

Final Test Semester 2 Paper 7 INDIAN INSTITUTE OF MATERIALS MANAGEMENT Business Law [PGDMM , PGDSCM & L (2 years)]

Instructions:

1. Answer all 50 questions. Each question carries 2 marks Total : 100 Marks
2. Duration 1 Hour.

*Required

1. Email *

2. Name *

3. Roll Number *

4. _____ can be defined as a set of compelling obligations or principles 2 points
that drive social transformation.

Mark only one oval.

Method

Law

Principles

Rights

5. " _____ fosters the principles of equity and justice, while _____ regulate(s) and govern(s) the business structure, transactions and relationship with other parties." 2 points

Mark only one oval.

- Civil law, Criminal law
- Personal and customary law, Common law
- Common law, Mercantile laws
- Criminal law, Personal and customary law

6. The _____ is/are the foundational head of the Indian legal system which defines the ground rules or the code of conduct of human behaviour in the social and economic context. 2 points

Mark only one oval.

- Constitution of India
- Supreme Court
- High courts
- Subordinate courts

7. The mutual agreement for business transactions or otherwise between parties that defines the obligations of involved parties to each other is known as a _____. 2 points

Mark only one oval.

- promise
- contract
- agreement
- law

8. Under _____ of the _____, an 'agreement' means 'every promise or a set of promises that forms a consideration for each other'. 2 points

Mark only one oval.

- Section 2(b); Companies Act, 1956
- Section 2(e); Companies Act, 1956
- Section 2(e); Indian Contract Act, 1872
- Section 2(b); Indian Contract Act, 1872

9. As per Section 2(i) of the Indian Contract Act, 1872, an agreement which is enforceable by law at the option of one or more parties, but not at the option of the other or others, is a/an _____. 2 points

Mark only one oval.

- illegal contract
 void contract
 valid contract
 voidable contract

10. The contract of indemnity is defined in _____ of the Indian Contract Act. 2 points

Mark only one oval.

- Section 131
 Section 133
 Section 124
 Section 134

11. _____ is defined under Sections 148 to 171 of the Indian Contract Act, 1872. 2 points

Mark only one oval.

- Bailment
 Pawn
 Pledge
 Agency

12. "A/An _____ can be appointed by any person who is eligible to enter into a contract, i.e., a person who is a major and is of sound mind." 2 points

Mark only one oval.

- pledger
 bailor
 pawner
 agent

13. _____ is an executor contract where both the parties are yet to perform their mutual promises within the agreed time. 2 points

Mark only one oval.

- Sale of goods
- Agreement to sell
- Executed contract
- Contract of sale

14. Breach of _____ gives right to repudiate the contract and also to claim damages. 2 points

Mark only one oval.

- condition
- stipulations
- warranty
- instances

15. The term 'unpaid seller' is defined in _____ of the Sale of Goods Act, 1930. 2 points

Mark only one oval.

- Section 12(1)
- Section 45(a)
- Section 30(2)
- Section 30(1)

16. "A partnership is a _____ relationship between persons who have agreed to work together to perform certain business activities." 2 points

Mark only one oval.

- personal
- temporary
- permanent
- legal

17. "The laws relating to partnership are governed by the _____ and it extends to the whole of India except to the state of _____." 2 points

Mark only one oval.

- Sale of Goods Act, 1930; Arunachal Pradesh
- Companies Act, 1956; Assam
- Indian Partnership Act, 1932; Jammu and Kashmir
- The Companies Act, 1956; Nagaland

18. "In _____ business mode, there is a legal relationship shared by only _____ entities which share the ownership of property." 2 points

Mark only one oval.

- Hindu Undivided Family; three
- Co-ownership; two
- Joint stock company; four
- Sole proprietorship; two

19. India was introduced to a legal system of negotiable instruments in _____." 2 points

Mark only one oval.

- 1885
- 1932
- 1881
- 1951

20. According to _____ of the Negotiable Instruments Act, 1881, negotiable instruments include promissory notes, bills of exchange and cheques payable to the assignee or the holder of the instrument. 2 points

Mark only one oval.

- Section 4
- Section 13
- Section 5
- Section 31

21. According to _____ of the Negotiable Instruments Act, 1881, a bill of exchange is dishonoured by non-payment if the acceptor fails to make the payment on the due date. 2 points

Mark only one oval.

- Section 91
- Section 80
- Section 78
- Section 92

22. _____ consists of laws that are designed to ensure the rights of consumers and the free flow of truthful information in the marketplace. 2 points

Mark only one oval.

- Companies Act, 1956
- The Consumer Protection Act
- Sale of Goods Act, 1930
- Indian Partnership Act, 1932

23. As per Section 2(1)(f) of the Consumer Protection Act, 1986, " _____ ' means any fault, imperfection or shortcoming in the quality, quantity, potency, purity or standard which is required to be maintained under any law or contract". 2 points

Mark only one oval.

- complaint
- unfair trade practice
- deficiency
- defect

24. "The State Redressal Commission consisting of a President and not less than two members has been set up in each state to take up cases in which the value of goods or services along with the claim or compensation is greater than Rs. _____ but less than Rs. _____." 2 points

Mark only one oval.

- 10 lakhs; 2 crores
 15 lakhs; 1.5 crores
 20 lakhs; 1 crore
 30 lakhs; 3 crores

25. Copyright is denoted with the symbol of _____ and is valid for the lifetime of the author and a minimum of _____ years after the death of the owner. 2 points

Mark only one oval.

- #; 40
 \$; 30
 &; 60
 ©; 50

26. The laws pertaining to trademarks are governed by the Trademarks Act, _____ in India. 2 points

Mark only one oval.

- 1999
 2001
 1997
 2003

27. According to the law of copyright, the minimum punishment for an infringement of copyright is _____ months with a fine of Rs. _____.

2 points

Mark only one oval.

- three; 30000
 nine; 60000
 six; 50000
 twelve; 100000

28. As per Section 2(20) of the _____, "A company means a company incorporated under this Act or under any previous company law."

2 points

Mark only one oval.

- Companies Act, 1956
 Companies Act, 2013
 Sale of Goods Act, 1930
 Consumer Protection Act, 1986

29. The minimum number of people required for formulating a public company and a private company are _____ and _____, respectively.

2 points

Mark only one oval.

- two; five
 six; three
 seven; two
 three; seven

30. The Companies Act, 2013, governed by the _____, classifies the companies on the basis of incorporation, liability of members, and number of members.

2 points

Mark only one oval.

- Ministry of Corporate Affairs
 Ministry of External Affairs
 Ministry of Finance
 Ministry of Consumer Affairs

31. The law relating to companies in India is contained in the Companies Act, 1956 as amended up to date. This Act runs into _____ sections and _____ schedules. 2 points

Mark only one oval.

- 700; 20
- 558; 16
- 460; 13
- 658; 15

32. "In case a company fails to file its annual return under Subsection (4), the company shall be punishable with a penalty of not less than _____ thousand rupees that may extend up to _____ lakh rupees under Section 92 of the Companies Act, 2013." 2 points

Mark only one oval.

- 50; 5
- 35; 10
- 40; 15
- 60; 20

33. A notice for calling an extraordinary general meeting (EGM) should be sent at least _____ days prior to the meeting. However, in case of a shorter notice, the consent of _____ voting members is required to conduct an EGM under Section 100 of the Companies Act, 2013. 2 points

Mark only one oval.

- 11; 75%
- 15; 80%
- 21; 95%
- 20; 85%

34. Articles ____ and _____ of the Constitution of India address the competition law. 2 points

Mark only one oval.

- 38; 39
- 41; 42
- 48; 49
- 58; 59

35. Competition Commission of India (CCI) was founded by the central government of India in _____ to achieve the objectives of Competition Act, 2002. 2 points

Mark only one oval.

- 12 October, 2002
- 14 November, 2003
- 14 October, 2003
- 13 November, 2002

36. As per _____, price-fixing agreements and group boycotts are horizontal agreements which, if entered, shall be considered as void under the Competition Act, 2002. 2 points

Mark only one oval.

- Section 4(2)
- Section 3(3)
- Section 5(3)
- Section 6(2)

37. The _____ is quintessential in order to keep up with the rapid pace to the settlement of the disputes between two or more parties or organisations in India. 2 points

Mark only one oval.

- High Court
- Supreme Court
- Alternative Disputes Resolution (ADR) system
- District Court

38. _____ provides for legal recognition for transactions done by electronic communication through the Internet, which is known as 'electronic commerce'. It is an alternative method of communication as well as storage of information. 2 points

Mark only one oval.

- Information Technology Act, 2000
- Indian Succession Act, 1925
- Indian Trusts Act, 1882
- Right to Information (RTI) Act, 2005

39. A law was established in _____ and called _____ under which the employees must know about various policies and practices of an organisation. 2 points

Mark only one oval.

- 1996; Arbitration and Conciliation Act
- 2000; Information Technology Act
- 2017; IGST Act
- 2005; Right to Information (RTI) Act

40. Which one of the following laws regulates and governs the business structure, transactions and relationship with other parties? 2 points

Mark only one oval.

- Mercantile law
- Common law
- Civil law
- Criminal law

41. Which one of the following is the apex court in the Indian legal system? 2 points

Mark only one oval.

- Subordinate courts
- High courts
- Supreme Court
- None of these

42. Which one of the following source of laws are laid down in the Acts of Parliament, which is superior to and overrides any rules of the common law, equity or law merchant? 2 points

Mark only one oval.

- English Mercantile Law
- Statute laws
- Case laws
- Customs

43. Which one of the following Indian Mercantile Laws is a statute law? 2 points

Mark only one oval.

- The Indian Contract Act, 1872 and The Negotiable Instruments Act, 1881
- "The Sale of Goods Act, 1930 and The Indian
- Partnership Act, 1932"
- The Companies Act, 1956 only
- All of these

44. Which one of the following laws related to business should a manager know in an organisation? 2 points

Mark only one oval.

- Employment laws
- Licensing laws
- Environment laws
- All of these

45. Which one of the following is not a void agreement? 2 points

Mark only one oval.

- Agreements made without consideration (Section 25)
- Agreements made by incompetent parties (Section 11)
- Wagering agreement (Section 30)
- None of these

46. Which one of the following Sections describes that "when there is no time specified in the contract, the promise must be performed within a reasonable time. The reasonable time would depend on the circumstances of the promise"? 2 points

Mark only one oval.

- Section 46
- Section 47
- Section 48
- Section 49

47. A contract can be discharged if it is not executed within the time specified under the contract or by law. It is called: 2 points

Mark only one oval.

- Discharge by operation of law
- Discharge by mutual agreement
- Discharge by lapse of time
- Discharge by performance

48. According to which one of the following cases of breach of contract can the party with whom the breach has been done obtain a right of action against the party who has done the breach of contract? 2 points

Mark only one oval.

- Anticipatory breach
- Actual breach
- Both a and b
- None of these

49. Which one of the following contracts is performed only upon the experience of a possible future event? 2 points

Mark only one oval.

- Contingent Contract
- Wagering Contract
- Quasi-contract
- Void contract

50. Which one of the following is not a party in the contract of guarantee? 2 points

Mark only one oval.

- Surety
- Principal debtor
- Creditor
- "Indemnifier and
- Indemnity holder"

51. A surety can revoke continuing guarantee at any time by intimating the creditor for any further transaction according to: 2 points

Mark only one oval.

- Death of surety (Section 131)
- Notice of revocation (Section 130)
- Loss of security (Section 141)
- Release or discharge of principal debtor (Section 134)

52. When a debt is guaranteed by two or more than two persons, which one of the following rights of a surety does exist? 2 points

Mark only one oval.

- Rights against the creditor
- Rights against the principal debtor
- Rights against co-sureties
- Right to be indemnified

53. Which one of the following types of lien can only be vested for holding particular goods for which the dues are not cleared? 2 points

Mark only one oval.

- Particular lien
- General lien
- Both a and b
- None of these

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