

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)
BCom DEGREE EXAMINATION MAY 2025
(Second Semester)

Branch – **COMMERCE (PROFESSIONAL ACCOUNTING)**

BUSINESS LAW

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** marks

(10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	A contract is _____. a) a legal obligation b) an agreement plus a legal obligation c) consensus ad idem d) an agreement plus legal object	K1	CO1
	2	An agreement made without consideration is _____. a) valid b) illegal c) voidable d) void	K2	CO1
2	3	In a sale, if the goods are destroyed the loss falls on _____. a) the buyer b) the seller c) partly on the buyer and partly on the seller d) the seller if price has not been paid	K1	CO2
	4	The unpaid seller has right of stoppage of goods in transit only where the buyer _____. a) become insolvent b) act fraudulently c) refuses to pay price d) all of these	K2	CO2
3	5	What is Partnership Firm Agreement? a) partnership Act b) partnership deed c) agreement d) partnership contract	K1	CO3
	6	If a partner withdraws from a firm by dissolving it, then _____. a) it is a dissolution not a retirement of partner b) it is a novation not a retirement of partner c) it is a retirement of partner d) none of the above	K2	CO3
4	7	The books of account which a LLP is required to keep shall be preserved for how many year _____. a) eight years b) six years c) four years d) two years	K1	CO4
	8	How many partners are required to form LLP _____. a) It shall have at least more than two partners. b) It shall have at least more than seven partners. c) It shall have at least two partners. d) It shall have least seven partners	K2	CO4
5	9	When can a private company commence business? a) at any time b) after apply registration c) after obtaining certificate of Incorporation d) after applying commencement of business	K1	CO5
	10	An association not for profit registered under the companies' act 2013 popularly known as _____. a) illegal association b) holding company c) subsidiary company d) section 8 companies	K2	CO5

Cont...

SECTION - B (35 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks

(5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO
1	11.a.	What is the object and nature of the law of contract?	K2	CO1
		(OR)		
	11.b.	Explain the different kinds of quasi-contracts and describe the circumstances under which they arise.		
2	12.a.	How is price fixed in a contract of sale? If the price is not determined by the parties, what price, if any, is the buyer liable to pay?	K3	CO2
		(OR)		
	12.b.	Is an unpaid seller of goods who is in the possession of them entitled to retain possession?		
3	13.a.	Explain the difference between voluntary dissolution and dissolution by court order.	K3	CO3
		(OR)		
	13.b.	Explain what a partnership deed is. What are the important contents that should be included while preparing a partnership deed?		
4	14.a.	Differentiate between winding up and dissolution of a Limited Liability Partnership (LLP) with suitable examples.	K4	CO4
		(OR)		
	14.b.	Explain the process of incorporation of a Limited Liability Partnership (LLP).		
5	15.a.	Write an exhaustive note on the role of the Memorandum of Association in corporate governance.	K4	CO5
		(OR)		
	15.b.	Analyze the Doctrine of Indoor Management. How does it protect outsiders dealing with a company, and what are the exceptions to this doctrine?		

SECTION - C (30 Marks)

Answer ANY THREE questions

ALL questions carry EQUAL Marks

(3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO
1	16	Discuss the basic elements of a valid contract with suitable examples.	K4	CO1
2	17	Evaluate and impact of the transfer of ownership and delivery of goods, affect the responsibilities of the buyer and seller.	K4	CO2
3	18	Analyze the rights and duties of partners in a partnership firm. How do these affect the relationship among partners?	K4	CO3
4	19	Evaluate the extent and limitation of liability of partners in an LLP and evaluate how it provides a balance between flexibility and legal protection.	K4	CO4
5	20	Critically analyze the different classifications of Companies and evaluate their features of company.	K4	CO5

Z-Z-Z END