

**PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)**

**BCom DEGREE EXAMINATION MAY 2026
(Second Semester)**

Common to Branches – **COMMERCE/ COMMERCE (CA)/ E-COMMERCE /
COMMERCE(FS)/ COMMERCE(BA)**

BUSINESS LAW AND ETHICS

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 create _____ (i) rights in personam (ii) rights in rem (iii) only rights and no obligations (iv) only obligations and no rights	K1	CO1
	2	An agreement without consideration is _____ (i) valid (ii) illegal (iii) voidable (iv) void	K2	CO1
2	3	Which of the following relationships raise presumption of undue influence? (i) Landlord and Tenant (ii) Parent and guardian (iii) Doctor and Patient (iv) Husband and Wife	K1	CO2
	4	If a new contract is substituted in place of an existing contract, it is called _____ (i) alteration (ii) rescission (iii) novation (iv) waiver	K2	CO2
3	5	The position of a finder of last goods is that of a _____ (i) bailor (ii) bailee (iii) surety (iv) principal debtor	K1	CO3
	6	If a price is not determined by the parties in a contract of sale, the buyer is bound to pay _____ (i) the price demanded by the seller (ii) a reasonable price (iii) the price which the buyer thinks is reasonable (iv) the price to be determined by a third independent person	K2	CO3
4	7	A complaint relating to defective goods must be filed within _____ (i) 6 month (ii) 1 year (iii) 2 year (iv) 5 year	K1	CO4
	8	Which of the following is not an unfair trade practice? (i) false advertisement (ii) hoarding goods (iii) selling goods at marked price (iv) misleading representation	K2	CO4
5	9	Ethics differ from law because ethics are _____ (i) enforced by courts (ii) based on moral principles (iii) compulsory in nature (iv) punishable by government	K1	CO5
	10	The first appeal under RTI Act is made to _____ (i) supreme court (ii) central information commission (iii) high court (iv) senior officer in the same public authority	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.	Describe the essentials of a valid contract.	K1	CO1
		(OR)		
	11.b.	"A stranger to a contract cannot sue." State the exceptions to this rule.		
2	12.a.	When is consent said to be given under coercion? Explain its effect on the contract.	K2	CO2
		(OR)		
	12.b.	Explain the different modes of discharge of a contract.		
3	13.a.	Illustrate the classification of agents based on authority.	K3	CO3
		(OR)		
	13.b.	Examine the rule of caveat emptor and explain its exceptions through implied conditions.		
4	14.a.	Explain the features of the Consumer Protection Act, 2019 with suitable examples.	K3	CO4
		(OR)		
	14.b.	Explain how the powers and functions of the CCPA are exercised under the Consumer Protection Act, 2019.		
5	15.a.	Analyze the impact of unethical business activities on society with suitable examples.	K4	CO5
		(OR)		
	15.b.	Examine the meaning, scope, and coverage of 'Public Authority' under the RTI Act, 2005 with appropriate examples.		

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	State who are competent to contract and the effect of agreements made by persons not competent.	K1	CO1
2	17	Describe the remedies available when consent is caused by non-fraudulent misrepresentation.	K2	CO2
3	18	Classify and explain the duties of a bailor and bailee with examples	K3	CO3
4	19	Examine the step-by-step procedure for filing a consumer complaint under the Consumer Protection Act, 2019.	K4	CO4
5	20	Critically assess the role of the RTI Act, 2005 in strengthening transparency and ensuring accountability in public administration.	K5	CO5