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**UNIVERSITY OF PETROLEUM
AND ENERGY STUDIES**



End Semester Examination, April, 2018

Program/course: MBA-BA
Subject: Legal Aspects of Business
Code : DSBA 8008
No. of page/s: 4

Semester – IV
Max. Marks : 100
Duration : 3 Hrs

Note: 1. Attempt any THREE questions from Section- A
2. Marks are indicated against each question

Section -A

(3 x 20)

Q.1 Explain the term “valid” “void” and “voidable” contract and give reasons whether the following agreement are valid, void or voidable contract:

- i) Kamla promises Ramesh to lend Rs.50, 000 in lieu of consideration that Ramesh gets Kamla’s marriage dissolved and later he will marry her.
- ii) Sohan agrees with Mohan to sell his black horse. Unknown to both the parties, the horse was dead at the time of agreement.
- iii) Ram sells the goodwill of his shop to Shyam for Rs.4, 00,000 and promises not to carry on such business forever and anywhere in India.
- iv) In an agreement between Prakash and Girish, there is a condition that they will not institute legal proceeding against each other without consent.

Q.2 State the difference between ‘Sale’ and ‘Agreement to sell’. When Agreement to sell become sale. Give suitable examples to prove your point

Q. 3. “No consideration, No contract” is the basic law of Contract Act. Explain it with suitable examples. Discuss certain exceptions to the Indian Contract Act which says even if there is no consideration, still there is valid contract. Discuss with examples.

Q.4 Attempt any **TWO** of the following:

- a) Rights of “Unpaid Seller
- b) Difference between doctrine of constructive notice and doctrine of indoor management
- c) Difference between conditions & warranties
- d) Unfair trade practices as per Consumer Protection Act, 1986

e) Doctrine of Caveat Empter

Section-B

(4x10)

Attempt any FOUR of the following cases with valid reasons as per the provisions of the Law

Case no.1 X advertises in a newspaper that he would pay Rs.1000/- to anyone who traces his missing son. Y traced that boy and claimed the amount of reward. State whether Y is entitled to receive the amount of reward if (a) he did not know about the reward, (b) if he knew about the reward?

Case no.2 A sold to B a tin of disinfectant powder. He knew that it would be dangerous to open the tin without special care but he did not warn B. B without the knowledge of the danger, opened the tin whereupon the powder flew into his eyes and injured him. B filed a suit for damages for the injury. Will he succeed?

Case no. 3 A minor falsely representing himself to be of age, entered into an agreement to sell his house to B and received an advance of Rs. 50,000. Out of this sum, minor bought a motor cycle for Rs. 30,000 and spent the rest of the money on pleasure trips to a hill station. After the minor had attained majority, B sued him for conveyance of the property or refund of Rs. 50,000 and damages. Will he succeed?

Case no.4 X, a merchant of Delhi, delivered goods to a public carrier for delivery to Y, the purchaser at Bombay. On arrival of the goods at Bombay, Y paid the freight and left the goods with the carrier with the instructions to deliver it to Z, a purchaser of the goods from Y. In the meanwhile, the carrier received a telephone message from X for stoppage of the goods in transit as Y had become insolvent. Can the carrier refuse to deliver the goods to Z? State the provisions of Law & Decide.

Case no.5 Yogesh admitted his only infant son in a private nursing home. As a result of strong dose of medicine administered by the nursing attendant, the child became mentally retarded. Yogesh wants to make a complaint to the district forum seeking relief by way of compensation on the ground that there was deficiency in service by the nursing home. Does this complaint give rise to a consumer dispute and who is a consumer?

Case no.6 A sells 100 bales of jute to B and sends 50 bales by motorcar and 50 bales by railway. B receives delivery of the bales sent by motor, but before he receives the delivery of the bales by railway, he becomes insolvent. A, being still unpaid, stops the goods in transit. The Official Receiver in B's insolvency claims the goods. Decide.