

G L Bajaj Institute of Management and Research.PGDM Institute

PGDM Batch (2021-23)

Academic Session 2021-22

Mid Term Quiz

Batch: 2021-23

Subject Name: Legal Environment of Business

Subject Code: PG 28

Name of Student:

Maximum Marks: 40

Marks Obtained

Note:

1. Writing anything except Roll Number on Quiz paper will be deemed as an act of indulging in unfair means and action shall be taken as per rules.
2. There is no negative marking for wrong answer.
3. Tick mark the correct answer.

Q1 The law of Contract is nothing but

- A a child of commercial dealing
- B a child of religion
- C a child of day-to-day politics
- D a child of economics

Ans Key a

Q2 An agreement consists of reciprocal promises between at least

- A four parties
- B six parties
- C three parties
- D two parties

Ans Key d

Q3 In India, the express provisions of the Contract Act applies to

- A Hindus
- B female
- C businessman
- D all of the above

Ans Key d

Every promise and every set of promise forming the consideration for each other is

Q 4 a/an

- A contract
- B agreement
- C offer
- D acceptance

Ans Key b

Q5 A contract creates

- A right in personam
- B rights in rem

- C no obligations
 - D only obligations and no rights
- Ans Key a

Q6 Valid contracts

- A are made by free consent
 - B are made by competent parties
 - C have lawful consideration and lawful object
 - D all of the above
- Ans Key d

Q7 Agreement to murder a person

- A cannot be enforceable by law
 - B is valid in law
 - C is invalid for want of consideration
 - D has no consensus ad idem
- Ans Key a

Q8 A invites B for Coffee day restaurant and B accepts the invitation. On the appointed date, B goes there but A does not come. In this case

- A B has no remedy against A.
 - B B has to wait for another invitation from A.
 - C B can sue A for not honouring his words.
 - D A has to invite B again, to keep the promise.
- Ans Key a

Q9 A promise to give Rs. 5000 per month pocket money to his son B. If A does not give the pocket money

- A B can sue his father.
 - B B has no remedy against A.
 - C B can accept a lower pocket money also.
 - D B has to give Rs. 5000 to his father.
- Ans Key b

Q10 A contract is valid

- A which creates legal and social obligations of the parties.
 - B which creates rights of a party.
 - C which is written on a piece of paper and signed by the parties.
 - D which creates legally binding rights and obligations of the parties to it.
- Ans Key b

Q11 When the contract is perfectly valid but cannot be enforced because of certain technical defects, is called

- A unilateral contract
 - B bilateral contract
 - C unenforceable contract
 - D void contract
- Ans Key c

Q12is without any legal effect and cannot be enforced in a Court of Law

- A Valid contract
- B Void contract

- C Voidable contract
 - D Unenforceable contract
- Ans Key b

Q13 A and B enter into a contract to marry each other. Before the time fixed for marriage, A goes mad. The contract becomes

- A void
- B illegal
- C valid
- D voidable

Ans Key a

Q14 A makes a contract with B to beat his business competitor. This is an example of

- A valid contract
- B illegal agreement
- C voidable contract
- D unenforceable contract

Ans Key b

Q15is made by words spoken

- A Express contract
- B Implied contract
- C Tacit contract
- D Unlawful contract

Ans Key a

Q16is made by words written

- A Express contract
- B Implied contract
- C Tacit contract
- D Unlawful contract

Ans Key a

Q17 A appoints B as his agent, by way of power of attorney, this is an example of

- A Express contract
- B Implied contract
- C Tacit contract
- D Unlawful contract

Ans Key a

Q18 All illegal agreements are void; but all void agreements are not illegal

- A TRUE
- B Partly true
- C FALSE
- D None of the above

Ans Key a

Q19 A proposal may consist of a promise for

- A doing an act
- B abstaining from doing an act
- C either (a) or (b)

D returning the consideration

Ans Key c

Q20 A specific offer is one which is made

A by A to B

B by a father to his only son for the sale of his factory to him

C by a father of a girl to the father of an only son for her marriage

D by all of the above

Ans Key d

Q21 Identify the source of Indian Commercial Law

A Common law

B Equity law

C Statute law

D All of the above

Ans Key d

Q22 Communication of the proposal is complete when it comes to the knowledge of

A the person to whom it is made

B the proposer

C either (a) or (b)

D the Central Government

Ans Key a

Q23 An Implied offer means an offer made

A By spoken words

B By body language

C By SMS

D By Both A & B

Ans Key B

Q24 An offer may be made

A By words

B By conduct

C by written

D Either A & b

Ans Key D

Q 25 An offer can be accepted by

A offeror

B Promisor

C Offeree

D All of the above

Ans Key C

Q 26 A offer to sell his car on interest, It is

A An express offer

B A particular offer

C An Implied offer

D NO offer

Ans Key A

Q27 **The offer which is allowed to remain open for the acceptance over the period of time is known as a/an**

- A Standing offer
- B Specific offer
- C Express offer
- D Implied offer

Ans Key: A

Q28 **Communication of proposal is complete when it comes to the knowledge of**

- A The person to whom it is made
- B The proposer
- C The central government
- D None of the above

Ans Key: A

Q 29 **Terms of the offer must be**

- A Ambiguous
- B Definite
- C Uncertain
- D Vague

Ans Key: B

Q30 **Which of the following conditions is not necessary for a valid offer**

- A The intention to create legal relation
- B The unconditional terms
- C The certainty of terms
- D The communication to the person to whom it is made

Ans Key: B

Q31 **The specific offer can be accepted by**

- A Any person
- B Any friend of the offerer
- C Only the person to whom it is made
- D only by close relatives

Ans Key: B

Q32 **Which of the following is an invitation to offer**

- A A tender to supply goods at a certain time.
- B A request for loan
- C A bid in auction sale
- D A catalogue of goods for sale

Ans Key: D

Q33 **There is a counter offer when**

- A The offeree gives conditional acceptance
- B The offeree makes a fresh order
- C The offeree makes some query
- D The offeree accepts it.

Ans Key: A

A offer to sell his car for Rs 50,000 to B. B says he would buy it for Rs 40,000. This is

- Q 34** **acase of**
A Counter offer
B Direct offer
C Implied offer
D Express offer

Ans Key: A

A proposes, by letter, to sell a house to B for Rs 15 lakh. The communication of the

- Q 35** **proposal is complete**
A When B receives the letter
B When A dispatches the letter
C When A signs the letter
D When B knows about the letter

Ans Key: A

Q 36 **Capacity to the contract means**

- A The parties are finacially sound to make contracts
B The parties are physically able to enter into contracts
C The parties are legally competent to enter to the contract
D All of the above

Ans Key: C

A contract to take a loan by a boy of 17 year of age from a money lender of 34 years

- Q 37** **is**
A Valid contract
B Void Contract
C Quasi Contract
D Void ab Initio

Ans Key: D

Q 38 **Consent means parties agreeing on**

- A The terms of the contract
B Some terms of the contract
C The same thing in the same sense
D Any matter of the contract

Ans Key: C

Q 39 **When the contract is entered into by fraud, It is**

- A Void
B Valid
C Invalid
D Voidable

Ans Key: D

Q 40 **A contract stands discharged**

- A by the performance of the contract
B by breach of the contract
C by agreement
D All of the above

Ans Key: D