

AU-1603

M.B.A. Semester-III Examination

BUSINESS LAW

Paper-MBA/301

Time : Three Hours]

[Maximum Marks : 70

N.B. :- (1) Attempt all questions.

(2) Figures to the right indicate marks.

SECTION-A

1. (A) What do you mean by breach of contract ? Discuss the various remedies available against breach of contract. 14

OR

- (B) "Contract is an agreement enforceable by law." Comment on this statement in the light of essential elements of a valid contract. 14

SECTION-B

2. (A) Explain the difference between sale and agreement to sell. 7
- (B) 'A' delivers some jewellery to 'B', a regular customer at his shop, on approval basis without stipulating any time for its return in case of non-acceptance on her (B's) part. 'B' keeps the jewellery without signifying her approval or refusal. In the meantime, burglary takes place in her house and the jewellery is stolen. Can 'A' sue 'B' for the price of the goods ? Justify. 7

OR

- (C) Who is an unpaid seller ? What are his rights ? 7
- (D) A sold some goods to B for Rs. 5,000 and promised to deliver them within 15 days. The price was paid by a cheque, which was subsequently dishonored by the bank on its presentment before delivery of the goods. What is the remedy available to A ? 7

3. (A) What is bill of exchange ? Explain essential characteristics of bill of exchange. 7
- (B) 'A' signs as the maker, a blank stamped paper and gave it to B and authorized him to fill it as a note for Rs. 2,000, it being the amount of advance made by 'B' to A. 'B' fraudulently fills it up as a note for Rs. 3,000 and then, for consideration endorses it to 'C'. Can 'C' enforce the instrument ? Justify. 7

OR

- (C) Who is holder-in-due course of a bill of exchange ? Explain his privileges. 7
- (D) 'X' advertised to sell his car. 'Y' reached 'X's' house and agreed to pay the price demanded. When 'Y' took out the cheque book 'X' refuses to sell the car. But 'Y' persuaded 'X' that 'Y' was a leading businessman and gave an address and a telephone number, which the seller 'X' verified in telephone directory and allowed to take the car against cheque. 'Y' pledged the car with 'Z' and the cheque returned dishonored being a bogus one. Can 'X' recover the car from Z ? Give full reasons for your answer. 7

SECTION-C

4. (A) Define a company and discuss the characteristic features of a company. 7
- (B) Distinguish between private company and public company. 7

OR

- (C) What is Memorandum of Association of a company ? State its essential contents. 7
- (D) Describe the grounds for winding up of a company by the Tribunal. 7

SECTION-D

5. (A) Bimla, while travelling by a train, fell through the gap in the interconnecting passage way between two compartments and died. Her dependants claimed compensation. However the Railway authorities, relying on the rules in the Railway Act and the Railway Claims Tribunal Act, refused to pay any compensation. Then petition was filed under the Consumer Protection Act against the Railway authorities. Would the petition succeed ? Justify with reasons. 7
- (B) While using internet you went on a website where you find a cell phone of a nice brand with reasonable price having some offer on it. You log in for purchasing it and pay for it through your account. But when you got the parcel it was found that it was already used by someone. What will you do ? Is it a part of e-commerce ? Justify. 7