

END SEMESTER EXAMINATION, MAY - 2026**B. B. A. Semester – IV****Paper Code : 541221****Subject Name: Business Laws****Subject Code: BBA402****Time allotted: 03 Hours****Max. Marks: 100****Note: Read all the instructions carefully.**

Q.1		VERY SHORT ANSWER QUESTIONS – Attempt All.	(10x2 = 20 Marks)
	a.	What is winding up?	CO1
	b.	A bailee has the right of.....	CO1
	c.	 Person who delivers goods for bailment.	CO1
	d.	An agreement enforceable by law is a	CO1
	e.	Explain Voidable Contract.	CO1
	f.	State whether there is any contract in following cases: i. A engages B to do certain work and remuneration to be paid as fixed by C. ii. A and B promise to pay for the studies of their maid's son	CO2
	g.	Who is Unpaid Seller? What are his rights?	CO2
	h.	Explain Private Company	CO2
	i.	Explain the different type of contracts.	CO2
	j.	Explain the term meeting as per Company Act 2013.	CO2
Q.2		SHORT ANSWER QUESTIONS – Attempt any Five.	(5x4 = 20 Marks)
	a.	Explain the duties of Directors.	CO3
	b.	Describe the process of incorporation in company law. Briefly explain the advantages after incorporation	CO3
	c.	Describe the term Doctrine of supervening impossibility and conditions for its applicability.	CO3
	d.	Describe the different parties involved in the contract of pledge.	CO3
	e.	Explain the difference between contract of Indemnity and contract of guarantee.	CO4
	f.	Explain the provisions for the appointment of women directors as per Company Act -2013.	CO4
	g.	“An anticipatory breach of contract is a breach of contract occurring before the time fixed for performance has arrived”. Discuss stating also the effect of anticipatory breach on contracts.	CO4

Q.3		STRUCTURED QUESTIONS – Attempt any Three. (3x10 = 30 Marks)
	a.	“Illustrate in detail the significance and components of the Memorandum of Association in the formation and operation of a company. How does the MOA differ from the Articles of Association, and what specific information must be included in the MOA according to company law regulations in your jurisdiction?” CO4
	b.	"A Promoter's fiduciary duties include the duty of loyalty and the duty of care toward the company and its shareholders." Question: Define the fiduciary duties of Promoters in a company and elaborate on how these duties can impact their decision-making processes. Recognize the duties and responsibilities of promoter in the company. Describe the term incorporation of company. Briefly explain the advantages after incorporation. CO4
	c.	Arjun, a manufacturer, enters into a contract with Vikram, a supplier, to deliver 500 units of raw materials within 30 days at an agreed price of ₹5,00,000. As per the contract, Arjun makes an advance payment of ₹2,00,000 to Vikram. However, before the delivery date, Vikram informs Arjun that he will not be able to supply the raw materials due to unforeseen circumstances. Arjun, relying on the supply, had already entered into another contract with a third party for the sale of finished goods, which he now cannot fulfill due to Vikram's failure. As a result, Arjun suffers financial losses. Meanwhile, Vikram argues that an unexpected increase in market prices for raw materials makes it impossible for him to fulfill the contract at the agreed price and claims that he should be excused from performance. Based on the above scenario, answer the following questions: Q1 What type of contract was formed between Arjun and Vikram? Was it valid under the Indian Contract Act, 1872? Q2 Does Vikram's refusal to supply the raw materials amount to a breach of contract? If yes, what kind of breach is it? CO5
	d.	A contracts with B for a fixed price to construct a house for B within a stipulated time. B would supply the necessary material to be used in the construction. C guarantees A's performance of the contract. B does not supply the material as per the agreement. Is C discharged from his liability. CO5

Q.4	Case Analysis/ Situation Based QUESTIONS – Attempt any Two. (2x15 = 30 Marks)	
	a. Neha, the owner of a garment business, appoints Rohan as her agent to purchase raw materials on her behalf. Neha instructs Rohan to buy only cotton fabric from a specific supplier at a fixed price. However, Rohan, believing he has discretionary power, purchases silk fabric from a different supplier at a higher price. Neha refuses to pay the supplier, arguing that Rohan exceeded his authority. Later, Rohan enters into another contract with a third party, claiming to act on behalf of Neha. However, this time, Neha had already revoked Rohan's agency but had not informed the third party. The third party sues Neha for breach of contract, claiming that Rohan was still acting as her agent. Based on the above scenario, answer the following question What are the legal consequences of Rohan's unauthorized act under the Indian Contract Act, 1872?	CO5
	b. Aman, the owner of TechSolutions Pvt. Ltd., a software development company, entered into a contract with Bright Retail Ltd., a growing e-commerce business, to develop a customized e-commerce platform. As per the agreement, TechSolutions was to deliver a fully functional website with integrated payment gateways and inventory management features within six months for a total cost of ₹30 lakhs. The contract also included a clause stating that for every week of delay beyond the deadline, TechSolutions would pay a penalty of ₹1 lakh. After four months of development, Aman's team encountered unexpected technical difficulties, and due to a shortage of skilled developers, the project was delayed. Anticipating the delay, Aman requested an extension of two months, but Bright Retail refused, insisting that the original deadline be met. At the end of six months, TechSolutions delivered an incomplete version of the platform, missing key features like the payment gateway and security encryption. Frustrated, Bright Retail refused to accept the incomplete product and terminated the contract. They hired another company to complete the work and later sued TechSolutions for breach of contract, demanding: 1. Refund of ₹20 lakhs (the amount already paid to TechSolutions), 2. ₹5 lakhs in penalties for the five-week delay, 3. ₹10 lakhs as compensation for business losses caused by the delay. Aman, however, defended his company by arguing that: • The delay was due to unforeseen technical challenges beyond their control. • Bright Retail had refused to cooperate when an extension was requested. • The work already delivered had value and should not be entirely dismissed. The case now goes to court for resolution. Question: a) Identify whether this case involves a material breach or a minor breach of contract. b) Under what circumstances does the doctrine of supervening impossibility apply, and does it fit this case?	CO5
	c. Case Study: Vikram, a businessman, owned a luxury car which he lent to his close friend Ravi for a few months as a gesture of goodwill. There was no formal agreement, and no transfer of ownership documents were signed. However, Ravi, struggling with financial difficulties, decided to sell the car without informing Vikram. Ravi approached Elite Motors, a well-known car dealership, and falsely claimed to be the legitimate owner of the vehicle. To support his claim, he forged the ownership documents. Elite Motors, relying on these documents and conducting only a basic verification, purchased the car from Ravi. The dealership then sold the vehicle to Sunita, a customer who paid the full amount in good faith and received all necessary documents. A month later, Vikram saw Sunita driving the car and immediately confronted her. Sunita, shocked, insisted that she had legally purchased the car from Elite Motors. Vikram, on the other hand, argued that the car was never Ravi's to sell and that he remained its rightful owner. The dispute escalated, and both parties sought legal intervention to claim ownership of the vehicle. a) How does the doctrine that "no one can transfer a better title than they possess" evaluate it in this scenario? Are there any recognized legal exceptions under which Sunita may be able to retain the car despite the defect in title?	CO5
