

E 4045

M.B.A. DEGREE EXAMINATION, MAY/JUNE 2007.

First Semester

BA 106 — LEGAL ASPECTS OF BUSINESS

(Regulation 2002)

Time : Three hours

Maximum : 100 marks

Answer ALL questions.

PART A — (10 × 2 = 20 marks)

1. Explain the need for the knowledge of law. — 1
2. What is mercantile law? — 1
3. How do you classify contracts on the basis of their performance? — 1
4. Make a distinction between fraud and misrepresentation. — 1
5. What do you understand by 'Caveat Emptor'? Does it have any exceptions? — 1
6. Why are bills of exchange, promissory notes and cheques called 'Negotiable Instruments'? — 1
7. What are the types of companies? — 2
8. Define 'Industry'. — 2
9. When is an employee eligible for receiving bonus? When is he/she disqualified from receiving bonus? — 2
10. In the e-commerce context, how is sales tax worked out? 4

PART B — (5 × 16 = 80 marks)

11. (a) Describe the essential elements of a valid contract. — 1
- Or
- (b) Explain the approaches to law making. — 1
12. (a) What are the characteristics of a partnership firm? Distinguish between partnership and co-ownership. — 2
- Or
- (b) Explain the types and characteristics of a negotiable instrument. — 1
13. (a) Outline the steps in the incorporation of a company. — 2
- Or
- (b) What are the duties and liabilities of company directors? — 2
14. (a) Give a brief overview of the Factories Act, 1948. — 2
- Or
- (b) Explain the enforcement of the Payment of Wages Act, 1936. — 2
15. (a) Explain the various clauses in the Memorandum of Association of a company. — 2
- Or
- (b) As a corporate executive, how will you plan your tax? What are the issues that you will take into consideration in your tax planning? — 4

