Roll No.................................

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 'misrepresentation' and 'Fraud' in matters of contract.
(b) Sohan induced Suraj to buy his motorcycle saying that it was in a very good condition. After taking the motorcycle, Suraj complained that there were many defects in the motorcycle. Sohan proposed to get it repaired and promised to pay 40% cost of repairs. After a few days, the motorcycle did not work at all. Now Suraj wants to rescind the contract. Decide giving reasons.

2. (a) What are the effects of perishing of specific goods?
(b) State, giving reasons, whether the following instruments are valid promissory notes - (i) X promises to pay Y, by a promissory note, a sum of Rs.5,000, fifteen days after the death of B. (ii) X promises to pay Y, by a promissory note, Rs.500 and all other sums, which shall be due.

3. (a) What do you mean by 'Holder in due course'? What are the rights and privileges of Holder in due course?
(b) What is "Crossing of Cheque"? Explain.

4. (a) What do you mean by "Law of Agency"? How agency is created?
(b) Discuss "Ratification" and "Necessity" with respect to Agency Creation.

5. (a) A agrees to purchase certain goods from B at Madras. The goods are sent by railway, delivery to be against payment by A through bank. A paid the amount and obtained a delivery order. But the goods had been destroyed by fire before he had paid the amount. Has the property in the goods passed to A?
(b) The defendant purchased 975 packets of rice being the whole contents of a "Gola", paid earnest money and took part delivery of rice. The rest was afterwards destroyed by fire. Would the defendant be liable to pay the balance of the price in respect of the goods destroyed?

6. (a) A of Calcutta drew a bill of exchange on B of Honkong payable sixty days after sight. The holder C kept the bill with him for five months and then presents it for acceptance before B. B in the meanwhile becomes insolvent. C sues A for payment. Will he succeed?
(b) What do you mean by "Negotiable Instruments"? Discuss.

7. (a) Define "Partnership firm"? What are the essential elements of a partnership firm?
(b) Discuss the types of Partnership on the basis of duration.

8. (a) What is the difference between public and a private company?
(b) What are the salient features of a Company?