

Q.25 What is the distinction between “goods” and “services” in the Sale of Goods Act, 1930?

**Q.26** What are the implied conditions and warranties under the Sale of Goods Act?

Q.27 Explain the rule of “caveat emptor” and its relevance in sales of goods.

Q.28 What is the difference between the “condition” and “warranty” in a sales contract?

Q.29 What are the essential elements of a valid negotiable instruments?

Q.30 Differentiate between a promissory note and a bill of exchange.

Q.31 What is the liability of the drawer and the drawee in a negotiable instruments?

Q.32 What is the main objective of the Consumer Protection Act, 1986?

**Q.33** How does the Act define “unfair trade practices”?

Q.34 What is the significance of industrial policy in India?

Q.35 Explain the concept of liberalization in the context of industrial policy.

## SECTION-D

**Note:** Long answer type questions. Attempt any two questions out of three questions. (2x10=20)

Q.36 Explain the concept of 'Free Consent' as defined under the Indian Contract Act, 1872. Provide examples to illustrate situations where consent might be considered voidable.

Q.37 Explain the difference between ‘condition’ and ‘warranty’ in the context of the Sale of Goods Act, 1930. Provide real-world examples to illustrate each.

Q.38 Explain the main provisions of the Consumer Protection Act, 1986 that are designed to protect the rights of consumers. How does this act establish consumer councils and redressal mechanisms?

**3rd Sem /DBM DBM (IPM)**  
**Subject:- Business Laws**

Time : 3Hrs.

M.M. : 100

## SECTION-A

**Note:** Multiple choice questions. All questions are compulsory  
(10x1=10)

Q.1 Which section of the Indian Contract Act, 1872 deals with “Acceptance by performing conditions, or receiving consideration”?

a) Section 2                      b) Section 9  
c) Section 25                     d) Section 31

Q.2 What is a void contract under the Indian Contract Act?

- a) A contract that is valid but not enforceable
- b) A contract that lacks essential elements and is not enforceable by law
- c) A contract that is valid and enforceable
- d) A contract that is voidable at the option of one party

Q.3 According to the sale of Goods Act, 1930, What is the implied condition regarding the seller's title to the goods?

- a) The seller has good title to the goods
- b) The goods are free from any defects
- c) The goods will be delivered within a specified time
- d) The goods will conform to the description provided

Q.4 In a contract for the sale of goods, when does the risk pass from the seller to the buyer?

- Upon the creation of the contract
- Upon delivery of the goods to the buyer
- Upon payment of the purchase price
- Upon the acceptance of the goods by the buyer

Q.5 Which of the following is not a negotiable instrument under the Negotiable Instruments Acts?

- a) Promissory Note      b) Bill of Exchange  
c) Cheque      d) Receipt for goods sold
- Q.6 In a promissory note, who is the maker?  
a) The person who receives the money  
b) The person to whom the money is owed  
c) The person who promises to pay a certain sum of money  
d) The person who endorses the note
- Q.7 Under the Consumer Protection Act, 1986, which forum is established for the settlement of consumer disputes involving claims up to Rs. 20 lakhs?  
a) District Consumer Disputes Redressal Commission  
b) State Consumer Disputes Redressal Commission  
c) National Consumer Disputes Redressal Commission  
d) Supreme Consumer Disputes Redressal Commission
- Q.8 What is the primary objective of the Consumer Protection Act, 1986?  
a) To promote fair competition among businesses  
b) To protect the interests of consumers against unfair trade practices  
c) To regulate the quality of goods and services  
d) To facilitate international trade
- Q.9 Which year saw the introduction of the New Industrial Policy in India, which marked a shift towards, liberalization and globalization?  
a) 1947      b) 1969  
c) 1980      d) 1991
- Q.10 What is the primary focus of the Industrial Policy with regard to foreign direct investment (FDI)?  
a) Encouraging maximum FDI in all sectors  
b) Restricting FDI in most sectors to protect domestic industries  
c) Allowing FDI in select sectors with specific conditions  
d) Completely banning FDI in all sectors

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## SECTION-B

**Note:** Objective type questions. All questions are compulsory. (10x1=10)

- Q.11 The Indian Contract Act 1872 applies only to contracts for the sale of goods. (T/F)
- Q.12 An agreement without consideration is always void under the Indian Contract Act. (T/F)
- Q.13 A minor can enter into a contract under the Indian Contract Act, provided it is for their benefit. (T/F)
- Q.14 Fraudulent misrepresentation is not a ground for voiding a contract under the Indian Contract act. (T/F)
- Q.15 The Sale of Goods Act 1930 applies only to the sale of movable goods and not immovable property. (T/F)
- Q.16 Under this act, goods must be of merchantable quality, which means they must be fit for the buyer's purpose. (T/F)
- Q.17 A contract of sale can be oral and does not necessarily need to be in writing. (T/F)
- Q.18 If the seller is unaware of a defect in the goods, they are still liable for it under the act. (T/F)
- Q.19 The Consumer Protection Act 1986 applies only to individuals and not to businesses. (T/F)
- Q.20 The industrial policy focuses on promoting self-reliance and reducing imports in certain sectors of the economy. (T/F)

## SECTION-C

**Note:** Short answer type questions. Attempt any twelve questions out of fifteen questions. (12x5=60)

- Q.21 What is the definition of a contract under the Indian Contract Act, 1872?
- Q.22 Explain the difference between a void contract and a voidable contract.
- Q.23 What are the essential elements of a valid contract in India?
- Q.24 How does the Indian Contract Act deal with contracts

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