

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

Paper ID : 270225

Roll No.

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M.B.A.

Theory Examination (Semester-II) 2015-16

BUSINESS LAWS

Time : 3 Hours

Max. Marks : 100

Section-A

Q1. Answer the following questions not more than 30 words each. (2×10=20)

- a) Explain free consent.
- b) When is a contract voidable?
- c) Who is partner by holding out?
- d) Who cannot become partners?
- e) Distinguish between Sale and Agreement to Sell.
- f) What is Special crossing of cheque?
- g) Explain and give two examples of a private company.

- h) Who is a consumer as per the Consumer Protection Act 1986?
- i) What is an Electronic Signature?
- j) What is 'information' as per the Right to Information Act 2005?

Section-B

Answer any five questions from this section. (10×5=50)

- Q2.
- (a) When does an offer come to an end?
 - (b) Amitabh offers, by letter, to sell his car to Sandeep. Sandeep receives this letter the next day and sends his acceptance immediately. Amitabh by this time posts another letter for revoking his offer. Amitabh's letter of revocation and Sandeep's letter of acceptance cross each other. How do you see this situation? Give reasons for your answer.
 - (c) Give examples while explaining each kind of Quasi Contracts.
 - (d) What are the effects of non-registration of a partnership firm?
 - (e) Describe the duties of subscribers in the Information Technology Act, 2000.

(2)

- (f) Distinguish between a bill of exchange and a promissory note.
- (g) Outline the procedure for making a complaint under the Consumer Protection Act 1986.
- (h) What are the contents of Memorandum of Association of a company?

Section-C

- Q3. Read the following case and answer the questions given at the end. (15×2 = 30)

It was a cool evening that gave some respite to the residents of E-24 from the hot summer in Suraj Enclave, Moradabad. However, mind was perplexed thinking as it was about some business proposition that could truly stand the test of time. To Priya, a widowed mother, some sort of early settlement for her minor son Kishore became a social and economic necessity as the latter was still in his schooling. Rani, Priya's friend, fortunately dropped in that evening with a proposal to set up a confectionary business that had a great demand in the city. The idea appealed to Priya and the duo established a partnership firm "CAKEZ" in the year 2011. An inexperienced Manoharilal & sons became their backend supplier. However, Manoharilal & sons hid the fact that they ever had made any supplies to a confectionary store. Once, CAKEZ booked an order for thirty packets of chocolates out of the hundred packets lying in

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Manoharilal & sons godown. Both Manoharilal & sons and CAKEZ were unaware that the chocolates lying in the godown had been destroyed due to fire. Hence, when CAKEZ could not receive the consignment on time they lost a business deal. CAKEZ started demanding the order fulfilment (and for damages) but Manoharilal & sons said that this cannot be done. Also, Manoharilal & sons did not agree to pay damages for the breach. However the strained business relations continued somehow when in February 2013, the minor son of Priya, Kishore, was admitted to benefits. After Priya's unfortunate death in June 2013, the business of CAKEZ dropped. To make up this downfall, Rani indulged into speculations. But destiny had it otherwise when Rani suffered a huge loss in her speculative activities. Manoharilal & sons, who had earlier provided many supplies on credit, now started demanding their claims both from Rani and Kishore.

- (i) State with reasons whether hiding of the fact by Manoharilal & sons was a fraud or misrepresentation?
- (ii) Was Manoharilal & sons valid in not agreeing to pay the damages for non-supply of the order?
Give reasons
- (iii) After the losses due to speculative activities, what advice would you give to Kishore against the demands made by Manoharilal & sons and why?