

Question No: 1 (Marks: 1) - Please choose one

Which of the following is NOT true about Law?

- ▶ Law is to maintain rights
- ▶ Law upholds justice
- ▶ Law is used to redress wrongs
- ▶ Law does not ensures public order

Question No: 2 (Marks: 1) - Please choose one

Which of the following is termed as science of civil law?

- ▶ Jurisprudence
- ▶ Court
- ▶ Business law
- ▶ Labour law

Question No: 3 (Marks: 1) - Please choose one

Principles of law as they currently exist are studied under which of the following?

- ▶ Analytical jurisprudence
- ▶ Historical jurisprudence
- ▶ Ethical jurisprudence
- ▶ Both analytical and historical jurisprudence

Question No: 4 (Marks: 1) - Please choose one

Which of the following deals with the law that should be in an ideal state?

- ▶ Commercial jurisprudence
- ▶ Analytical jurisprudence
- ▶ Historical jurisprudence
- ▶ Ethical jurisprudence

Question No: 5 (Marks: 1) - Please choose one

By definition, a contract is:

- ▶ An agreement
- ▶ A legal obligation
- ▶ Both an agreement and a legal obligation
- ▶ Neither an agreement nor a legal obligation

Question No: 6 (Marks: 1) - Please choose one

According to section 2(e) of contract act, every promise and every set of promises, forming the consideration for each other is:

- ▶ A contract
- ▶ An agreement
- ▶ An obligation
- ▶ A proposal

Question No: 7 (Marks: 1) - Please choose one

When a 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, according to section 2(a) of Contract Act, said to _____.

- ▶ Make a proposal
- ▶ Make an obligation
- ▶ Formulate a contract
- ▶ Formulate an agreement

Question No: 8 (Marks: 1) - Please choose one

Mr. Asad agrees to construct Mr. Basheer's house for Rs. 10 lac. What is the consideration for Mr. Asad?

- ▶ Construction of the house by Mr. Asad
- ▶ Construction of the house by Mr. Basheer
- ▶ Promise to pay Rs. 10 lac by Mr. Asad
- ▶ Promise to pay Rs. 10 lac by Mr. Basheer

Question No: 9 (Marks: 1) - Please choose one

Consent caused by a Fraud makes a contract:

- ▶ Void
- ▶ Voidable
- ▶ Unenforceable
- ▶ Invalid

Question No: 10 (Marks: 1) - Please choose one

A police officer bought a property worth one lac rupees for Rs.50000 from an accused under his custody. The contract was done by:

- ▶ Undue influence
- ▶ Fraud
- ▶ Coercion
- ▶ Consent

Question No: 11 (Marks: 1) - Please choose one

In Undue Influence, the consent is obtained by:

- ▶ Threat
- ▶ Fraud
- ▶ Domination
- ▶ Physical force

Question No: 12 (Marks: 1) - Please choose one

The dominating party, in case of Undue Influence, can disprove the presumption by arguing all, EXCEPT:

- ▶ The facts were fully disclosed
- ▶ The consideration was enough
- ▶ The dominated party was in a position to receive independent advice
- ▶ The dominated party did not give his free consent

Question No: 13 (Marks: 1) - Please choose one

When a person does an act which is against public duty, the agreement is _____.

- ▶ Valid
- ▶ Void
- ▶ Voidable
- ▶ Illegal

Question No: 14 (Marks: 1) - Please choose one

All of the following are the agreements that are expressly declared to be void by the law, EXCEPT:

- ▶ Agreement in restraint of marriage
- ▶ Agreements in restraint of trade
- ▶ Agreement made with consideration
- ▶ Agreement by way of wager

Question No: 15 (Marks: 1) - Please choose one

An agreement in which one party agrees to close his business against the promise of the other party to pay some amount is _____.

- ▶ Valid
- ▶ Void
- ▶ Voidable
- ▶ Unlawful

Question No: 16 (Marks: 1) - Please choose one

Each party to a contract is both promisor and promisee in case of _____.

- ▶ Present consideration
- ▶ Reciprocal promises
- ▶ Valid contract
- ▶ Part consideration

Question No: 17 (Marks: 1) - Please choose one

When a contract subsequently becomes difficult to perform due to unanticipated events, it _____.

- ▶ Becomes void
- ▶ Becomes voidable
- ▶ Is discharged
- ▶ Is not discharged

Question No: 18 (Marks: 1) - Please choose one

In which of the following cases, the court may refuse to grant rescission?

- ▶ When plaintiff has not expressly ratified the contract
- ▶ When parties can not be restored to their original position due to changed circumstances
- ▶ When a third party has acquired right in good faith and value
- ▶ When only a part of contract is to be rescinded and such part can not be separated from the rest of contract

Question No: 19 (Marks: 1) - Please choose one

According to section 148 of Contract Act 1872, the delivery of goods by one party to another for some purpose upon a contract that these shall be returned when promise is accomplished, is called _____.

- ▶ Pledge
- ▶ Bailment
- ▶ Guarantee
- ▶ Indemnity

Question No: 20 (Marks: 1) - Please choose one

A pledge can also be called as _____.

- ▶ Bailment
- ▶ Guarantee
- ▶ Indemnity
- ▶ Pawn

Question No: 21 (Marks: 1) - Please choose one

A person is appointed as General Manager of a firm. Which of the following is most suitable title for him?

- ▶ Special agent
- ▶ Universal agent
- ▶ General agent
- ▶ Co-agent

Question No: 22 (Marks: 1) - Please choose one

Mr. B, at request of Mr. A, sells goods which Mr. A had no right to sell. Mr. B does not know this and sends money to Mr. A. Afterwards, Mr. C, the true owner of the goods, sued Mr. B and recovers the money. Which of the following is true?

- ▶ Mr. A is liable to Mr. B
- ▶ Mr. B is liable to Mr. C
- ▶ Mr. A is liable to Mr. C
- ▶ Mr. A is not liable to anyone

Question No: 23 (Marks: 1) - Please choose one

Which of the following is **NOT** a duty of principal in contract of agency?

- ▶ To indemnify the lawful acts
- ▶ To pay remunerations
- ▶ To render accounts
- ▶ To indemnify the acts done in good faith

Question No: 24 (Marks: 1) - Please choose one

What is the legal status of a decision about business timings, fixed by a market association, that every shop will be closed by 08:00 PM?

- ▶ Void; as it is in restraint of trade
- ▶ Illegal; as it is imposed on other party
- ▶ Unlawful; as it is against the free consent of the other party

- ▶ Valid; as it is considered as a general business practice

Question No: 25 (Marks: 1) - Please choose one

Which of the following is true regarding a Fraud or Misrepresentation if it had not effect the consent and made any damages to a concerned party?

- ▶ It makes the contract void.
- ▶ It makes the contract voidable.
- ▶ It renders the contract illegal.
- ▶ None of the given options stand true.

Question No: 26 (Marks: 1) - Please choose one

The soundness of mind of a person is proved by:

- ▶ The capacity of a person to recall his past incidents
- ▶ The person's age of majority i-e above 18 years
- ▶ The judgment of court regarding the soundness of mind
- ▶ The capability of understanding terms of contract & act rationally

Question No: 27 (Marks: 1) - Please choose one

Samina promised to employ Naila for a salary of Rs.3000 from September next. Which type of contract is it?

- ▶ Contingent contract
- ▶ Void contract
- ▶ Executed contract
- ▶ Executory contract

Question No: 28 (Marks: 1) - Please choose one

Ashraf contracted Bilal to buy 1bale of cotton for Rs.80000 at a specific date. Ashraf also made a contract with Hassan to sell this cotton for Rs.1 lac; Bilal was fully aware of this contract with Hassan, but on the specific date Bilal failed to supply the cotton to Ashraf due to which Ashraf had failed to fulfill the contract with Hassan. In this case Bilal is liable for which kind of damages?

- ▶ Ordinary damages
- ▶ Special damages
- ▶ Exemplary damages
- ▶ Liquidated damages

Question No: 29 (Marks: 3)

A chartered accountant is employed in a company. Can he be banned from private practice during the service? Why or why not?

Question No: 30 (Marks: 3)

How does the breach of contract take place? Explain by citing an example.

Question No: 31 (Marks: 5)

Can a Contingent Contract about an uncertain future event be enforced? If yes, when can

it be enforced; and if no, give reasons why it cannot be enforced.

Question No: 32 (Marks: 5)

Discuss and explain the statement: "Agency refers to the relationship which exists between two persons, the Principal and the Agent."

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