

(FOR THE CANDIDATES ADMITTED

25UPA205

DURING THE ACADEMIC YEAR 2025-2026 ONLY)

REG.NO.:

N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI

EVEN SEMESTER OF EXAMINATION:MAY 2026

B.COM (PA)

MAXIMUM MARKS: 75

SEMESTER : II

TIME : 3 HOURS

PART - III

COMMERCIAL LAW

SECTION – A

(10 X 1 = 10 MARKS)

ANSWER THE FOLLOWING QUESTIONS.

(K1)

1. Which of the following is not an essential element of a valid contract?
A. Offer B. Acceptance C. Registration D. Lawful consideration
2. Undue influence arises when one party is in a _____ position.
A. Equal B. Dominant C. Independent D. Neutral
3. A valid tender must be _____.
A. Conditional B. Partial C. Unconditional D. Written only
4. Dishonour of cheque is mainly due to _____.
A. Wrong signature B. Insufficient funds C. Improper endorsement D. Expiry of cheque
5. Right of lien belongs to _____.
A. Buyer B. Agent C. Unpaid seller D. Banker

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES

(K2)

6. Define a contract.
7. What is consideration?
8. Name one mode of discharge of contract
9. What is a negotiable instrument?
10. What does LLP stand for?

SECTION – B

(5 X 5 = 25 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.

(K3)

11. a) Describe how an offer is made under the Indian Contract Act, 1872.
(OR)
b) Show how acceptance leads to the formation of a valid contract.
12. a) Apply the rule “No consideration, no contract” with an exception.
(OR)
b) Discover how the law assesses the contractual capacity of a person of unsound mind.

13. a) Illuminate the essentials of a valid tender and its legal effect.
(OR)
b) Interpret when a contingent contract becomes enforceable under law.
14. a) Compare promissory note and bill of exchange with examples.
(OR)
b) What is crossing of a cheque? Explain its effect on payment.
15. a) Apply the salient features of LLP to assess its suitability as a business organisation.
(OR)
b) Examine the merits and demerits of LLP as a form of business organization.

SECTION – C

(5 X 8 = 40 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.(K4 (Or) K5)

16. a) Examine the essential elements of a valid contract and explain how each element affects the enforceability of a contract.
(OR)
b) Discuss the classification of contracts with examples.
17. a) Distinguish between fraud and misrepresentation.
(OR)
b) Interpret the free consent and explain the factors that affect it.
18. a) Illustrate the remedies available for breach of contract.
(OR)
b) Analyse the different modes of discharge of contract and their effect on contractual obligations.
19. a) Evaluate the usefulness of different kinds of cheques in business and justify which type is most secure.
(OR)
b) Compare the different types of endorsement and explain their effects on negotiability.
20. a) Examine the structural differences between LLP and Partnership
(OR)
b) Identify the rights of an unpaid seller and explain how they can be exercised against the buyer and goods.
