Your Roll No............

Serial No. of Question Paper	: **8635**
Unique Paper Code	: 61011504
Name of the Paper	: Legal Aspects of Business
Name of the Course	: Bachelor of Management Studies (BMS) (CBCS)
Semester	: V
Duration	: 3 hours
Maximum Marks	: 75

Instructions for Candidates:

1. Write your roll number on the top immediately on receipt of this question paper.
2. Quote the relevant sections and cases wherever applicable.
3. Parts of a question must be answered together.

Section A

Critically analyse the following statements from a legal point of view and give reasons. (10*2=20)

1. An unenforceable contract is an illegal contract.
2. When milk is bought from a local vendor, a contract cannot come into existence as he does not give a receipt.
3. In a contract of bailment, the ownership of the article is passed on to the bailee.
4. A continuing guarantee is terminated with the death of the surety.
5. There is not statutory limit to the number of members in a public limited company.
6. RTI can be filed to collect the health-related information of a government employee.
7. An appeal against the decision of a district consumer forum can be filed in the high court of the state.
8. In a limited liability partnership, the liability of one of the partners is unlimited.
9. A valid contract can come into existence even when the consent given is not free.
10. An agent acting on behalf of the principal need not be competent.

Section B

Critically analyse the following situations from a legal point of view and give reasons. (5*3=15)

1. A gives a godown on rent to B in Laxmi Nagar, Delhi to store smuggled articles which are sold to various shops in Gandhi Nagar. B fails to pay the rent. Do you think A can recover the rent?
2. A gives his car to his friend B for 6 months for personal use but B uses it as a taxi and the vehicle meets with an accident. Advise A.
3. Decide whether there is a sale of goods in the following transcations:
   a) A buys teak trees grown on the land owned by B.
   b) Sale of human hair to manufacture wigs.
   c) Sale of a computer programme on a disk.
4. A, B, C, and D form a private limited company and B extends a personal loan of Rs. 5 lakh to the company. B dies in an accident. Decide what will happen to B's share in the company and the loan extended by B.
5. A and B are the partners of a firm. In order to protect business interests, A pays income tax dues of B. Do you think A can recover the amount?

P.T.O.

Section C

Answer any four questions. (4*10 = 40)

1. Define warranty in a contract of sale of goods. Discuss briefly about the warranties implied by the Sale of Goods Act 1930 with examples.
2. a) How does the Consumer Protection Act, 2019 protect the rights of consumers?

   b) Discuss briefly about the objectives of the IT Act.
3. Discuss briefly about the role played by the directors and the company meetings in the governance of the company.
4. a) Explain the duties of bailee.

   b) Distinguish between general lien and particular lien in a contract of bailment.
5. Define offer and invitation to offer. What are the essentials of a valid offer? Explain with examples.