

Enrollment No.....



Faculty of Management  
End Sem (Even) Examination May-2018  
MS5CO12 Legal Aspects of Business

Programme: MBA

Branch/Specialisation: Management

Duration: 3 Hrs.

Maximum Marks: 60

All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d.

- Q.1 i. When the contract is perfectly valid in its substance but cannot be enforced because of certain technical defects. This is called a/ an- **1**  
(a) Unilateral Contract (b) Bilateral Contract  
(c) Unenforceable Contract (d) Void Contract
- ii. Contracts under unilateral mistake are..... if such mistake is caused by the fraud or misrepresentation of the other party. **1**  
(a) Valid (b) Void (c) Illegal (d) Unenforceable
- iii. Section 2, sub-section\_\_\_\_\_, of the Sale of Goods Act, 1930 defines "Goods" **1**  
(a) 5 (b) 6 (c) 7 (d) None of these
- iv. Where an unpaid seller has made part delivery of the goods he may exercise his right\_\_\_\_\_ **1**  
(a) Return on the remainder (b) Of lien on the remainder  
(c) Sale to any other person (d) None of these
- v. .... means 'something legally transferrable from one person to another for a consideration'. **1**  
(a) Instrument (b) Negotiable  
(c) Negotiable Instrument (d) All of these
- vi. In case of Bills of Exchange, drawee is the..... **1**  
(a) Maker (b) Acceptor (c) Payee (d) None of these

[2]

- vii. As per Consumer Protection Act 1986, 'unfair trade practice' includes- **1**  
I. Falsely represents that the goods/services are of a particular standard, quality or grade  
II. Falsely represents any re-built, second-hand, reno-vated, reconditioned or old goods as new goods  
III. Represents that the goods or services have sponsor-ship, approval, performance, characteristics, accessories, uses or benefits which such goods or services do not have  
(a) I and II (b) I and III (c) II and III (d) I, II and III
- viii. The Consumer protection act 1986 extends to **1**  
(a) The whole India  
(b) The whole India except Jammu and Kashmir  
(c) The whole India except Nagaland tribal area  
(d) Both (b) & (c)
- ix. Which section of IT Act deals with the legal recognition of electronic records? **1**  
(a) Section 4 (b) Section 2 (c) Section 5 (d) Section 6
- x. Digital Signatures are created and verified using – **1**  
(a) Program (b) Graphical coding  
(c) HTML (d) Cryptography
- Q.2 i. Discuss the rules regarding communication of offer and acceptance. **4**  
ii. What is “mistake” as it affects the validity of a contract? Explain various types of mistakes. **6**
- OR iii. What are Quasi contracts? Discuss the rights and obligations of a finder of goods. **6**
- Q.3 i. Explain meaning of price. What are the rules given in Sales of Goods Act, 1930, regarding fixation of price. **4**  
ii. What do you understand by contract of sale? Differentiate between sale and agreement to sale. **6**
- OR iii. Distinguish between Sales and Agreement to Sale. **6**
- Q.4 i. ‘A cheque is a bill of exchange drawn on a banker’. Comment. **4**  
ii. What do you mean by Promissory Note? What are the essential requirements of a valid promissory note? **6**

[3]

- OR iii. What is meant by – **6**  
(a) Dishonor for non acceptance and dishonor for non payment  
(b) Holder and holder in due course
- Q.5 i. Can the following be regarded as consumer? Explain your answer **4**  
(a) A patient of a government hospital  
(b) A person who registers himself for a telephone connection
- ii. Where and how can a complaint be made? State the jurisdiction of the various redressal agencies in this regard. **6**
- OR iii. Examine the rights of a consumer enshrined under the Consumer Protection Act, 1986. **6**
- Q.6 Write short note on (any two):
- i. Digital Signature **5**  
ii. E-Governance **5**  
iii. Electronic Records **5**

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**Marking Scheme**  
**MS5CO12 Legal Aspects of Business**

Q.1	i.	(c) Unenforceable Contract		<b>1</b>
	ii.	(b) Void		<b>1</b>
	iii.	(c) 7		<b>1</b>
	iv.	(b) Of lien on the remainder		<b>1</b>
	v.	(c) Negotiable instrument		<b>1</b>
	vi.	(b) Acceptor		<b>1</b>
	vii.	(d) I, II and III		<b>1</b>
	viii.	(b) The whole India except Jammu and Kashmir		<b>1</b>
	ix.	(a) Section 4		<b>1</b>
	x.	(d) Cryptography		<b>1</b>
Q.2	i.	Communication of offer	2 marks	<b>4</b>
		Acceptance	2 marks	
	ii.	Mistake	2 marks	<b>6</b>
		Types of mistakes.	4 marks	
		1 mark for each type (1 mark * 4)		
OR	iii.	Quasi contracts	2 marks	<b>6</b>
		Rights and obligations of a finder of goods.	4 marks	
Q.3	i.	Meaning of price.	1 mark	<b>4</b>
		Rules regarding fixation of price	3 marks	
	ii.	Contract of sale	2 marks	<b>6</b>
		Difference between sale and agreement to sale	4 marks	
OR	iii.	Distinguish between Sales and Agreement to Sale		<b>6</b>
		6 points – 1 mark for each point	(1 mark * 6)	
Q.4	i.	Correct explanation	4 marks	<b>4</b>
	ii.	Promissory Note	2 marks	<b>6</b>
		Essentials	4 marks	
		1 mark for each point (1 mark * 4)		
OR	iii.	(a) Dishonor for non acceptance and dishonor for non payment		<b>6</b>
			3 marks	
		(b) Holder and holder in due course	3 marks	

Q.5	i.	Can the following be regarded as consumer		<b>4</b>
		(a) A patient of a government hospital	2 marks	
		(b) A person who registers himself for a telephone connection	2 marks	
	ii.	Where and how can a complaint be made	2 marks	<b>6</b>
		State the jurisdiction of the various redressal agencies in this regard.	4 marks	
OR	iii.	Rights of a consumer under the Consumer Protection Act, 1986		<b>6</b>
		1 mark for each point	(1 mark * 6)	
Q.6		Write short note on (any two):		
	i.	Digital Signature correct explanation	5 marks	<b>5</b>
	ii.	E-Governance correct explanation	5 marks	<b>5</b>
	iii.	Electronic Records correct explanation	5 marks	<b>5</b>

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