(7 pages) **Reg. No. :** ....

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B.Com. (CBCS) DEGREE EXAMINATION, APRIL 2025.

Second Semester

Commerce / Corporate Secretaryship / Honours / Professional Accounting / Banking and E-Commerce — Core

BUSINESS LAW

(For those who joined in July 2023 onwards)

Time : Three hours Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. In contract law, __________ is the legal term for a contract that has been fully performed by both parties.

   (a) Void contract (b) Voidable contract

   (c) Executory contract (d) Executed contract

2. __________ is not an essential element of a valid contract.

   (a) Offer and acceptance

   (b) Consideration

   (c) Verbal agreement

   (d) Capacity

3. "Actual performance" of a contract completion of __________.

   (a) all obligations exactly as specified in the contract

   (b) some but not all obligations under the contract

   (c) obligations before the specified deadline

   (d) obligations with minor deviations from the contract terms

4. __________ is the legal term for a contract in which one party fails to fulfill its obligations.

   (a) Breach of contract

   (b) Void contract

   (c) Unenforceable contract

   (d) Executed contract

5. In a contract of guarantee, the guarantee is given to ________.

(a) Guarantor (b) Principal debtor

(c) Indemnifier (d) Creditor

6. A contract of indemnity is to ________.

(a) pay a fixed sum upon the occurrence of a specific event

(b) compensate for loss or damage

(c) provide financial security for a debt or obligation of another party

(d) transfer ownership of goods for a price

7. ________ is the process of transferring possession of personal property as security for a debt or obligation.

(a) Pledge (b) Indemnity

(c) Lien (d) Guaranty

8. In a bailment, ________ is the party delivering the property to another party for a specific purpose.

(a) Bailor (b) Bailee

(c) Consignee (d) Lienor

9. Under the Sale of Goods Act 1930, "delivery" of goods means ________.

(a) Only physical transfer of goods

(b) Physical transfer of goods along with title

(c) Physical transfer of goods irrespective of title

(d) Only transfer of title without physical transfer of goods

10. A contract of sale is to ________.

(a) transfer ownership of real property

(b) provide financial security for a debt or obligation of another party

(c) transfer ownership of goods for a price

(d) compensate for loss or damage

PART B — (5 × 5 = 25 marks)

Answer ALL questions by choosing (a) or (b).

Each answer should not exceed 250 words.

11. (a) What are the rules relating to contingent contracts?

Or

(b) How can an offer be accepted?

12. (a) Explain the requisite rules for the performance of reciprocal promises.

Or

(b) "Time is the essence of the contract'. Why?

13. (a) Explain the features of contract of guarantee.

Or

(b) Elaborate the various rights of surety.

14. (a) How does a bailment differ from a pledge?

Or

(b) Explain the requisite essentials of valid pledge.

15. (a) Elaborate the implied conditions in contract of sale.

Or

(b) When a seller of goods deemed to be an unpaid seller?

PART C — (5 × 8 = 40 marks)

Answer ALL questions by choosing (a) or (b).

Each answer should not exceed 600 words.

16. (a) Explain the legal rules regarding a valid offer.

Or

(b) Explain the different types of contracts.

17. (a) Explain different types of remedies for breach of contract.

Or

(b) Enumerate the devolution of joint liabilities and rights with examples.

18. (a) Distinguish between a contract of indemnity and a contract of guarantee.

Or

(b) What is the nature of a surety's authority? State his rights against creditor and principal debtor.

19. (a) Explain the kinds of bailments and its essentials.

Or

(b) Bring out the rights and duties of a buyer.

20. (a) Discuss the rights of an unpaid seller against the goods.

Or

(b) State briefly the rules as to the passing of property from the seller to the buyer in a contract for the sale of goods.

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