

**PARUL UNIVERSITY**  
**FACULTY OF MANAGEMENT**  
**MBA Summer 2017 - 18 Examination**

**Semester: 3**  
**Subject Code: 06200201**  
**Subject Name: Legal Aspects of Business**

**Date: 04/06/2018**  
**Time: 2.00 pm to 4.30 pm**  
**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.1 Do as Directed.****A). Multiple choice type questions. (Each of 1 mark)****(05)**

1. Two persons are said to consent:
 

a) When they agree on anything	c) When they agree upon the same thing in the same sense
b) When they agree upon the same thing in their own way	d) When they agree upto same thing in different sense
  
2. In which of the way can a contract be discharged?
 

a) By Impossibility of performance	c) By mutual agreement
b) By Breach of Contract	d) All of Above
  
3. The delivery of goods by one person to another as a security for the repayment of debt is known as :
 

a) Bailment	c) Pledge
b) Hypothecation	d) Mortgage
  
4. The Negotiable Instruments include :
 

a) Promissory Note	c) Cheque
b) Bill Of Exchange	d) All of these
  
5. Mr. D threatens to kill Mr. A , if he does not sell his house to Mr. B at very low price. Even if Mr. D is a stranger to the transaction between Mr. A and B , an Agreement is caused by:
 

a) Undue influence	c) Fraud
b) Coercion	d) Misrepresentation

**B). Define the following. (Each of 1 mark)****(05)**

1. Promissory Note
2. Trademark
3. Misrepresentation

4. Injunction
5. Digital Signature

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

**(05)**

1. State the Types of Company
2. What is Prospectus?
3. State the Procedure for Grant of Patents
4. State Who cannot become a member of the Company?
5. What is Bailment?

**Q.2 Answer the following questions.**

- A). What is Memorandum Of Association? Discuss the Clauses of Memorandum Of Association of Company. **(07)**
- B). Define Acceptance of an Offer. Explain Legal Rules as to Acceptance of an Offer. **(08)**

**Q.3 Answer the following questions.**

- A). “ All Agreements are not Contracts but all Contracts are Agreements” Discuss the Statement and Explain the Essential Elements of a Valid Contract. **(07)**
- B). Discuss the Rights of the Buyer as regards to the Contract Of Sale. **(08)**

**Q.4 Attempt any two questions. (Each of 7.5 mark)**

**(15)**

1. Mr. A , Wholesaler, entered into a contract with Mr. B for the sale of certain type of cloth to be produced by Mr. C, a manufacturer of that cloth. Mr. C did not manufacture that cloth. Decide who was liable for the damage? discuss in this regard.
2. M was admitted to a hospital where her Jewelry was handed over to the hospital Officials for safe custody. The jewelry was stolen. Decide who was liable for the loss and discuss the duty of bailee in this regard?
3. Explain briefly the laws relating to Competency of Parties to a Contract.
4. Mr. A wants to start a new venture and for this, he wishes to consult an expert. He wants to know about the Public Company and Private Company. Explain him in detail about difference between Public and Private Company.