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M.B.A. DEGREE EXAMINATION, NOVEMBER/DECEMBER 2003.

First Semester

BA 106 — LEGAL ASPECTS OF BUSINESS

Time : Three hours

Maximum : 100 marks

Answer ALL questions.

PART A — (10 × 2 = 20 marks)

1. What are the significance of Constitutional Law? — 1
2. What are the advantages of law making by Legislatures? — 1
3. Write any four void agreements? — 1
4. Illustrate how silence by the offeree may sometimes constitute an acceptance of an offer. — 1
5. Define coercion. — 1
6. What are the characteristics of a negotiable instrument? — 1
7. Who is a promoter of a company? — 2
8. What is a factory? — 1
9. When a strike is said to be illegal? — 1
10. What do you mean by Tax planning? — 4

PART B — (5 × 16 = 80 marks)

11. Write short notes on the following :
 - (i) Administrative Adjudication. — 1
 - (ii) Agreements opposed to public policy. — 1
 - (iii) Discharge of negotiable instrument — 1
 - (iv) Sales Tax Act. — 4

(16)

12. (a) (i) What are the legal rules as to offer? -1 (8)
- (ii) "A stranger to a contract can not sue". Are there any exceptions to this rule? -1 (4)
- (iii) Rajakeerthi applied for the principal ship of a local college and the Governing Body passed a resolution appointing him. After the meeting, a member of the Governing Body privately informed him of the resolution. The resolution was subsequently rescinded. Rajakeerthi claims damages. Will he succeed? -1 (4)

Or

- (b) (i) What are the various ways in which a contract may be discharged? -1 (12)
- (ii) A executed a pronote in favour of B while he was a minor. The pronote was renewed by A in favour of B when he attained the age of majority. B brings a suit against A on the basis of the second pronote. Will he succeed? -1 (4)
13. (a) (i) What are the essentials of a contract of sale? -1 (8)
- (ii) What are the different types of goods? -1 (4)
- (iii) State the rules regarding sale by auction. -1 (4)

Or

- (b) (i) What are the various ways in which the relation of agency arises? (8) -1
- (ii) What are the different types of crossing? -1 (4)
- (iii) What you mean by marking of cheques. -1 (4)
14. (a) (i) What is a corporate veil? When is it pierced? -2 (8)
- (ii) 5 persons are the only members of a private company. All of them go in a boat on a pleasure trip into the open sea. The boat capsizes and all the 5 die being drowned. Does the private company cease to exist? -2 (4)
- (iii) What are the contents of articles of association? -2 (4)

Or

- (b) (i) Explain the liability for misstatements in prospectus. -2 (8)
- (ii) How directors are appointed? -2 (8)

15. (a) (i) What are the permissible deductions under the payment of wages act 1936? - 3 (8)

(ii) Explain the procedure for fixation and revision of minimum wages. - 3 (8)

Or

(b) Explain the following words as used in the Industrial Disputes Act, 1947 : (4 × 4 = 16)

(i) Industrial dispute

(ii) Unfair labour practice

(iii) Works committee

(iv) Retrenchment.

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