



FOUNDATION EXAMINATION
MODEL QUESTION PAPER
PAPER - 1

SET 2
TERM DEC-2024

FUNDAMENTALS OF BUSINESS LAWS & BUSINESS COMMUNICATION

Time Allowed: 1 Hour

Full Marks: 100

Answer all questions. Each question carries 2 marks.

1.	Money Bill is introduced in which House of the Parliament?		
	(a)	Council of People – Lok Sabha	O
	(b)	Council of States – Rajya Sabha	O
	(c)	Both the Houses	O
	(d)	None of the Houses	O
2.	When was the Constitution of India passed by the Constituent Assembly?		
	(a)	26th January 1950	O
	(b)	26th November 1949	O
	(c)	25th November 1949	O
	(d)	15th August 1947	O
3.	Fundamental Rights are mentioned under which part of the Constitution of India?		
	(a)	Part-II	O
	(b)	Part-III	O
	(c)	Part-IX	O
	(d)	Part-XII	O
4.	The Appellate court for National consumer disputes redress communication tribunal is _____.		
	(a)	High Court	O
	(b)	district courts/Subordinate court	O
	(c)	court of subordinate judge class -1	O
	(d)	supreme court	O
5.	Secondary/Sub-ordinate legislation cannot go beyond:		
	(a)	The ambit of the Act	O
	(b)	The ambit of the Act or the Constitution of India	O
	(c)	The Constitution of India	O
	(d)	Directive Principles of State Policy	O
6.	A telephonic acceptance is complete when the offer is :		



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	(a)	spoken into the telephone	O
	(b)	heard but not understood by the offeror	O
	(c)	heard and understood by the offeror	O
	(d)	is received, heard and understood by some person in the offeror's house	O
7.	Misrepresentation means:		
	(a)	Unwarranted assertion	O
	(b)	Any breach of duty without an intent to deceive	O
	(c)	Innocent mistake	O
	(d)	All the above	O
8.	A contract to trade with an enemy is :		
	(a)	an immoral agreement	O
	(b)	a valid agreement	O
	(c)	an agreement opposed to public policy	O
	(d)	an enforceable agreement	O
9.	Which one of the following statements is correct?		
	(a)	Void agreements are always illegal	O
	(b)	Illegal agreements are voidable	O
	(c)	Illegal agreement can be ratified by the parties	O
	(d)	Illegal agreements are always void	O
10.	"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)	a valid agreement	O
	(b)	avoidable agreement	O
	(c)	a wagering agreement	O
	(d)	an illegal agreement	O
11.	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 _____.		
	(a)	₹ 8,000	O
	(b)	₹ 100	O
	(c)	Nothing	O
	(d)	₹ 10,000 plus damages	O
12.	Acceptance takes place as against the proposer _____.		



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	(a)	when the letter of acceptance is posted by the acceptor.	O
	(b)	when the letter of acceptance is received by the proposer.	O
	(c)	when the offeree, writes the letter of acceptance, but doesn't post it.	O
	(d)	All of the above	O
13.	Which of the following is an offer?		
	(a)	The mere quotation of terms by trader	O
	(b)	The quotation of the lowest price in answer to enquiry	O
	(c)	Advertisement for sale or auction of goods.	O
	(d)	Bids in an auction sale	O
14.	What is an implied offer?		
	(a)	when it is not express	O
	(b)	when an offer is implied from the conduct of the parties or from the circumstances of the case	O
	(c)	when an offer fails to satisfy essential elements	O
	(d)	any of the above	O
15.	Silence cannot amount to offer by conduct.		
	(a)	True	O
	(b)	Partly true	O
	(c)	False	O
	(d)	None of the above	O
16.	A wagering agreement in India is declared by the Contract Act as :		
	(a)	Illegal and void	O
	(b)	Void but not illegal	O
	(c)	Voidable at the option of the aggrieved party	O
	(d)	Immoral	O
17.	If a party stands in a fiduciary relation to the other:		
	(a)	He cannot dominate	O
	(b)	He can dominate the will of another	O
	(c)	The trust should be maintained	O
	(d)	None of these	O



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18.	In Indian Contract Act, the term consensus ad idem means :		
	(a)	Parties under a mistake	O
	(b)	Parties under the free consent	O
	(c)	Parties agreeing upon the same thing in same sense	O
	(d)	None of these	O
19.	Threat of commit suicide amounts to _____.		
	(a)	undue influence	O
	(b)	coercion	O
	(c)	Fraud	O
	(d)	Misrepresentation	O
20.	Drawing cash from ATM, sale by fall of hammer at an auction sale, etc. are examples of _____.		
	(a)	express contract	O
	(b)	illegal contract	O
	(c)	tacit contract	O
	(d)	unlawful contract	O
21.	A Share Certificate is a _____.		
	(a)	Document of Title to Goods	O
	(b)	Bill of Exchange	O
	(c)	Document Showing Title to Goods	O
	(d)	Instrument of Transfer	O
22.	The general rule of Sale of Goods Act is, risk prima facie passes with :		
	(a)	Ownership	O
	(b)	Possession	O
	(c)	Delivery	O
	(d)	Custody	O
23.	Voluntary transfer of possession from one person to another is called as :		
	(a)	Ownership	O
	(b)	Delivery	O
	(c)	Gift	O
	(d)	License	O



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24.	The Sale of Goods Act, 1930 governs the transfer of property in _____.		
	(a)	movable property	O
	(b)	immovable property	O
	(c)	both movable and immovable property	O
	(d)	all types of properties	O
25.	X agrees to sell Y, all crops of wheat to be grown in X farm, In this case -		
	(a)	It is a contract of sale of present goods	O
	(b)	there is no contract of sale	O
	(c)	it is an agreement to sell of future goods	O
	(d)	none of these	O
26.	The sale goods act ,1930 came into force on -		
	(a)	1st day of July 1930	O
	(b)	1st day of September 1930	O
	(c)	1st day of January 1930	O
	(d)	31st day of December 1930	O
27.	Appropriation of goods means :		
	(a)	Separating the goods sold from other goods	O
	(b)	Putting the quantity of goods sold in suitable receptacles	O
	(c)	Delivering the goods to the carrier or other bailee for the purpose of transmission to the buyer with reserving the right of disposal	O
	(d)	All the above	O
28.	A Bill of Lading is a _____.		
	(a)	Bill of Exchange	O
	(b)	Promissory Note	O
	(c)	Cheque	O
	(d)	Document of Title to Goods	O
29.	In a sale , if the goods are destroyed , the loss falls on _____.		
	(a)	the buyer	O
	(b)	the seller	O
	(c)	partly on buyer and partly on seller	O



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	(d)	the seller if price has not been paid	O
30.	Section 19 of the Sale of Goods Act, deals with passing of property of _____ goods.		
	(a)	Unascertained Goods	O
	(b)	Future Goods	O
	(c)	Specific or Ascertained Goods	O
	(d)	Contingent Goods	O
31.	In a promissory note, the amount of money payable :		
	(a)	must be certain	O
	(b)	may be certain or uncertain	O
	(c)	is usually uncertain	O
	(d)	none of the above	O
32.	How many parties are involved in a Bill of Exchange :		
	(a)	2	O
	(b)	3	O
	(c)	4	O
	(d)	1	O
33.	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 _____.		
	(a)	Escrow Instrument	O
	(b)	Inchoate Instrument	O
	(c)	Ambiguous Instrument	O
	(d)	None of the above	O
34.	A negotiable instrument drawn in favour of a minor is _____.		
	(a)	void, because of being opposed to public policy	O
	(b)	voidable	O
	(c)	valid	O
	(d)	invalid	O
35.	On dishonour of a cheque due to insufficient funds , the drawer is made criminally liable by an amendment passed in _____.		
	(a)	1986	O
	(b)	1988	O



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	(c)	1990	O
	(d)	1992	O
36.	The grace period for payment of a negotiable instrument other than payable on demand is _____.		
	(a)	7days	O
	(b)	3 days	O
	(c)	1 month	O
	(d)	15 days	O
37.	A Corporation can be party to a Negotiable Instrument if _____.		
	(a)	authorized by its article of association	O
	(b)	if special permission of Board of Directors taken	O
	(c)	if special resolution by Shareholders is passed	O
	(d)	absolutely without any restrictions	O
38.	The term “a cheque in the electronic form” is defined in the Negotiable Instruments Act, 1881 - under :		
	(a)	Section 6(a)	O
	(b)	Section 6(1)(a)	O
	(c)	Explanation 1(a) of Section 6	O
	(d)	Section 6A	O
39.	An instrument incomplete in one way or other is called :		
	(a)	Inchoate Instrument	O
	(b)	Ambiguous instrument	O
	(c)	Foreign Instrument	O
	(d)	Dishonoured Instrument	O
40.	Material alteration of a negotiable instrument, without the consent of the parties discharges the parties who have become liable _____.		
	(a)	after such alteration	O
	(b)	prior to such alteration	O
	(c)	because of alteration	O
	(d)	without such alteration	O
41.	Which of the following should be avoided in the Group discussion?		
	(a)	Positive body language	O
	(b)	Leadership initiative	O



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	(c)	False statements	O
	(d)	Confidence	O
42.	Use of coupons and samples come under which mode of marketing communication?		
	(a)	Sales promotion	O
	(b)	Advertising	O
	(c)	Direct marketing	O
	(d)	Personal Selling	O
43.	In which type of letter, buyers want to know the price and quality of the goods they are willing to buy?		
	(a)	Quotation	O
	(b)	Enquiry	O
	(c)	Complaint	O
	(d)	Order	O
44.	It is to interrupt people while they are speaking?		
	(a)	Polite	O
	(b)	Desirable	O
	(c)	Rude	O
	(d)	None of the above	O
45.	Method of delivering the message is known as _____?		
	(a)	Receiver	O
	(b)	Channel	O
	(c)	Sender	O
	(d)	Feedback	O
46.	I a _____ 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.		
	(a)	Gossip Chain	O
	(b)	Probability Chain	O
	(c)	Either (a) or (b)	O
	(d)	None of the above	O



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47.	Recognizing the different types of cultures, the similarities and differences between them without being judgemental is called _____.		
	(a)	Acceptance	O
	(b)	Cultural Sensitivity	O
	(c)	Adoption	O
	(d)	Integration	O
48.	A cloud computing is availability of computer resources?		
	(a)	Off demand	O
	(b)	From demand	O
	(c)	On demand	O
	(d)	None of the above	O
49.	Business attire refers to _____ in a professional conduct?		
	(a)	Manners	O
	(b)	Qualities	O
	(c)	Clothing	O
	(d)	None of the above	O
50.	Which of the following skills is the most important for professionals like editors?		
	(a)	Oral skills	O
	(b)	Writing Skills	O
	(c)	Presenting skills	O
	(d)	None of the above	O