

d) All of the above

171. Where neither party makes any appropriation, the payment is to be applied in -

a) Random manner

b) Alphabetical manner

- c) Alpha- numeric manner
- d) In the order of time

172. Damages are -

- a) Punitive in nature
- b) Deterrent in nature
- c) Compensatory in nature
- d) All the three

173. Wagering agreement is illegal in -

- a) Gujarat
- b) Kerala
- c) Haryana
- d) Jammu & Kashmir

174. The Indian contract Act 1872:

- a) Contains the basic principles of contract
- b) Is not a complete code on contract
- c) Does not cover all types of contract
- d) All of the above

175. When goods are displayed in a show window bearing price tags it indicates

- a) Offer to sell goods at prices mentioned on the price tags
- b) An invitation to make an offer
- c) An advertisement
- d) An announcement

176. Consideration is
- a) Doing or abstaining from doing something at the desire of the promiser
  - b) Essential condition of a contract
  - c) Element of exchange in a contract
  - d) All of the above
177. The exceptions to the rule a stranger to a contract cannot sue are :
- a) Beneficiaries in case of Trust
  - b) Family settlement
  - c) Assignment of contract
  - d) All of the above
178. In Indian Contract Act, the term consensus ad idem means
- a) Parties agree upon the same thing under a mistake
  - b) Parties agree under the free consent
  - c) Parties agreeing upon the same thing in a same sense
  - d) None of these
179. An agreement which restricts a person's freedom to marry any person of his choice is against public policy and is :
- a) Lawful
  - b) Illegal
  - c) Void
  - d) None of these

180. A valid tender or offer of performance must be
- a) Made at proper time
  - b) Made at proper place
  - c) Made to the proper person
  - d) All of the above
181. Where there is an infringement of a contractual right, but no actual loss has been suffered, the court will award
- a) Nominal damages
  - b) Special damages
  - c) Exemplary damages
  - d) Ordinary damages
182. The remedies open to a person, suffering from breach of contract are
- a) Damages
  - b) Injunction
  - c) Quantum Meruit
  - d) All of the above
183. The term Proposal or offer has been defined in Sec
- a) Sec 2(a)
  - b) Sec 2(b)
  - c) Sec 2(c)
  - d) Sec 2(d)

184. Express offers and acceptances may be proved by the agreement between the parties but implied offers can be proved only by
- a) The words
  - b) The conduct
  - c) Circumstantial expenses
  - d) Implied offer
185. Where a particular mode of communication of acceptance is not prescribed and the parties are not in each others presence the more authentic mode of communication of acceptance is the
- a) Telephone
  - b) Telegraph
  - c) Letter
  - d) Wireless
186. Consideration must be
- a) Adequate
  - b) Superficial
  - c) Unlawful
  - d) Something
187. A renders some service to B at B's desire after a month B promises to compensate A for the service rendered to him, it is a
- a) Present consideration
  - b) Past consideration

c) Future consideration

d) None of the above

188. Under Sec 70 of the Indian Contract Act, 1872 if a person who enjoys the benefit of any other person's work, the beneficiary must pay to the benefactor for the service rendered, provided the intention of the benefactor was

a) Gratuitous

b) Non-gratuitous

c) To create legal relations

d) None of these

189. Sanjana contracts with Ankita to buy a necklace; believing it is made of pearls whereas in fact it is made of imitation pearls of no value Ankita knows that Sanjana is mistaken and takes no steps to correct the error. Now Sanjana wants to cancel the contract on the basis of fraud, which of the following statement is correct

a) Sanjana can claim damages

b) Sanjana cannot cancel the contract

c) Sanjana can cancel the contract alleging undue influence

d) Sanjana can cancel the contract alleging fraud

190. A contract is made where

a) A buys a book from a shop

b) X bids at a public auction

c) X agrees with Y to discover a treasure by magic

d) Z agrees to attend the birthday party of his friend

191. The doctrine of privity of contract is laid down in the case of
- a) *Carlill v. Carbolic Smoke Ball & Co.*
  - b) *Balfour v. Balfour*
  - c) *Harvey v. Facey*
  - d) *Dunlop Pneumatic Tyre Co. Ltd v. Selfridge & Co.*
192. A finder of goods can:
- a) File a suit to recover his expense
  - b) Sell the goods if he likes
  - c) Can sue for a reward, if any
  - d) None of the above
193. Contracts which need to be performed are spelt out in:
- a) Section 60-65 of the Contract Act
  - b) Section 61-66 of the Contract Act
  - c) Section 62-67 of the Contract Act
  - d) Section 68-70 of the Contract Act
194. A, B and C jointly promise to pay D ₹ 3,000. D may compel:
- a) A, B and C jointly to pay him ₹ 3,000
  - b) A or B or C to pay him ₹ 3,000
  - c) A to pay him ₹ 3,000
  - d) A, B and C jointly and separately to pay ₹ 3,000

195. Ashish agrees to pay ₹ 6,000 to Digvijay if a certain ship returns within a year. However, the ship sinks within a year. In this case, the contract becomes:
- a) Valid
  - b) Void
  - c) Voidable
  - d) Illegal
196. Standing offer means:
- a) Offer made to a definite person
  - b) Offer made to the public in general
  - c) When the offeree offers qualified acceptance to the offer
  - d) Offer allowed to remain open for acceptance over a period of time
197. When a person is restrained by the court from doing what he promised not to do, it is called:
- a) Quantum meruit
  - b) Rescission
  - c) Specific performance
  - d) Injunction
198. A finder of lost goods is entitled to be reimbursed for any lawful expenses incurred for:
- a) Taking care of goods
  - b) Taking reasonable steps to trace the owner
  - c) Selling of the goods, if the goods are in deteriorating condition
  - d) All of the above

199. The Source of the Law of contract is:
- a) Indian Contract Act, 1872
  - b) Judicial decisions
  - c) Customs or usage of trade
  - d) All of the above
200. A person is competent to contract if:
- a) He has a PAN card number
  - b) He has a Ration card number
  - c) He fulfills the conditions of sec
  - d) He is a graduate
201. The person making the proposal is called the and the person accepting the proposal is called
- a) Proposer/Proposee
  - b) Promisee/Promisor
  - c) Promisor/Promisee
  - d) Proposee/Proposer
202. Every promise and every set of promises, forming the consideration for each other, is called as:
- a) A voidable contract
  - b) A contract
  - c) A void contract
  - d) An agreement

203. An agreement enforceable by law is:

- a) A voidable contract
- b) Void
- c) A contract
- d) A void contract

204. An agreement which is enforceable by law at the option of one or more of the parties thereto, but not at the option of the other or others is:

- a) A contract
- b) A voidable contract
- c) Void
- d) A void contract

205. The Indian Contract Act, 1872 extends to:

- a) The State of Jammu and Kashmir
- b) The Union Territories of India
- c) The whole of India except the State of Jammu and Kashmir
- d) The whole of India

206. The Act which deals with the matters relating to the contract is titled as:

- a) The Contract Act, 1872
- b) The Indian Contract Act, 1872
- c) The Indian Contract Act, 1882
- d) The Indian Contract Act, 1972

207. An agreement not enforceable by law is said to be:
- a) A contract
  - b) Void
  - c) A voidable contract
  - d) A void contract
208. When the communication of a proposal is complete:
- a) When it does not come to the knowledge of the person to whom it is made
  - b) When it comes to the knowledge of another person that some communication was made to the concerned person
  - c) When it comes to the knowledge of the person to whom it is not made
  - d) When it comes to the knowledge of the person to whom it is made
209. When an acceptance may be revoked:
- a) An acceptance may be revoked at any time before the communication of the acceptance is complete as against the proposer, but not afterwards
  - b) An acceptance may be revoked at any time before the communication of the acceptance is complete as against the acceptor, but not afterwards
  - c) An acceptance may be revoked at any time before the communication of the acceptance is incomplete as against the acceptor, but not afterwards
  - d) An acceptance may be revoked at any time after the communication of the acceptance is complete as against the acceptor, but not afterwards
210. In order to convert a proposal into a promise, the acceptance must:
- a) Be absolute and qualified
  - b) Be expressed in some usual and reasonable manner, unless the proposal prescribes

*the manner in which it is to be accepted*

- c) Be absolute and unqualified*
- d) Both B and C only*

211. *When a proposal may be revoked:*

- a) A proposal may be revoked at any time when the communication of its acceptance is complete as against the proposer, but not afterwards*
- b) A proposal may be revoked at any time before the communication of its acceptance is incomplete as against the proposer, but not afterwards*
- c) A proposal may be revoked at any time before the communication of its acceptance is complete as against the proposer, but not afterwards*
- d) A proposal may be revoked at any time after the communication of its acceptance is complete as against the proposer, but not afterwards*

212. *A contract which ceases to be enforceable by law becomes void when it ceases to be:*

- a) Void*
- b) Voidable*
- c) Enforceable*
- d) Unenforceable*

213. *The Indian Contract Act, 1872 which was enacted on 25 April, 1872 came into force with effect from:*

- a) 1st May, 1872*
- b) 1st September, 1872*
- c) 1st October, 1872*
- d) 1st November, 1872*

214. A 'proposal' is defined as:

- a) When one person signifies to another his willingness to do or to abstain from doing anything, with a view to obtaining the assent of that other to such act or abstinence, he is said to make a proposal
- b) When one person signifies to another his willingness to do, with a view to obtaining the assent of that other to such act or abstinence, he is said to make a proposal
- c) When one person signifies to another his willingness to do or to abstain from doing anything, he is said to make a proposal
- d) When one person signifies to many persons his willingness to do or to abstain from doing anything, with a view to obtaining the assent of that other to such act or abstinence, he is said to make a proposal

215. An agreement was entered into with the minor. This agreement is:

- a) Void
- b) Voidable
- c) Bad
- d) Illegal

216. Where a minor has entered into a contract for purchase of necessary items. In such cases:

- a) The minor is not personally liable
- b) Minor's estates are liable to make good
- c) Minor's guardian is liable
- d) Both (a) & (b)

217. Consent is defined as:
- a) Two or more persons are said to consent when they agree
  - b) Two or more persons are said to consent when they agree upon the same thing in the same sense
  - c) Two or more persons are said to consent when they understand the same thing
  - d) Two or more persons are said to consent when they agree upon the same thing
218. Consent is said to be free when it is not caused by:
- a) Very much influence
  - b) Undue influence
  - c) Slightly influence
  - d) Influence
219. A, being in debt to B, the money lender of his village, contracts a fresh loan on terms which appear to be unconscionable. This will be termed as:
- a) Fraud
  - b) Coercion
  - c) Undue influence
  - d) Misrepresentation
220. When consent to an agreement is caused by coercion, fraud or misrepresentation, the agreement is a contract:
- a) Voidable at the option of the party whose consent was so caused
  - b) Illegal
  - c) Depends upon the circumstances of the case
  - d) Void

221. If the consent was caused by misrepresentation or by silence, fraudulent within the meaning of section 17, the contract, nevertheless, if the party whose consent was so caused had the means of discovering the truth with ordinary diligence:
- a) may be voidable
  - b) may not be voidable
  - c) is voidable
  - d) is not voidable
222. A fraud or misrepresentation which did not cause the consent to a contract of the party on whom such fraud was practised, or to whom such misrepresentation was made, does not render a contract:
- a) Void
  - b) Voidable
  - c) Bad
  - d) Illegal
223. Where both the parties to any agreement are under a mistake as to a matter of fact essential to the agreement,
- a) The agreement is voidable
  - b) The agreement can't be enforceable at law
  - c) The agreement is void
  - d) The agreement is not void
224. What is a sound mind for the purposes of contracting:
- a) A person is said to be of sound mind for the purposes of making a contract, if, at the time when he makes it, he is capable of understanding it and of forming a

rational judgement as to its effect upon his interest

b) A person is said to be of sound mind for the purposes of making a contract, if, at the time when he makes it, he is capable of understanding it

c) A person is said to be of sound mind for the purposes of making a contract, if, he is capable of understanding it and of forming a rational judgement as to its effect upon his interest

d) A person is said to be of sound mind for the purposes of making a contract, if, at any time when he makes it, he is capable of understanding it and of forming a rational judgement as to its effect upon his interest

225. Who are competent to contract:

a) Every person is competent to contract who is of the age of majority according to the law to which he is subject, and who is of sound mind and is not disqualified from contracting by any law to which he is subject

b) Every person is competent to contract who is of the any age and who is of sound mind and is not disqualified from contracting by any law to which he is subject

c) Every person is competent to contract who is of the age of majority according to the law to which he is subject

d) Every person is competent to contract who is of the age of majority according to the law to which he is subject, and who is of sound mind

226. What agreements are contracts:

a) All agreements are contracts if they are made by the free consent of parties competent to contract, for a lawful consideration and with a lawful object, and are not hereby expressly declared to be void

b) All agreements are contracts if they are made by the free consent of parties

competent to contract, for a lawful consideration and with a lawful object, and may or may not be expressly declared to be void

c) All agreements are contracts if they are made by the consent of parties competent to contract, for a lawful consideration and with a lawful object, and are not hereby expressly declared to be void

d) All agreements are contracts if they are made by the free consent of parties competent to contract, for any object, and are not hereby expressly declared to be void

227. Every agreement by which any party thereto is restricted absolutely from enforcing his rights under or in respect of any contract, by the usual legal proceedings in the ordinary tribunals, or which limits the time within which he may thus enforce his rights:

a) Is valid

b) Is voidable

c) Is void

d) Is illegal

228. The consideration must be:

a) Adequate

b) Must be adequate

c) Need not be adequate

d) Substantially adequate

229. If any part of a single consideration for one or more objects, or any one or any part of any one of several considerations for a single object, is unlawful:

- a) *The agreement is void*
- b) *The agreement is voidable*
- c) *The agreement is enforceable*
- d) *The agreement is unenforceable*

230. *A contract is not voidable because it was caused by a mistake as to any law in force in India; but mistake as to a law not in force in India has the same effect as:*

- a) *A mistake of case*
- b) *A mistake of fact*
- c) *A mistake of law*
- d) *A mistake of understanding*

231. *A contract is not voidable merely because it was caused by one of the parties to it being under a mistake as to:*

- a) *A mistake of fact*
- b) *A mistake of law*
- c) *A mistake of case*
- d) *A mistake of understanding*

232. *The consideration or object of an agreement is lawful, unless:*

- a) *The Court regards it as immoral, or opposed to public policy*
- b) *It is forbidden by law or is of such a nature that, if permitted, it would defeat the provisions of any law*
- c) *Is fraudulent or involves or implies injury to the person or property of another*
- d) *All of the above*

233. An erroneous opinion as to the value of the things which forms the subject-matter of the agreement, is not to be deemed:
- a) A mistake as to a matter of law
  - b) A mistake as to a matter of fact
  - c) A mistake of circumstances
  - d) A mistake of nature of transactions
234. A and B make a contract grounded on the erroneous belief that a particular debt is barred by the Indian Law of Limitation:
- a) The contract illegal
  - b) The contract is not voidable
  - c) The contract is voidable
  - d) The contract is void
235. The consideration may be:
- a) Past
  - b) Present
  - c) Future
  - d) All the options are correct
236. A 'contingent contract' is a contract to do or not to do something, if some event collateral to such contract:
- a) Happened or will not happen
  - b) Does or does not happen
  - c) May or may not happen
  - d) None of the above

237. If the event becomes impossible, such contracts becomes:

- a) Illegal
- b) Bad
- c) Void
- d) Voidable

238. A wagering contract is ..... whereas a contingent contract is..... :

- a) Void / Valid
- b) Valid / Void
- c) Valid / Voidable
- d) Voidable / Valid

239. A agrees to pay B Rs 10,000, if two straight lines should enclose a space. The agreement is.....:

- a) Void
- b) Voidable
- c) Valid
- d) Illegal

240. Contingent contracts to do or not to do anything, if a specified uncertain event happened within a fixed time, become ....., if, at the expiration of the time fixed, such event has not happened, or if, before the time fixed, such event becomes impossible:

- a) Bad
- b) Valid

- c) Void
- d) Voidable

241. Where a promisor has made an offer of performance to promisee and the offer has been accepted, such offer must fulfil the condition:

- a) If the offer is an offer to deliver anything to the promisee, the promisee must have a reasonable opportunity of seeing that the thing offered is the thing which the promisor is bound by his promise to deliver
- b) It must be unconditional
- c) It must be made at a proper time and place
- d) All of the above

242. Where two or more persons have made a joint promise, the promisee may in the absence of the express agreement to the contrary, compel to perform the whole contract:

- a) Severally
- b) Jointly
- c) Jointly and severally
- d) Jointly or severally as per the desire of the promisee

243. An agreement to do impossible act in itself is:

- a) Bad
- b) Void
- c) Valid
- d) Voidable

244. Where persons reciprocally promise, firstly, to do certain things which are legal, and, secondly, under specified circumstances, to do certain other things which are illegal, the first set of promise is a ....., but the second is a .....
- a) Void agreement / contract
  - b) Void contract / agreement
  - c) Contract / void agreement
  - d) Contract / voidable contract
245. Where there are several amounts due to recover from the debtor then the creditor can appropriate the money deposited by the debtor towards the time barred debts in which of the following cases:
- a) Where there are no other circumstances indicating to which debt the payment is to be applied
  - b) Where the debtor has omitted to intimate
  - c) The creditor can't appropriate the amount so credited towards the time barred debts
  - d) Option A and B both are correct
246. When an agreement is discovered to be void, or when a contract becomes void, any person who has received any advantage under such agreement or contract is:
- a) To make compensation for it, to the person from whom he received it
  - b) Bound to restore it
  - c) Need not to do anything in this regard
  - d) Options A and B are correct

247. In which circumstances the original contract need not be performed:

- a) If the parties to a contract agree to alter it
- b) If the parties to a contract agree to substitute a new contract
- c) If the parties to a contract agree to rescind it
- d) All of the above

Question No.	Correct Option	Question No.	Correct Option	Question No.	Correct Option	Question No.	Correct Option
1	c	26	c	51	b	76	b
2	b	27	b	52	b	77	c
3	a	28	c	53	b	78	c
4	b	29	b	54	c	79	b
5	c	30	b	55	b	80	a
6	c	31	b	56	b	81	b
7	b	32	b	57	c	82	d
8	b	33	b	58	b	83	b
9	b	34	b	59	a	84	a
10	c	35	a	60	d	85	b
11	b	36	a	61	a	86	d
12	d	37	b	62	a	87	b
13	c	38	b	63	b	88	b
14	b	39	a	64	a	89	b
15	d	40	a	65	d	90	a
16	c	41	b	66	a	91	b
17	b	42	a	67	c	92	c
18	d	43	a	68	b	93	c
19	a	44	c	69	d	94	c
20	c	45	b	70	b	95	b
21	a	46	c	71	d	96	b
22	c	47	a	72	d	97	a
23	d	48	a	73	a	98	b
24	a	49	b	74	a	99	b
25	b	50	b	75	a	100	b

Question No.	Correct Option	Question No.	Correct Option	Question No.	Correct Option	Question No.	Correct Option
101	b	126	b	151	a	176	d
102	a	127	a	152	d	177	d
103	a	128	d	153	c	178	c
104	d	129	a	154	b	179	c
105	b	130	b	155	d	180	d
106	a	131	b	156	c	181	a
107	a	132	d	157	b	182	d
108	a	133	b	158	d	183	a
109	b	134	a	159	d	184	b
110	b	135	b	160	b	185	c
111	b	136	c	161	c	186	d
112	a	137	c	162	d	187	b
113	b	138	b	163	a	188	b
114	d	139	a	164	d	189	d
115	b	140	d	165	d	190	b
116	c	141	c	166	a	191	d
117	b	142	c	167	c	192	c
118	d	143	c	168	b	193	b
119	a	144	d	169	d	194	d
120	b	145	b	170	d	195	b
121	b	146	d	171	d	196	d
122	b	147	a	172	c	197	d
123	a	148	d	173	a	198	d
124	a	149	d	174	d	199	d
125	d	150	d	175	b	200	c

Question No.	Correct Option	Question No.	Correct Option
201	c	226	a
202	d	227	c
203	c	228	b
204	b	229	c
205	d	230	c
206	b	231	b
207	b	232	d
208	d	233	a
209	a	234	b
210	c	235	d
211	c	236	b
212	d	237	c
213	b	238	a
214	a	239	a
215	a	240	c
216	d	241	d
217	b	242	c
218	b	243	b
219	c	244	c
220	a	245	d
221	b	246	d
222	b	247	d
223	c		
224	a		
225	a		



## THE SALE OF GOODS ACT 1930

1. *Sale of Goods Act, 1930 deals with:*
  - a) *Immovable property*
  - b) *Movable property*
  - c) *Both movable and immovable property*
  - d) *Services only*
  
2. *Goods under Sale of Goods Act means:*
  - a) *Movable property*
  - b) *Immovable property*
  - c) *Money*
  - d) *Actionable claims*
  
3. *An agreement to sell becomes sale when:*
  - a) *Property in goods is transferred*
  - b) *Goods are delivered*
  - c) *Price is paid*
  - d) *Contract is signed*
  
4. *Condition is a stipulation essential to the:*
  - a) *Main purpose of contract*
  - b) *Collateral purpose*
  - c) *Warranty*
  - d) *Delivery*

5. Warranty is a stipulation collateral to the:

- a) Main purpose of contract
- b) Condition
- c) Price
- d) Consideration

6. Doctrine of Caveat Emptor means:

- a) Seller beware
- b) Buyer beware
- c) Both beware
- d) None of these

7. Unpaid seller is defined under Section:

- a) 45
- b) 46
- c) 47
- d) 48

8. An unpaid seller has right of:

- a) Lien
- b) Stoppage in transit
- c) Resale
- d) All of these

9. Right of lien is available when:

- a) Goods are in possession of seller

b) Goods are delivered

c) Goods are lost

d) Price is paid

10. Actionable claim is defined under:

a) Transfer of Property Act

b) Contract Act

c) Sale of Goods Act

d) Companies Act

11. Sale by non-owner is:

a) Always void

b) Valid in certain cases

c) Always valid

d) Illegal

12. Doctrine of Nemo dat means:

a) No one can give what he has

b) No one can give better title than he has

c) Buyer beware

d) Seller beware

13. Unpaid seller's right of stoppage in transit is available when:

a) Buyer becomes insolvent

b) Goods delivered

- c) Price paid
- d) Goods lost

14. In a contract of sale, risk prima facie passes with: (MQP Dec 25)

- a) Delivery
- b) Payment
- c) Ownership
- d) Agreement

15. Sale of Goods Act, 1930 deals with: (MQP Dec 25)

- a) Immovable property
- b) Movable property
- c) Money
- d) Actionable claims

16. An unpaid seller has right of: (MQP Dec 25)

- a) Lien
- b) Stoppage in transit
- c) Resale
- d) All of these

17. Finder of lost goods has the rights of: (MQP Dec 25)

- a) Bailee
- b) Owner
- c) Agent
- d) Trustee

18. In sale of goods, conditions and warranties are: (MQP Dec 25)
- a) Same
  - b) Different
  - c) Optional
  - d) Illegal
19. Delivery of goods may be: (MQP Dec 25)
- a) Actual
  - b) Constructive
  - c) Symbolic
  - d) All of these
20. In sale of goods, risk prima facie passes with: (MQP Dec 24 - Set 2)
- a) Delivery
  - b) Possession
  - c) Ownership
  - d) Custody
21. Nemo dat quod non habet means: (MQP Dec 24 - Set 2)
- a) Buyer beware
  - b) No one can transfer a better title than he himself has
  - c) Goods once sold cannot be returned
  - d) All contracts are void
22. In Sale of Goods Act, risk prima facie passes with: (MQP June 24)
- a) Possession

- b) Delivery
- c) Ownership
- d) Custody

23. Specific goods are goods: (MQP June 24)

- a) Identified at the time of contract
- b) Not yet manufactured
- c) Generic
- d) Contingent

24. An unpaid seller has right of: (MQP June 24)

- a) Lien
- b) Stoppage in transit
- c) Resale
- d) All of the above

25. Finder of lost goods is subject to: (MQP June 24)

- a) Duties of bailee
- b) Duties of seller
- c) Duties of agent
- d) None

26. Sale of Goods Act was enacted in: (MQP Dec 23)

- a) 1872
- b) 1930

c) 1956

d) 2013

27. Risk prima facie passes with: (MQP Dec 23)

a) Delivery

b) Ownership

c) Possession

d) Custody

28. Doctrine of Caveat Emptor means: (MQP Dec 23)

a) Seller beware

b) Buyer beware

c) Goods beware

d) Contract beware

29. An unpaid seller has right of: (MQP Dec 23)

a) Lien

b) Stoppage in transit

c) Resale

d) All of the above

30. Property in unascertained goods passes when: (MQP Dec 25)

a) Contract is made

b) Goods are ascertained

c) Price is paid

d) Goods are delivered

31. In case of appropriation of goods, which are the essential requirements:
- a) The goods should conform 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 the above
32. Appropriation of goods means:
- a) Separating the goods sold from other goods
  - b) Putting the quantity of goods sold in suitable receptacles
  - c) Delivering the goods to the carrier or other bailee for the purpose of transmission to the buyer with reserving the right of disposal
  - d) All the above
33. The general rule of Sale of Goods Act is, risk prima facie passes with:
- a) Ownership
  - b) Possession
  - c) Delivery
  - d) Custody
34. "Nemo dat quad non habet", means:
- a) No one is greater than god
  - b) None can give who does not himself possess
  - c) Every one can give everything he has
  - d) Everyone is bound by his habit

35. *Out of the following, is an instance of constructive delivery of goods:*
- a) *The transfer of bill of lading*
  - b) *Attornment by a person in possession of the goods*
  - c) *Handing over the key of warehouse to the buyer*
  - d) *Actual delivery of the goods to the buyer*
36. *The acquisition of which is contingent upon happening or non-happening of certain events will be treated as:*
- a) *Future goods*
  - b) *Unascertained goods*
  - c) *Contingent goods*
  - d) *Forward commodities*
37. *CIF contract is also known as:*
- a) *Contingent contract*
  - b) *Contract for sale of document*
  - c) *Conditional contract of sales*
  - d) *Quasi contract*
38. *Anil sold and delivered 20 kg of bajra to Sunil. Sunil instead of expressing his acceptance of the goods in writing or by words sent the same to flour mill. The acceptance of goods:*
- a) *Has not taken place*
  - b) *Has taken place by implied adoption*
  - c) *Has taken place by default*
  - d) *Has taken place by estoppels*

39. X purchased knives. The knives were found to be blunt not suitable for cutting. This is a breach of:
- a) Condition as to wholesomeness
  - b) Condition as to fit for a particular purpose
  - c) Condition as to merchantability
  - d) Free from encumbrance
40. Doctrine of caveat emptor does not apply when:
- a) Goods are purchased by sample
  - b) Goods are purchased by description
  - c) Goods are purchased by sample as well as description
  - d) All of the above
41. M sold goods to B. The payment was to be done after one month. B did not make payment. The right of lien can be exercised by M when goods are:
- a) Handed over to the transporters
  - b) Not handed over to anyone
  - c) Handed over to B
  - d) Handed over anyone
42. Which of the following is/are not included in the meaning of 'goods' as defined in the Sale of Goods Act:
- a) Stocks & Shares
  - b) Actionable claims
  - c) Legal tender money
  - d) Both 'b' and 'c'

43. Price must either be certain or definite or:
- a) Determined by some method or criterion prescribed in the contract
  - b) By valuation of a third party
  - c) All of the above
  - d) None of the above
44. Where goods are known to be dangerous to the seller, and he also knows that the buyer is ignorant about it there is an implied warranty:
- a) That the buyer must be informed about the dangerous nature of goods
  - b) The buyer must examine the goods before taking delivery
  - c) The seller must warn the buyer
  - d) Both 'a' and 'c'
45. A stipulation in a contract of sale which is collateral to the main purpose of the contract is called as:
- a) Guarantee
  - b) Warranty
  - c) Condition
  - d) Term
46. The rule as to passing of property as laid down in Sec 20 of the Sale of Goods Act shall happen when:
- a) The time of payment of price is postponed
  - b) The time of delivery of the goods is postponed
  - c) The contract is made

d) Neither the time of payment of price nor the time of delivery of the goods is postponed

47. Which of these is a document of title of goods?

- a) Usance Promissory Notes
- b) International Bill of Exchange
- c) Bill of lading
- d) Account payee crossed cheque

48. Breach of warranty gives a right to:

- a) Reject goods
- b) Treat the contract as repudiated
- c) Claim new goods
- d) Claim damages

49. Where the third party fails to fix the price, but the buyer has received and appropriated the goods, then the buyer is liable to pay:

- a) Penalty
- b) Damages
- c) Reasonable price
- d) According to seller's demand

50. A agreed to supply 1000 bags of rice at ₹ 500 per bag in 10 installments of 100 bags each. B also agreed to pay the price in 10 installments of 100 bags each. This is a:

- a) Contract of Sale
- b) Sale of approval

- c) Hire purchase agreement
- d) Conditional sale

51. The definition of "Document of title to goods" given in the Sale of Goods Act is:

- a) Exhaustive
- b) Inclusive
- c) Exclusive
- d) Not clear

52. A document issued by a warehouse keeper or a wharfinger stating that the goods specified in the document are in his warehouse is called:

- a) Dock warrant
- b) Bill of lading
- c) A warehouse keeper's or wharfinger's certificate
- d) Delivery order

53. As per Sec 5(1) of the Sale of Goods Act, 1930 which of the following is a recognized mode of a contract of sale? The price and delivery of goods may be:

- a) Postponed
- b) Agreed to be made in installments
- c) Agreed to be made immediately
- d) All of these

54. The 'agreement to sell' becomes 'sale' when:

- a) The conditions are satisfied
- b) The parties agree to change the terms of agreement

- c) When the court orders
- d) When the agreement is in writing

55. Under the Sale of Goods Act, 1930, the term 'Mercantile Agent' means a mercantile agent, having as such agent, authority to:

- a) Sell goods or consign goods for the purpose of sale
- b) Buy goods
- c) Raise money on the security of goods
- d) All of the above

56. Sec 19 of the Sale of Goods Act, 1930, deals with passing of property of:

- a) Unascertained goods
- b) Future goods
- c) Ascertained or specific goods
- d) Contingent goods

57. Pledging of goods obtained on sale or return basis will:

- a) Complete the sale
- b) Not the sale
- c) Complete agreement to sale
- d) None of the above

58. Sale of Goods Act, 1930 deals with:

- a) Cash Sale
- b) Credit Sale

- c) Hire Purchase sale
- d) Sale of goods in general

59. Goods that are identified and agreed upon at the time of contract of sale are known as:

- a) Specific goods
- b) Future goods
- c) Generic goods
- d) Existing goods

60. Under Sec 2(7) of the Sale of Goods Act, 1930 the term goods does not include:

- a) Stock and share
- b) Growing crops
- c) Grass
- d) Neither (a) nor (b) nor (c)

61. A valid contract of sale:

- a) Includes contract for work and labour
- b) Does not include 'an arrangement to sell'
- c) Includes hire purchase contract
- d) Includes 'an arrangement to sell'

62. Transfer of documents of title to the goods sold to the buyer, amounts to:

- a) Actual delivery
- b) Symbolic delivery

- c) *Constructive delivery*
- d) *None of the above*

63. *Right of stoppage in transit can be exercised by the unpaid seller where he:*

- a) *Has lost his right of lien*
- b) *Still enjoys the right of lien*
- c) *Either (a) or (b)*
- d) *Neither (a) nor (b)*

64. *Right of stoppage in transit can be exercised by the unpaid seller by:*

- a) *Taking actual possession of goods*
- b) *Giving notice of his claim to the carrier/bailee who holds the goods*
- c) *Either (a) or (b)*
- d) *Both (a) and (b)*

65. *'Goods' means:*

- a) *Every kind of movable property other than actionable claims and money*
- b) *Some kinds of immovable property only*
- c) *Every kind of movable property including actionable claims and money*
- d) *Both (a) and (b)*

66. *'Future Goods':*

- a) *Can be subject matter of sale*
- b) *Cannot be subject matter of sale*
- c) *Sometimes may be the subject matter of sale*
- d) *Depends on circumstances*

67. The doctrine of caveat emptor is not applicable:
- a) In case of sale under a patent name
  - b) In case of sale under a trade name
  - c) Where the seller is guilty of fraud
  - d) All of the above
68. Unpaid seller can exercise his right of withholding delivery of goods:
- a) Even when property in goods has passed to the buyer
  - b) Only when property in goods has not passed to the buyer
  - c) Either (a) or (b)
  - d) Neither (a) nor (b)
69. Seller can raise the price by fictitious bids in an auction sale with the help of:
- a) Pretended bidding
  - b) Puffers
  - c) Agent
  - d) Broker
70. Mr. A has obtained a mobile set from Mr. B by fraud. Mr. A has a voidable title at the option of Mr. B. Before Mr. B could rescind the contract, Mr. A sold the same to Mr. C who purchased from Mr. A in good faith and without knowledge of fraud by Mr. A and paid for it. In this case:
- a) Mr. C has a good title to the goods
  - b) Mr. B has a good title
  - c) Mr. C has no right
  - d) None of the above

71. Right of stoppage in transit can be exercised by the unpaid seller where the buyer:
- a) Solvent
  - b) Becomes solvent
  - c) Acts fraudulently
  - d) None of the above
72. Merchantable quality of goods means:
- a) That the goods are commercially saleable
  - b) They are fit for the purpose for which they are generally used
  - c) Both (a) and (b)
  - d) The quality should be of high standard
73. Which of the statement is incorrect in connection with duties of seller and buyer:
- a) It is the duty of the seller to deliver the goods
  - b) It is the duty of the buyer to accept and pay for them
  - c) It is not the duty of the seller to deliver the goods
  - d) It is the duty of the buyer to take delivery of goods
74. A finder of goods can sell the goods if:
- a) The goods are ascertained
  - b) The goods are unascertained
  - c) The goods are valuable
  - d) The goods are perishable
75. Whether a stipulation is a condition or a warranty depends on:
- a) The construction of the contract

b) *The conduct of the parties*

c) *The trade custom*

d) *The local law*

76. *A agrees to buy 200 lts of oil from B in place of cotton. It is a:*

a) *Barter sale*

b) *Hire purchase of sale*

c) *Installment purchase*

d) *None of the above*

77. *Select the odd one:*

a) *Sale by Estoppel*

b) *Sale by Mercantile Agent*

c) *Sale by Power of Attorney holder*

d) *Sale by Joint owner*

78. *Select the odd one about delivery:*

a) *Actual*

b) *Symbolic*

c) *Conditional*

d) *Constructive*

Q. No.	Correct Option	Q. No.	Correct Option	Q. No.	Correct Option	Q. No.	Correct Option
1	b	26	b	51	b	76	a
2	a	27	b	52	c	77	d
3	b	28	b	53	d	78	c
4	b	29	d	54	a		
5	a	30	b	55	d		
6	b	31	d	56	c		
7	a	32	d	57	a		
8	d	33	a	58	d		
9	a	34	b	59	a		
10	b	35	a	60	a		
11	b	36	b	61	d		
12	b	37	c	62	c		
13	a	38	b	63	a		
14	b	39	b	64	b		
15	b	40	d	65	a		
16	d	41	b	66	a		
17	a	42	d	67	d		
18	b	43	c	68	b		
19	d	44	d	69	b		
20	c	45	b	70	a		
21	b	46	d	71	d		
22	b	47	c	72	c		
23	a	48	d	73	c		
24	d	49	c	74	d		
25	a	50	a	75	a		



## THE NEGOTIABLE INSTRUMENTS ACT 1881

1. A Bill of Lading is: (MQP Dec 24 - Set 2)
  - a) Promissory Note
  - b) Cheque
  - c) Document of Title to Goods
  - d) None of these
  
2. A promissory note contains: (MQP Dec 24 - Set 2)
  - a) Unconditional undertaking
  - b) Unconditional order
  - c) Conditional promise
  - d) None of these
  
3. A bill of exchange is: (MQP Dec 24 - Set 2)
  - a) An unconditional undertaking
  - b) An unconditional order
  - c) A conditional order
  - d) None of these
  
4. Cheque is defined under Section \_\_\_\_ of the Negotiable Instruments Act, 1881: (MQP Dec 24 - Set 2)
  - a) 5
  - b) 6
  - c) 13
  - d) 118

5. Negotiation means transfer of a negotiable instrument to any person so as to constitute him the: (MQP Dec 24 - Set 2)
- a) Owner
  - b) Payee
  - c) Holder
  - d) Endorsee
6. An ambiguous instrument may be treated as either a promissory note or a bill of exchange at the option of the: (MQP Dec 24 - Set 2)
- a) Drawer
  - b) Maker
  - c) Holder
  - d) Acceptor
7. In a negotiable instrument, amount payable must be: (MQP Dec 24 - Set 2)
- a) Certain
  - b) Uncertain
  - c) Contingent
  - d) Approximate
8. Every negotiable instrument is presumed to have been made or drawn for: (MQP Dec 24 - Set 2)
- a) Gift
  - b) Consideration
  - c) Charity
  - d) Loan

9. A cheque is valid for a period of: (MQP Dec 25)
- a) 3 months
  - b) 6 months
  - c) 12 months
  - d) 1 month
10. Which of the following is not a negotiable instrument? (MQP Dec 25)
- a) Promissory note
  - b) Bill of exchange
  - c) Cheque
  - d) Share certificate
11. A promissory note must be: (MQP Dec 25)
- a) Oral
  - b) In writing
  - c) Implied
  - d) Registered
12. Crossing of cheque is done to: (MQP Dec 25)
- a) Stop payment
  - b) Increase safety
  - c) Cancel cheque
  - d) Transfer ownership
13. A holder in due course must acquire the instrument: (MQP Dec 25)
- a) After maturity

- b) Before maturity
- c) Without consideration
- d) By force

14. Dishonour of cheque due to insufficiency of funds is governed by: (MQP Dec 25)

- a) Indian Contract Act
- b) Sale of Goods Act
- c) Negotiable Instruments Act
- d) Companies Act

15. Negotiable Instruments Act, 1881 deals with:

- a) Bills of exchange
- b) Promissory notes
- c) Cheques
- d) All of these

16. Promissory note is defined under Section:

- a) 4
- b) 5
- c) 6
- d) 7

17. Bill of exchange is defined under Section:

- a) 4
- b) 5

c) 6

d) 8

18. *Cheque is defined under Section:*

a) 4

b) 5

c) 6

d) 7

19. *Crossing of cheque is governed under Section:*

a) 123

b) 124

c) 125

d) 126

20. *A bearer instrument can be negotiated by:*

a) Delivery

b) Endorsement

c) Registration

d) Agreement

21. *An order instrument is negotiated by:*

a) Delivery only

b) Endorsement only

c) Endorsement and delivery

d) Registration

22. *Holder in due course is defined under Section:*

a) 8

b) 9

c) 10

d) 11

23. *A minor can draw, endorse and deliver negotiable instrument but cannot:*

a) Be payee

b) Be holder

c) Be liable

d) Be drawer

24. *Dishonour of cheque due to insufficiency of funds is covered under Section:*

a) 137

b) 138

c) 139

d) 140

25. *A promissory note must be:*

a) Oral

b) In writing

c) Registered

d) Stamped only

26. *Consideration in promissory note must be:*

a) Lawful

b) Unlawful

c) Illegal

d) Void

27. Acceptance of bill of exchange must be:

a) Oral

b) Written

c) Implied

d) Registered

28. A cheque is payable on:

a) Demand

b) Future date only

c) After 3 months

d) After acceptance

29. Crossing of cheque can be:

a) General

b) Special

c) Restrictive

d) All of these

30. Holder means person entitled in his own name to:

a) Possess instrument

b) Receive payment

c) Transfer instrument

d) Sue only

31. Endorsement means:

a) Signing on face of instrument

b) Signing on back of instrument

c) Registration

d) Stamping

32. Risk prima facie passes with:

a) Possession

b) Ownership

c) Payment

d) Delivery

33. A promissory note must contain:

a) Unconditional promise

b) Conditional promise

c) Request

d) Order

34. A bill of exchange must contain:

a) Unconditional order

b) Conditional order

c) Request

d) Suggestion

35. Acceptance of bill may be:

- a) General
- b) Qualified
- c) Both
- d) None

36. Noting and protesting are related to:

- a) Promissory note
- b) Bill of exchange
- c) Cheque
- d) Bond

37. Gift must be:

- a) Oral
- b) Registered
- c) Notarized
- d) Implied

38. Crossing of cheque ensures:

- a) Payment in cash
- b) Payment through bank
- c) Immediate encashment
- d) No endorsement

39. Holder in due course gets:

- a) Better title

- b) Same title
- c) No title
- d) Conditional title

40. Power of attorney creates:

- a) Ownership
- b) Agency
- c) Partnership
- d) Guarantee

41. Cheque marked "A/C Payee" is:

- a) Generally crossed
- b) Specially crossed
- c) Restrictively crossed
- d) Bearer cheque

42. Dishonour of cheque must be reported within:

- a) 15 days
- b) 30 days
- c) 45 days
- d) 60 days

43. Notice of dishonour is given to:

- a) Drawer
- b) Endorser

c) Both

d) None

44. A promissory note contains: (MQP Dec 23)

a) Unconditional undertaking

b) Conditional undertaking

c) Order to pay

d) Request

45. A bill of exchange contains: (MQP Dec 23)

a) Unconditional undertaking

b) Unconditional order

c) Conditional order

d) None

46. A cheque is defined under Section: (MQP Dec 23)

a) 5

b) 6

c) 13

d) 118

47. Negotiable instrument is defined under Section: (MQP Dec 23)

a) 12

b) 13

c) 14

d) 15

48. Negotiation means transfer to constitute transferee as: (MQP Dec 23)
- a) Owner
  - b) Holder
  - c) Payee
  - d) Maker
49. Amount payable in negotiable instrument must be: (MQP Dec 23)
- a) Certain
  - b) Approximate
  - c) Uncertain
  - d) Conditional
50. A holder in due course must obtain instrument: (MQP Dec 23)
- a) After maturity
  - b) Before maturity
  - c) After dishonour
  - d) Without consideration
51. Sale is transfer of ownership in exchange for:
- a) Money
  - b) Goods
  - c) Services
  - d) Promise
52. The undertaking contained in a promissory note, to pay a certain sum of money is
- a) Conditional

- b) Unconditional
- c) May be conditional or unconditional depending upon the circumstances
- d) None of the above

53. A bill of exchange contains a/an

- a) Unconditional undertaking
- b) Unconditional order
- c) Conditional undertaking
- d) Conditional order

54. Cheque is a

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

55. The term 'Negotiable instrument' is defined in the Negotiable Instruments Act, 1881, under section

- a) 12
- b) 13
- c) 13A
- d) 2(d)

56. The term 'negotiation' in section 14 of the Negotiable Instruments Act, 1881 refers to

- a) The transfer of a bill of exchange, promissory note or cheque to any person, so as to constitute the person the holder thereof

- b) The payment by a bank on a negotiable instrument after due verification of the instrument
- c) The bargaining between the parties to a negotiable instrument
- d) All of the above
57. 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
58. If a minor draws, endorses, delivers or negotiates an instrument, such instrument binds
- a) All parties to the instrument including the minor
- b) Only the minor and not other parties to the instrument
- c) All parties to the instrument except the minor
- d) None of the above
59. In a promissory note, the amount of money payable
- a) Must be certain
- b) May be certain or uncertain
- c) Is usually uncertain
- d) None of the above

60. A cheque is crossed when it bears across its face an addition of the name of a banker, either with or without the words "not negotiable".
- a) Specially
  - b) General
  - c) Restrictive
  - d) None of the above
61. Under section 118 of the Negotiable Instruments Act, 1881, it is presumed, until the contrary is proved, that every transfer of a negotiable instrument was made
- a) After its maturity
  - b) Before its maturity
  - c) At its maturity
  - d) None of the above
62. Who among the following cannot cross a cheque?
- a) Drawer
  - b) Holder
  - c) Banker
  - d) None of the above
63. The presumption as to the date of a negotiable instrument under section 118 is that, every negotiable instrument bearing a date was made or drawn
- a) Prior to that date
  - b) On such date
  - c) May be on or prior to that date
  - d) None of the above

64. 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) Shall not pay it to a banker
  - d) None of the above
65. The Negotiable Instrument Act is applicable to—
- a) Whole of India
  - b) Whole of India except JK state
  - c) Whole of India except J & Kashmir city
  - d) None of the above
66. The Negotiable Instruments Act, 1881 came into force on
- a) 9th December, 1881
  - b) 19th December, 1881
  - c) 1st March, 1882
  - d) None of the above
67. Which of these is not a negotiable Instrument as per the Negotiable Instrument Act, 1881
- a) Bill of exchange
  - b) Delivery note
  - c) Bearer Cheque
  - d) Share certificate

68. \_\_\_\_\_ is not a negotiable instrument as per customs and usage
- a) Delivery note
  - b) Railway Receipt
  - c) Crossed Cheque
  - d) Government promissory note
69. An instrument incomplete in one way or other is called
- a) Inchoate Instrument
  - b) Ambiguous instrument
  - c) Foreign Instrument
  - d) Dishonored Instrument
70. Cheque is a
- a) Promissory note
  - b) Bill of exchange
  - c) Both (a) and (b) above
  - d) None of the above
71. A Corporation can be party to a Negotiable Instrument if
- a) Authorized by its article of association
  - b) If special permission of Board of Directors taken
  - c) If special resolution by Share holders is passed
  - d) Absolutely without any restrictions
72. The grace period for payment of a negotiable instrument other than payable on demand is \_\_\_ days/months

- a) 7 days
- b) 3 days
- c) 1 month
- d) 15 days

73. The term "a cheque in the electronic form" is defined in the Negotiable Instruments Act, 1881 - under

- a) Section 6(a)
- b) Section 6(1)(a)
- c) Explanation 1(a) of Section 6
- d) Section 6A

74. How many parties are involved in a Bill of Exchange

- a) 2
- b) 3
- c) 4
- d) 1

75. A promissory note, bill of exchange or cheque drawn or made in India and made payable in, or drawn upon any person resident in, India is treated as a/an -

- a) Inland instrument
- b) Local instrument
- c) Foreign instrument
- d) Indigenous instrument

76. A cheque is always payable on:
- a) The date mentioned therein
  - b) On demand
  - c) 3 days after presentation
  - d) Within 24 hrs of presentation
77. When a cheque is payable across the counter of a bank it is called
- a) OTC cheque
  - b) Open cheque
  - c) Crossed cheque
  - d) Restricted cheque
78. Promissory note must be:
- a) In writing
  - b) Unconditional
  - c) Signed by the maker
  - d) All the above
79. Crossing of a Cheque effects the
- a) Negotiability of the cheque
  - b) Mode of payment on the cheque
  - c) Both (a) and (b)
  - d) None of the above
80. When a promissory note, Bill of Exchange or Cheque is transferred to any person, so as to constitute the person the holder thereof, the instrument is said -

- a) To be valid
- b) To be endorsed
- c) To be transferred
- d) To be negotiated

81. When an instrument is drawn conditionally or for a special purpose as a collateral security and not for the purpose of transferring property therein it is called a -

- a) Escrow instrument
- b) Inchoate instrument
- c) Ambiguous instrument
- d) Clean & documentary bill

82. A bearer instrument is negotiated by -

- a) Delivery only
- b) Delivery and endorsement
- c) Stamping and attestation
- d) It cannot be negotiated

83. A bill of exchange contains a/an -

- a) Unconditional undertaking
- b) Unconditional order
- c) Conditional undertaking
- d) Conditional order

84. Liability of drawer to compensate the holder in case of dishonor is primarily provided under.

- a) Section 30
- b) Section 29
- c) Section 31
- d) Section 32

85. Which are not an essential to cheque?

- a) A cheque can be drawn on bank where the drawer has an account
- b) Cheques may be payable to the drawer himself
- c) The banker is liable only to the drawer
- d) None of the above

86. A Promissory note is not a document of Title of Goods:

- a) True
- b) False
- c) Partly True
- d) Conditionally True

87. \_\_\_\_\_ is an instrument in writing containing an unconditional undertaking signed by the maker to pay a certain sum of money only to or to the order of a certain person, or to the bearer -

- a) Promissory note
- b) Bill of Exchange
- c) Inchoate instrument
- d) None of the above

88. "Banker" includes:

- a) Any person acting as an employee of any bank and any post office saving bank
- b) Any person acting as a banker and any post office saving bank
- c) Any person acting as an agent of any bank and any post office saving bank
- d) Any person acting as a Managing Director of any bank and any post office saving bank

89. Which is NOT an example of "Promissory Note":

- a) "I acknowledge myself to be indebted to B in 1,000 to be paid on demand, To value received." b) "Mr B, I.O.U 1,000."
- c) "I promise to pay B or order ` 500."
- d) None of the above

90. Which is NOT correct about the "Promissory Note":

- a) It contains a conditional undertaking
- b) It contains the amount mentioned on it
- c) It is an instrument in writing
- d) It is signed by the maker

91. Which is a "Promissory Note"

- a) I promise to pay B 500 and to deliver to him my black horse on 1st January next
- b) I promise to pay B 500 seven days after my marriage with C
- c) "I acknowledge myself to be indebted to B in 1,000, to be paid on demand, for value received." d) I promise to pay B 500 on D's death, provided D leaves me enough to pay that sum



92. Section 5 of the NI Act deals with

a) Bills of Exchange

b) Holder in due course

c) Cheque

d) Promissory Note

Q. No.	Correct Option	Q. No.	Correct Option	Q. No.	Correct Option	Q. No.	Correct Option
1	c	26	a	51	a	76	b
2	a	27	b	52	b	77	b
3	b	28	a	53	b	78	d
4	b	29	d	54	b	79	b
5	c	30	b	55	b	80	d
6	c	31	b	56	a	81	a
7	a	32	d	57	b	82	a
8	b	33	a	58	c	83	b
9	a	34	a	59	a	84	a
10	d	35	c	60	a	85	d
11	b	36	b	61	b	86	a
12	b	37	b	62	d	87	a
13	b	38	b	63	b	88	b
14	c	39	a	64	a	89	b
15	d	40	b	65	a	90	a
16	a	41	c	66	b	91	c
17	b	42	b	67	c	92	a
18	c	43	c	68	a		
19	d	44	a	69	a		
20	a	45	b	70	b		
21	c	46	b	71	a		
22	b	47	b	72	b		
23	c	48	b	73	c		
24	b	49	a	74	b		
25	b	50	b	75	a		



**BUSINESS COMMUNICATION**

1. *The communication of acceptance is complete as against the proposer when it is: (MQP Dec 24 - Set 2)*
  - a) *Put in course of transmission*
  - b) *Received by proposer*
  - c) *Understood by proposer*
  - d) *None of these*
  
2. *Communication from superior to subordinate is called: (MQP June 24)*
  - a) *Upward*
  - b) *Downward*
  - c) *Lateral*
  - d) *Diagonal*
  
3. *Communication among same level employees is: (MQP June 24)*
  - a) *Vertical*
  - b) *Downward*
  - c) *Lateral*
  - d) *Upward*
  
4. *Grapevine communication is: (MQP June 24)*
  - a) *Formal*
  - b) *Informal*
  - c) *Official*
  - d) *Written*

5. In debate, a participant speaks: (MQP June 24)
- a) For and against
  - b) Only for
  - c) Either for or against
  - d) Casually
6. Presentation provides: (MQP June 24)
- a) Confusion
  - b) Bird's eye view
  - c) Informal talk
  - d) Casual discussion
7. Personal selling involves: (MQP June 24)
- a) Face to face interaction
  - b) Mass communication
  - c) Written communication
  - d) None
8. Coupons and samples fall under: (MQP June 24)
- a) Advertising
  - b) Sales promotion
  - c) Public relations
  - d) Branding
9. Negative publicity results in: (MQP June 24)
- a) Positive PR

- b) Negative PR  
c) Branding  
d) Promotion
10. Communication of proposal is complete when it: (MQP June 24)  
a) Comes to knowledge of offeree  
b) Is posted  
c) Is written  
d) Is signed
11. Communication of proposal is complete when: (MQP Dec 23)  
a) It is posted  
b) It is written  
c) It comes to knowledge of offeree  
d) It is signed
12. Communication from superior to subordinate is: (MQP Dec 23)  
a) Upward  
b) Downward  
c) Lateral  
d) Diagonal
13. Communication among same level employees is: (MQP Dec 23)  
a) Vertical  
b) Downward

- c) Lateral
- d) Upward

14. Grapevine communication is: (MQP Dec 23)

- a) Formal
- b) Informal
- c) Official
- d) Written

15. In debate, a participant speaks: (MQP Dec 23)

- a) For and against
- b) Only for
- c) Either for or against
- d) Casually

16. Presentation provides: (MQP Dec 23)

- a) Confusion
- b) Bird's eye view
- c) Informal talk
- d) Casual discussion

17. Personal selling involves: (MQP Dec 23)

- a) Face to face interaction
- b) Mass communication
- c) Written communication
- d) None

18. Coupons and samples fall under: (MQP Dec 23)
- a) Advertising
  - b) Sales promotion
  - c) Public relations
  - d) Branding
19. Negative publicity results in: (MQP Dec 23)
- a) Positive PR
  - b) Negative PR
  - c) Branding
  - d) Promotion
20. Communication of acceptance is complete against proposer when: (MQP Dec 23)
- a) It is posted
  - b) It is received
  - c) It is written
  - d) It is signed
21. Negative publicity of a company results in: (MQP Dec 24 - Set 2)
- a) Positive PR
  - b) Negative PR
  - c) Branding
  - d) Promotion
22. Business communication helps in building: (MQP Dec 24 - Set 2)
- a) Professionalism

b) *Misunderstanding*

c) *Conflict*

d) *Negligence*

23. *A contract without consideration is: (MQP Dec 24 - Set 2)*

a) *Valid*

b) *Void*

c) *Voidable*

d) *Illegal*

24. *An agreement enforceable by law is called: (MQP Dec 24 - Set 2)*

a) *Promise*

b) *Contract*

c) *Proposal*

d) *Offer*

25. *Specific goods mean goods: (MQP Dec 24 - Set 2)*

a) *Identified and agreed upon at the time of contract*

b) *To be manufactured*

c) *Not in existence*

d) *Generic goods*

26. *The right of lien is available to: (MQP Dec 24 - Set 2)*

a) *Unpaid seller*

b) *Paid seller*

- c) Buyer
- d) Carrier

27. A cheque is always payable on: (MQP Dec 24 - Set 2)

- a) Demand
- b) Maturity
- c) After 3 days
- d) After 7 days

28. A promissory note must be signed by the: (MQP Dec 24 - Set 2)

- a) Payee
- b) Drawer
- c) Maker
- d) Holder

29. The drawee of a cheque is: (MQP Dec 24 - Set 2)

- a) Bank
- b) Drawer
- c) Payee
- d) Endorsee

30. A minor's agreement is: (MQP Dec 24 - Set 2)

- a) Valid
- b) Void
- c) Voidable
- d) Illegal

31. *The doctrine of caveat emptor means: (MQP Dec 24 - Set 2)*
- a) *Seller beware*
  - b) *Buyer beware*
  - c) *Goods beware*
  - d) *Law beware*
32. *Communication through grapevine is: (MQP Dec 24 - Set 2)*
- a) *Formal*
  - b) *Informal*
  - c) *Written*
  - d) *Official*
33. *Communication flowing from superior to subordinate is known as: (MQP Dec 24 - Set 2)*
- a) *Upward Communication*
  - b) *Downward Communication*
  - c) *Diagonal Communication*
  - d) *Informal Communication*
34. *Communication between employees of same level is called: (MQP Dec 24 - Set 2)*
- a) *Downward Communication*
  - b) *Upward Communication*
  - c) *Lateral Communication*
  - d) *Vertical Communication*

35. In a debate, a participant must speak: (MQP Dec 24 - Set 2)

- a) On both sides
- b) Only in favour
- c) Either for or against
- d) Casually

36. Presentation is useful because it gives: (MQP Dec 24 - Set 2)

- a) Confusion
- b) Detailed clarity
- c) Irrelevant information
- d) Informal talk

37. Personal selling involves: (MQP Dec 24 - Set 2)

- a) Mass communication
- b) Face-to-face communication
- c) Written communication
- d) None of these

38. Coupons and samples are examples of: (MQP Dec 24 - Set 2)

- a) Advertising
- b) Sales promotion
- c) Public relation
- d) Direct marketing

39. Communication that originates at a lower level and flows to a higher level is called -

- a) Upward Communication

- b) Diagonal Communication  
c) Downward Communication  
d) None of the above
40. Communication among employees at the same level in the organizational structure is called -  
a) Grapevine Communication  
b) Diagonal Communication  
c) Lateral Communication  
d) None of the above
41. Which of the following should be avoided in the Group discussion?  
a) Positive body language  
b) Leadership initiative  
c) False statements  
d) Confidence
42. Which business communication usage provides a bird's eye view on a matter?  
a) Speech  
b) Group Discussion  
c) Debate  
d) Presentation
43. In which business communication, a speaker has to clearly speak for or against a topic?  
a) Presentation

- b) Debate
- c) Speech
- d) Group discussion

44. Includes face to face interaction with customers for closing the sale?

- a) Sales promotion
- b) Advertising
- c) Direct marketing
- d) Personal Selling

45. Use of coupons and samples come under which mode of marketing communication?

- a) Sales promotion
- b) Advertising
- c) Personal selling
- d) Direct marketing

46. What is the situation called when a bad image of the company is created?

- a) Positive PR
- b) Negative PR
- c) Customer service
- d) Promotion

47. Business communications help in establishing \_\_\_\_\_ when marketing

- a) Professionalism
- b) Rudeness

- c) Negativity  
d) Casualness
48. Participants involved in the process of communication must be \_\_\_\_\_.
- a) Judgemental  
b) Open-minded  
c) Both a and b  
d) None of the above
49. Which of the following is not one of the 8C's of communication?
- a) Curiousness  
b) Conciseness  
c) Considerate  
d) Concreteness
50. Need of proper grammar and syntax comes under which C of communication?
- a) Completeness  
b) Coherence  
c) Courteous  
d) Correctness
51. A cloud computing is availability of computer resources?
- a) Off demand  
b) From demand  
c) On demand  
d) None of the above

52. The cost incurred in interacting with customers via video call has been \_\_\_\_\_?

- a) Constant
- b) Reduced
- c) Increased
- d) None of the above

53. Providing Frequently Asked Questions (FAQs) to customers result in which of the following benefits of internet communication?

- a) Support care
- b) Professional presentation
- c) Personal touch
- d) None of the above

54. Professional behaviour includes behave in a \_\_\_\_\_ manner in the workplace?

- a) Neutral
- b) Positive
- c) Negative
- d) None of the above

55. Business attire refers to \_\_\_\_\_ in a professional conduct?

- a) Manners
- b) Qualities
- c) Clothing
- d) None of the above

56. It is \_\_\_\_\_ to interrupt people while they are speaking?
- a) Polite
  - b) Desirable
  - c) Rude
  - d) None of the above
57. At the end of the day, who needs to be satisfied?
- a) Company
  - b) Customers
  - c) Suppliers
  - d) None of the above
58. Writing is \_\_\_\_\_ in nature?
- a) Personal
  - b) Impersonal
  - c) Neutral
  - d) None of the above
59. Which of the following skills is the most important for professionals like editors?
- a) Oral skills
  - b) Writing Skills
  - c) Presenting skills
  - d) None of the above
60. In which type of letter, buyers want to know the price and quality of the goods they are willing to buy?

a) Quotation

b) Enquiry

c) Complaint

d) Order

61. How many reports are there on the basis of legality?

a) 2

b) 3

c) 1

d) None of the above

62. A stage wherein member have spotted the differences in their cultures and they look upon these differences as negatives is called \_\_\_\_\_.

a) Minimization

b) Integration

c) Denial

d) None of the above

63. Mr. A and Mr. B belong to two distinct cultural backgrounds. Mr. B believes that his culture is superior compared to the culture of Mr. A. This phenomenon is known as \_\_\_\_\_.

a) Defence

b) Ethnocentrism

c) Denial

d) None of the above

64. \_\_\_\_\_ stage at which members learn to accept each other's culture however they still remain devoted to their own respective cultures
- a) Adoption
  - b) Integration
  - c) Denial
  - d) Minimization
65. Recognizing the different types of cultures, the similarities and differences between them without being judgemental is called \_\_\_\_\_.
- a) Acceptance
  - b) Cultural Sensitivity
  - c) Adoption
  - d) Integration
66. Which of the following is not an example of a physical communication barrier?
- a) Telephonic Disturbances
  - b) Distance
  - c) Background noises
  - d) Language
67. Excessive usage of technical jargons and double meaning words are what type of barrier?
- a) Semantic Barriers
  - b) Psychological Barriers
  - c) Physical Barriers
  - d) None of the above

68. Information Overload is when \_\_\_\_\_.
- a) Listener gets inadequate information
  - b) Listener gets too much information
  - c) Listener gets adequate information
  - d) Listener is inattentive
69. What does interpersonal communication mean?
- a) Communication with ourselves
  - b) Communication with other
  - c) Both (a) & (b)
  - d) None of the above
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- a) Communication with ourselves
- b) Communication with other
- c) Both (a) & (b)
- d) None of the above

77. Which is not a communication flow?

- a) Upward
- b) Horizontal
- c) Vertical
- d) Diagonal

78. Which is a barrier to communication?

- a) True assumption
- b) Trust and confidence
- c) Planned way
- d) Ambiguity

79. Facial expression; gestures; eye contact; nodding the head and physical appearance are the form of

- a) Verbal communication
- b) Oral communication
- c) Non verbal communication
- d) Visual communication

80. Which communication is essential for insuring mutual co-operation and understanding between departments?
- a) Sound communication
  - b) Organizational communication
  - c) Persuasive communication
  - d) Oral communication
81. Flow of messages through several networks
- a) Sound communication
  - b) Organizational communication
  - c) Persuasive communication
  - d) Written communication
82. Which form of communication has a strong cultural context?
- a) Verbal communication
  - b) Non verbal communication
  - c) Both (a) & (b)
  - d) Oral communication
83. An advantage of oral communication is
- a) Partial listening
  - b) Effective tool of persuasion in Management
  - c) One sided activity
  - d) No record of legal liability

84. Press release, Radio, presentation, video conferencing. Which of these is odd?
- a) Presentation
  - b) Video conferencing
  - c) Both (a) & (b)
  - d) Press release
85. Coherent Presentation is an important factor of communication here 'coherent' stands for
- a) Clear
  - b) Easy & soft
  - c) Soft
  - d) None
86. Which factor is not in consideration while choosing means & mode of communication?
- a) Cost factor
  - b) Nature & weather of locality
  - c) Resources
  - d) Distance involved
87. Memo, Fax, Circulars, Manuals, Emails. Which of these cannot be used for external communication?
- a) Circulars
  - b) Manuals
  - c) Memo
  - d) All of the above

88. Which of the following is not an advantage of written communication?

- a) More time consuming
- b) Accurate and precise
- c) Can be easily revised
- d) Sufficient time for planning

89. Oral communication includes

- a) Tape recorder
- b) Flip charts
- c) Intercom
- d) Both (a) and (c)

90. Which of the following is a disadvantage of oral communication?

- a) Saves time
- b) Economical
- c) No record for future preference
- d) None of these

91. Visual communication includes

- a) Maps
- b) Slider
- c) Graphs
- d) All of the above

92. Which of the following is not a type of audio visual communication?

- a) Cinema

- b) Video conferencing
- c) Neon hoardings
- d) All of the above

93. Office orders have a format similar to that of

- a) Press release
- b) Representation
- c) Advertisement
- d) Memorandum

94. Which of the following is not a form of intra-organizational communication?

- a) Representation
- b) Memorandum
- c) Press release
- d) Office notes

95. Difference between sales letter and a circular is

- a) Subtitle
- b) Salutation
- c) Introduction
- d) Conclusion

96. Which of the following feature specifically does not relate to advertisement?

- a) Inviting tender
- b) Hike in prices

- c) *Placing an order*
- d) *Recruitment of personnel*

97. *Which of the following is not the heading of a classified?*

- a) *Business offer*
- b) *Situation vacant*
- c) *Situation wanted*
- d) *Situation sale*

98. *Which type of letter is not goodwill letter?*

- a) *Thank you letter*
- b) *Condolence letter*
- c) *Letter of complaint*
- d) *Letter of sympathy*

99. *Which of these terms and conditions are not present in the letter of appointment?*

- a) *Place of operation*
- b) *Remuneration*
- c) *Probation*
- d) *None of these*

100. *\_\_\_\_\_ is the biggest example of paid communication*

- a) *Advertisement*
- b) *Publicity*
- c) *Letters*
- d) *All of these*

101. Which of these is an essential feature required for advertisement?

- a) Exposure
- b) Perseverance
- c) Retention
- d) All of these

102. \_\_\_\_\_ is a record of one's personal and professional detail

- a) Curriculum vitae
- b) Bio-data
- c) Data sheet
- d) All of the above

103. Select which from the following is not a type of advertisement

- a) Hike in price
- b) Inviting tenders
- c) Stunts performed by actors
- d) Recruitment of personnel

104. Sanction letter is required in which type of loan?

- a) Term loan
- b) Overdraft
- c) Cash credit
- d) All of the above

105. Proforma invoice is used for which purpose

- a) Helps the company for calculation of duties and taxes payable

- b) Used as quotation
- c) Both (a) & (b)
- d) None of the above

106. Banking require letter writing for following service

- a) Overdraft limit
- b) Dividend
- c) Postal authorities
- d) Policy renewal

107. Memos may relate to

- a) Show cause notice
- b) Charge sheet
- c) Both (a) & (b)
- d) None of the above

108. Office order do not include

- a) Order No
- b) Subject
- c) Date
- d) Under signed

109. \_\_\_\_\_ does not have salutation and complimentary close

- a) Memo
- b) Office order

- c) Office note
- d) None of the above

110. \_\_\_\_\_ is not a type of intra organizational communication

- a) Advertisement
- b) Office order
- c) Office note
- d) Office circular

111. \_\_\_\_\_ letters are necessary to be written on a letter head

- a) Office notes
- b) Representation to management
- c) Correspondence with regional office
- d) Office orders

112. Which of these is not a mode of address for any letter?

- a) To a tradesman
- b) To a child
- c) To a firm
- d) To professional men

113. Which of these should not be present in a business letter?

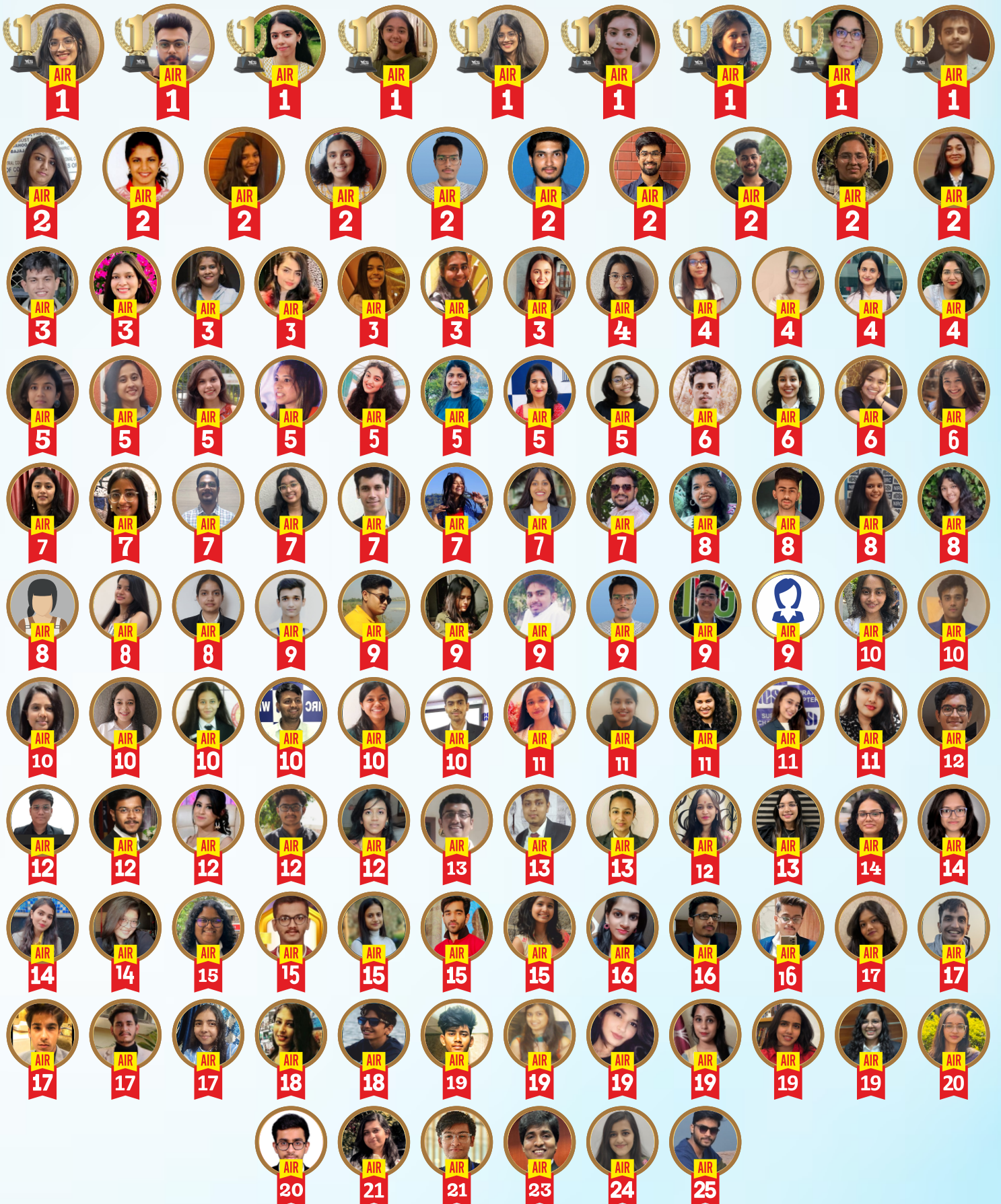
- a) The name of firm or business man
- b) The date
- c) Business jargon
- d) Courteous leave taking

Q. No.	Correct Option	Q. No.	Correct Option	Q. No.	Correct Option	Q. No.	Correct Option	Q. No.	Correct Option
1	b	26	a	51	c	76	b	101	d
2	b	27	a	52	b	77	d	102	d
3	c	28	c	53	a	78	d	103	a
4	b	29	a	54	b	79	c	104	d
5	c	30	b	55	c	80	b	105	c
6	b	31	b	56	c	81	b	106	a
7	a	32	b	57	b	82	b	107	c
8	b	33	b	58	b	83	b	108	d
9	b	34	c	59	b	84	d	109	b
10	a	35	c	60	b	85	a	110	a
11	c	36	b	61	a	86	b	111	c
12	b	37	b	62	c	87	d	112	b
13	d	38	b	63	b	88	a	113	c
14	b	39	a	64	b	89	d		
15	a	40	c	65	b	90	c		
16	b	41	c	66	d	91	d		
17	a	42	d	67	a	92	c		
18	b	43	b	68	b	93	d		
19	b	44	d	69	b	94	c		
20	b	45	a	70	b	95	b		
21	b	46	b	71	b	96	b		
22	a	47	a	72	b	97	d		
23	b	48	b	73	d	98	c		
24	b	49	a	74	a	99	d		
25	a	50	d	75	b	100	a		



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**CS Vasudev Gyanchandani**

As a committed professional and educator, he strongly believes that effective learning is achieved when theoretical knowledge is seamlessly integrated with practical application. His teaching philosophy focuses on building a strong understanding of corporate governance, legal compliance, and commercial awareness, enabling students to connect academic concepts with real-world practice.

With extensive experience across corporate, legal, and academic domains, he has worked with reputed organizations, including Tata Group entities and leading corporate law firms, handling a wide range of legal, secretarial, and treasury compliances. His industry exposure brings valuable practical insights into the classroom, enriching students' overall learning experience.



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