

E 8045

M.B.A. DEGREE EXAMINATION, NOVEMBER/DECEMBER 2005.

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 advantages of Legislation? — 1
2. What are the reasons for law making by administrative agencies? — 1
3. State any four legal rules as to acceptance. — 1
4. Define a holder in due course. — 1
5. What is a Government company? — 2
6. What are the essentials of relationship of agency? — 1
7. Define Factory. — 2
8. What is an Industrial Dispute? — 2
9. What do you mean by Tax planning? — 4
10. What are the objects of Sales Tax? — 4

PART B — (5 × 16 = 80 marks)

11. (i) Interpretation of Statutes. (4 × 4 = 16)
(ii) Sales Tax Act.
(iii) Minor's agreement.
(iv) Discharge of a Negotiable instrument.

12. (a) (i) What are the legal rules as to consideration? - 1 (8)
(ii) Explain Assignment of Contracts. - 1 (4)
(iii) An auctioneer advertised in the newspapers that the sale of office furniture would be held at Delhi. A, a broker of Mumbai, reached Delhi on the appointed date and time. But the auctioneer withdrew all the furniture from the auction sale. The broker sues him for his loss of time and expenses. Will he succeed? - 1 (4)

Or

- (b) (i) What remedies are available to an aggrieved party on the breach of a contract? - 1 (12)
(ii) The unloading of a ship was delayed beyond the date agreed with the ship owners owing to a strike of dock labourers. On a suit by the ship owners for damages, the plea of impossibility of performance was raised. Advise the ship owners. - 1 (4)
13. (a) (i) What are the essentials of a contract of sale? - 1 (5)
(ii) State the rules regarding sales by Auction. - 1 (5)
(iii) Discuss the rights and duties of the buyer. - 1 (6)

Or

- (b) (i) How an agency is formed? - 1 (8)
(ii) When an agent is personally liable? - 1 (4)
(iii) B obtain A's acceptance to a bill by fraud. B endorses it to C who takes it as a holder in due course. C endorses the bill to D who knows of the fraud. Can D recover from A? - 1 (4)
14. (a) (i) Discuss the notion of corporate personality in the light of the decision given in Salomon V. Salomon & Co. Ltd. - 2 (4)
(ii) What are the contents of Memorandum of Association? - 2 (8)
(iii) Mala purchased shares in a company on the basis of a prospectus, which contained the name of certain persons as its directors. Before the shares were allotted some of these Directors retired. Mala wants to withdraw his application for the purchase of shares can he do so? - 2 (4)

Or

- (b) (i) Briefly state the provision of the Companies Act, regarding the duties and liabilities of Directors. - 2 (8)
(ii) Briefly explain the liability for misstatements in prospectus. - 2 (8)

15. (a) (i) What are the permissible deductions under the Payment of Wages Act? - 2 (8)
- (ii) State the provisions of the Factories Act, 1948 with regard to welfare of the worker. - 2 (8)

Or

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

- (i) Works Committee
(ii) Retrenchment
(iii) Unfair Labour Practice
(iv) Strike.

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