

MBA SEMESTER IV EXAMINATION, 2019
PAPER- MBA-OUE-24
LEGAL ASPECTS OF BUSINESS

Time: Three hours

Maximum Marks: 75

Attempt any **FIVE** questions out of the following. Each question carries equal marks.

1. (a) Explain the concept of 'Undue Influence' and 'Coercion' in matters of contract.
(b) 'A' signs, as maker, a blank stamped paper and gives it to 'B', and authorises him to fill it as a note for Rs. 500, to secure an advance which 'C' is to make to 'B'. 'B' fraudulently fills it up as a note for Rs.2,000, payable to 'C', who has in good faith advanced Rs. 2,000. Decide, with reasons, whether 'C' is entitled to recover the amount, and if so, up to what extent?
2. (a) What are the effects of perishing of future goods?
(b) Which of the following is a bill of exchange? Give reasons.
 - i. "To Anderson, Dear Sir, We hereby authorise you to pay on our account, to the order of Wolf, the sum of six thousand rupees."
 - ii. "Rs. 500." "Pay to my order the sum of five hundred rupees, for value received." It is neither signed by any person as drawer nor addressed to any person as drawee. It is accepted by Lam.
3. (a) What do you mean by 'Dishonour of Instrument'? Explain
(b) What is the difference between "Holder" and "Holder in due course"? What conditions Holder in due course must satisfy?
4. (a) Differentiate between "Sale" and "Agreement to sell".
(b) What do you mean by "Transfer of Ownership"? What are the conditions in which "Transfer of title by non-owners" is applicable?
5. (a) In the pursuance of a contract to fill 20 bags of sugar out of a large quantity, the seller filled four bags which the buyer takes away. Subsequently, the seller filled 16 more bags, informed the buyer of this and requested him to take them away. The buyer promised to do so. Did the property in the 16 bags of sugar pass to the buyer?
(b) There was a sale of the whole contents in a cistern of oil, the oil is to be put into casks by the seller and then taken away by the buyer. Some of the casks were filled in the presence of the buyer, but before they were removed or the remaining ones were filled, fire destroyed the whole of the oil. Who would bear the loss of the oil?
6. (a) X enters into a druggist's shop and asked for a hot water bottle. He is shown a bottle which the proprietor of the shop say will not stand boiling water, but it is meant for hot water. X buys the bottle, and one day while using it, it bursts and injures X. It is proved that the bottle was not fit for use as a hot water bottle. Is the seller liable to damages for breach of warranty?
(b) Discuss "Implication" and "Estoppel" with respect to Agency Creation.
7. (a) What is partnership deed? discuss
(b) Discuss the types of Partners as given in Indian Partnership Act.
8. (a) Differentiate between 'Memorandum of Association' and 'Article of Association'.
(b) What are various modes of winding up of Company? Discuss.