



BRAINWARE UNIVERSITY

Term End Examination 2020 - 21

Programme – Bachelor of Commerce (Honours) in Banking & Financial Accounting

Course Name – Business Law

Course Code - BCMC102

Semester / Year - Semester I

Time allotted : 75 Minutes

Full Marks : 60

[The figure in the margin indicates full marks. Candidates are required to give their answers in their own words as far as practicable.]

Group-A

(Multiple Choice Type Question)

1 x 60=60

1. (Answer any Sixty)

(i) We have judicial system to

- | | |
|----------------------------|--------------------|
| a) To provide freedom | b) To provide food |
| c) To enforce the rule law | d) None of these |

(ii) Article 21 includes

- | | |
|------------------------------|---------------------|
| a) Right against Exploration | b) Right to speech |
| c) Right to health | d) Right to worship |

(iii) The Supreme court was established on

- | | |
|---------|---------|
| a) 1950 | b) 1959 |
| c) 1952 | d) 1949 |

(iv) When India did become Republic?

- | | |
|---------|---------|
| a) 1947 | b) 1950 |
| c) 1965 | d) 1976 |

(v) How many courts are there at apex level?

- | | |
|------|------|
| a) 2 | b) 1 |
| c) 3 | d) 4 |

(vi) Which court is at apex level?

- a) High court
- b) District court
- c) lower court
- d) Supreme Court

(vii) Each state districts is presided over by :

- a) Subordinate
- b) District court
- c) Judiciary
- d) None of these

(viii) Each state has ___

- a) Judiciary
- b) Supreme Court
- c) High court
- d) All of these

(ix) Supreme court is located at

- a) Chandigarh
- b) J & K
- c) Punjab
- d) New Delhi

(x) High Courts were first established in which of the three presidency cities?

- a) Punjab, Chandigarh, Madras
- b) J & K, U. P., Haryana
- c) Madras, Tamil Naidu, Punjab
- d) Calcutta, Bombay & Madras

(xi) The High Court of Delhi came up in ___

- a) 1966
- b) 1965
- c) 1967
- d) 1956

(xii) How many High Courts are there in India?

- a) 21
- b) 27
- c) 20
- d) 23

(xiii) Which state shares the same High Court?

- a) Haryana & Chandigarh
- b) Punjab & Haryana

c) Both Punjab & Haryana

d) None of these

(xiv) FIR means

a) First information report

b) Final information Result

c) First Incident report

d) None of these

(xv) Civil law include :

a) Disputes related to sale of land

b) Disputes related to purchase of good

c) Both Disputes related to sale of land &
Disputes related to purchase of good

d) None of these

(xvi) For common people access to court is :

a) Access to justice

b) Access to help

c) Access to equality

d) None of these

(xvii) Supreme court has

a) 25 judges

b) 26 judges

c) 27 judges

d) 24 judges

(xviii) How many fundamental rights are there in constitution

a) 1

b) 2

c) 6

d) 7

(xix) Compounding of offences is provided under____

a) Sec.147

b) Sec.148

c) Sec.149

d) Sec.146

(xx) Negotiable Instrument is defined in ____

a) Sec.13

b) Sec.14

c) Sec.15

d) Sec.16

(xxi) ___ is an instrument in writing containing an unconditional order, signed by the maker, directing a certain person to pay a certain sum of money only to, or to the order of a certain person or to the bearer

- a) Bill of Exchange
- b) cheque
- c) Bills & invoices
- d) Treasury Bills

(xxii) Section 2, of The Sale of Goods Act is about

- a) Principles
- b) Definitions
- c) Exceptions
- d) None of these

(xxiii) As per-section 2(1), a person who buys or agrees to buy goods is called

- a) Buyer
- b) Seller
- c) Both buyer & seller
- d) None of these

(xxiv) The voluntary transfer of possession from one person to another is called

- a) Transfer
- b) Change of possession
- c) Delivery
- d) None of these

(xxv) Section 2, sub-section_____, of the Sale of Goods Act, 1930 defines "Goods"

- a) 5
- b) 6
- c) 7
- d) 8

(xxvi) As per section 2, sub section 7 every kind of moveable property other than actionable claim and money is called

- a) Goods
- b) Future goods
- c) Both goods & future goods
- d) None of these

(xxvii) Future goods means goods to be manufactured or produced or acquired by the seller

- a) In future prescribed time
- b) After making of contract

c) Before making of contract

d) None of these

(xxviii) The term company is defined under which sec of the Act?

a) Sec 3(1)

b) Sec4 (2)

c) Sec2 (4)

d) Sec1 (3)

(xxix) To start a partnership business, what should be the minimum number of partners?

a) 1

b) 2

c) 3

d) 4

(xxx) In partnership, partners liabilities are

a) Unlimited

b) Limited to the capital of the business

c) Limited

d) None of these

(xxxi) Is a partnership firm examined as an individual a legal entity?

a) Yes

b) No

c) Not Applicable

d) Cannot be determined

(xxxii) What is interest on drawings?

a) Credited to partner's current a/c

b) Not shown in current account

c) Debited to partner's current a/c

d) None of these

(xxxiii) What is the partnership written agreement known as?:

a) Partnership contract

b) Agreement

c) Partnership deed

d) Partnership Act

(xxxiv) No partnership agreement, what will be the percentage of profit sharing ratio between them?

a) Unequal

b) Equal

c) It will depend on the experience of a

d) It will depend on a partner's capital

partner

(xxxv) Which one of the following is an unincorporated organisation?

- a) General partnership.
- b) Limited liability partnership.
- c) Public limited company.
- d) Private limited company.

(xxxvi) A partner who is entitled to a share of the profits from a partnership is known as:

- a) A salaried partner.
- b) A managing partner.
- c) An equity partner.
- d) A limited liability partner

(xxxvii) The Partnership Act 1890 section 24 sets out rights of partners (in default of their own agreement). Which one of the following is not included in section 24?

- a) The right to take part in the management of the business.
- b) The right to a salary.
- c) The right to share equally in the capital and profits of the business.
- d) The right to be indemnified by the firm for any liabilities incurred or payments made in the course of the firm's business

(xxxviii) Limited liability partnerships were introduced by which Act of Parliament?

- a) Limited Partnership Act 1907
- b) Limited Liability Partnership Act 2000
- c) Partnership Act 2000.
- d) Companies Act 2006.

(xxxix) Which one of the following statements about limited liability partnerships (LLPs) is incorrect?

- a) An LLP has a legal personality separate from that of its members.
- b) The liability of each partner in an LLP is limited.
- c) Members of an LLP are taxed as partners.
- d) A limited company can convert to an LLP.

(xl) Which of the following is not a method of creating a company?

- a) A written agreement made by the directors.
- b) Registration under the Companies Act 2006.
- c) Act of Parliament.
- d) Grant of Royal Charter.

(xli) A Community Interest Company (CIC) can be set up as which of the following?

- a) A private company limited by guarantee only.
- b) A private company limited by shares or a private company limited by guarantee only.
- c) A private or public company limited by shares or a private company limited by guarantee
- d) None of these, it is a type of partnership

(xlii) Sparkle Ltd is a private limited company limited by shares. It has one director. How many shareholders does the law require it to maintain?

- a) One provided it is a different person from the director
- b) 5
- c) 2
- d) 1

(xliii) Ministry of Corporate Affairs enforced the LLP Act, with effect from-

- a) 31st March, 2008
- b) 1st April, 2008
- c) 31st March, 2009
- d) 1st April, 2009

(xliv) Whether partnership law applies to the LLP

- a) Yes
- b) No
- c) In selected states in India
- d) None of these

(xlv) State which of the statement is correct under the Limited Liability Partnership Act, 2008-

- a) All partners have unlimited liability
- b) All partners have limited liability
- c) All partners have not limited liability
- d) Most of the partners have limited liability

(xlvi) Steps to incorporate LLP include

- a) Name reservation
- b) AOA
- c) MOA
- d) Prospectus

(xlvii) Section ___ denotes foreign limited liability partnership

- a) 1
- b) 2
- c) 3
- d) 4

(xlviii) Every partner of a LLP is, for the purpose of the business of LLP, the agent of the LLP, but not of other partners under (Section___)

- a) 25
- b) 26
- c) 27
- d) 28

(xlix) If the company failed to refund application money within 130 days from the date of issue of prospectus on non-receipt of minimum subscription who will be personally liable.

- a) Company
- b) Directors
- c) Shareholders
- d) None of these

(l) In the case of Company, Audit is

- a) Compulsory
- b) Optional
- c) No audit for a company
- d) None of these

(li) X Company is holding majority of shares in Y company. Will X and Y companies will be the same

- a) Yes
- b) No
- c) Not applicable under Companies Act in India
- d) None of these

(lii) Generally rights and obligations of the company are regulated in

- a) A.O.A
- b) M.O.A

c) Partnership deed

d) None of these

(liii) Generally rights and obligations of the Partnership firm are regulated in

a) A.O.A

b) M.O.A

c) Partnership deed

d) None of these

(liv) A company is named as govt. company if it holds _____% of paid up share capital

a) more than 30

b) more than 40

c) more than 50

d) None of these

(lv) Under which sec. a private company can automatically converted into a public company?

a) 33

b) 43

c) 53

d) 42

(lvi) Central Government permission is required in case of _____ conversion

a) Private to public

b) Public to private

c) Complete to limited

d) None of these

(lvii) Within how many days prospectus or statement in lieu of prospectus should file ROC

a) 30

b) 40

c) 50

d) 60

(lviii) If the guarantee Co. having no share capital the liability of shareholders will be

a) To the extent of guarantee

b) Unpaid value of shares

c) Unlimited

d) None of these

(lix) How many members should sign the MOA in case of public company

a) 1

b) 2

c) 5

d) 7

(lx) How many members should sign the MOA in case of private company

a) 1

b) 2

c) 5

d) 8