



Name : .....  
Roll No. : .....  
Invigilator's Signature : .....

**CS/BBA(H), BIRM, BSCM/SEM-3/BBA-303/2011-12**

**2011**

**BUSINESS REGULATORY FRAMEWORK**

Time Allotted : 3 Hours

Full Marks : 70

*The figures in the margin indicate full marks.  
Candidates are required to give their answers in their own words  
as far as practicable.*

**GROUP – A**

**( Multiple Choice Type Questions )**

1. Choose the correct alternatives for any *ten* of the following :

10 × 1 = 10

- i) A contract which can be avoided at the will of one party and not by the other party is known as
  - a) Void contract
  - b) Voidable contract
  - c) Valid contract
  - d) Unenforceable contract.
  
- ii) The Indian Contract Act came into force on the first day of September
  - a) 1872
  - b) 1873
  - c) 1871
  - d) 1874.



- iii) FEMA was formerly known as
  - a) Foreign Exchange Regulation Act
  - b) Foreign Exchange Act
  - c) Foreign Exchange Maintenance Act
  - d) Foreign Exchange Banking Act.
  
- iv) The term FOB means
  - a) Free On Board
  - b) Freight On Board
  - c) Flight On Board
  - d) None of these.
  
- v) The Act which protects the interest of consumers is called
  - a) Consumer Protection Act
  - b) Indian Contract Act
  - c) Negotiable Instrument Act
  - d) Sale Of Goods Act.
  
- vi) General offer can be accepted by
  - a) any person
  - b) specific person
  - c) any person having notice of it
  - d) all of these.



- vii) Consideration may be
- a) a benefit to the promisor
  - b) a benefit to the promisee
  - c) a benefit to the promisor or a loss detriment to the promisee
  - d) all of these.
- viii) A minor
- a) cannot be appointed as an agent
  - b) cannot be a principal
  - c) can be a promisee
  - d) none of these.
- ix) Substitution of a contract by mutual consent of the parties is called
- a) Novation
  - b) Rescission
  - c) Satisfaction
  - d) None of these.



- x) There is an implied condition in a contract of sale that
- a) Goods would be free for the purpose the buyer requires
  - b) Goods shall correspond with the description of the seller
  - c) Goods shall be free from encumbrances
  - d) All of these.
- xi) The right of lien can be exercised
- a) To retain possession of the goods
  - b) To regain possession of the goods
  - c) To re-sale the goods
  - d) All of these.
- xii) X & his friend Y enter a shop & X says to Z “Supply the goods required by Y & if he does not pay you, I will”. It is a contract of
- a) Indemnity
  - b) Bailment
  - c) Guarantee
  - d) None of these.



**GROUP – B**

**( Short Answer Type Questions )**

Answer any *three* of the following.

3 × 5 = 15

2. Distinguish between contract of indemnity and contract of guarantee.
3. “No consideration, No contract”. Discuss the exceptions to this rule.
4. Explain about the nature and consequences of fraud.
5. Discuss about the rules regarding offer.
6. Discuss about the features of negotiable instruments.

**GROUP – C**

**( Long Answer Type Questions )**

Answer any *three* of the following. 3 × 15 = 45

7. a) State whether any contract is made in the following cases :
  - i) When you invite Mr. Ray to your home for dinner and Mr. Ray accepts your invitation.
  - ii) When you board a public bus



- iii) When you call a taxi on the telephone
  - iv) When you put a 1 rupee coin in the slot of a weighing machine
  - v) When you order for a dish in a restaurant.
- b) Distinguish between the following :
- i) Void Agreements and Illegal Agreements
  - ii) Fraud and Misrepresentation. 10 + 5
8. What are the powers of search & seizure of the Director of Enforcement with respect to FEMA Act ? Do the other officers of the Enforcement Directorate have any such power ? How is authorization for dealing in foreign exchange made ? 5 + 4 + 6
9. What is a “notice of dishonour” ? By whom & to whom is the notice of dishonour required to be given ? When is a negotiable instrument declared dishonoured ? 3 + 6 + 6
10. a) State the salient features of Consumer Protection Act.
- b) Mention the scope of consumer disputes redressal agencies.
- c) Write a note on quasi-contract.



11. Write short notes on any *three* :

- a) Caveat emptor & its exceptions
  - b) Bailor and Bailee
  - c) Promissory note
  - d) Influence and coercion
  - e) Rights of unpaid seller.
-