



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

B.Com. DEGREE EXAMINATION – HONOURS

FIRST SEMESTER – NOVEMBER 2023

UBH 1502 – CORPORATE AND BUSINESS LAW - I

Date: 01-11-2023

Dept. No.

Max. : 100 Marks

Time: 01:00 PM - 04:00 PM

SECTION A - K1 (CO1)

Answer ALL the Questions

(10 x 1 = 10)

1. MCQ

- a) A proposal, when accepted, becomes:
a. Agreement
b. Promise
c. Contract
d. Offer
- b) Consensus ad idem', means
a. contract caused by mistake of one party as to matter of fact
b. Both the parties to an agreement are under a mistake
c. An agreement upon the same thing in the same sense
d. none of the above
- c) Goods displayed in a shop window with a price label will amount to
(a) Offer
(b) Invitation to offer
(c) Acceptance of offer
(d) None of these
- d) In one auction sale, 'X' is the highest bidder. The auctioneer accepts the offers not by speaking but by striking the hammer on the table. This amounts to
(a) Express acceptance
(b) Implied acceptance
(c) Future acceptance
(d) No acceptance
- e) A quasi-contract
(a) is a contract.
(b) creates only a legal obligation.
(c) is none of these.
(e) is an agreement.

2. Fill in the blanks

- a) An agreement not enforceable by law is termed as a _____ contract
- b) A contract, which ceases to be enforceable by law becomes void when it ceases to be enforceable, is known as _____.
- c) An offer is said to be accepted when the person to whom the proposal is made signifies their assent in the manner prescribed or _____.
- d) The Indian Contract Act, 1872, is based on the principles of _____ law.
- e) An agreement in which both parties have made reciprocal promises is called a _____ contract.

SECTION A - K2 (CO1)**Answer ALL the Questions
10)****(10 x 1 =****3. True or False**

- a) All void agreements are illegal.
- b) No consideration is necessary to create an agency.
- c) An agreement with a minor is voidable.
- d) Nominal damages are awarded if there is no breach of contract.
- e) Outbreak of war is not an excuse for non-performance of a contract.

4. Definitions

- a) Novation
- b) Subrogation
- c) Injunction
- d) Tender
- e) Offer

SECTION B - K3 (CO2)**Answer any TWO of the following in 100 words each.****(2 x 10 = 20)**

5. "A stranger to a contract cannot sue". Are there any exceptions to this rule?
6. Identify what is misrepresentation? Distinguish it from fraud.
7. Construct when time and place deemed to be the essence of a contract in the performance of the contract and with what consequences?
8. Select what circumstances is the object or consideration of a contract deemed unlawful? Illustrate with examples.

SECTION C – K4 (CO3)**Answer any TWO of the following in 100 words each.****(2 x 10 = 20)**

9. A sends an offer to B on 10.5.2022, offering to sell a vintage car for Rs. 15 lakhs. B receives the offer on 12.5.2022 and decides to respond. On 14.5.2022, B sends a reply, proposing to purchase the vintage car for Rs. 14 lakhs.
- When can A revoke their offer in this case?
What is the legal status of B's response?
If B has a change of heart and decides to agree to A's initial offer of Rs. 15 lakhs, and B communicates this change on 16.5.2022, until when can B revoke their acceptance?
10. A supplied rice and wheat to the wife and children of B who is a lunatic. B has assets worth one lakh of rupees, (a) On non-payment, can A proceed against the assets of B? (b) Would your answer be the same, if B instead of being a lunatic, were a minor?
11. "Impossibility of performance is, as a rule, not an excuse for non-performance of a contract". Discuss.
12. The managing director of a theatre gave instructions that no tickets were to be sold to S. S, knowing this, asked a friend to buy a ticket for him. With this ticket S went to the theatre but was refused admission. He filed a suit for damages for breach of contract. Would he succeed?

SECTION D – K5 (CO4)**Answer any ONE of the following in 250 words****(1 x 20 = 20)**

13. "All contracts are agreements, but all agreements are not contracts" – Discuss the statement explaining the essential elements of a valid contract with illustrations.
14. Explain the discharge of contract with suitable examples.

SECTION E – K6 (CO5)

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| 15. | <p>Grandma P takes the help of her nephew J to sell her land. She wants to sell them to C, her good friend from yester years. J tells Grandma P that he has completed his law and is a lawyer who can work out the details for her. J prepares the sale agreement transferring Grandma's property to C. Grandma P feels happy about this as she trusts his judgment in the transaction. Grandma P bakes him a pie in gratitude. After a few days he approaches C and tells C that he can pay a good price and buy the lands from C and C, who is about 50 years, agrees to this and sells J his lands.</p> <p>Questions</p> <p>a.If J lied to Grandma and did not in fact complete his law, would it have an impact on the transaction between Grandma P and C? Explain your argument if you were Grandma P's lawyer. (5 marks)</p> <p>b.If J played a role in the negotiation of price and other terms of the agreement, would it have any impact on his purchase from C? Substantiate your answer with reasons. (5 marks)</p> <p>c.What concept in Contract law does this case refer to? Explain in detail the concept with relevant provisions of the Contract Act, examples and case laws. (10 marks)</p> |
| 16. | <p>Discuss on "An agreement entered with a minor cannot be enforced by law".</p> |

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