

PARUL UNIVERSITY
FACULTY OF MANAGEMENT
MBA Winter 2017 - 18 Examination

Semester: 3

Subject Code: 06200201

Subject Name: Legal Aspects of Business

Date: 22/12/2017

Time: 02:00pm to 04:30pm

Total Marks: 60

Instructions

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

Q.1Do as Directed.

A).Multiple choice type questions. (Each of 1 mark)

(05)

1. A contract entered by mistake of law in India is:
 - a) Valid
 - b) Void
 - c) Voidable
 - d) Illegal
2. Which of the following relationships does not raise presumption of undue influence?
 - a) Husband and Wife
 - b) Doctor and Patient
 - c) Solicitor and Client
 - d) Landlord and Tenant
3. Ashok agreed to sell his car to Bharat. His consent was given at gun point. The contract is voidable at option of Ashok as it involves
 - a) Undue Influence
 - b) Compulsion
 - c) Coercion
 - d) Extortion
4. General Insurance is a-
 - a) Voidable Contract
 - b) Wager
 - c) Contract of Guarantee
 - d) Contract of Indemnity
5. Who enjoys the right of subrogation in contract of indemnity?
 - a) Creditor
 - b) Principal Debtor
 - c) Indemnifier
 - d) Indemnified

B).Define the following. (Each of 1 mark)

(05)

1. Bailment
2. Pledge
3. Guarantee
4. Defect
5. Deficiency

C).Direct questions. (Each of 1 mark)

(05)

1. What is Patent?
2. What is Trademark?
3. What is Digital Signature?
4. What is Prospectus?
5. Who cannot become Member of a Company?

Q.2 Answer the following questions.

A). Distinguish between Promissory Note & Bill of Exchange

(07)

B). Briefly discuss essentials of valid contract.

(08)

Q.3 Answer the following questions.

A). Discuss privileges enjoyed by Small Company.

(07)

B). Discuss privileges enjoyed by Minor under Indian Contract Act

(08)

1. The sale of pure ghee was warranted only equal to sample. The ghee tendered corresponded to sample, but was adulterated with 25% ground nut oil. Are the buyers bound to accept? Decide.
2. P who wanted to attend a cinema left his car in D's grounds after having paid a rupee and obtained a car park ticket. He returned from cinema and found that the car had been stolen by someone. P sued D as Bailee for negligence. Decide whether P is eligible to receive damage from D.
3. X sold a quantity of wheat to Y, who paid by cheque which was dishonoured upon presentation. X gave a delivery order to Y for the wheat and Y resold it to Z, purchaser in good faith, for consideration indorsing delivery order to him. X refuses to deliver the goods to Z on the plea of non receipt of price. Advise Z.
4. Calls on shares by P in A Ltd, were guaranteed by S. On non-payment of the last call, the Company forfeited the shares. Is S discharged from his liability? Decide.