

**Y 4045**

M.B.A. DEGREE EXAMINATION, NOVEMBER/DECEMBER 2006.

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. What do you mean by interpretation of statutes? — 1
2. What are the principles of rule of law? — 1
3. Define fraud and point out its effects on the validity of the agreement. — 1
4. Who is a holder in due course? — 1
5. What is the test to determine agency? — 1
6. What is a foreign company? — 2
7. Under what circumstances directors may be removed? — 2
8. Define Industry. — 2
9. What is spread over? —
10. What are the objects of Sales tax? — 4

PART B — (5 × 16 = 80 marks)

11. (a) Explain the process of adjudication.

Or

- (b) Discuss the relevant areas of corporate tax planning. — 4

12. (a) Discuss the law relating to incompetent persons. — 1

Or

(b) Explain the essentials of contract of sale and differentiate sale from agreement to sell. — 1

13. (a) How is an agency terminated? Explain. — 1

Or

(b) (i) Who are the parties to negotiable instruments? Explain. — 1

(ii) What are the various modes of discharge from liability of parties to a negotiable instrument? — 1

14. (a) What is a prospectus? Explain the consequences of misstatement in a prospectus. — 2

Or

(b) Explain the characteristics of a company with leading cases. — 2

15. (a) Explain the permissible deductions under the Payment of Wages Act. — 3

Or

(b) Describe the authorities provided under the Industrial Disputes Act for investigation and settlement of industrial disputes. — 2

