Roll No: | | | | | | | | | | | |

PRESIDENCY UNIVERSITY

GAIN MORE KNOWLEDGE
REACH GREATER HEIGHTS

Presidency University Act, 2013 of the Karnataka Act No. 41 of 2013 | Established under Section 2(f) of UGC Act, 1956
Approved by AICTE, New Delhi | Approved By BCI
Bengaluru

Mid Term Examinations - October 2026

Date: 05/10/2026 **Time:** 11:45 AM - 01:15 PM

Course Code: LAW2101 **Course Name:** Private International Trade Law

Semester: Ninth Semester **Max. Marks:** 50 **Weightage:** 50%

CO - Levels	CO1	CO2	CO3
Marks	16	34	40

PART A: Answer Following Questions. 10 M

Q.N.	Questions	M	CO	BT
1	GATT, established in 1947, progressively reduced tariffs and established rules for international trade. Following the Uruguay Round, the WTO was established in 1995.	2	CO2	BT2
2	Lex Mercatoria, or the Law Merchant, refers to a body of commercial customs, usages and practices historically developed and followed by merchants engaged in international trade. It was particularly important because merchants from different jurisdictions faced different domestic laws. Common commercial practices provided predictable rules for resolving disputes. Its historical importance lies in its contribution to the development of transnational commercial norms and the idea that international commerce could be governed by principles beyond the domestic law of a single State.	2	CO1	BT2
3	Mercantilism Free Trade Favours strong state intervention Favours relatively unrestricted trade Promotes exports Allows exports and imports according to market conditions Restricts imports Minimises unnecessary trade barriers	2	CO2	BT3
4	International Trade Law is the body of legal rules, principles, institutions and commercial practices governing transactions and economic relations between parties or states engaged in cross-border trade. Its scope includes: international sale of goods; trade in services; customs and tariffs; trade remedies; subsidies; technical regulations; international commercial contracts; dispute resolution;	2	CO1	BT2

ANSWER KEY

PTO (Please Turn Over)

5	Public International Trade Law primarily governs relationships between states and international institutions. It deals with matters such as tariffs, subsidies, trade restrictions and international trade agreements. Private International Trade Law primarily regulates cross-border commercial transactions involving private parties. It includes international contracts, sale of goods, choice of law, jurisdiction and arbitration. Thus, public trade law focuses principally on state-to-state economic relations, whereas private trade law focuses on cross-border commercial relationships between private parties.	2	CO1	BT2

PART B : Answer Any 1 Following Questions. 10 M				
Q.N.	**Questions**	**M**	**CO**	**BT**
6	Hard law consists of legally binding rules, such as treaties, conventions and binding domestic legislation. Soft law consists of instruments that may not be formally binding but can influence commercial conduct and legal interpretation. Examples include model laws, principles, guidelines, recommendations and internationally accepted commercial standards. In international trade, soft law can facilitate harmonisation where states are unwilling or unable to adopt binding uniform rules. It may also influence contractual drafting and arbitral decision-making.	10	CO3	BT4
7	Lex Mercatoria, or the law merchant, refers to the body of transnational commercial principles, usages, practices and customs developed through international commercial activity. Historically, merchants developed common practices to regulate trade across political and territorial boundaries. Modern discussions of Lex Mercatoria focus on whether international commercial customs and general principles can operate as a transnational body of commercial law independent of particular national legal systems.	10	CO1	BT1

PART C: Answer Any 1 Following Questions. 10 M				
Q.N.	**Questions**	**M**	**CO**	**BT**
8	Potentially yes. Article 48 allows the seller, subject to certain conditions, to remedy the failure to perform, provided the cure does not cause the buyer unreasonable delay or inconvenience or uncertainty concerning reimbursement of expenses.	10	CO3	BT4
9	Article 51 applies where the seller delivers only part of the goods or only part conforms to the contract. The buyer may exercise remedies in respect of the missing 300 units. The buyer may require performance under Article 46. Avoidance of the entire contract would generally require the breach to constitute a fundamental breach of the contract as a whole.	10	CO3	BT4

PART D: Answer Any 1 Following Questions. 10 M				
Q.N.	**Questions**	**M**	**CO**	**BT**
10	Potentially yes. Article 48 allows the seller, subject to certain conditions, to remedy the failure to perform, provided the cure does not cause the buyer unreasonable delay or inconvenience or uncertainty concerning reimbursement of expenses.	10	CO3	BT4
11	Yes, potentially. Article 50 allows the buyer to reduce the price proportionately where the goods do not conform to the contract. The reduction is based on the ratio between the value of the goods actually delivered and the value that conforming goods would have had at the relevant time.	10	CO2	BT3

PART E: Answer Any 1 Following Questions. 10 M

ANSWER KEY

Q.N.	Questions	M	CO	BT
12	Yes. Article 54 requires the buyer to take the necessary steps and comply with the necessary formalities to enable payment. If opening the documentary credit is necessary under the contract, failure to do so may constitute a breach of the buyer's obligations.	10	CO2	BT3
13	Article 55 provides that, where applicable, the price is generally the price generally charged at the time of conclusion of the contract for such goods sold under comparable circumstances in the trade concerned. The provision therefore provides a mechanism for determining the price by reference to the prevailing commercial price.	10	CO2	BT3

ANSWER KEY