

PGDM 2016-18
Legal Aspects of Business
DM-304

Trimester –III ,End Term Examination, Mar-2017

Time allowed: 2 hrs 30 min

Max Marks: 50

Roll No: _____

Instruction: Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**. In case of rough work please use answer sheet.

Sections	No. of Questions to attempt	Marks	Marks
A	3 out of 5 (Short Questions)	5 Marks each	3*5 = 15
B	2 out of 3 (Long Questions)	10 Marks each	2*10 = 20
C	Compulsory Case Study	15 Marks	15
Total Marks			50

Part A

[Total marks: 15 (5 marks each)]

Note: Answer any three questions each carry equal marks

1. Discuss the provisions relating to Goods under the Sale of Goods Act, 1930.
2. Explain Torts. What is Vicarious Liability? How it is different from contractual liability.
3. What are anticompetitive agreements under the Competition Act 2002. Also, discuss the provisions of Cartel and abuse of dominant position.
4. What is meant by "Lawful Consideration" as a essential element to a valid Contract?
5. What is the difference between Bills of Exchange and Promissory Notes under Negotiable Instruments Act, 1881?

Part B

[Total marks: 20 (10 marks each)]

Note: Answer any two questions each carry equal marks .

1. "A company is a legal person distinct from its members taken individually or collectively". Comment. Distinguish between Public and Private Limited Company under Companies Act 2013? What is the procedure for registration?
2. Elaborately discuss the essential elements of a valid contract as per the Indian contract Act 1872? Also discuss the remedies for a breach of contract under this act.
3. What are Negotiable Instruments. Discuss the provisions relating to cheques under section 138 of the Negotiable Instruments Act 1881.

'Turn Over'

Part C

[Total Marks: 15(5 marks each)]

Note: Read the case situation and answer the following questions :

1. Mr. X sells his running business to a family owned company ABC Ltd, which he had incorporated along with his other family members. He is paid 500 Debentures with a floating rate as consideration. The Company at a latter point falls on hard times and has to be liquidated. The unsecured creditors also existed.

The Company on liquidation planned to pay Mr. X first, But the creditors filed a suit claiming they, Mr. X was in a family business and they should be given priority right.

Will the Creditors succeed. cite case law , if any applicable.

2. Kartik , a minor enters into a contract with a money lender, Rohan by submitting forged , property documents. He takes a loan of Rs. 5 lacs against it, repayable within six months.

Is it a valid contract ? cite relevant provisions.

3. Mr. X was passing by a passage when suddenly a flower pot from the top terrace fell on him. He was saved but, sustained some injuries. Can he claim for injuries?