



BRAINWARE UNIVERSITY

Term End Examination 2022

Programme – B.Com.(BF)-Hons-2021/B.Com.(BF)-Hons]-2022

Course Name – Business Law/Business Environment & Laws

Course Code - BCMC102

(Semester I)

Full Marks : 60

Time : 2:30 Hours

[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 15=15

1. Choose the correct alternative from the following :

- (i) Give example of instances where the object is unlawful.
 - a) It is fraudulent
 - b) It is against the public policy
 - c) Only a
 - d) Both a and b
- (ii) Solve the case: X proposed to sell a car to Y at a certain price through letter posted on 10th March. It reached Y on 12 th March. Propose the day on which communication of acceptance is complete.
 - a) 12th March
 - b) 10th March
 - c) Between 10th and 12th March
 - d) Information insufficient to determine
- (iii) Associate the principle of caveat emptor with one of its exceptions.
 - a) Consent by Fraud
 - b) Sale by description
 - c) Sale by sample
 - d) All of the these
- (iv) Predict the time where right of stoppage in transit can be exercised by the unpaid seller.
 - a) Where he has lost his right of lien
 - b) Where he still enjoys right of lien
 - c) Either a or b
 - d) Neither a nor b
- (v) M sold his house for a certain sum of money due to pressing financial needs. Determine whether he can recover his house on the plea that consideration was inadequate.
 - a) Yes, he can because adequate consideration is essential
 - b) No, he cannot as consideration need not be adequate
 - c) Depends on the circumstances of the case
 - d) Cannot be determined
- (vi) H sells his horse to R. H knows that the horse is unsound but says nothing. Deduce the validity of the contract.
 - a) It is a valid contract
 - b) It is a void contract
 - c) It is an illegal contract
 - d) It is an unforceable contract
- (vii) Organise the following in the correct sequence implied in the Indian Contract Act, 1872. i. Offer of proposal ii. Contract iii. Promise iv. Agreement v. Acceptance

- a) iii, v, i, iv, ii
c) ii, iv, iii, v, i
- b) iv, ii, iii, i, v
d) i, v, iii, iv, ii
- (viii) Privity of contract infers that:
- a) anybody can sue for a contract
c) only parties to the contract can sue
- b) no one can sue for a contract
d) stranger can sue for a contract
- (ix) Test the following on the concept of undue influence and identify the presumption: A student sold his brand new bike to his teacher much below the purchase price alleging the use of undue influence.
- a) Mental Distress
c) Fiduciary relationship between the parties
- b) Unconscionable transaction
d) Dominance of will
- (x) Consider and identify the case where a contract is not voidable at the option of the party whose consent is so caused.
- a) Consent was caused by fraud
c) Consent was caused by misrepresentation
- b) Consent was caused by silence but the party had the means of discovering the truth
d) Consent was caused by fraud
- (xi) Name the term for agreement which is enforceable by law
- a) Contract
c) Consideration
- b) Promise
d) Partnership
- (xii) Choose the correct option to fill the blank: Risk of goods prima facie passes with ____.
- a) Transfer of ownership
c) Payment of price
- b) Delivery of goods
d) Contract is formed
- (xiii) Select the factors whose absence makes a consent free.
- a) Coercion
c) Misrepresentation
- b) Undue influence
d) All of the these
- (xiv) Omit the one who is not a party to a contract of guarantee.
- a) Surety
c) Creditor
- b) Principal debtor
d) Bailor
- (xv) Propose the name for a person who for consideration became possessor of a promissory note, bill of exchange, cheque etc.
- a) Holder
c) Holder in due course
- b) Bearer
d) Payee

Group-B

(Short Answer Type Questions)

3 x 5=15

2. Produce an explanation of the essentials of a contract of bailment. (3)
3. Discuss the following features in relation to a limited liability company: i. Perpetual succession (3)
ii. Separate legal entity
4. Write down the modes of dissolution of a partnership firm. (3)
5. Compare anticipatory breach and actual breach through illustrations. (3)
6. Prepare a list of expressly declared void agreements under the Indian Contract Act, 1872. (3)

OR

- Construct the points of difference between a promissory note and bill of exchange. (3)

Group-C

(Long Answer Type Questions)

5 x 6=30

7. State the duties of a bailee in a contract of bailment. (5)
8. Discuss the rule of caveat emptor with exceptions under the Indian Contract Act, 1872. (5)
9. Establish a comparison between partnership and company. (5)
10. Explain the rule 'no consideration, no contract'. Mention the exceptions, if any. (5)

11. A seller cannot convey a better title to the buyer than he himself has. Analyse the statement and cite exceptions, if any. (5)

12. Distinguish between fraud and misrepresentation through suitable illustrations. (5)

OR

A contract caused by unilateral mistake may be valid, voidable or void. Justify. (5)
