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Total Number of Pages : 02

MBA
18MBA108

1st Semester Regular/Back Examination 2019-20

BUSINESS LAW

BRANCH : MBA

Max Marks : 100

Time : 3 Hours

Q.CODE : HRB969

Answer Question No.1 (Part-1) which is compulsory, any EIGHT from Part-II and any TWO from Part-III.

The figures in the right hand margin indicate marks.

Part- I

- Q1 **Only Short Answer Type Questions (Answer All-10)** (2 x 10)
- a) A asks B to beat C and promises to indemnify B against the consequences. B beats C and is fined Rs.1,0000. Can B claim Rs.1,0000 from A?
 - b) A purchases a beautiful double door Refrigerator from B for Rs 15,000. A finds later on that the Refrigerator does not make ice. Can he reject it and recover his money?
 - c) Under an agreement, a manufacturing company, M, was to supply 5000 shirts to Dew Ltd at the rate of Rs.120/- per shirt on April 15. Due to an increase in the cost of the raw-materials, M realized that it would not be able to supply the shirts at the stipulated price. M informed Dew Ltd on March 15 that it would not be supplying the shirts at the mentioned price. What are the legal course available to Dew Ltd?
 - d) X contracts to sell and deliver to Y, 100 pieces of pen-drives on Thursday, for Rs.1000/- a piece. On Monday, X told Y that he would not be able to deliver the pen-drives. The pen-drives were available on Monday for Rs.1050/- a piece and on Thursday for Rs.950/- a piece. Decide the compensation for Y.
 - e) A finds a man B lying unconscious on the road and fetches C, a doctor, to attend to him. Has C any right to be paid for his services against A or B? Advise C.
 - f) A lends his motor-car to B for a drive by him only. B allows his daughter C, who is an expert car driver, to drive the vehicle. C drives the car carefully but the axle suddenly breaks and the car is damaged. Is B liable for the damage?
 - g) A goes to a bookseller and selects certain books. He arranges with the bookseller the supply of the books next morning by a servant of the shop and month's credit for payment. The books are destroyed in a fire on the same night. The bookseller demands payment from A. A wants to avoid payment. Can you help him?
 - h) Discuss about the bailee's particular and general lien.
 - i) When can a court disallow the prayer for specific performance?
 - j) All the seven signatures of a Memorandum of Association (MOA) were forged by a person and a certificate of incorporation was duly obtained. Is the certificate of incorporation valid?

Part- II

- Q2 **Only Focused-Short Answer Type Questions- (Answer Any Eight out of Twelve)** (6 x 8)
- a) Even without consideration, there can be a valid contract. Explain when?
 - b) Distinguish between Fraud and Misrepresentation.
 - c) Under what circumstances can a finder of goods sell the lost goods?
 - d) What do you understand by the principle of "Caveat Emptor"?
 - e) Explain "Deficiency" as per the Consumer Protection Act, 1986
 - f) What are implied conditions in a contract of sale? Explain with examples.
 - g) What is supervening impossibility? Explain the legal provisions.

- h) Write the rights of a consumer.
- i) Explain how an agency is created by implications.
- j) Discuss the bailee's duties and responsibilities.
- k) Mr. C.R. Das is a transport contractor and has a proprietary firm in Cuttack by the name of M/s CRD & Sons. He has two trailers of Ashok Leyland make. He purchased a third trailer at a sum of Rs.4.75 lakh. This trailer did not give satisfactory service and started giving trouble on account of manufacturing defects. He filed a complaint before District Forum, Cuttack against M/s Ashok Leyland for defects in the trailer. Will Mr. Das succeed to get back the cost of the trailer from the manufacturer?
- l) A company was promoted to carry on the business of crop-spraying from the air. X, one of its promoters, held bulk of its shares and was its Managing Director. Subsequently the company entered into a service agreement with him and engaged him as its chief pilot also. While piloting one of the aircrafts of the company, in the course of latter's business, he was killed in an air-crash. His wife has claimed compensation under the provisions of the Workmen's Compensation Act. The claim is being resisted by the solicitor of the company who contends that X and the company were one and the same person and as a person cannot employ himself, no compensation is payable.

Part-III

Only Long Answer Type Questions (Answer Any Two out of Four)

- Q3** "All agreements are contracts if they are made by free consents of the parties, competent to contract, for a lawful consideration and with a lawful object and are not hereby expressly declared to be void". Discuss the various elements of a valid contract inherent in this sentence. Illustrate your points with some illustrative examples in each case. **(16)**
- Q4** **Discuss the various Rights of an unpaid seller in the following cases :**
- a) Against the Goods sold. **(8)**
 - b) Against the Buyer (in person). **(8)**
- Q5** State the provisions regarding appointment of Directors in a company. **(16)**
- Q6** **Discuss the provisions relating to the following :**
- a) Consumer Dispute Redressal Agencies and their powers **(8)**
 - b) Deficiency in service **(8)**