

(Following Paper ID and Roll No. to be filled in your Answer Book)

PAPER ID : 7111

Roll No.

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M.B.A.

(SEM. II) THEORY EXAMINATION 2010-11

BUSINESS LAWS

Time : 3 Hours

Total Marks : 100

- Note :—**(1) The question paper contains **three** parts.
(2) All questions are compulsory. The figures given in the right hand side indicate marks.

PART—I

1. Answer each of the following. Each part carries **one** mark :

(1×20=20)

- (a) The defendant offered a reward to any one who traces out his nephew. The plaintiff not aware of this offer brings back the boy :
- The defendant shall be liable to pay the reward.
 - The defendant shall not be liable to pay the reward.
- (b) In which of the following cases, a consent which is not true, the contract shall be void :
- Fraud
 - Coercion
 - Mistake
 - All the above.

- (c) A offers to sell his scooter to B for Rs. 5000 B orally accepts the offer which A could not hear due to noise from an aircraft :
- (i) A is liable as contract is complete.
 - (ii) A is not liable as there was no communication of acceptance.
- (d) Minor's contracts are void was held in :
- (i) Haldley V. Baxendale
 - (ii) Mohori Bibee V. Dharmadas Ghose
 - (iii) Munno Bibi V. I.T. Commr.
 - (iv) Carlill Vs. Carbolic Smoke Ball Co.
- (e) Consideration should be real but need not be adequate :
- (i) True
 - (ii) False
- (f) A shopkeeper displays his goods in a window and quotes price on each item :
- (i) A is bound to sell the goods of that price.
 - (ii) A is not bound to sell the goods of that price.
- (g) 'Nemo dat quod non habet' means :
- (i) A person can transfer better title than he has
 - (ii) A person cannot transfer better title than he has
 - (iii) The owner has a good title
 - (iv) None of the above
- (h) There is a mistaken entry in customer's account in the Bank. The customer withdraw the amount :
- (i) The customer would not be bound to pay back the amount since there is no contract.

- (ii) The customer would be bound to pay as it is a quasi contract.
 - (iii) The customer is morally bound to pay back.
 - (iv) None of the above
- (i) Which one of the following is not a fiduciary relation ?
- (i) Trustee and beneficiary
 - (ii) Doctor and patient
 - (iii) Advocate and client
 - (iv) Wholesaler and retailer
- (j) When parties agree to impose a fraud on a third person, the agreement is :
- (i) Void
 - (ii) Voidable
 - (iii) Both
- (k) Liquidated damages are those where :
- (i) Amount to be paid is named
 - (ii) Amount is not named
 - (iii) Amount to be paid according to discretion of the court
 - (iv) None of the above
- (l) In contract of bailment :
- (i) The ownership of goods passes to another person
 - (ii) The possession of good passes to another person
 - (iii) Only custody of goods passes to another person
 - (iv) None of the above

- (m) Agency may be created by :
- (i) Express appointment
 - (ii) Conduct of the parties
 - (iii) Only by (i)
 - (iv) Both by (i) and (ii)
- (n) A contract by which one party promises to save the other from loss is a :
- (i) Contract of indemnity
 - (ii) Contract of Guarantee
 - (iii) Both (i) and (ii)
- (o) Bailment of goods as security for payment of debt is a contract of :
- (i) Bailment
 - (ii) Guarantee
 - (iii) Agency
 - (iv) Pledge
- (p) A partner retires from a firm but does not give notice of his retirement is a :
- (i) Partner by holding out
 - (ii) Is not a partner
 - (iii) Is a sleeping partner
 - (iv) Is a nominal partner

- (q) Sale under The Sale of Goods Act, 1930 relates to sale of :
- (i) Moveable property
 - (ii) Immovable property
 - (iii) Both (i) and (ii)
 - (iv) None of the above
- (r) A promises to pay B Rs. 5000 seven days after his marriage with C is a promissory note :
- (i) True
 - (ii) False
- (s) Which one of the following statement is not true ?
- (i) In private company the minimum number to form a company is two.
 - (ii) In public company the minimum number of members must be seven.
 - (iii) In private company the maximum number of members must not exceed 50.
 - (iv) In public company the maximum number of members should not exceed 250.
- (t) The Consumer Protection Act was passed in :
- (i) 1976
 - (ii) 1981
 - (iii) 1986
 - (iv) 1996

PART—B

2. Read the following problems and answer the questions :

(2×15=30)

PROBLEM : I

A sends a telegram to B whether he will sell his land to him and asks for the lowest price. B quotes the lowest price to which A agrees. However B refuses to sell that land.

Answer :

- (i) Whether there is a valid contract between A and B.
- (ii) If yes, whether B is bound by the contract to sell the land.
- (iii) If not, why the contract is not enforceable ? Give reasons.

PROBLEM : II

A offers by post to sell a machine to B on 1-1-11. B receives the letter on 3-1-11 and posts a letter of acceptance on the same day. Meanwhile B revokes his acceptance by telegram. The offer finds on his table a letter of acceptance and a telegram of revocation.

Answer :

Whether the contract would be formed a not ? Explain.

PART—III

3. 'An agreement without consideration is void.' Explain stating the exceptions. 12-5

OR

What are quasi contracts ? What types of quasi-contracts have been recognised by the Indian Contract Act ? 12-5

4. Define partnership. Explain essential elements of partnership. 12-5

OR

Doctrine of Caveat Emptor has cost much of its significance in the modern times. Discuss with illustrations. 12-5

5. Who is 'holder in due course' ? State its essential requirements. 12-5

OR

Explain and distinguish between Memorandum of Association and Articles of Association. 12-5

6. Who is a consumer under the Consumer Protection Act ? What are various rights of a Consumer under the Act ? 12-5

OR

Write notes on the following : 12-5

- (i) Tempering with computer source document
- (ii) Hacking with computer system
- (iii) Breach of confidentiality and privacy.