

BUSINESS LAW QUESTION BANK

Part -1: 7 Mark Questions

- 1) "All contracts are agreements but all agreements are not necessarily contracts". Discuss.
- 2) What is a contract? Explain in brief the essential elements of a valid contract.
- 3) What are the essentials of valid contract? Distinguish between void contract and voidable contract.
- 4) What is the difference between void and voidable contract?
- 5) Contract is an agreement enforceable by law. Explain.
- 6) State the legal procedural formalities which are to be complied with in order to make contract legally enforceable.
- 7) "The law of contract is not the whole law of obligation". Comment.
- 8) "In commercial and business organisation, the presumption is that the parties intend to create legal obligation". Comment.
- 9) Differentiate between and bilateral agreements.
- 10) A void contract is one which is void abinitio. Comment.
- 11) What is the meaning of contract of sale? Discuss the essential elements of a contract of sales.
- 12) Describe the meaning of tem goods. What is the effects of destruction of specific goods on a contract of sale?
- 13) Define a contract of sale and bring out clearly the distinction between a sale and agreement to sell.
- 14) Explain the term goods as defined in the sale of Goods Act, 1930.
- 15) Define goods. Distinguish between specific, ascertained and unascertained.
- 16) State the rules regarding ascertainment of price in a contract of sale.
- 17) Distinguish between sale and hire purchase agreements.
- 18) Appropriation is a right primarily of the buyer and for his benefit. Comment.
- 19) How is the price fixed in a contract of sale? If price is not decided between the parties, what price the buyer has to pay?

- 20) What is meant by specific goods? State the rules regarding passing of property from a seller to a buyer in a contract for the sale of specific goods.
- 21) What is meant by caveat emptor? What are the exception to this rule?
- 22) Define and distinguish the condition and warranty. When can a breach of condition be treated as breach of warranty?
- 23) In a contract of sale of goods, there is no implied condition as to quality of the goods or their fitness for any particular purpose. Comment.
- 24) When can condition be treated as warranty?
- 25) A breach of condition cannot be treated as breach of warranty. Comment.
- 26) In a contract of sale of goods, the buyer always has to bear the risk. Comment.
- 27) When does a condition become a warranty and vice versa?
- 28) The seller of goods is not bound to disclose defects in the goods that he intends to sell.
- 29) There is no implied condition as to fitness or quality of the goods sold. Critically examine this statement.
- 30) Describe the various implied conditions and warranties in a contract of sale.
- 31) When the seller of goods deemed to be an unpaid seller? What are his rights against the goods and the buyer personally?
- 32) Right of stoppage in transit begins when right of lien ends. Comment.
- 33) Define transit. Discuss the rules regarding it and how it can be stopped.
- 34) Difference between rights of lien and rights of stoppage in transit.
- 35) Define rights of an unpaid seller. Discuss the rules regarding it.
- 36) Who is an unpaid seller? State his rights.
- 37) Discuss the remedies available to seller against the buyer in case of breach of contract of sales.
- 38) When can an unpaid seller resell goods?
- 39) When is a seller of goods deemed to be an unpaid seller under the sale of Goods Act? When can an unpaid goods? Explain.
- 40) Explain the effect of sub -sale or pledge by the buyer on the rights of an unpaid seller.

- 41) Discuss the constitutional avenues of RTI.
- 42) Explain the procedure for maintenance and publication of records.
- 43) Explain the exemptions of RTI Act.
- 44) State the criticism of RTI Act.
- 45) Discuss restrictive trade practices and unfair trade practices.
- 46) Explain the meaning and objects of consumer Protection Act.
- 47) Discuss the power and function of redressal machinery of Consumer protection council.
- 48) Explain the appeals and penalties relating to Consumer protection council.
- 49) How will you determine whether a partnership does or doesn't exist between a group of persons?
- 50) Define partnership. Discuss different types of partnership.
- 51) What do you understand by partnership deed? Explain the various contents of partnership deed. In the absence of partnership deed what are the rules applicable in a firm?
- 52) Is the registration of a firm compulsory? What are the effects of non-registration of a firm?
- 53) What are the various kinds of partners? Can a minor be admitted to a partnership? If so, what are the rules governing his right and liabilities.
- 54) Discuss the provisions of Indian partnership Act, 1932 relating to the rights and duties of partners.
- 55) What is the nature and extent of partner's authority to bind the firm by his acts?
- 56) What is meant by the implied authority of a partner to bind the firm? What is the extent of the implied authority of a partner? Are third parties affected by restrictions placed on such implied authority?
- 57) Explain how you will determine whether a group of persons is a partnership or not.
- 58) Is it compulsory for a partnership firm to get it registered?

59) When is the registration of a partnership firm deemed to be complete under the Indian partnership Act, 1932? What are the consequences when a partnership firm is not registered?

60) What is the procedure of registration of firm and what will be the effects of non-registration of firm?

61) There can be different kind of partners. State briefly about any five kinds of partners.

62) Registration of partnership firm is not compulsory, yet it is desirable. Comment

63) Discuss the rules regarding minor as partner.

64) Explain the rights and liabilities of minor in partnership firm.

65) What are formalities of formation of partnership? Introduce different types of partners?

66) Discuss the right of the transferee of partner's interest.

67) Discuss the provision of Indian Contract Act, 1932 regarding rights and duties of partners in a partnership business.

68) Discuss revocation of continuing guarantee by change in firm.

69) Discuss the position of minor admitted to the benefits of the partnership firm.

70) Briefly explain the rights and duties of minor in partnership firm.

71) Explain the extension and restrictions of partners authority.

72) Discuss in detail the rights of outgoing partners.

73) Differentiate between company, partnership and LLP. Comment.

74) Discuss liability in case of holding out.

75) Discuss the features, advantages and disadvantages of LLP.

76) What is limited liability partnership and what are its silent features?

77) Differentiate between a company and LLP.

78) Define a cheque. What are its essential elements? How does it differ from bills of exchange?

79) Define a bill of exchange. What are its essentials? How does it differ from a promissory note?

- 80) What is crossing of cheques? Give different kinds of Crossing of cheques.
- 81) Define the term maturity. State the rules determining the maturity of a negotiable instrument.

Part -2: 3 Mark Questions

- 1) Explain the difference between contract and agreement.
- 2) Enumerate the essential of a valid contract.
- 3) Distinguish between void contract and voidable contract.
- 4) Distinguish between void contract and void agreement.
- 5) Distinguish between void agreement and illegal agreement
- 6) What do you mean by sale and agreement to sell?
- 7) Distinguish between sale and agreement to sell.
- 8) Discuss the effects of destruction of goods.
- 9) Discuss the modes of fixing the price.
- 10) Discuss stipulations as to time.
- 11) Distinguish between condition and warranty.
- 12) Under what circumstances does a condition descend to the level of a warranty?
- 13) Describe the implied condition relating to sale by sample.
- 14) What is meant by sale by sample? What is the condition implied in such a sale?
- 15) What are the rules regarding sale by sample?
- 16) Discuss the rule of caveat emptor and state its exceptions.
- 17) Distinguish between condition and warranty.
- 18) When the seller is to be unpaid?
- 19) Discuss the various rights of an unpaid seller against the goods.
- 20) In which condition can unpaid seller exercise his right of resale?
- 21) How stoppage in transit can be effected?

- 22) Discuss the right of withholding delivery.
- 23) Discuss the effect of sub-sale or pledge by buyer.
- 24) Explain the history of RTI Act.
- 25) Discuss RTI as a fundamental right.
- 26) Explain the impact of the new law
- 27) State the meaning and objective of central consumer protection council.
- 28) State the meaning and objective of state consumer protection council.
- 29) State the meaning and objective of District consumer protection council.
- 30) Define District Forum.
- 31) Define State commission.
- 32) Define National commission.
- 33) How to form a partnership firm?
- 34) State contents of partnership deed.
- 35) State the importance of partnership.
- 36) Discuss the construction of partnership agreement.
- 37) Discuss the duration of partnership.
- 38) State the three rights of partners
- 39) State the three duties of partners
- 40) State the relation of partners to third parties
- 41) Define implied authority
- 42) Define retirement of partners
- 43) Define insolvency of partners
- 44) Define holding out.
- 45) State dissolution of firm by court.
- 46) State dissolution of firm.
- 47) Define compulsory dissolution.
- 48) Explain the liability for acts of partners done after dissolution.

- 49) Explain the right of partners to have business wound up after dissolution.
- 50) Discuss the tax rates for a partnership firm
- 51) In what circumstances can the court order dissolution of partnership at the instance of a partner?
- 52) Define extent of liability of partners.
- 53) Define taxation of LLP.
- 54) How LLP is formed?
- 55) Discuss the process of LLP.
- 56) State two advantages Of LLP.
- 57) State two disadvantages of LLP.
- 58) Explain the fundamental characteristics of a negotiable instrument.
- 59) Explain the legal presumptions of a negotiable instrument.
- 60) Distinguish between bill of exchange and cheque.
- 61) Define a promissory note and distinguish it from a bill of exchange.
- 62) Once a bearer instrument always a bearer instrument. Comment.
- 63) Who can cross cheques?
- 64) Distinguish between general and special crossing.
- 65) Describe not negotiable crossing.
- 66) Explain opening of a 'crossed cheque'
- 67) When must a banker refuse to honour a customer's cheque?
- 68) When must a banker refuse to honour a customer's cheque?
- 69) Discuss the significance of crossing of cheque.
- 70) State the cases in which a banker is justified or bound to dishonour cheques.
- 71) Define holder.
- 72) Define holder in due course.
- 73) Define conditional delivery.
- 74) Discuss the liability of prior parties.
- 75) Define estoppels against endorser to deny capacity of prior parties.

- 76) Discuss the stamp instruments.
- 77) Discuss the inchoate instruments.
- 78) Define negotiable instrument without consideration.
- 79) Define presentment for sight.
- 80) Define presentment for payment.
- 81) What is presentment?
- 82) Discuss the place of presentment of negotiable instrument.
- 83) State rules regarding presentment for payment.
- 84) State rules regarding presentment for acceptance.
- 85) Discuss types of acceptance.
- 86) State the condition when presentment for presentment is not necessary.

Part -3: 2 Mark Questions

- 1) Define contract?
- 2) What is an express contract?
- 3) What is an implied contract?
- 4) Define void contract?
- 5) What is an illegal agreement?
- 6) What is voidable contract?
- 7) Define executed contract?
- 8) Define executory contract?
- 9) Who is called an offeror?
- 10) What is an offer?
- 11) Who is called an offeree?
- 12) What is meant by specific offer?
- 13) What is meant by general offer?
- 14) When an offer does come to an end?
- 15) What is acceptance?

- 16) When a proposal become a promise?
- 17) Explain acceptance must follow the offer.
- 18) Define a contract of sale.
- 19) When does an agreement to sell become a sale?
- 20) Define future goods?
- 21) Define sale by sample.
- 22) Define the term goods.
- 23) Define contingent goods.
- 24) Define earnest money.
- 25) Write short notes on sale by non-owners?
- 26) What is constructive delivery?
- 27) What do you mean by condition?
- 28) What do you mean by warranty?
- 29) What do you mean by express conditions?
- 30) Describe sale by sample as well as sale by description.
- 31) Define caveat emptor.
- 32) Define express condition.
- 33) Define implied condition.
- 34) What is a right of lien?
- 35) What is a right of stoppage of goods in transit?
- 36) What do you mean by unpaid seller?
- 37) Explain the term right of resale.
- 38) Define transit.
- 39) When can line be lost?
- 40) When can right of lien be exercised?
- 41) Discuss duration of transit.
- 42) Define specific performance.

- 43) Define right to information.
- 44) State the need of RTI.
- 45) Mention the applicability of the RTI Act.
- 46) State the full form of RTI and explain it.
- 47) Define complainant.
- 48) What is Complaint?
- 49) Define consumer.
- 50) Define services.
- 51) What is a consumer responsibility?
- 52) What is person?
- 53) Define goods.
- 54) Define consumer dispute.
- 55) What is defect?
- 56) Define deficiency.
- 57) Define nominal partners.
- 58) Define registration of firms.
- 59) Define partnership deed.
- 60) Define particular partnership.
- 61) Define partnership at will.
- 62) Explain sub partner.
- 63) Define partners by estoppels.
- 64) Define minor as a partner.
- 65) Define Partnership Property.
- 66) Define minor.
- 67) Define rights of minor.
- 68) Define agreement in restraint of trade.
- 69) Define liability of estate of deceased partner.

- 70) Define expulsion of partners.
- 71) Define dissolution.
- 72) Define goodwill.
- 73) Define dissolution by partnership at will.
- 74) State the rights of partners.
- 75) State the continuing authority of partners for purpose of winding up.
- 76) What is meant by dissolution of partnership?
- 77) What is meant by dissolution of firm?
- 78) Explain compulsory dissolution.
- 79) Define LLP.
- 80) Define designated partners.
- 81) Define LLP agreement.
- 82) Define foreign limited liability partnership.
- 83) Define digital signature certificate.
- 84) Define maker.
- 85) Define payee.
- 86) Define fictitious bill.
- 87) Define accommodation bill.
- 88) Define special crossing.
- 89) Define inchoate instruments.
- 90) Define restrictive crossing.
- 91) Define account payee crossing.
- 92) What is general crossing?
- 93) Define bouncing of cheque.

Part -4: 1 Mark Questions

Q.1:- The person making the proposal is called and the person accepting the proposal is called:

- a. Proposer/ Proposee

- b. Promisee/ Promisor
- c. Promisor/Promisee
- d. Proposee/ Proposer

Q.2:- 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

Q.3:- An agreement enforceable by law is:

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

Q.4:- An agreement which is enforceable by law at the option of other or others is:

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

Q.5:- 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.

Q.6:- 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

Q.7:- An agreement not enforceable by law is said to be:

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

Q.8:- When the communication of a proposal is complete:

- a. When it do not comes 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.

Q.9:- 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.

Q.10:- 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.

Q.11:- 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.

Q.12:- A contract which ceases to be enforceable by law becomes void when it ceases to be:

- a. Void
- b. Voidable
- c. Enforceable
- d. Unenforceable

Q.13:- 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

Q.14:- 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.

Q.15:- An agreement was entered into with the minor. This agreement is:

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

Q.16:- 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. The minor is personally liable

Q.17:- 6. 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.

Q.18:- Consent is said to be free when it is not caused by:

- a. Very much influence
- b. Undue influence
- c. Slightly influence
- d. Influence

Q.19:- 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

Q.20:- 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 cause.
- b. Illegal
- c. Depends upon the circumstances of the case.
- d. Void

Q.21:- 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 not voidable
- c. is voidable
- d. is not voidable

Q.22:- 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

Q.23:- 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.

Q.24:- When consent to an agreement is caused by undue influence, the agreement is a contract

- a. Bad
- b. Void
- c. Illegal
- d. Voidable at the option of the party whose consent was so cause

Q.25:- 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.

Q.26:- 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.

Q.27:- 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.

Q.28:- 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

Q.29:- The agreements which are in restraint of trade are;

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

Q.30:- The consideration must be:

- a. Adequate
- b. Must be adequate
- c. Need not be adequate
- d. Substantially adequate

Q.31:- An agreement in restraint of the marriage of a major persons is:

- a. Legal

- b. Illegal
- c. Void
- d. Voidable

Q.32:- 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.

Q.33:- 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

Q.34:- 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

Q.35:- 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

Q.36:- 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

Q.37:- 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.

Q.38:- The consideration may be:

- a. Past
- b. Present
- c. Future
- d. All the options are correct.

Q.39:- 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.

Q.40:- If the event becomes impossible, such contracts becomes:

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

Q.41:- A wagering contract is whereas a contingent contract is.....:

- a. Void/valid
- b. Valid/void
- c. Valid/voidable
- d. Voidable/valid

Q.42:- A agrees to pay B Rs 10000, if two straight lines should enclose a space. The agreement is.....:

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

Q.43:- Contingent contracts to do nor 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

Q.44:- 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.

Q.45:- 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

Q.46:- An agreement to do impossible act in itself is:

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

Q.47:- 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 agreements/ contract
- b. void contract/agreement
- c. Contract/void agreement
- d. Contract/voidable contract

Q.48:- Where there are several amounts due to recover from the debtor then how a creditor can appropriate the money deposited by the debtor towards the time barred debts:

- 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.

Q.49:- 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.

Q.50:- 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.

Q.51:- Where the price is not determined by the parties to the contract of sale of goods, what price shall be paid by the buyer:

- a. The buyer shall pay the seller a reasonable price.
- b. The buyer shall determine the price at his discretion.
- c. The seller shall determine the price at his discretion.
- d. The seller shall charge the price according the market forces.

Q.52:- When a seller can stop the goods in transit:

- a. When the buyer of the goods informs that he will make payment after some time.
- b. The seller has no right to stop the goods in transit.
- c. When the buyer of goods becomes insolvent and goods are in transit.
- d. When the buyer informs that he is now not in need of the goods.

Q.53:- Where there is a contract for the sale of specific or ascertained goods the property in them is transferred to the buyer:

- a. At such time as the parties to the contract intend it to be transferred
- b. At such time as the buyer only intend it to get it transferred.
- c. It depends upon the circumstances of the case.
- d. At such time as the seller only intend it to transfer to the buyer.

Q.54:- A seller of goods shall be deemed to be an “unpaid seller”:

- a. When a bill of exchange or other negotiable instrument has been received as conditional payment, and the condition on which it was received has not been fulfilled by reason of the dishonour of the instrument or otherwise.
- b. A seller who has obtained money decree for the price of the goods is still an unpaid seller, if the decree has not been satisfied.
- c. When the whole of the price has not been paid or tendered.
- d. All of the above.

Q.55:- When a buyer can sue the seller:

- a. He may ask for the specific performance, if this being the part of the contract.
- b. He may initiate for the breach of the warranty.
- c. He may initiate suit for delivery of the goods, if not delivered.
- d. All of the above.

Q.56:- A condition is a stipulation to the main purpose of the contract, the breach of which gives rise to a right to treat the contract as repudiated.

- a. Not essential
- b. Not collateral
- c. Essential
- d. Collateral

Q.57:- Goods may be:

- a. Future
- b. Contingent
- c. Existing
- d. All of the above

Q.58:- The Act relating to the sale of goods is called:

- a. The Sale of Goods Act, 1930
- b. The Selling of Goods Act, 1930
- c. The Sale of Goods Act, 1830
- d. The Goods Selling Act, 1930

Q.59:- The contract of sale may provide for:

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

Q.60:- An implied condition on the part of the seller that, in the case of a sale, and that, in the case of an agreement to sell,

- a. He has a right to sell the goods/he may have a right to sell the goods at the time when the property is to pass.
- b. He has a right to sell the goods/he will have a right to sell the goods at the time when the property is to pass.
- c. He will have a right to sell the goods at the time when the property is to pass/he has a right to sell the goods.
- d. He may have a right to sell the goods at the time when the property is to pass/he has a right to sell the goods.

Q.61:- In a contract of sale of goods the seller is under no duty to reveal unflattering truths about the goods sold. This doctrine is called as:

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

Q.62:- The unpaid seller of goods, having a lien thereon, _____ by reason only that he has obtained a decree for the price of the goods:

- a. Does not lose his lien
- b. Lien cannot be exercised after getting the decree.
- c. Losses his right of lien
- d. None of the above.

Q.63:- When a seller can sue the buyer:

- a. He may ask for the damages for non• cooperation of the goods.
- b. Suit for damages for repudiation of the contract.
- c. He may sue for the price and interest.
- d. All of the above.

Q.64:- Where there is an agreement to sell goods on the terms that the price is to be fixed by the valuation of a third party and such third party cannot or does not make such valuation, the agreement is thereby:

- a. Voidable
- b. Illegal
- c. Avoided.
- d. Bad

Q.65:- The Sale of Goods Act, 1930 came into force on:

- a. 1st day of August, 1930
- b. 1st day of September, 1930
- c. 1st day of July, 1930
- d. 1st day of June, 1930

Q.66:- A contract of sale may be made:

- a. Partly in writing and partly by word of mouth
- b. It may be implied from the conduct of the parties.
- c. In writing or by word of mouth
- d. All of the above.

Q.67:- The conditions and warranties in a sale of goods may be:

- a. Express or implied
- b. Express
- c. Implied
- d. None of the above.

Q.68:- How stoppage in transit is effected by the unpaid seller:

- a. By giving notice of his claim to the carrier in whose possession the goods are
- b. By giving notice of his claim to the other Bailee in whose possession the goods are
- c. By taking actual possession of the goods.
- d. All of the above.

Q.69:- Where there is a contract for the sale of goods by description, there is an implied condition that:

- a. If the sale is by sample as well as by description, the goods must correspond both with the sample and with the description.
- b. The goods shall correspond with the description.
- c. Both A and B are correct
- d. None of the above.

Q.70:- A lien can be exercised by the unpaid seller only:

- a. When the ownership right relating to goods have transferred to the buyer.
- b. When the goods are still in possession of the un-paid seller.
- c. When the goods have been transported through the carrier made available by the buyer.
- d. When the goods have delivered to the buyer.

Q.71:- Where there is an unconditional contract for the sale of specific goods in a deliverable state, the property in the goods passes to the buyer:

- a. When the seller offer to deliver the goods to the buyer.
- b. When the contract is made.
- c. When the delivery of the goods is taken by the buyer.
- d. When payment is made by the buyer.

Q.72:- In what circumstances an unpaid seller, who have possessions of the goods, may exercise lien over the goods:

- a. Where the goods have been sold on credit, but the term of credit has expired.
- b. Where the buyer becomes insolvent.
- c. Where the goods have been sold without any stipulation as to credit.
- d. All of the above.

Q.73:- A warranty is a stipulation _____ to the main purpose of the contract, the breach of which gives rise to a claim for damages but not to a right to reject the goods and treat the contract as repudiated.

- a. Not collateral
- b. Collateral
- c. Not essential

d. Essential

Q.74:- Where there is a contract for the sale of specific goods, if the goods without the knowledge of the seller have, at the time when the contract was made, perished or become so damaged as no longer to answer to their description in the contract.

- a. the contract is bad
- b. the contract is illegal
- c. the contract is void
- d. the contract is voidable

Q.75:- The Sale of Goods Act, 1930 extends to:

- a. The whole of India(Except the Union Territories)
- b. The State of Jammu & Kashmir
- c. The whole of India(except the State of Jammu & Kashmir)
- d. The whole of India

Q.76:- Transfer of immovable property is regulated by:

- a. The Indian Contract Act, 1872
- b. The Sale of Goods Act, 1930
- c. The Transfer of Property Act, 1882
- d. None of the above

Q.77:- The price in a contract of sale may be:

- a. Left to be fixed in an agreed manner
- b. Determined by the course of dealing between the parties.
- c. Fixed by the contract itself
- d. All of the above

Q.78:- Whether the stipulation of time in a contract of sale of goods is essential:

- a. Time is not the essence in the contract of sale of goods, unless a different intention appears from the contract.
- b. Time may be of the essence of the contract but this essentially depends on the terms of the contract.

- c. Time is the essence in the contract of sale of goods.
- d. Both B and C are correct.

Q.79:- There is an implied undertaking in a contract of sale of goods that:

- a. The goods shall be free from any charge or encumbrance.
- b. The buyer shall have and enjoy quiet possession of the goods.
- c. Both A and B are correct
- d. None of the above

Q.80:- What are the rights of an unpaid seller:

- a. A right of re-sale as limited by this Act.
- b. A lien on the goods for the price while he is in possession of them
- c. In case of the insolvency of the buyer a right of stopping the goods in transit after he has parted with the possession of them.
- d. All of the above.

Q.81:- Consumer Protection Act is significant to

- A) Immovable Goods
- B) Movable Goods
- C) Particular Goods and Services
- D) All Goods and Services

Q.82:- How many rights does a consumer have under the Consumer Protection Act?

- A) 8
- B) 6
- C) 4
- D) 5

Q.83:- Under the Consumer Protection Act, the rights of a consumer do not include to be

- A) Safety
- B) Choose
- C) Presented
- D) Informed

Q.84:- When the seller manipulates the price, it is known as

- A) Caveat Emptor
- B) Unfair trade practices
- C) Restricted trade practices
- D) None of the above

Q.85:- Under this act, the minimum age of forum member of a district forum should be

- A) 30
- B) 40
- C) 35
- D) 65

Q.86:- The maximum age for a state commission member should be

- A) 60
- B) 35
- C) 70
- D) 67

Q.87:- The maximum age national commission member should be

- A) 60
- B) 35
- C) 70

D) 65

Q.88:- Which of the following forum can reappoint the same person as its member?

A) National commission

B) State commission

C) District commission

D) None of the above

Q.89:- In which forum is it compulsory to have a female member?

A) National commission

B) State commission

C) District commission

D) All of the above

Q.90:- Within how many days does the opposite party have to answer after they are informed about the complaint?

A) 30

B) 5

C) 20

D) 15

Q.91:- An act of a firm means:

- a. Any partner or agent of the firm which gives rise to a right enforceable by or against the firm
- b. Any act by all the partners

- c. Any omission by all the partners
- d. All of the above

Q.92:- Partnership is the relation between persons who have agreed to share the profits of a business carried on by all or any of them acting for all. Does it mean that losses are not shared:

- a. A minor may be admitted in partnership, only for the profits, but he cannot share in losses.
- b. It also depends on the partnership agreement. A person may share the profits but may not share in losses.
- c. Sharing of profits also include losses (negative profits)
- d. All of the above.

Q.93:- Where no provision is made by contract between the partners for the duration of their partnership, or for the determination of their partnership, the partnership is called as:

- a. Particular partnership
- b. Partnership for a fixed term
- c. partnership at will
- d. None of the above

Q.94:- What information shall be given to the Registrar of Firms by a registered partnership firm:

- a. New opening/closing of the existing branch, if any.
- b. Change in the name of and address of the partner (s)/change in the constitution of the firm.
- c. What there is change in the name of the firm or in location of the principal place of business.
- d. All of the above.

Q.95:- Who can inspect the Register and filed documents at the office of the Registrar:

- a. Any Government servant
- b. The Partners of the firm
- c. The partners of the other firms
- d. Any person

Q.96:- What are the right of partners after dissolution:

- a. To have the surplus distributed among the partners or their representatives according to their rights.
- b. To have business wound up after dissolution
- c. To have the property of the firm applied in payment of the debts and liabilities of the firm.
- d. All of the above

Q.97:- 40. Where any member of a firm has died or otherwise ceased to be a partner, and the surviving or continuing partners carry on the business of the firm with the property of the firm without any final settlement of accounts as between them and the outgoing partner or his estate, then, in the absence of a contract to the contrary, the outgoing partner or his estate is entitled at the option of himself or his representatives to such share of the profits made since he ceased to be a partner as may be attributable to the use of his share of the property of the firm or to interest at the rate of on the amount of his share in the property of the firm:

- a. nine per cent, per annum
- b. eighteen per cent, per annum
- c. six per cent per annum
- d. twelve per cent, per annum

Q.98:- The dissolution of partnership means:

- a. It means the dissolution of partnership between all the partners of a firm

- b. It means the change in the relations of the partners
- c. It means the reconstitution of the firm.
- d. None of the above.

Q.99:- In what circumstances a partner may retire:

- a. In accordance with an express agreement by the partners
- b. Where the partnership is at will, by giving notice in writing to all the other partners of his intention to retire.
- c. With the consent of all the other partners
- d. All of the above.

Q.100:- What would be the position, where a minor elects not to become a partner:

- a. He shall be entitled to sue the partners for his share of the property and profits.
- b. His rights and liabilities shall continue to be those of a minor under this section up to the date on which he gives public notice.
- c. His share shall not be liable for any acts of the firm done after the date of the notice.
- d. All of the above