

Reg. No.....

Name.....

B A, B SC, B COM DEGREE END SEMESTER EXAMINATION - APRIL 2026**UGP (HONS.) SEMESTER - 2: DISCIPLINE SPECIFIC COURSE****COURSE: 24UCOMDSC104 - BUSINESS REGULATORY FRAMEWORK***(For Regular 2025 and Improvement/Supplementary 2024 Admission)*

Time: 1.5 Hours

Max. Marks - 50

PART A***Answer any ten questions each carries one mark***

1. The term *nudumpactum* means _____. (U)
2. A contract which ceases to be enforceable by law is called _____. (U)
3. An agreement made with a minor is valid. State true or false. (A)
4. Restoration of benefits from a void contract is known as _____. (U)
5. The doctrine of _____ states that only parties to a contract can sue upon it. (U)
6. A bailment is the delivery of goods by one person to another for some purpose upon a contract that the goods shall be _____ when the purpose is accomplished. (A)
7. In a contract of guarantee, the person who gives the guarantee is called the _____. (U)
8. An agent having authority to carry out a series of acts connected with a particular trade or business is called a _____ agent. (A)
9. Goods identified and agreed upon at the time a contract of sale is made are called _____ goods. (U)
10. A stipulation collateral to the main purpose of the contract is called a _____. (U)
11. A Limited Liability Partnership (LLP) must have at least two designated partners. State whether true or false. (R)
12. The liability of partners in an LLP is limited to the extent of their _____. (A)

(1 x 10 = 10)**PART B*****Answer any five questions each carries two marks***

13. Name two modes of discharge of a contract. (A)
14. X delivers goods to Z by mistake. Z realizes the mistake but still uses the goods. Is Z legally bound to pay for them? Why? (An)
15. Mr. A agrees to pay B ₹10,000 if B steals confidential documents from C's office. Identify the nature of the agreement. Justify your answer. (A)

16. Ram requests Ben to deliver goods to Carl and promises to compensate Ben for any loss that may arise. Later Ben suffers loss due to Carl's non-payment. What type of contract is this? Justify your answer. (An)
17. Jane authorizes Sona to sell his car for ₹3,00,000. Sona sells the car for ₹3,50,000 but informs Jane that it was sold for ₹3,00,000. What is the legal relationship established between Jane and Sona? Identify the breach committed by Sona. (A)
18. What do you mean by Caveat emptor? (U)
19. State two differences between Limited Liability Partnership and traditional partnership. (An)
- (2 x 5 = 10)**

PART C

Answer any four questions each carries five marks

20. "All contracts are agreements but all agreements are not contracts" comment. (An)
21. Riya gives her expensive camera to Arun, a professional photographer, for repair and safe keeping for three days. Arun accepts the camera and promises to repair it. Instead of keeping the camera safely in his shop, Arun leaves it on an open table near the entrance of the shop where customers frequently walk in and out. One evening, the camera falls and gets damaged when a customer accidentally knocks it off the table. When Riya returns to collect the camera, she finds it damaged and demands compensation from Arun. Identify the **bailor** and the **bailee** in the above case. Which **implied duties of a bailee** have been violated in this situation? Discuss the duties of Arun. (An)
22. Why is contract of guarantee known as tripartite agreement? Explain the rights of surety against principal debtor. (U)
23. Mr. Suresh, without obtaining prior authority from Ms. Kavya, entered into a contract with Mr. Rahim to purchase 200 office chairs for Kavya's company. At the time of making the agreement, Suresh informed Rahim that he was acting on behalf of Kavya. When Kavya later came to know about the transaction, she examined the terms of the contract and formally approved the act of Suresh. However, before her approval was communicated, the market price of chairs had fallen significantly, and Kavya reconsidered whether she should proceed with the contract. The dispute raised questions regarding the authority of a person acting on behalf of another, the effect of subsequent approval by the principal, and the legal consequences for the parties involved under the **Indian Contract Act, 1872**.

Answer the following questions based on the above passage:

- a. Identify the legal principle applicable in the above situation.
- b. Was Suresh acting with authority at the time of entering into the contract? Explain.
- c. What is the legal effect of Kavya's subsequent approval of the contract?
- d. From which point of time will the contract become binding if the approval is valid?
- e. Can Kavya avoid the contract merely because the market price of chairs has fallen?

Give reasons. (A)

24. Answer the following cases with reference to the **Sale of Goods Act, 1930**.

- a. Mr. Arun purchased a branded laptop from a dealer believing that the dealer had the right to sell it. Later it was discovered that the laptop was stolen property and the true owner demanded its return.
- b. A restaurant owner informed a seller that he needed a refrigerator suitable for storing dairy products. The seller recommended a particular model, but after purchase it failed to maintain the required temperature.
- c. Ms. Neha purchased packed fruit juice from a supermarket. After opening it, she found that the juice was contaminated and unfit for consumption.
- d. A buyer ordered 500 meters of cotton fabric after examining a small sample provided by the seller. When the goods were delivered, the bulk of the fabric was of inferior quality and did not match the sample.
- e. Mr. Rahul purchased a washing machine described in the advertisement as a "fully automatic washing machine with dryer." After delivery, he found that it did not have a dryer facility.

Identify the implied condition violated in each case. Give reason for your answer. (A)

25. Discuss the circumstances under which a partnership firm may be dissolved according to the Indian Partnership Act, 1932. (U)

(5 x 4 = 20)

PART D

Answer any one question each carries ten marks

26. What do you mean by free consent? Explain situations where consent is not free. (An)
27. Mr. Thomas, a furniture manufacturer, sold 200 office chairs to Mr. Ali on a credit period of 30 days. Thomas delivered the goods to a transport company to be sent to Ali. Before the

goods reached Ali, Thomas came to know that Ali had become insolvent and would not be able to pay the price of the goods. In another instance, Ali had already received a different batch of goods from Thomas but failed to make the payment even after the due date. With reference to the provisions of the *Sale of Goods Act, 1930*, explain the *rights available to Thomas as an unpaid seller*. (A)

(10 x 1 = 10)