



# PRESIDENCY UNIVERSITY

BENGALURU

Roll No.													
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## End - Term Examinations – MAY/ JUNE 2025

**Date:** 03-06-2025

**Time:** 01:00 pm – 04:00 pm

<b>School:</b> SOC	<b>Program:</b> B.COM	
<b>Course Code :</b> COM1029	<b>Course Name:</b> BUSINESS LAW	
<b>Semester :</b> II	<b>Max Marks:</b> 100	<b>Weightage:</b> 50%

CO - Levels	CO1	CO2	CO3	CO4	CO5
<b>Marks</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>

### Instructions:

- (i) Read all questions carefully and answer accordingly.
- (ii) Do not write anything on the question paper other than roll number.

### Part A

**Answer ALL the Questions. Each question carries 2 marks.**

**10Q x 2M=20M**

1.	List the types of law in the Indian Legal System.	2 Marks	L1	CO1
2.	How is offer different from invitation to offer ?	2 Marks	L1	CO2
3.	Who is considered as Competent to a contract?	2 Marks	L1	CO1
4.	State any 2 salient features of Quasi Contract.	2 Marks	L1	CO2
5.	List the rights of an agent.	2 Marks	L1	CO1
6.	What do you mean by Doctrine of Caveat Emptor?	2 Marks	L1	CO2
7.	List the essentials elements of Partnership.	2 Marks	L1	CO1
8.	List the 4 main steps of Incorporation of LLP	2 Marks	L1	CO2
9.	Write a short note on Corporate Veil.	2 Marks	L1	CO1
10.	List the characteristics of Bills of Exchange.	2 Marks	L1	CO1

## Part B

**Answer ALL the Questions. Each question carries 7 Marks.**

**Total Marks 35M**

<b>11.</b>	<b>a.</b>	Ramaswami proposed to sell his house to Ramanathan. Ramanathan sent his acceptance by post. Next day, Ramanathan sends a telegram withdrawing his acceptance. Examine the validity of the acceptance according to the Indian Contract Act, 1872 in the light of the following : (a) The telegram of revocation of acceptance was received by Ramaswami before the letter of acceptance. (b) The telegram of revocation and letter of acceptance both reached together.	<b>07 Marks</b>	<b>L2</b>	<b>CO 3</b>
<b>Or</b>					
<b>12.</b>	<b>a.</b>	Surprise Ltd. was incorporated under the Companies Act, 2013. The memorandum of association of the company in its objects clause stated that the company was established to make and sell or to carry on the business of mechanical engineers and general contractors. The company entered into a contract with Prominent Ltd., a firm of railway contractors to finance the construction of a railway line in Mumbai. The contract was ratified by the shareholders in general meeting. Subsequently, the contract was repudiated by the company on the ground that the contract was ultra vires the objects clause. Prominent Ltd. Filed a suit claiming damages for the breach of contract. Explaining the meaning of doctrine of ultra vires, decide whether Prominent Ltd. Will succeed.	<b>07 Marks</b>	<b>L2</b>	<b>CO 3</b>
<b>13.</b>	<b>a.</b>	Certain goods were sold by sample by A to B, who in turn sold the same goods by sample to C and C by sample sold the goods to D. The goods were not according to the sample. Therefore, D who found the deviation of the goods from the sample rejected the goods and gave a notice to C. C sued B and B sued A. Advise B and C under the Sale of Goods Act, 1930.	<b>07 Marks</b>	<b>L2</b>	<b>CO 4</b>
<b>Or</b>					
<b>14.</b>	<b>a.</b>	"There is no implied warranty or condition as to quality or fitness for any particular purpose of goods supplied under a contract of sale." Discuss the significance and State exceptions, if any.	<b>07 Marks</b>	<b>L2</b>	<b>CO 3</b>
<b>15.</b>	<b>a.</b>	Flora Fauna Limited was registered as a public company. There are 230 members in the company as noted below : (i) Directors and their relatives 190 (ii) Employees 15 (iii) Ex - Employees (Shares were allotted when they were employees 10)	<b>07 Marks</b>	<b>L2</b>	<b>CO 4</b>

		(iv) 5 couples holding shares jointly in the name of husband and wife (5 * 2) 10 (v) Others 5 The Board of Directors of the company propose to convert it into a private company. Also advise whether reduction in the number of members is necessary.			
<b>Or</b>					
<b>16.</b>	<b>a.</b>	Ravi Private Limited has borrowed Rs. 5 crores from Mudra Finance Ltd. This debt is ultra vires to the company. Examine, whether the company is liable to pay this debt? State the remedy if any available to Mudra Finance Ltd.?	<b>07 Marks</b>	<b>L2</b>	<b>CO 3</b>

<b>17.</b>	<b>a.</b>	Mr. A. Mr. B and Mr. C were partners in a partnership firm M/s ABC & Co., which is engaged in the business of trading of branded furniture. The name of the partners was clearly written along with the firm name in front of the head office of the firm as well as on letter-head of the firm. On 1st October, 2018, Mr. C passed away. His name was neither removed from the list of partners as stated in front of the head office nor from the letter-heads of the firm. As per the terms of partnership, the firm continued its operations with Mr. A and Mr. B as partners. The accounts of the firm were settled and the amount due to the legal heirs of Mr. C was also determined on 10th October, 2018. But the same was not paid to the legal heirs of Mr. C. On 16th October, 2018, Mr. X, a supplier supplied furniture worth Rs. 20,00,000 to M/s ABC & Co. M/s ABC & Co. could not repay the amount due to heavy losses. Mr. X wants to recover the amount not only from M/s ABC & Co., but also from the legal heirs of Mr. C. Analyses the above situation in terms of the provisions of the Indian Partnership Act, 1932 and decide whether the legal heirs of Mr. C can also be held liable for the dues towards Mr. X.	<b>07 Marks</b>	<b>L2</b>	<b>CO</b>
<b>40r</b>					
<b>18.</b>	<b>a.</b>	Distinguish between dissolution of firm and dissolution of partnership.	<b>07 Marks</b>	<b>L2</b>	<b>CO 3</b>

<b>19.</b>	<b>a.</b>	Bholenath drew a cheque in favour of Surendar. After having issued the cheque; Bholenath requested Surendar not to present the cheque for payment and gave a stop payment request to the bank in respect of the cheque issued to Surendar. Decide, under the provisions of the Negotiable Instruments Act, 1881 whether the said acts of Bholenath constitute an offence?	<b>07 Marks</b>	<b>L2</b>	<b>CO 4</b>
<b>Or</b>					
<b>20.</b>	<b>a.</b>	Difference between Promissory Note & Bill of Exchange.	<b>07 Marks</b>	<b>L2</b>	<b>CO 2</b>

### Part C

**Answer any Three Questions. Each question carries 15 marks**

**3Q x 15M=45M**

<b>21.</b>	<b>a.</b>	Explain various types of offer and also explain the ways of revocation of an Offer.	<b>15 Marks</b>	<b>L3</b>	<b>C04</b>
<b>22.</b>	<b>a.</b>	What is Bailment and explain the essentials of Bailment ? Also list the rights of Bailor.	<b>15 Marks</b>	<b>L3</b>	<b>C05</b>
<b>23.</b>	<b>a.</b>	List and explain 5 features of LLP Act and differentiate between LLP and Partnership.	<b>15 Marks</b>	<b>L3</b>	<b>C04</b>
<b>24.</b>	<b>a.</b>	Explain all the rights available to a Unpaid seller.	<b>15 Marks</b>	<b>L3</b>	<b>C05</b>