

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION MAY 2024
(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	What is the primary purpose of consideration in a contract? a) To ensure both parties agree to the terms b) To establish the legality of the contract c) To provide a remedy in case of breach d) To indicate the seriousness of the parties' intent to be bound	K1	CO1
	2	Quasi-contracts are based on: a) The express agreement between parties b) The absence of consideration in a contract c) A legal obligation imposed by law to prevent unjust enrichment d) Oral promises made by one party to another	K2	CO1
2	3	Transfer of ownership in a contract of sale occurs: a) When the buyer pays the purchase price. b) When the goods are delivered to the buyer. c) When the contract is signed by both parties. d) When the seller issues an invoice.	K1	CO2
	4	What does the Sale of Goods Act specify regarding the transfer of ownership in a contract of sale? a) Ownership transfers upon payment of the price. b) Ownership transfers upon delivery of the goods. c) Ownership transfers upon signing the contract. d) Ownership transfers upon acceptance of the offer.	K2	CO2
3	5	In a partnership, what is the nature of the relationship between partners? a) Principal and agent b) Employer and employee c) Co-owners of a business d) Creditor and debtor	K1	CO3
	6	How can a partnership be dissolved voluntarily? a) By expiration of a fixed term b) By court order c) By death of a partner d) By bankruptcy of a partner	K2	CO3
4	7	Which of the following accurately describes the nature of a Limited Liability Partnership (LLP)? a) Unlimited liability for all partners b) Limited liability for all partners c) Sole proprietorship structure d) Partnership with corporate shareholders	K1	CO4
	8	How is an LLP incorporated? a) By obtaining a license from the Ministry of Corporate Affairs b) By filing a conversion application with the Reserve Bank of India c) By registration with the Registrar of Companies d) By obtaining approval from the Central Board of Direct Taxes	K2	CO4

Cont...

5	9	What does the Doctrine of Indoor Management focus on? a) External dealings of the company b) Internal management of the company c) Shareholder meetings and resolutions d) Compliance with statutory requirements	K1	CO5
	10	What is the Memorandum of Association (MOA) of a company? a) It contains rules and regulations for internal management b) It outlines the company's objectives and powers c) It specifies the duties of directors and officers d) It governs the relationship between shareholders and creditors	K2	CO5

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.	State the features of Quasi contracts	K2	CO1
		(OR)		
	11.b.	No Consideration, No Contract- Explain.		
2	12.a.	Show the key distinction between condition and warranty.	K3	CO2
		(OR)		
	12.b.	Explain the rules regarding delivery of goods.		
3	13.a.	Outline the nature of partnership.	K2	CO3
		(OR)		
	13.b.	Show the procedure for registration of firms.		
4	14.a.	Describe the scope for limited liability partnership.	K3	CO4
		(OR)		
	14.b.	Explain the limitations of limited liability partnership.		
5	15.a.	Explain the features of Company.	K4	CO5
		(OR)		
	15.b.	Explain the classification of Capital.		

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 remedies of breach of Contract.	K2	CO1
2	17	Enumerate the rights of unpaid sellers.	K3	CO2
3	18	Examine the different modes of dissolution of firm.	K2	CO3
4	19	Discuss the characteristics of Limited Liability Partnership.	K3	CO4
5	20	Differentiate memorandum of association from articles of association.	K4	CO5