



**UNIVERSITI KUALA LUMPUR
BUSINESS SCHOOL**

**FINAL EXAMINATION
MARCH 2026 SEMESTER**

COURSE CODE : EAB21303
COURSE NAME : COMMERCIAL LAW
PROGRAMME NAME : BACHELOR IN ACCOUNTING (HONS)
DATE : 22 JUNE 2026
TIME : 9:00AM – 12:00PM
DURATION : 3 HOURS

INSTRUCTIONS TO CANDIDATES

1. Please read the instructions given in the question paper CAREFULLY.
2. This question paper is printed on both sides of the paper.
3. This question paper consists of ONE Section.
4. Section A consist of five questions. Answer FOUR (4) questions only.
5. Please write your answers on the answer booklet provided.
6. Please answer all questions in English only.
7. This question paper must not be removed from the examination hall.

MARCH 2026

SECTION A (Total: 100 marks)

Answer FOUR (4) questions.

Please use the answer booklet provided.

Question 1

Intan entered into a contract with Mega Builders Sdn Bhd to renovate her house for RM120,000, to be completed within six months. After completing half of the work, Mega Builders stopped work without valid reason and refused to continue despite Intan's requests. Intan then hired another contractor at a higher cost to complete the renovation.

Advise Intan on her legal rights against Mega Builders Sdn Bhd under the Contracts Act 1950. In your answer, discuss the issue of breach of contract, the right to terminate the contract, and the remedies available. Support your answer with relevant statutory provisions and decided cases.

(25 marks)

Question 2

Ravi issued a cheque for RM10,000 to Lina in payment for goods supplied. Lina then endorsed the cheque to Siti to settle a personal debt. Before Siti could present the cheque for payment, Ravi instructed his bank to stop payment, claiming that the goods supplied by Lina were defective. When Siti presented the cheque, it was dishonoured by the bank. Advise the parties on the following issues based on the relevant law of negotiable instruments.

- (a) Whether Siti qualifies as a holder in due course and the rights attached to such status.

(12 marks)

- (b) Whether Ravi is entitled to stop payment of the cheque, and the legal consequences of the dishonour of the cheque including the remedies available to Siti.

(13 marks)

Question 3

Malaysia practises a constitutional system based on the doctrine of separation of powers, where the judiciary plays an essential role in interpreting and applying the law.

Bala argues that only Parliament makes law, while Devi claims that judges also "make law" through their decisions. She further argues that the separation of powers in Malaysia is not strictly applied and may affect accountability.

- (a) Discuss the role of the judiciary, including the doctrine of judicial precedent, in the Malaysian legal system.
(12 marks)
- (b) Explain the doctrine of separation of powers and evaluate how far it is practised in Malaysia, including its significance in ensuring accountability.
(13 marks)

Question 4

Ryan Reynaldo purchased a diamond ring worth RM300,000 from Aaron Azizul Jewellers after it was advertised as a rare "Chameleon Diamond" with a distinctive greenish colour. Relying on this description, Ryan bought the ring and later presented it to Ziana Zein.

Subsequently, the diamond appeared yellow instead of green. Ryan claims that the diamond does not match the description and demands a refund. Aaron Azizul Jewellers argues that a chameleon diamond naturally changes colour. Advise Ryan Reynaldo.

- (a) Whether the description of the diamond amounts to misrepresentation or a breach of a term of the contract.
(13 marks)
- (b) Whether Ryan Reynaldo is entitled to any remedies under the law.
(12 marks)

Question 5

Farah entered into a contract with Daniel to purchase a piece of land for RM500,000. Before the agreement was signed, Daniel told Farah that the land was approved for commercial development, although he knew this statement was untrue. Farah relied on this information and proceeded with the purchase.

At the same time, Farah was pressured by her business partner, Lina, who threatened to withdraw financial support unless Farah agreed to the purchase immediately. Feeling compelled, Farah signed the contract.

Later, Farah discovered that the land was actually designated for agricultural use only and that its value was significantly lower than stated. She now seeks to set aside the contract. Advise Farah on the following issues:

- (a) Whether the contract can be avoided on the ground of misrepresentation.

(9 marks)

- (b) Whether Lina's conduct amounts to duress or undue influence affecting the validity of the contract.

(8 marks)

- (c) The legal effect of these vitiating factors on the contract and the remedies available to Farah.

(8 marks)

END OF EXAMINATION PAPER