

# MCQ CHALLENGER SERIES

WITH

## CMA INTER LAW

### JUNE 2024

<u>Topics Covered</u>	<u>Date</u>
Industrial Laws & Ethics	18th May
Company Law	20th May
Commercial Laws	22nd May

LIVE - 7:30 pm Onwards



LIVE ON  
**YOUTUBE**  
CHANNEL:

**CA SHIVANGI AGRAWAL**





### MCQs for Class Discussion

---

1. The Practice of untouchability in any form is -

a. Allowed	b. Forbidden
c. Partially Allowed	d. Partially Forbidden

2. When does the property in the goods pass to the buyer in case of an unconditional contract for the sale of specific goods in a deliverable state?

a. When the contract is made irrespective of whether the time of payment of price or delivery of goods is postponed or not	b. When the party intends to transfer
c. At the time of payment of price of goods	d. At the time of delivery of goods

3. A party who does not suffer any loss in case of breach of contract is entitled to

a. Exemplary damages	b. Nominal damages
c. Liquidated damages	d. Statutory damages

4. Every foreign LLP shall file with the Registrar the Statement of Account and Solvency in

a. Form 6	b. Form 7
c. Form 8	d. Form 9

5. Which one of the following is not the feature of 'agreement to sale'?

a. It gives a right to the buyer against the seller to sue for damages.	b. The seller can sue for damages only in case of breach by the buyer.
c. Sales takes place for existing and specific goods.	d. It is an executor contract.

6. No person shall be prosecuted and punished for the same offence more than once. This is legally termed as-

a. Double Incrimination	b. Double Jeopardy
c. Obiter Dicta	d. Single Incitement

7. When an acceptance may be revoked

a. An acceptance may be revoked at any time before the communication of the acceptance is complete as against the proposer, but not afterwards	b. An acceptance may be revoked at any time before the communication of the acceptance is complete as against the acceptor, but not afterwards.
c. An acceptance may be revoked at any time before the communication of the acceptance is incomplete as against the acceptor, but not afterwards.	d. An acceptance may be revoked at any time after the communication of the acceptance is complete as against the acceptor, but not afterwards.

8. The mutual rights and duties of the partners of a firm may be determined by

a. Partner's will.	b. The court of law.
c. Contract entered between the partners.	d. The senior partner in the firm

9. Holder in due course means any person-

a. Who for consideration became the possession of promissory note	b. Named in the instrument to whom or to whom order the money is directed to paid
c. Drawing the instrument	d. None of the above

10. Cash is withdrawn by a customer of a bank from the automatic teller machine is an example of \_\_\_\_\_

a. Express Contract	b. Void Contract
c. Tacit Contract	d. Illegal Contract

11. Which of the following agency is irrevocable under The Indian Contract Act, 1872

a. Agency for fixed period	b. Agency for single transaction
c. Agency coupled with interest	d. Continuing Agency

12. A sort of tacit understanding /agreement among the intending bidders to stifle competition by not bidding against each other in an auction sale is called as \_\_\_\_\_.

a. Damping	b. Knock-out Agreement
c. Puffers	d. By-Bidders

13. Where the endorser relieves himself from any liability with respect to any expenses that may be incurred in case of dishonor of the negotiable instrument, it is called as-----

a. Restrictive endorsement	b. Special endorsement
c. Facultative endorsement	d. Sans frais endorsement

14. A money bill shall be first introduced in-

a. Council of States	b. House of the People
c. Either (a) or (b)	d. As President may decide

15. 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:

a. Ambiguous Instrument	b. Inchoate Instrument
c. Escrow Instrument	d. Inland Instrument

16. A new partner may be admitted into a partnership firm either for the increase of capital of the firm or to strengthen the

a. Production of the firm	b. Management of the firm
c. Profit share of the firm	d. Manpower of the firm

17. A agrees to pay B Rs 10000, if two straight lines should enclose a space. The agreement is.....

a. Void	b. Voidable
c. Valid	d. Illegal

18. Power to exempt any LLP or class of LLP for audits of accounts is with \_\_\_\_\_.

a. Inspector	b. Central Government
c. Any other regulatory authority	d. None of the above

19. Gratuitous bailment means a bailment \_\_\_\_\_

a. For the exclusive benefit of bailor	b. For the exclusive benefit of bailee
c. The seller can sue for damages only in case of breach by the buyer.	d. It gives a right to the buyer against the seller to sue for damages.

20. Under the Negotiable Instruments Act, 1881, whether acceptance of a bill of exchange in the following situation shall be treated as qualified acceptance where the acceptor

a. Undertakes to pay only Rs.10,000 for a bill drawn for Rs. 15,000.	b. Declares the payment to be independent of any other event.
c. Writes, 'Accepted, payable at ABC Bank'	d. Writes, Accepted, payable at Delhi'.

21. Where any member of a firm has died or otherwise ceased to be a partner, and the surviving or continuing partners carry on the business of the firm with the property of the firm without any final settlement of accounts as between them and the outgoing partner or his estate, then, in the absence of a contract to the contrary, the outgoing partner or his estate is entitled at the option of himself or his representatives to such share of the profits made since he ceased to be a partner as may be attributable to the use of his share of the property of the firm or to interest at the rate of \_\_\_\_\_ on the amount of his share in the property of the firm:

a. 9% p.a.	b. 18% p.a.
c. 6% p.a.	d. 12% p.a.

22. Which one of the following is not a quasi-contract?

a. Claim for necessaries supplied to person incapable of contracting, or on his account.	b. Reimbursement of persons paying money by another, in payment of which he is interested.
c. Uncertainty and futurity of the event to which it is related.	d. Responsibility of finder of goods.

23. A is residing in Delhi and has a house in Mumbai. A appoints B by a power of attorney to take care of his house. State the nature of agency created between A and B:

a. Implied Agency	b. Agency by Ratification
c. Agency by necessity	d. Express Agency

24. Right to Property is a:

a. Fundamental Right	b. Fundamental Duty
c. Constitutional Right	d. None of the above

25. The Constitution of India describes India as:

a. A federation	b. Quasi-federal
c. A Union of states	d. None of the above

26. Which is NOT an example of “Promissory Note”:

a. “I acknowledge myself to be indebted to B in Rs. 1,000, to be paid on demand, for value received.”	b. Mr B, I.O.U Rs. 1,000.”
c. “I promise to pay B or order Rs. 500”	d. None of the above

27. A person appointed by the original agent to act for and under control of principal is known as-----

a. Agent	b. Sub-agent
c. Substituted agent	d. Del credere agent

28. A Bill of exchange was drawn by A in California, where rate of interest is 25%. Bill is accepted by B payable in Washington where rate of interest is 6%. The bill is indorsed in India and is dishonoured. An action is brought against B in India. What shall be the payable rate of Interest by B?

a. 6%	b. 25%
c. Either (a) or (b) as parties decide	d. Rate by RBI

29. The dissolution of partnership means:

a. It means the dissolution of partnership between all the partners of a firm	b. It means the change in the relations of the partners
c. It means the reconstitution of the firm.	d. None of the above.

30. What is the exact time limit under which a Limited Liability Partnership must file its annual return with the registrar?

a. A Limited Liability Partnership must file its annual return within 30 days from the closing of its financial year	b. A Limited Liability Partnership must file its annual return within 45 days from the closing of its financial year
c. A Limited Liability Partnership must file its annual return within 15 days from the closing of its financial year	d. A Limited Liability Partnership must file its annual return within 60 days from the closing of its financial year

**MCQs for Self Practice**

31. What would be the position, where a minor elect not to become a partner:

a. He shall be entitled to sue the partners for his share of the property and profits.	b. His rights and liabilities shall continue to be those of a minor under this section up to the date on which he gives public notice.
c. His share shall not be liable for any acts of the firm done after the date of the notice.	d. All of the above

32. Which is NOT correct about the “Promissory Note”:

a. It contains a conditional undertaking.	b. It contains the amount mentioned on it.
c. It is an instrument in writing.	d. It is signed by the maker

33. An act of a firm means:

a. Any partner or agent of the firm which gives rise to a right enforceable by or against the firm	b. Any act by all the partners
c. Any omission by all the partners	d. All of the above

34. Where no provision is made by contract between the partners for the duration of their partnership, or for the determination of their partnership, the partnership is called as:

a. Particular partnership	b. Partnership for a fixed term
c. partnership at will	d. None of the above

35. When the consent is caused by undue influence, the contract under Section 19A is:

a. Valid	b. Void
c. Voidable	d. Illegal

36. A sale is complete when the following is transferred from one.

a. Money	b. Ownership
c. Usage	d. None of the above

37. On which date was the Sale of Goods enforced?

a. 1948	b. 1930
c. 1932	d. 1951

38. As per Sale of Goods Act, this is not included:

a. Growing crop	b. Money
c. Table	d. Goodwill

39. Acceptance to be a valid must

a. Be absolute	b. Be unqualified
c. Both be absolute & unqualified	d. Be conditional

40. A proposal can be accepted

a. By notice of acceptance	b. By performance of condition of proposal
c. By acceptance of consideration for a reciprocal promise	d. All of the above

41. Competency to contract relates to

a. Age of parties	b. Soundness of mind of the parties
c. Both age and soundness of mind	d. Intelligence of the parties

42. The minimum number of designated partners in an LLP shall:

a. 1	b. 2
c. 7	d. 15

43. Laws refer to the set of codified norms which are enforced by

a. The entity	b. The Executive
c. The Society	d. The State

44. On which date was the Constitution of India adopted by Constituent Assembly?

a. August 15, 1947	b. January 26, 1950
c. November 26, 1949	d. January 30, 1948

45. What is the chief source of legal authority in India?

a. People	b. Constitution of India
c. Parliament	d. President of India

46. If a mercantile agent is authorized by the owner of the goods to sell on his behalf, then such sale shall be

a. Objectionable	b. Void
c. Valid	d. Incomplete

47. Days of grace provided to the Instruments at maturity is—

a. 1 day	b. 2 days
c. 3 days	d. 5 days

48. S and P go into a shop. S says to the shopkeeper, C, “Let P have the goods, and if he does not pay you, I will.” This is a

a. Contract of Guarantee	b. Contract of Indemnity
c. Wagering Agreement	d. Quasi- Contract

49. A negotiable instrument drawn in favour of a minor is-

a. Void	b. Void but enforceable
c. Valid	d. None of the above

50. Mr. Vishal parks his car at a parking lot, locks it, and keeps the keys with himself. Which of the following statement is correct in this regard?

a. This is a case of bailment	b. The parking people have possession of the car of Mr. Vishal
c. The parking people have custody of car of Mr. Vishal	d. This is the case of Mortgage

Answers to MCQs

1	(b)	11	(c)	21	(c)	31	(d)	41	(c)
2	(a)	12	(b)	22	(c)	32	(a)	42	(b)
3	(b)	13	(d)	23	(d)	33	(d)	43	(d)
4	(c)	14	(b)	24	(c)	34	(c)	44	(c)
5	(c)	15	(c)	25	(c)	35	(c)	45	(b)
6	(b)	16	(b)	26	(b)	36	(b)	46	(c)
7	(b)	17	(a)	27	(b)	37	(b)	47	(c)
8	(c)	18	(b)	28	(a)	38	(b)	48	(a)
9	(a)	19	(c)	29	(b)	39	(c)	49	(c)
10	(c)	20	(a)	30	(a)	40	(d)	50	(c)

# CMA INTER LAW

www.BookMyVideo.in  
+91- 89 707070 77

New Recorded Batch for Dec 24/ June 25  
**by CA Shivangi Agrawal**



## Video Duration

Approx 160 Hours

## Study Material Details

Total 5 Books

2 Main Books (B&W)

2 Question Bank (B&W)

1 Chart Book (Coloured)

