

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 600 086.
(For candidates admitted during the academic year 2011-2012)

SUBJECT CODE: 11CM/MC/BL34

B.Com. DEGREE EXAMINATION NOVEMBER 2012
COMMERCE
THIRD SEMESTER

COURSE : MAJOR CORE
PAPER : BUSINESS LAW
TIME : 3 HOURS

MAX. MARKS: 100

SECTION-A

(30x1=30)

I. Fill in the Blanks:

1. ----- enforceable at law is a contract.
2. Consideration means -----.
3. A contract which involves the use of personal skill or is founded on personal considerations must be performed by the -----.
4. Agreements to do an impossible act is called -----.
5. The parties to the contract of indemnity are ----- and -----.
6. The person who gives the guarantee is called-----.
7. In a contract of bailment, the person delivering the goods is called -----.
8. The parties in a contract of pledge are ----- and -----.
9. Under a contract of sale, the transfer of the property in the goods is to take place at a future time or subject to some conditions to be fulfilled is called -----.
10. A seller of goods is deemed to be an ----- when the whole of the price has not been paid or tendered.

II. Say True or False:

11. When an offer is made to the world at large it is called general offer.
12. When there is no consent, there is no contract.
13. When the promisee refuses to accept performance from the promisor who offers to perform it is called attempted performance.
14. A contract may be discharged by lapse of time.
15. A contract of guarantee is a contingent contract.
16. Where there are co-sureties, a release by the creditor of one of them discharges the other sureties.
17. A finder of goods has no right to sell the goods.

..2..

18. A pledgee cannot retain the goods pledged until his dues are paid.
19. A warranty is a stipulation which is essential to the main purpose of the contract.
20. An unpaid seller has no right to exercise the right of lien.

III. Choose the correct answer.

21. Which one of the following persons is competent to enter into contract:
 - a. Minor
 - b. Lunatic
 - c. Person of sound mind.
 - d. Insolvent.
22. Fraud exists when it is shown that a false representation has been made
 - a. Unknowingly
 - b. Unintentionally
 - c. Recklessly, not caring whether it is true or false.
 - d. None of the above.
23. Which of the following is not an agreement opposed to public policy:
 - a. Agreement with solvent person.
 - b. Agreement of trading with alien enemy.
 - c. Agreements in restraint of legal proceedings.
 - d. Agreements in restraint of parental rights.
24. The remedies available in case of breach of contract are:
 - a. Suit for specific performance.
 - b. Suit for damages
 - c. Suit for injunction
 - d. All of the above.
25. Acceptance may be revoked by the acceptor
 - a. at any time
 - b. before the letter of acceptance reaches the offerer
 - c. after the letter of acceptance reaches the offerer
 - d. None of these.
26. In which of the following ways a surety is discharged:
 - a. By revocation
 - b. By conduct of the creditor
 - c. By invalidation of the contract
 - d. All of the above.

27. Which of the following is not a right of a bailee:
- Right to retain the goods
 - Right of action against trespassers.
 - Right to mix the goods bailed with his own goods.
 - None of these.
28. Consideration in a contract
- may be past, present or future
 - may be present and past only
 - must be future only
 - must be present only.
29. In a sale, the property in goods
- is transferred to the buyer immediately.
 - may be transferred at a future date.
 - transferred when goods are delivered to the buyer.
 - None of these.
30. When goods are handed over by the seller to the buyer or his duly authorized agent, the delivery is said to be
- Actual delivery
 - Symbolic delivery
 - Constructive delivery
 - None of these.

SECTION-B**(5X6=30)****ANSWER ANY FIVE QUESTIONS:**

- Explain briefly the legal rules of a valid offer
- Write short notes on: a. Coercion b. Undue influence
- Define bailment. State the circumstances, in which contract of bailment is terminated.
- What are the rights of a pawnee?
- Describe the essentials of a contract of sale.
- Explain the doctrine of caveat emptor. What are the exceptions to it?
- Who is a minor? Discuss the provisions relating to minor's agreements.

SECTION -C**(2X20 = 40)****ANSWER ANY TWO QUESTIONS:**

- Explain the classification of contract.
- Describe the various ways in which a contract may be discharged.
- Discuss the rights and duties of a buyer.
- Explain the rights of surety.
