

B.Com. (CBCS) DEGREE EXAMINATION,  
APRIL 2023.

Fifth Semester

Commerce – Core

BUSINESS LAW

(For those who joined in July 2017-2020 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. A contract creates
  - (a) rights in personam
  - (b) rights in rem
  - (c) only rights and no obligations
  - (d) only obligations and no rights

7. \_\_\_\_\_ is one who is appointed for a particular purpose
  - (a) Special agent
  - (b) General agent
  - (c) Universal agent
  - (d) Commission agent
8. A guarantee requires at least \_\_\_\_\_ parties
  - (a) 2
  - (b) 3
  - (c) 4
  - (d) 5
9. In a sale, if the goods are destroyed the loss falls on
  - (a) the buyer
  - (b) the seller
  - (c) partly on the buyer and the seller
  - (d) the seller if the price has not been paid
10. Caveat Emptor means
  - (a) Let the seller beware
  - (b) Let the producer beware
  - (c) Let the buyer beware
  - (d) none of these

2. An agreement made without consideration is
  - (a) valid
  - (b) illegal
  - (c) voidable
  - (d) void
3. The substitution of new contract in place of old contract is called
  - (a) novation
  - (b) alteration
  - (c) remission
  - (d) waiver
4. A finder of lost goods is a \_\_\_\_\_
  - (a) bailor
  - (b) bailee
  - (c) true owner
  - (d) thief
5. The right of subrogation in a contract of guarantee is available to the \_\_\_\_\_
  - (a) creditor
  - (b) principal debtor
  - (c) surety
  - (d) indemnified
6. When a guarantee extends to a series of transactions, it is called a
  - (a) specific guarantee
  - (b) fidelity guarantee
  - (c) continuing guarantee
  - (d) none of these

PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).  
Each answer should not exceed 250 words.

11. (a) Explain the essential elements of a valid contract.  
Or  
(b) Elaborate the rules regarding offer.
12. (a) Time as the essence of contract – Explain.  
Or  
(b) What are the various ways in which a contract may be discharged?
13. (a) Describe the term contract of indemnity.  
Or  
(b) What are the rights of an indemnity-holder when sued?
14. (a) Narrate the duties of bailor.  
Or  
(b) State and explain the kinds of agents.
15. (a) Explain any two documents of title to goods.  
Or  
(b) Distinguish between sale and hire purchase agreement.

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b)  
Each answer should not exceed 600 words.

16. (a) Explain the various classification of contracts.
- Or
- (b) Explain the rules relating to contingent contract.
17. (a) What remedies are available to an aggrieved party on the breach of contract?
- Or
- (b) Enumerate the quasi-contracts dealt with in sections 68 to 72 of the Indian Contract Act.
18. (a) Distinguish between a contract of indemnity and a contract guarantee.
- Or
- (b) State the circumstances in which a surety is discharged from liability.
19. (a) Describe the modes of termination of agency.
- Or
- (b) What are the rights and duties of agent?

20. (a) Define the term 'goods'. What are the different types of goods.

Or

- (b) Summarise the rights of unpaid seller against 'buyers' and 'goods'.
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