

MCQ- Business Law (BBA 201)

S. No	Questions	A	B	C	D	Answer
1	Which one of the following element is not necessary for a contract ?	Competent parties	Reasonable terms and conditions.	Free consent	Lawful concentration	B
2	An agreement becomes a contract if :	It is by free consent of the parties.	Parties are competent.	It is enforceable by law.	None of the above .	C
3	In a standardized contract :	The individual has no choice but to accept and sign on	The individual must be protected in contract.	The agreement is without consideration.	None of the above.	A
4	The correct sequence in the formation of a contract is :	Offer, acceptance, agreement, consideration.	Agreement, consideration, offer, acceptance.	Offer , Consideration, acceptance, agreement.	Offer, acceptance, consideration, agreement.	D
5	A sells, by auction to B a horse which A knows to be unsound. A says nothing to B about the horse unsoundness. A does :	Fraud	Misrepresentation	No fraud	Undue Influence	C
6	A patient in a lunatic Asylum who is at intervals of sound mind :	May not contract.	May contract.	May contract during those intervals when he is of sound mind.	May contract only after he becomes completely of sound mind .	C
7	Which is not the correct statement ?	If consent is the result of coercion, the agreement is	If a party is minor, the agreement is void .	If the object of an agreement is unlawful, the agreement is void.	If the consideration of an agreement is unlawful, the agreement	A
8	What is the purpose behind the enactment of Sale of Goods Act, 1930?	To define the laws relating to the sale of goods	To consolidate and amend the laws relating to the sale of goods	To consolidate, amend and define the laws relating to the sale of goods	To define and amend the laws relating to the sale of goods	D
9	Section 2(1) of Sale of Goods Act defines 'buyer' as:	Person who buys goods and services	Person who agrees to buy goods	Person who buys or agrees to buy goods	Person who buys or agrees to buy goods and services	C
10	Before the enactment of Sale of Goods Act, the provisions regarding Sale of	Indian Contract Act, 1872	Indian Registration Act, 1908	Transfer of Property Act, 1882	Indian Partnership Act, 1932	A
11	Which of the following cannot be said to be included in the term "goods" defined under section 2(7) of the Sale of Goods	Stock	Shares	Growing crops	Actionable claims	D
12	The voluntary transfer of possession from one person to another is called	Transfer	change of possession	Delivery	None of above	C

MCQ- Business Law (BBA 201)

S. No	Questions	A	B	C	D	Answer
13	Which of the following is not the right of an unpaid seller under Sale of Goods Act, 1930:	Right of lien on goods for the price while the goods are in possession of seller.	Right of stopping the goods in transit, in case of insolvency of buyer	Right of resale as limited by the Act	Right of withholding delivery where the property in the goods has passed to the buyer	D
14	Future goods means goods to be manufactured or produced or acquired by the seller	In future prescribed time	after making of contract	before making of contract	none of the above	B
15	Bearer cheques are also known as----- cheques.	Crossed	General	Special	Open	D
16	Which of the following is not a negotiable instrument	Bill of exchange and cheque	Postal Order & Currency note	Promissory note and cheque	Promissory note & Bill of exchange	B
17	Features of Negotiable instruments are -	Written and signed	Recovery	Freely transferable	All of the above	D
18	Holder in due course means any person-	Drawing the instrument	who for consideration became the possession of promissory note	to whom order the money is directed to paid	none of the Above	B
19	Cheque can be of ___ types and crossing of cheques can be of ___ types.	three, two	two, two	two, three	three, three	B
20	What are the limits of number of members in a Private Company?	Fifty	Seven	Twenty	Two hundred	D
21	A public company must have at least----- directors whereas a private company must have at least -----	3;2	2,3	2,5	8,10	A
22	The registered office clause of memorandum of association contains	The name of the state in which the registered office of the company is to	The name of the city/town only and not that of the state.	The name of registrar of companies	The complete postal address.	A
23	Which documents contains the regulations relating to the internal management of a	Memorandum of Association	Articles of Association	Both (a) and (b)	None	B
24meeting is the first meeting of the members of the public company after	board	annual general	departmental	statutory	D
25	Who can endorse the negotiable	Maker of the	older of the	Drawee	Both of A and B	D
26	A Bill of exchange contains —	Conditional undertaking	Unconditional undertaking	Unconditional order	Conditional order	C

MCQ- Business Law (BBA 201)

S. No	Questions	A	B	C	D	Answer
27	Memorandum of Association does not include	Subscription Clause	Capital Clause.	Liability Clause.	Assets Clause.	D
28	Quorum for general meeting for private and public companies.	2 and 5.	3 and 6.	5 and 7.	None of these.	A
29	What do you mean by symbolic possession ?	Delivery of keys of lock of godown where the goods	Conditional promise to delivery.	Actual Delivery.	None of these	A
30	What does Caveat emptor means?	beware agent	beware customer	beware trader	beware seller	B

subjective questions:

Q: 1	Define the contract?	
Q:2	Explain "stoppage in transit"?	
Q: 3.	Explain the meaning of Negotiable	
Q:4	Define the meaning of the company?	
Q:5	Explain "special resolution"?	







