

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86
(For candidates admitted from the academic year 2025 – 2026 and thereafter)

B.COM. END SEMESTER EXAMINATION, APRIL 2026
HONOURS
SECOND SEMESTER

COURSE : CORE
PAPER : COMMERCIAL LAW
SUBJECT CODE : 25BH/MC/CL25
TIME : 3 HOURS

MAX. MARKS: 100

SECTION A				
Q. No.	Answer all questions :	(10 x 2 =20)	CO	KL
1.	What is International Trade?		1	1
2.	Give the meaning for 'conflict of laws' in an International Context.		1	1
3.	Define Offer.		1	1
4.	What is Novation?		1	1
5.	State the meaning of 'Letter of Credit'.		1	2
6.	Who is an unpaid seller?		1	2
7.	Recall the term Del Credere Agent		1	2
8.	Can a minor be an agent? Give Reason		1	2
9.	Anvitha and Priya want to start a consulting business. They wish to limit personal liability but also want flexibility in management. Which form of business should they choose and why?		1	2
10.	Who are designated partners?		1	2
SECTION B				
Q. No.	Answer all questions :	(4 x 5 = 20)	CO	KL
11.	Give an overview of alternative dispute resolution mechanism.		2	3
12.	Write a short note on the rule "No consideration, No contract" with exceptions.		2	3
13.	Explain the meaning and types of the ICC Incoterms.		2	3
14.	Classify agents and briefly explain each type.		2	3
SECTION C				
Q. No.	Answer any two questions :	(2 x 10 =20)	CO	KL
15.	Explain the essential elements of the legal system.		3	4
16.	Describe the rules regarding minor's agreement.		3	4
17.	Elaborate on the sphere of application and general provisions of the UN Convention.		3	4
SECTION D				
Q. No.	Answer any two questions :	(2 x 10 =20)	CO	KL
18.	Define Warranty. Elaborate the Implied warranties in a contract of sale.		4	5
19.	Explain the modes of termination of an agency.		4	5
20.	"LLP is an alternative corporate business form that gives the benefits of limited liability of a company and the flexibility of a partnership"- Justify the statement and analyse the features of LLP.		4	5

SECTION E				
Q. No.	Compulsory – Case Study	(2 x 10 = 20)	CO	KL
21.	<p>(i) On 1st June 2025, Neha agreed to sell her car to Arjun for ₹5,00,000. Arjun paid ₹50,000 as advance, and the delivery was to take place on 30th June. Before the delivery date, the car was completely destroyed in a fire caused by a short circuit in Neha's garage, without her fault.</p> <p>(ii) In a separate agreement, Rohit agreed to supply 1,000 customized T-shirts to a college for its annual fest on 15th August. On 1st August, both parties mutually agreed to cancel the contract as the fest was postponed indefinitely.</p> <p>(iii) In another instance, Kavya borrowed ₹1,00,000 from Deepa and promised to repay it within six months. After six months, Kavya failed to repay the amount despite repeated demands.</p> <p>Answer the following questions.</p> <p>a) Identify the different modes of discharge of contract in each of the above situations. (6 Marks)</p> <p>b) Explain the legal consequences in each case. (4 Marks)</p>		5	6
22.	<p>Arun and Divya decided to start a digital marketing consultancy business. They filed the required documents with the Registrar and obtained a Certificate of Incorporation under the Limited Liability Partnership Act, 2008. The LLP was named "Creative Minds LLP" and its registered office was mentioned as Chennai.</p> <p>After six months, the partners shifted their business operations to Bengaluru but did not inform the Registrar about the change of registered office. Later, they decided to change the name of the LLP to "Global Creative Solutions LLP" without obtaining prior approval from the Registrar. Meanwhile, Divya entered into a contract with a client on behalf of the LLP without informing Arun. The client suffered losses due to poor service and filed a complaint against both the LLP and Arun personally.</p> <p>Answer the following questions.</p> <p>a) Explain the procedure for incorporation of an LLP. (6 Marks)</p> <p>b) Enumerate the legal requirements relating to change of registered office and change of name of an LLP. (2 Marks)</p> <p>c) Elaborate on the liability of the LLP and its partners in the given situation. Is Arun personally liable? (2 Marks)</p>		5	6
