



# THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

## FUNDAMENTALS OF BUSINESS LAWS AND BUSINESS COMMUNICATION (PAPER - 1)

### MCQ BANK

SL NO	QUESTIONS	OPTION 1	OPTION 2	OPTION 3	OPTION 4
1	What are the sources of law?	Constitution of India	Constitution of India, judicial precedents, customary laws, statutes and ordinance	Statutes enacted by the Parliament of India and State Legislatures	Religion
2	Which Article in the Constitution of India, 1950 has provisions for introduction of a bill in the Parliament of India?	Article 119	Article 141	Article 107	Article 243
3	Money Bill is introduced in which House of the Parliament?	Council of People – Lok Sabha	Council of States – Rajya Sabha	Both the Houses	None of the Houses
4	Under what Article of the Constitution of India, 1950 is The President of India empowered to make an Ordinance?	Article 243	Article 123	Article 129	Article 368
5	The essence of Sub-Ordinate legislation can be found in which Article of the Constitution of India, 1950?	Article 12	Article 32	Article 13	Article 14
6	When was the Constitution of India passed by the Constituent Assembly?	26th January 1950	26th November 1949	25th November 1949	15th August 1947
7	Which is the highest Court in India?	High Court	Supreme Court of India	International Court of Justice	Sessions Court
8	Which Articles of the Constitution of India have the power to entertain petitions of violation of Fundamental Right?	Article 32	Article 226	Article 226 and Article 32	Article 356
9	Which is the highest civil court in a district?	Sessions Court	Supreme Court of India	District Court	High Court
10	Which Article of the Constitution of India empowers the legislature to make laws?	Article 12	Article 243	Article 141	Article 245
11	When was the Supreme Court of India established?	26th November 1949	26th January 1950	28th January 1950	1st October 1937
12	Which Article of the Constitution of India stipulates law made by the Supreme Court of India?	Article 141	Article 245	Article 368	Article 352
13	What is the Schedule in the Constitution of India, for Separation of Subject for Legislature?	9th Schedule	7th Schedule	32nd Schedule	14th Schedule
14	What kind of structure does the Indian Constitution have?	Unitary	Federal	Autocracy	Totalitarian
15	Under which Article can we amend the provisions of the Constitution of India?	Article 356	Article 368	Article 254	Article 245
16	Which is the lowest court to approach for criminal matters?	Munsif Court	Judicial Magistrate	Sessions Court	District Court
17	Mention the number of judges in the Supreme Court of India including Chief Justice of India currently.	23	32	34	46
18	Fundamental Rights are mentioned under which part of the Constitution of India?	Part-II	Part-III	Part-IX	Part-XII



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19	Municipalities are provided for authority under which part of the Constitution of India?	Part IX	Part IXA	Part III	Part I
20	Under what Article of the Constitution of India, 1950 is the Governor of a State empowered to make an Ordinance?	Article 123	Article 243	Article 245	Article 213
21	What Are Personal Laws?	Laws relating to inter personal behaviour	Customs (religious beliefs) that have now been codified	Laws that a person makes	Laws based on opinion
22	Which Article of the Constitution of India, deal with inconsistency between laws made by Parliament and laws made by the Legislatures of States?	Article 245	Article 254	Article 368	Article 32
23	What is a Private Bill?	A bill introduced by a member other than a Minister	Bill introduced by a private citizen	Bill introduced by a Private company	A bill relating affairs which are private to individual
24	The Parliament for the Union of India which shall consist?	The President, the Council of States (Rajya Sabha) and the House of the People (Lok Sabha)	Rajya Sabha	Lok Sabha	Legislative Assembly
25	Secondary/Sub-ordinate legislation cannot go beyond:	The ambit of the Act	The ambit of the Act or the Constitution of India	The Constitution of India	Directive Principles of State Policy
26	The Appellate court for National consumer disputes redressal communication tribunal is	High Court	district courts/Subordinate court	court of subordinate judge class -1	supreme court
27	The ancient Indian courts can be evided into six categories based on their rank as :	The Gana- The Kula- The Shreni - The Nripa - the Adhikrita - The Sasita	The Kula - The Shreni - The Gana - the Adhikrita - The sasita - The Nripa	The Kula -the Adhikrita - The Gana - the Adhikrita - The sasita - The Nripa- The shreni	The Nripa -the Adhikrita- The Kula - The Gana -The shreni - The sasita
28	Voidable contract is one :	Which is lawful	Which is invalid	Which is valid so long it is not avoided by the party entitled to do so	None of these



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29	The difference between an advertisement for sale and a proposal is :	No difference at all	That a proposal becomes a promise as soon as the party to whom it is made accepts it but an advertisement does not	Every case will be viewed according to the circumstances	None of these
30	In a Book depot a catalogue of books enlisting the price of each book and specifying the place where the particular book is available is :	An invitation to offer	An offer	An invitation to visit the book shop	None of these
31	A catalogue of the goods of a company for sale ..... a series of offers but only an invitation for offers.	is	is not	in normal cases is	in normal cases is not
32	An offer does not lapse if the :	offeror dies before acceptance	The offeree dies before acceptance	Acceptance is made by the offeree in ignorance of the death of the offeror	Acceptance is made by the offeree with knowledge of the death of the offeror
33	A telephonic acceptance is complete when the offer is :	spoken into the telephone	heard but not understood by the offeror	heard and understood by the offeror	is received, heard and understood by some person in the offeror's house
34	With regard to the contractual capacity of a person of unsound mind, which one of the following statements is most appropriate?	A person of unsound mind can never enter into a contract	A person of unsound mind can enter into a contract	A person who is usually of unsound mind can contract when he is, at the time of entering into a contract, of sound mind	A person who is occasionally of unsound mind can contract although at the time of making the contract, he is of unsound mind
35	While obtaining the consent of the promisee, keeping silence by the promisor when he has a duty to speak about the material facts, amounts to consent obtained by:	Coercion	Misrepresentation	Mistake	Fraud
36	A' threatened to commit suicide if his wife did not execute a sale deed in favour of this brother. The wife executed the sale deed. This transaction is:	Voidable due to under influence	Voidable due to coercion	Void being immoral	Void being forbidden by law
37	A contract which is vitiated by undue influence is declared as which one of the following by the Indian Contract Act?	Invalid	Void	Illegal	Voidable



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38	Consider the following: 1. Active concealment of fact. 2. Promise made without any intention of performing it. 3. Breach of duty which gains an advantage to the person committing it. 4. Inducing mistakes as to subject matter. Which of the above amount to fraud?	1 and 2	2 and 3	3 and 4	1 and 4
39	Factors vitiating consent are:	Coercion, Undue influence	Fraud, Misrepresentation	Mistake	All of these
40	Misrepresentation means:	Unwarranted assertion	Any breach of duty without an intent to deceive	Innocent mistake	All the above
41	If a party stands in a fiduciary relation to the other:	He cannot dominate	He can dominate the will of another	The trust should be maintained	None of these
42	A person is deemed to be in a position to dominate the will of another if he:	Holds real or apparent authority	Stands in a fiduciary relationship	Both (a) and (b)	Either (a) or (b)
43	If both the parties to a contract believe in the existence of a subject, which in fact does not exist, the agreement would be :	Unenforceable	Void	Voidable	None of these
44	For a valid contract :	Both the parties should have given their consent	The consent should be free	Both (a) and (b)	Either (a) or (b)
45	When both the parties to an agreement are under a mistake as to a matter of fact essential to an agreement, the agreement is:	Void	Valid	Voidable	Illegal
46	In Indian Contract Act, the term consensus ad idem means :	Parties under a mistake	Parties under the free consent	Parties agreeing upon the same thing in same sense	None of these
47	To prove undue influence, the plaintiff has to prove that:	The relations, subsisting between the parties are such that the defendant was in a position to dominate the will of the plaintiff	The defendant used that position to obtain an unfair advantage from the plaintiff	Both (a) and (b)	None of these
48	The validity of contract is not affected by :	Mistake of fact	Mistake of Indian law	Misrepresentation	Fraud



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49	Unlawful agreements comprise :	Illegal agreements	Immoral agreements only	Agreements opposed to public policy only	All the agreements mentioned above
50	The exceptions to the rule that an agreement in restraint of trade is void, are contained in :	The provisions of Sec. 27 of the Contract Act only	Secs. 11, 36, 54 and 55 of the partnership Act only	Both the above mentioned provisions of the Contract Act & Partnership Act respectively	None of the above provisions
51	A contract to trade with an enemy is :	an immoral agreement	a valid agreement	an agreement opposed to public policy	an enforceable agreement
52	An agreement will be unlawful if:	There is no consent	Consent is not free	There is no consideration	The object is forbidden by law
53	In a wagering agreement:	Both the parties win	Both the parties lose	None of the parties wins	One party wins and the other loses
54	Which one of the following statements is correct?	Void agreements are always illegal	Illegal agreements are voidable	Illegal agreement can be ratified by the parties	Illegal agreements are always void
55	Which one of the following is not a wagering agreement?	A lottery	An agreement to buy a ticket for a lottery	Commercial transaction, the intention of which is not to deliver the goods but only to pay the difference in price	A contract of insurance
56	A wagering agreement in India is declared by the Contract Act as :	Illegal and void	Void but not illegal	Voidable at the option of the aggrieved party	Immoral
57	Which one of the following is a void agreement?	An agreement without consideration	An agreement in restraint of marriage	An agreement in restraint of trade	All of the above
58	An agreement which restricts a person's freedom to marry or to marry any person of his choice is against public policy and is :	Lawful	Illegal	Void	None of these
59	An agreement of service under which an employee agrees that he will serve a particular employer for a certain duration and that he will not serve anybody else during that period, is :	Valid agreement	Void agreement	Illegal agreement	None of these



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60	If the seller agrees to supply all the goods produced by him to a certain buyer and to nobody else, and the buyer also, in turn undertakes to accept the whole of the quantity, the agreement is :	Void agreement	Solus agreement	Illegal agreement	None of these
61	M, who is a dealer in mustard oil only, agrees to sell to N '500 litres of oil'. This agreement is :	Valid contract	Void contract	Voidable contract	Unenforceable contract
62	A and B agree that A shall pay ` 1,000 for which B shall afterwards deliver to an either rice or smuggled opium. In this case :	The first agreement is void and the second voidable	The first is voidable and the second is void	The first is valid and the second is void	The first is void and the second is valid
63	A agrees to sell to B a 'hundred tons of oil'. There is nothing whatever to show what kind of oil was intended. The agreement is :	Valid	Void for uncertainty	Voidable	Illegal
64	A agrees to sell to B 'my white horse for ` 500 or ` 1,000'. There is nothing to show which of the two prices was to be given. The agreement is :	Valid	Void	Voidable	Unenforceable
65	Agreements between a husband and wife living in friendly environment are :	Valid contracts	A void contracts	Domestic arrangements	Voidable contract
66	A promised to marry none else than Miss B and in default to pay her a sum of ` 1,000. Subsequently A married Miss C and Miss B sued for recovery of ` 1,000. The contract is :	Valid	Void	Voidable	Enforceable
67	A promises B to pay ` 100 if it rains on Monday, and B promises A to pay ` 100 if it does not rain on Monday. This agreement is :	a valid agreement	avoidable agreement	a wagering agreement	an illegal agreement
68	P engages B to kill C and borrows ` 100 from D to pay B. If D is aware of the purpose of the loan, the transaction is :	Valid	Void	Illegal	Not enforceable
69	A leaves a firm doing a particular business in Mumbai. He agrees with the other partners of the firm not to start a similar business as that of the firm in and around Mumbai for 3 years. This agreement is :	Valid	Immoral	Illegal	Void
70	A, while filling up the insurance application form, states his age as 25 believing it to be true. His actual age was 27. The Life Insurance Corporation issued a policy in his favour charging a lower premium than what it should have charged if the actual age had been given. This is a case of :	Fraud	Misrepresentation	Undue influence	Mistake of fact
71	B, having discovered a vein of ore on the estate of A, adopts means to conceal, and does conceal, the existence of the ore from A. Owing to A's ignorance B is enabled to buy the estate at a low-price. The contract is :	Valid	Void	Voidable at the option of A	Invalid



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72	B let a cabin on hire to P a prostitute, knowing that it would be used for immoral purposes. The agreement is :	Enforceable	Valid	Voidable	Void
73	A enters into an agreement with B who has robbed A of `10,000 to drop prosecution against him (B) in consideration of B's returning `8,000. Afterwards B refused to pay. A can get from B	` 8,000	` 100	Nothing	` 10,000 plus damages
74	A agrees with B to discover treasure by magic for a consideration of ` 500. This is :	A void agreement	A void contract	A valid agreement	An unenforceable contract
75	X, a tailor, employed Y as his assistant under an agreement that Y, on termination of his employment shall not start the business of a tailor. This restraint is :	Void	Valid	Illegal	Voidable
76	X leaves a firm doing a particular business in Delhi. He agrees with other partners of the firm not to start a similar business as that of the firm in Delhi for 2 years. This agreement is :	Void	Valid	Voidable at X's option	Invalid
77	X promises to supply Y one tola of gold brought from the sun. This is :	a valid contract	an illegal contract	a void agreement	a voidable agreement
78	A promises B not to carry on a similar business as that of B if B pays him a certain amount. B pays the money but A continues to carry on the business. B can :	Do nothing	Compel A to stop the business	Get him imprisoned for fraud	Sue A for damages
79	A purchases B's business of selling neckties in Delhi. A can restrain B from :	Doing the business of selling neckties again in his life	Doing any business in Delhi	Doing the business of selling neckties in Delhi for a limited period	None of the above
80	A promised to marry B and none else and promised her to pay a sum of ` 5,000 in addition to what he gets from the other party if he marries someone else. A marries C and gets `10,000 from C. B can get from A :	`15,000	`10,000	Nothing	`15,000 plus damages
81	A promised B to obtain an employment for him in a public office. B promised to pay ` 2,000 to A for this. B gets a job through A but refuses to pay the money. A can :	Challenge B's appointment on the ground of non-payment of money	Sue B for ` 2,000	Do nothing	Do both given at (a) and (b) above
82	A, a Hindu already married with a living wife B, enters into a marriage agreement with a widow of 30 years of age. This agreement is :	Void, because of being opposed to public policy	Valid and can be enforced by either party	Voidable, because A has obtained B's consent by exercising undue influence against her	Void, because of being forbidden by law



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83	Rajeev entered into a contract with Lata to marry her on a fixed date. However, before the marriage date. Rajeev went mad. With reference to the Indian Contract Act which is the valid response?	Lata can't marry till Rajeev dies	The executors of Rajeev can enforce the contract against Lata	The contract becomes void	All the statements are correct
84	A and B agree to deal in smuggled goods and share the profits. A refuses to give B's share of profit. In this case:	B can enforce the agreement in the court.	B can only claim damages.	B has no remedy as the contract is illegal.	B can enforce the contract or claim damages
85	A and B agree that law of limitation shall not apply to them. A debt becomes time barred and A refuses to pay the amount. Can B recover the amount under the terms of the agreement?	yes, the agreement between them is valid and enforceable.	yes, the agreement is not opposed to public policy.	no, the agreement is a voidable agreement I and can be avoided by A.	no, the agreement falls under section 23 and hence void
86	A borrows ` 5,000 from B to purchase a revolver to shoot C. Can B recover his loan of ` 5,000.	yes, the agreement between them is valid and enforceable.	yes, the agreement is not opposed to public policy.	no, the agreement is a voidable agreement and can be avoided by A.	no, the agreement falls under section 23 and hence void
87	A borrows from B ` 500 to bet with C. Can B recover the amount of his loan?	yes, the agreement between them is collateral to a wagering agreement and hence enforceable	yes, the agreement is not opposed to public policy	no, the agreement is a voidable agreement and can be avoided by A	no, the agreement is a wagering agreement and falls under section 23 and hence void
88	A paid `500 to a Government servant to get him a contract for the canteen. The Government servant could not get the contract. Can A recover `500 paid by him to the Government servant?	yes, the agreement between them is valid and enforceable	yes, the agreement is not opposed to public policy	no, the agreement is a voidable agreement and can be avoided by A	no, the agreement is void
89	A person contracted to deliver a part of a specific crop of potatoes. The potatoes were destroyed by blight though no fault of the party. The contract is	Valid	Voidable	Void due to frustration of contract	Illegal
90	A contracts to sing for B at a concert for ` 1,000 which are paid in advance. A is too ill to sing. Which of the following options is correct?	A is bound to make compensation	A is not bound to make compensation to B for the loss of the profit which B would have made if A had been able to sing, but must refund to B ` 1,000 paid in advance	A is not liable to refund to B ` 1,000 paid in advance	A is liable for loss of profit as well as for refund





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91	A contractor entered into an agreement with Government to construct a godown and received advance payments for the same. He did not complete the work and the Government terminated the contract.	The Government can claim damages	The Government under sec. 65 could recover the amount advanced to the contractor	The Government cannot claim damages	Both (a) & (b)
92	Which one of the following has the correct sequence?	Offer, acceptance, contract, consideration.	Offer, acceptance, consideration, contract	Contract, acceptance, consideration, offer	Offer, consideration, acceptance, contract.
93	A telephonic acceptance is complete when the offer is	spoken into the telephone.	heard but not understood by the offeror.	heard and understood by the offeror	received, heard and understood by some person in the offeror's house.
94	In case of appropriation of goods, which are the essential requirements:	The goods should confirm to the description and quality stated in the contract.	The goods must be in a deliverable state	The appropriation must be by the seller with the assent of the buyer	All the above
95	Appropriation of goods means :	separating the goods sold from other goods	putting the quantity of goods sold in suitable receptacles	delivering the goods to the carrier or other bailee for the purpose of transmission to the buyer with reserving the right of disposal	all the above
96	The general rule of Sale of Goods Act is, risk prima facie passes with :	Ownership	Possession	Delivery	Custody
97	"Nemo dat quod non habet", means:	no one is greater than god	none can give who does not himself possess	every one can give everything he has	everyone is bound by is habit
98	Transfer of documents of title to the goods sold to the buyer, amounts to :	actual delivery	symbolic delivery	constructive delivery	none of these
99	Under Sec.2(4) of the Sale of Goods Act, a delivery order enabling a person to obtain delivery on payment of price is :	Deemed as a Document of Title	Not a Document of Title	Document enabling title to Goods	Not a valid document at all
100	A Share Certificate is a —	Document of Title to Goods	Bill of Exchange	Document Showing Title to Goods	Instrument of Transfer
101	A Bill of Lading is a —	Bill of Exchange	Promissory Note	Cheque	Document of Title to Goods



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102	Section 19 of the Sale of Goods Act, deals with passing of property of.....goods.	Unascertained Goods	Future Goods	Specific or Ascertained Goods	Contingent Goods
103	Voluntary transfer of possession from one person to another is called as :	Ownership	Delivery	Gift	License
104	Which of the statement is incorrect in connection with duties of seller and buyer:	It is the duty of the seller to deliver the goods	It is the duty of the buyer to accept and pay for them	It is not the duty of the seller to deliver the goods	It is the duty of the buyer to take delivery of goods
105	Delivery of goods means-	Voluntary transfer of possession	Compulsory transfer of possession	Exchange of goods	Voluntary transfer of ownership
106	For a valid contract of sale, delivery may be:	Actual delivery	Symbolic delivery	Constructive delivery	All of these
107	Delivery of the keys of a godown where goods are kept amounts to:	Actual delivery	Symbolic delivery	Constructive delivery	All of these
108	There are.....modes of delivery.	Three	Two	Four	Five
109	The term "Unpaid Seller" includes —	Agent of the Buyer	Agent of the Seller	Agent of the Carrier/Transporter	All of the above
110	The term "Unpaid Seller" includes —	Buyer's agent to whom the Bill of Lading is endorsed	Buyer's agent to whom the goods have been delivered	Seller's agent to whom the Bill of Lading is endorsed	Seller's agent to whom the goods have been delivered
111	Unpaid Seller can exercise his right of lien —	even when property in goods has passed to the Buyer	only when property in goods has not passed to the Buyer	either (a) or (b)	neither (a) nor (b)
112	Unpaid Seller can exercise his right of re-sale of goods—	even when property in goods has passed to the Buyer	only when property in goods has not passed to the Buyer	either (a) or (b)	neither (a) nor (b)
113	Unpaid Seller can exercise his right of withholding delivery of goods —	even when property in goods has passed to the Buyer	only when property in goods has not passed to the Buyer	either (a) or (b)	neither (a) nor (b)
114	The doctrine of Caveat emptor is not applicable	in case of sale under a patent name.	in case of sale under a trade name.	where the seller is guilty of fraud	where the buyer relies on the skill and judgement of the seller
115	Property in the goods in the Sale of Goods Act, 1930 means	Ownership of goods	Possession of goods	Asset in the goods	Custody of goods



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116	The Sale of Goods Act, 1930 governs the transfer of property in	movable property	immovable property	both movable and immovable property	all types of properties
117	A valid contract of sale	includes 'an agreement to sell'	does not include 'an agreement to sell'	includes hire purchase contract	includes contract for work and labour
118	The undertaking contained in a promissory note, to pay a certain sum of money is :	Conditional	Unconditional	may be conditional or unconditional depending upon the circumstances	none of the above
119	A bill of exchange contains a/an :	unconditional undertaking	unconditional order	conditional undertaking	conditional order
120	Cheque is a _____.	promissory note	bill of exchange	both (a) and (b) above	None of the above
121	The term 'Negotiable instrument' is defined in the Negotiable Instruments Act, 1881, under section:	12	13	13A	2(d)
122	The term 'negotiation' in section 14 of the Negotiable Instruments Act, 1881 refers to :	the transfer of a bill of exchange, promissory note or cheque to any person, so as to constitute the person the holder thereof	the payment by a bank on a negotiable instrument after due verification of the instrument	the bargaining between the parties to a negotiable instrument	all of the above
123	If a minor draws, endorses, delivers or negotiates an instrument, such instrument binds :	all parties to the instrument including the minor	only the minor and not other parties to the instrument	all parties to the instrument except the minor	none of the above
124	In a promissory note, the amount of money payable :	must be certain	may be certain or uncertain	is usually uncertain	none of the above
125	A cheque is crossed ..... when it bears across its face an addition of the name of a banker, either with or without the words "not negotiable".	Specially	General	Restrictive	None of the above
126	Under section 118 of the Negotiable Instruments Act, 1881, it is presumed, until the contrary is proved, that every transfer of a negotiable instrument was made :	after its maturity	before its maturity	at its maturity	none of the above
127	Who among the following cannot cross a cheque?	Drawer	Holder	Banker	Foreigner
128	Where a cheque is crossed generally the banker on whom it is drawn :	shall not pay it otherwise than to a banker	shall not pay it otherwise than to the holder	shall not pay it to a banker	none of the above



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129	The Negotiable Instrument Act is applicable to—	Whole of India	Whole of India except JK state	Whole of India except J & Kashmir city	None of the above
130	The Negotiable Instruments Act, 1881 came into force on :	9th December, 1881	19th December, 1881	1st March, 1882	None of the above
131	The term Negotiable instrument is defined in section ___ of the Negotiable Instrument Act, 1881	2	13	12	10
132	Which of these is not a negotiable Instrument as per the Negotiable Instrument Act, 1881	Bill of exchange	Delivery note	Bearer Cheque	Share certificate
133	_____ is not a negotiable instrument as per customs and usage :	Delivery note	Railway Receipt	Cheque	Government promissory note
134	An instrument incomplete in one way or other is called :	Inchoate Instrument	Ambiguous instrument	Foreign Instrument	Dishonored Instrument
135	A bill of exchange contains a/an_____ :	unconditional undertaking	unconditional order	conditional undertaking	conditional order.
136	A Corporation can be party to a Negotiable Instrument if_____	authorized by its article of association	if special permission of Board of Directors taken	if special resolution by Share holders is passed	absolutely without any restrictions
137	The grace period for payment of a negotiable instrument other than payable on demand is----- days/months	7days	3 days	1 month	15 days
138	The term “a cheque in the electronic form” is defined in the Negotiable Instruments Act, 1881 - under :	Section 6(a)	Section 6(1)(a)	Explanation 1(a) of Section 6	Section 6A
139	How many parties are involved in a Bill of Exchange :	2	3	4	1
140	A promissory note, bill of exchange or cheque drawn or made in India and made payable in, or drawn upon any person resident in, India is treated as a/an –	Inland instrument	Local instrument	Foreign instrument	Indigenous instrument
141	If an instrument may be construed either as a promissory note or bill of exchange, it is---	a valid instrument	ambiguous instrument	a returnable instrument	none of the above.
142	If the words “not negotiable” are used with special crossing in a cheque, the cheque is---	not transferable	transferable	negotiable under certain circumstances	none of the above.
143	Under Section 118 of the Negotiable Instruments Act, 1881, it is presumed, until the contrary is proved, that every transfer of a negotiable instrument was made:	after its maturity	before its maturity	at its maturity	none of the above
144	When an Instrument is drawn conditionally or for a special purpose as a collateral security and not for the purpose of transferring property therein, it is called an	Escrow Instrument	Inchoate Instrumen	Ambiguous Instrument	None of the above



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145	When a cheque is payable across the counter of a bank it is called	OTC cheque	Open cheque	Crossed Cheque	Restricted cheque
146	A Promissory Note must be	in writing	unconditional	signed by the maker	all of the above
147	Communication that originates at a lower level and flows to a higher level is called -	Upward Communication	Diagonal Communication	Downward Communication	None of the above
148	Communication among employees at the same level in the organizational structure is called -	Grapevine Communication	Diagonal Communication	Lateral Communication	None of the above
149	Which of the following should be avoided in the Group discussion?	Positive body language	Leadership initiative	False statements	Confidence
150	Which business communication usage provides a bird's eye view on a matter?	Speech	Group Discussion	Debate	Presentation
151	Which of the following is not an advantage of written communication?	It creates a permanent record of evidence.	It proves to be highly effective during emergencies.	It is suitable for sending statistical data.	None of the above
152	In which business communication, a speaker has to clearly speak for or against a topic?	Presentation	Debate	Speech	Group discussion
153	Includes face to face interaction with customers for closing the sale?	Sales promotion	Advertising	Direct marketing	Personal Selling
154	Use of coupons and samples come under which mode of marketing communication?	Sales promotion	Advertising	Direct marketing	Personal Selling
155	What is the situation called when a bad image of the company is created?	Positive PR	Negative PR	Customer service	Promotion
156	Business communications help in establishing _____ when marketing?	Professionalism	Rudeness	Negativity	Casualness
157	Participants involved in the process of communication must be _____.	Judgemental	Open-minded	Both a and b	None of the above
158	Which of the following is not one of the 8C's of communication?	Curiousness	Conciseness	Considerate	Concreteness
159	Need of proper grammar and syntax comes under which C of communication?	Completeness	Coherence	Courteous	Correctness
160	If a message is short and to the point, the message is said to be _____?	Correct	Concise	Coherent	Complete
161	The way the information is described or translated into a message and put in verbal or non-verbal medium is called _____.	Feedback	Decoding	Encoding	None of the above
162	Affirming comments with regard to future behaviour is called _____.	Positive Feedback	Negative Feedforward	Positive Feedforward	Decoding



# THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

## FUNDAMENTALS OF BUSINESS LAWS AND BUSINESS COMMUNICATION (PAPER - 1)

### MCQ BANK

SL NO	QUESTIONS	OPTION 1	OPTION 2	OPTION 3	OPTION 4
163	Corrective comments with regard to past behaviour -	Encoding	Positive Feedback	Negative Feedforward	Negative Feedback
164	Interpretation and conversion of information communicated into the intelligible form so that the recipient can fully understand the true meaning of the information is called _____.	Decoding	Encoding	Feedback	None of the above
165	What is the first step of communication process?	Encoding	Transmitting	Decoding	Developing an idea
166	Method of delivering the message is known as _____?	Receiver	Channel	Sender	Feedback
167	Feedback is needed in which way communication?	One-way	Two-way	Both a and b	None of the above
168	Communication happens when a person randomly chooses some persons to pass on the information which is of little interest but not important.	Gossip Chain	Cluster Chain	Probability Chain	None of the above
169	The communication starts when a person tells something to a group of people, and then they pass on the information to some more people and in this way the information is passed on to everyone.	Gossip Chain	Probability Chain	Either (a) or (b)	None of the above
170	Which of the following is not an advantage of formal communication?	Reliable	Fast	Secrecy	d) None of the above
171	At which stage the communicator focuses on correcting the grammar, spellings and punctuations.	Proof Reading	Revising and editing	Either (a) or (b)	None of the above
172	Study of body language of a person is called _____.	Kinesics	Chronemics	Paralanguage	None of the above
173	A cloud computing is availability of computer resources?	Off demand	From demand	On demand	None of the above
174	The cost incurred in interacting with customers via video call has been _____?	Constant	Reduced	Increased	None of the above
175	Providing Frequently Asked Questions (FAQs) to customers result in which of the following benefits of internet communication?	Support care	Professional presentation	Personal touch	None of the above
176	Professional behaviour includes behave in a _____ manner in the workplace?	Neutral	Positive	Negative	None of the above
177	Business attire refers to _____ in a professional conduct?	Manners	Qualities	Clothing	None of the above
178	It is to interrupt people while they are speaking?	Polite	Desirable	Rude	None of the above
179	At the end of the day, who needs to be satisfied?	Company	Customers	Suppliers	None of the above
180	Writing is _____ in nature?	Personal	Impersonal	Neutral	None of the above



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## FUNDAMENTALS OF BUSINESS LAWS AND BUSINESS COMMUNICATION (PAPER - 1)

### MCQ BANK

SL NO	QUESTIONS	OPTION 1	OPTION 2	OPTION 3	OPTION 4
181	Which of the following skills is the most important for professionals like editors?	Oral skills	Writing Skills	Presenting skills	None of the above
182	In which type of letter, buyers want to know the price and quality of the goods they are willing to buy?	Quotation	Enquiry	Complaint	Order
183	How many reports are there on the basis of legality?	2	3	1	None of the above
184	A stage wherein member have spotted the differences in their cultures and they look upon these differences as negatives is called _____.	Minimization	Integration	Denial	None of the above
185	Mr. A and Mr. B belong to two distinct cultural backgrounds. Mr. B believes that his culture is superior compared to the culture of Mr. A. This phenomenon is known as _____.	Defence	Ethnocentrism	Denial	None of the above
186	_____ stage at which members learn to accept each other's culture however they still remain devoted to their own respective cultures .	Adoption	Integration	Denial	Minimization
187	Recognizing the different types of cultures, the similarities and differences between them without being judgemental is called _____.	Acceptance	Cultural Sensitivity	Adoption	Integration
188	Which of the following is not an example of a physical communication barrier?	Telephonic Disturbances	Distance	Background noises	Language
189	Excessive usage of technical jargons and double meaning words are what type of barrier?	Sematic Barriers	Psychological Barriers	Physical Barriers	None of the above
190	Information Overload is when _____.	Listener gets inadequate information	Listener gets too much information	Listener gets adequate information	Listener is inattentive



## THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

### FUNDAMENTALS OF BUSINESS LAWS AND BUSINESS COMMUNICATION (PAPER - 1)

### ANSWERS TO MCQ BANK

SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
1	What are the sources of law?	Constitution of India, judicial precedents, customary laws, statutes and ordinance	2
2	Which Article in the Constitution of India, 1950 has provisions for introduction of a bill in the Parliament of India?	Article 107	3
3	Money Bill is introduced in which House of the Parliament?	Council of People – Lok Sabha	1
4	Under what Article of the Constitution of India, 1950 is The President of India empowered to make an Ordinance?	Article 123	2
5	The essence of Sub-Ordinate legislation can be found in which Article of the Constitution of India, 1950?	Article 13	3
6	When was the Constitution of India passed by the Constituent Assembly?	26th November 1949	2
7	Which is the highest Court in India?	Supreme Court of India	2
8	Which Articles of the Constitution of India have the power to entertain petitions of violation of Fundamental Right?	Article 226 and Article 32	3
9	Which is the highest civil court in a district?	District Court	3
10	Which Article of the Constitution of India empowers the legislature to make laws?	Article 245	4
11	When was the Supreme Court of India established?	26th January 1950	2
12	Which Article of the Constitution of India stipulates law made by the Supreme Court of India?	Article 141	1
13	What is the Schedule in the Constitution of India, for Separation of Subject for Legislature?	7th Schedule	2
14	What kind of structure does the Indian Constitution have?	Federal	2
15	Under which Article can we amend the provisions of the Constitution of India?	Article 368	2
16	Which is the lowest court to approach for criminal matters?	Judicial Magistrate	2
17	Mention the number of judges in the Supreme Court of India including Chief Justice of India currently.	34	3
18	Fundamental Rights are mentioned under which part of the Constitution of India?	Part-III	2
19	Municipalities are provided for authority under which part of the Constitution of India?	Part IXA	2
20	Under what Article of the Constitution of India, 1950 is the Governor of a State empowered to make an Ordinance?	Article 213	4
21	What Are Personal Laws?	Customs (religious beliefs) that have now been codified	2
22	Which Article of the Constitution of India, deal with inconsistency between laws made by Parliament and laws made by the Legislatures of States?	Article 254	2
23	What is a Private Bill?	A bill introduced by a member other than a Minister	1
24	The Parliament for the Union of India which shall consist?	The President, the Council of States (Rajya Sabha) and the House of the People (Lok Sabha)	1
25	Secondary/Sub-ordinate legislation cannot go beyond:	The ambit of the Act or the Constitution of India	2
26	The Appellate court for National consumer disputes redressal communication tribunal is	supreme court	1
27	The ancient Indian courts can be evided into six categories based on their rank as :	The Kula - The Shreni - The Gana - the Adhikrita - The sasita - The Nripa	2





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### ANSWERS TO MCQ BANK

SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
28	Voidable contract is one :	Which is valid so long it is not avoided by the party entitled to do so	3
29	The difference between an advertisement for sale and a proposal is :	That a proposal becomes a promise as soon as the party to whom it is made accepts it but an advertisement does not	2
30	In a Book depot a catalogue of books enlisting the price of each book and specifying the place where the particular book is available is :	An invitation to visit the book shop	3
31	A catalogue of the goods of a company for sale ..... a series of offers but only an invitation for offers.	is not	2
32	An offer does not lapse if the :	Acceptance is made by the offeree in ignorance of the death of the offeror	3
33	A telephonic acceptance is complete when the offer is :	heard and understood by the offeror	3
34	With regard to the contractual capacity of a person of unsound mind, which one of the following statements is most appropriate?	A person of unsound mind can enter into a contract	3
35	While obtaining the consent of the promisee, keeping silence by the promisor when he has a duty to speak about the material facts, amounts to consent obtained by:	Fraud	4
36	A' threatened to commit suicide if his wife did not execute a sale deed in favour of this brother. The wife executed the sale deed. This transaction is:	Voidable due to coercion	2
37	A contract which is vitiated by undue influence is declared as which one of the following by the Indian Contract Act?	Voidable	4
38	Consider the following: 1. Active concealment of fact. 2. Promise made without any intention of performing it. 3. Breach of duty which gains an advantage to the person committing it. 4. Inducing mistakes as to subject matter. Which of the above amount to fraud?	1 and 2	1
39	Factors vitiating consent are:	All of these	4
40	Misrepresentation means:	All the above	4
41	If a party stands in a fiduciary relation to the other:	He can dominate the will of another	2
42	A person is deemed to be in a position to dominate the will of another if he:	Both (a) and (b)	3
43	If both the parties to a contract believe in the existence of a subject, which in fact does not exist, the agreement would be :	Void	2
44	For a valid contract :	Both (a) and (b)	3
45	When both the parties to an agreement are under a mistake as to a matter of fact essential to an agreement, the agreement is:	Void	1
46	In Indian Contract Act, the term consensus ad idem means :	Parties agreeing upon the same thing in same sense	3
47	To prove undue influence, the plaintiff has to prove that:	Both (a) and (b)	3
48	The validity of contract is not affected by :	Mistake of Indian law	2
49	Unlawful agreements comprise :	All the agreements mentioned above	4
50	The exceptions to the rule that an agreement in restraint of trade is void, are contained in :	The provisions of Sec. 27 of the Contract Act only	1



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### ANSWERS TO MCQ BANK

SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
51	A contract to trade with an enemy is :	an agreement opposed to public policy	3
52	An agreement will be unlawful if:	The object is forbidden by law	4
53	In a wagering agreement:	One party wins and the other loses	4
54	Which one of the following statements is correct?	Illegal agreements are always void	4
55	Which one of the following is not a wagering agreement?	A contract of insurance	4
56	A wagering agreement in India is declared by the Contract Act as :	Void but not illegal	2
57	Which one of the following is a void agreement?	All of the above	4
58	An agreement which restricts a person's freedom to marry or to marry any person of his choice is against public policy and is :	Void	3
59	An agreement of service under which an employee agrees that he will serve a particular employer for a certain duration and that he will not serve anybody else during that period, is :	Valid agreement	1
60	If the seller agrees to supply all the goods produced by him to a certain buyer and to nobody else, and the buyer also, in turn undertakes to accept the whole of the quantity, the agreement is :	None of these	4
61	M, who is a dealer in mustard oil only, agrees to sell to N '500 litres of oil'. This agreement is :	Valid contract	1
62	A and B agree that A shall pay ` 1,000 for which B shall afterwards deliver to an either rice or smuggled opium. In this case :	The first is valid and the second is void	3
63	A agrees to sell to B a 'hundred tons of oil'. There is nothing whatever to show what kind of oil was intended. The agreement is :	Void for uncertainty	2
64	A agrees to sell to B 'my white horse for ` 500 or ` 1,000'. There is nothing to show which of the two prices was to be given. The agreement is :	Void	2
65	Agreements between a husband and wife living in friendly environment are :	Domestic arrangements	3
66	A promised to marry none else than Miss B and in default to pay her a sum of ` 1,000. Subsequently A married Miss C and Miss B sued for recovery of ` 1,000. The contract is :	Void	2
67	A promises B to pay ` 100 if it rains on Monday, and B promises A to pay ` 100 if it does not rain on Monday. This agreement is :	a wagering agreement	3
68	P engages B to kill C and borrows ` 100 from D to pay B. If D is aware of the purpose of the loan, the transaction is :	Illegal	3
69	A leaves a firm doing a particular business in Mumbai. He agrees with the other partners of the firm not to start a similar business as that of the firm in and around Mumbai for 3 years. This agreement is :	Void	4
70	A, while filling up the insurance application form, states his age as 25 believing it to be true. His actual age was 27. The Life Insurance Corporation issued a policy in his favour charging a lower premium than what it should have charged if the actual age had been given. This is a case of :	Misrepresentation	2



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### ANSWERS TO MCQ BANK

SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
71	B, having discovered a vein of ore on the estate of A, adopts means to conceal, and does conceal, the existence of the ore from A. Owing to A's ignorance B is enabled to buy the estate at a low- price. The contract is :	Voidable at the option of A	3
72	B let a cabin on hire to P a prostitute, knowing that it would be used for immoral purposes. The agreement is :	Void	4
73	A enters into an agreement with B who has robbed A of `10,000 to drop prosecution against him (B) in consideration of B's returning `8,000. Afterwards B refused to pay. A can get from B	Nothing	3
74	A agrees with B to discover treasure by magic for a consideration of ` 500. This is :	A void agreement	1
75	X, a tailor, employed Y as his assistant under an agreement that Y, on termination of his employment shall not start the business of a tailor. This restraint is :	Void	1
76	X leaves a firm doing a particular business in Delhi. He agrees with other partners of the firm not to start a similar business as that of the firm in Delhi for 2 years. This agreement is :	Valid	2
77	X promises to supply Y one tola of gold brought from the sun. This is :	a void agreement	3
78	A promises B not to carry on a similar business as that of B if B pays him a certain amount. B pays the money but A continues to carry on the business. B can :	Do nothing	1
79	A purchases B's business of selling neckties in Delhi. A can restrain B from :	Doing the business of selling neckties in Delhi for a limited period	3
80	A promised to marry B and none else and promised her to pay a sum of ` 5,000 in addition to what he gets from the other party if he marries someone else. A marries C and gets `10,000 from C. B can get from A :	Nothing	3
81	A promised B to obtain an employment for him in a public office. B promised to pay ` 2,000 to A for this. B gets a job through A but refuses to pay the money. A can :	Do nothing	3
82	A, a Hindu already married with a living wife B, enters into a marriage agreement with a widow of 30 years of age. This agreement is :	Void, because of being forbidden by law	4
83	Rajeev entered into a contract with Lata to marry her on a fixed date. However, before the marriage date. Rajeev went mad. With reference to the Indian Contract Act which is the valid response?	The contract becomes void	3
84	A and B agree to deal in smuggled goods and share the profits. A refuses to give B's share of profit. In this case:	B has no remedy as the contract is illegal.	3
85	A and B agree that law of limitation shall not apply to them. A debt becomes time barred and A refuses to pay the amount. Can B recover the amount under the terms of the agreement?	no, the agreement falls under section 23 and hence void	4
86	A borrows ` 5,000 from B to purchase a revolver to shoot C. Can B recover his loan of ` 5,000.	no, the agreement falls under section 23 and hence void	4
87	A borrows from B ` 500 to bet with C. Can B recover the amount of his loan?	no, the agreement is wagering agreement and falls under section 23 and hence void	4
88	A paid `500 to a Government servant to get him a contract for the canteen. The Government servant could not get the contract. Can A recover `500 paid by him to the Government servant?	no, the agreement is void	4



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#### ANSWERS TO MCQ BANK

SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
89	A person contracted to deliver a part of a specific crop of potatoes. The potatoes were destroyed by blight though no fault of the party. The contract is	Void due to frustration of contract	3
90	A contracts to sing for B at a concert for ` 1,000 which are paid in advance. A is too ill to sing. Which of the following options is correct?	A is not bound to make compensation to B for the loss of the profit which B would have made if A had been able to sing, but must refund to B ` 1,000 paid in advance	3
91	A contractor entered into an agreement with Government to construct a godown and received advance payments for the same. He did not complete the work and the Government terminated the contract.	Both (a) & (b)	4
92	Which one of the following has the correct sequence?	Offer, acceptance, consideration, contract	2
93	A telephonic acceptance is complete when the offer is	received, heard and understood by some person in the offeror's house.	4
94	In case of appropriation of goods, which are the essential requirements:	All the above	4
95	Appropriation of goods means :	all the above	4
96	The general rule of Sale of Goods Act is, risk prima facie passes with :	Ownership	1
97	"Nemo dat quad non habet", means:	none can give who does not himself possess	2
98	Transfer of documents of title to the goods sold to the buyer, amounts to :	symbolic delivery	2
99	Under Sec.2(4) of the Sale of Goods Act, a delivery order enabling a person to obtain delivery on payment of price is :	Deemed as a Document of Title	1
100	A Share Certificate is a —	Document Showing Title to Goods	3
101	A Bill of Lading is a —	Document of Title to Goods	4
102	Section 19 of the Sale of Goods Act, deals with passing of property of.....goods.	Specific or Ascertained Goods	3
103	Voluntary transfer of possession from one person to another is called as :	Delivery	2
104	Which of the statement is incorrect in connection with duties of seller and buyer:	It is not the duty of the seller to deliver the goods	3
105	Delivery of goods means-	Voluntary transfer of possession	1
106	For a valid contract of sale, delivery may be:	All of these	4
107	Delivery of the keys of a godown where goods are kept amounts to:	Symbolic delivery	2
108	There are.....modes of delivery.	Three	1
109	The term "Unpaid Seller" includes —	Agent of the Seller	2
110	The term "Unpaid Seller" includes —	Seller's agent to whom the Bill of Lading is endorsed	3
111	Unpaid Seller can exercise his right of lien —	even when property in goods has passed to the Buyer	1
112	Unpaid Seller can exercise his right of re-sale of goods—	even when property in goods has passed to the Buyer	1
113	Unpaid Seller can exercise his right of withholding delivery of goods —	even when property in goods has passed to the Buyer	1
114	The doctrine of Caveat emptor is not applicable	where the seller is guilty of fraud	3
115	Property in the goods in the Sale of Goods Act, 1930 means	Ownership of goods	1
116	The Sale of Goods Act, 1930 governs the transfer of property i	movable property	1
117	A valid contract of sale	includes 'an agreement to sell'	1



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#### ANSWERS TO MCQ BANK

SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
118	The undertaking contained in a promissory note, to pay a certain sum of money is :	Unconditional	2
119	A bill of exchange contains a/an :	unconditional order	2
120	Cheque is a _____.	bill of exchange	2
121	The term 'Negotiable instrument' is defined in the Negotiable Instruments Act, 1881, under section:	13	2
122	The term 'negotiation' in section 14 of the Negotiable Instruments Act, 1881 refers to :	the transfer of a bill of exchange, promissory note or cheque to any person, so as to constitute the person the holder thereof	1
123	If a minor draws, endorses, delivers or negotiates an instrument, such instrument binds :	all parties to the instrument except the minor	3
124	In a promissory note, the amount of money payable :	must be certain	1
125	A cheque is crossed ..... when it bears across its face an addition of the name of a banker, either with or without the words "not negotiable".	Specially	1
126	Under section 118 of the Negotiable Instruments Act, 1881, it is presumed, until the contrary is proved, that every transfer of a negotiable instrument was made :	before its maturity	2
127	Who among the following cannot cross a cheque?	Foreigner	4
128	Where a cheque is crossed generally the banker on whom it is drawn :	shall not pay it otherwise than to a banker	1
129	The Negotiable Instrument Act is applicable to—	Whole of India	1
130	The Negotiable Instruments Act, 1881 came into force on :	1st March, 1882	3
131	The term Negotiable instrument is defined in section ___ of the Negotiable Instrument Act, 1881	13	2
132	Which of these is not a negotiable Instrument as per the Negotiable Instrument Act, 1881	Share certificate	4
133	_____ is not a negotiable instrument as per customs and usage :	Cheque	3
134	An instrument incomplete in one way or other is called :	Inchoate Instrument	1
135	A bill of exchange contains a/an_____ :	unconditional order	2
136	A Corporation can be party to a Negotiable Instrument if_____	authorized by its article of association	1
137	The grace period for payment of a negotiable instrument other than payable on demand is----- days/months	3 days	2
138	The term "a cheque in the electronic form" is defined in the Negotiable Instruments Act, 1881 - under :	Explanation 1(a) of Section 6	3
139	How many parties are involved in a Bill of Exchange :	3	2
140	A promissory note, bill of exchange or cheque drawn or made in India and made payable in, or drawn upon any person resident in, India is treated as a/an –	Inland instrument	1
141	If an instrument may be construed either as a promissory note or bill of exchange, it is---	ambiguous instrument	2
142	If the words "not negotiable" are used with special crossing in a cheque, the cheque is---	not transferable	1
143	Under Section 118 of the Negotiable Instruments Act, 1881, it is presumed, until the contrary is proved, that every transfer of a negotiable instrument was made:	before its maturity	2
144	When an Instrument is drawn conditionally or for a special purpose as a collateral security and not for the purpose of transferring property therein, it is called an	Escrow Instrument	1
145	When a cheque is payable across the counter of a bank it is called	Open cheque	2
146	A Promissory Note must be	all of the above	4



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### ANSWERS TO MCQ BANK

SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
147	Communication that originates at a lower level and flows to a higher level is called -	Upward Communication	1
148	Communication among employees at the same level in the organizational structure is called -	Lateral Communication	3
149	Which of the following should be avoided in the Group discussion?	False statements	3
150	Which business communication usage provides a bird's eye view on a matter?	Presentation	4
151	Which of the following is not an advantage of written communication?	It proves to be highly effective during emergencies.	2
152	In which business communication, a speaker has to clearly speak for or against a topic?	Debate	2
153	Includes face to face interaction with customers for closing the sale?	Personal Selling	4
154	Use of coupons and samples come under which mode of marketing communication?	Sales promotion	1
155	What is the situation called when a bad image of the company is created?	Negative PR	2
156	Business communications help in establishing _____ when marketing?	Professionalism	1
157	Participants involved in the process of communication must be _____.	Open-minded	2
158	Which of the following is not one of the 8C's of communication?	Curiousness	1
159	Need of proper grammar and syntax comes under which C of communication?	Correctness	4
160	If a message is short and to the point, the message is said to be _____?	Concise	2
161	The way the information is described or translated into a message and put in verbal or non-verbal medium is called _____.	Encoding	3
162	Affirming comments with regard to future behaviour is called _____.	Positive Feedforward	3
163	Corrective comments with regard to past behaviour -	Negative Feedback	4
164	Interpretation and conversion of information communicated into the intelligible form so that the recipient can fully understand the true meaning of the information is called _____.	Decoding	1
165	What is the first step of communication process?	Encoding	1
166	Method of delivering the message is known as _____?	Channel	2
167	Feedback is needed in which way communication?	Two-way	2
168	Communication happens when a person randomly chooses some persons to pass on the information which is of little interest but not important.	Probability Chain	3
169	The communication starts when a person tells something to a group of people, and then they pass on the information to some more people and in this way the information is passed on to everyone.	Gossip Chain	1
170	Which of the following is not an advantage of formal communication?	Secrecy	3
171	At which stage the communicator focuses on correcting the grammar, spellings and punctuations.	Proof Reading	1
172	Study of body language of a person is called _____.	Kinesics	1
173	A cloud computing is availability of computer resources?	On demand	3
174	The cost incurred in interacting with customers via video call has been _____?	Increased	3



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#### ANSWERS TO MCQ BANK

SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
175	Providing Frequently Asked Questions (FAQs) to customers result in which of the following benefits of internet communication?	Support care	1
176	Professional behaviour includes behave in a _____ manner in the workplace?	Positive	2
177	Business attire refers to _____ in a professional conduct?	Clothing	3
178	It is to interrupt people while they are speaking?	Rude	3
179	At the end of the day, who needs to be satisfied?	Customers	2
180	Writing is _____ in nature?	Personal	1
181	Which of the following skills is the most important for professionals like editors?	Writing Skills	2
182	In which type of letter, buyers want to know the price and quality of the goods they are willing to buy?	Enquiry	2
183	How many reports are there on the basis of legality?	2	1
184	A stage wherein member have spotted the differences in their cultures and they look upon these differences as negatives is called _____.	None of the above	4
185	Mr. A and Mr. B belong to two distinct cultural backgrounds. Mr. B believes that his culture is superior compared to the culture of Mr. A. This phenomenon is known as _____.	Ethnocentrism	2
186	_____ stage at which members learn to accept each other's culture however they still remain devoted to their own respective cultures .	Adoption	1
187	Recognizing the different types of cultures, the similarities and differences between them without being judgemental is called _____.	Cultural Sensitivity	2
188	Which of the following is not an example of a physical communication barrier?	Language	4
189	Excessive usage of technical jargons and double meaning words are what type of barrier?	Sematic Barriers	1
190	Information Overload is when _____.	Listener gets too much information	2