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MBA (FT) Degree II Semester End Semester Examination- June, 2022
21-371-0207: Legal Aspects of Business
(Regular)

Time: 3 Hours

Max Marks: 50

Course Outcomes:- On completion of the course, the student will be able to:

CO1	Ability to recall the basic concepts and terms related to laws that have a bearing on business including Contract Act, Sale of Goods Act, Companies Act, LLP Act, Negotiable Instruments Act, IT Act, Consumer Protection Act, Labour laws and other relevant acts
CO2	Enable the incumbents to understand comprehensively the concepts delivered at the remembrance level to make them cognitively fit for application.
CO3	Develop application skills in business laws based on the understanding of the different contents delivered to apply them with illustrations and cases.
CO4	Impart skills to analyse case laws to explore and establish awareness in the areas of legal aspects while doing business
CO5	Make the students capable to evaluate the implications of law while doing business especially those governing contracts, negotiable instruments, sale of goods, companies act, LLPs and other laws that have a bearing on businesses
CO6	Generate hypothetical situations that businesses might face with a view to initiate discussions and understanding to resolve with the extant law.

BL – Bloom’s Taxonomy: (L1- Remember, L2 - Understand, L3 – Apply, L4-Analyse, L5-Evaluate, L6-Create)

PART A

(Answer ALL questions. Each question carries 2 marks)

Q. No.	Questions	Marks	BL	CO
1	What are the broad objectives of IT Act 2000?	2	1	1
2	What is GST? What are the components of GST?	2	2	2
3	Read the context given below and answer the questions. When you borrow a book from a library, what is your status? What type of contract is engaged between the you and the librarian?	2	3	3
4	Read the context given below and answer the questions. A partner is cornered by other partners, and is been pressurized to exit from the firm. What rights are vested upon this partner to protect his interest in the firm?	2	3	1
5	Read the context given below and analyze the situation. You contract with a company to manufacture COVID 19 vaccines. But the MoA of this company limits its scope to trading and stocking of drugs and vaccines.	2	4	4

(5x2=10 marks)

PART B
(Answer ANY FIVE Questions. Each question carries 4 marks)

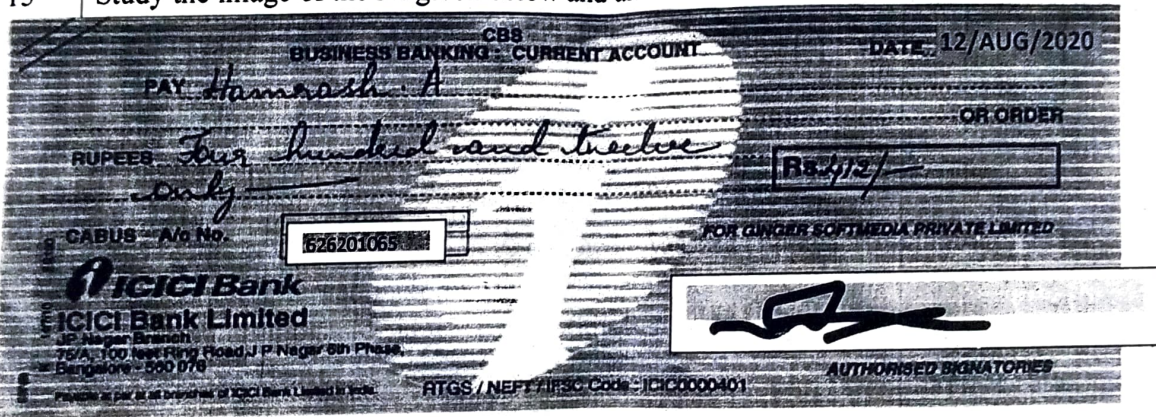
Q. Nos	Questions	Marks	BL	CO
6	What is an attempted performance? When does an attempted performance qualify to become a valid attempted performance?	4	2	1
7	Read the context given below and discuss the question. You buy a packed food article, and later find the item was sold to you beyond the expiry date. What forums are available to raise your complaint. What the various rights of a consumer.	4	3	2
8	Read the context given below and analyze/discuss the question Mr. Sham and Mr. Kim are working in a private company. Sham is a senior manager and the reporting officer of Mr. Kim. Kim had a vacant house near to the company premises where they were working. Sham was interested to occupy this house. Sham insists Kim to let the house to him for a nominal rent. Sham also gives indications that if Kim do not agree to this, he may hold back an eligible promotion for Kim. Kim had to agree to let the house on a nominal rent to Sham. Is this an enforceable contract? Analyse and discuss the situation.	4	4	4
9	What is a partnership? If you happen to be a partner in a firm, discuss the rights available to you to protect you interest in the firm. (discuss points not mentioned in question No. 4)	4	3	3
10	Explain the doctrine of constructive notice and indoor management. Discuss the implication of these doctrines, when dealing with a company.	4	3	2
11	Read the context given below and analyze the situation. Mr. Jay is a trader. He had sold some goods to Ms Leela on credit. The credit period was 3 months. Ms. Leela has not paid Mr Lal the price of the goods even after the stipulated credit period. What is the status of Mr. Jay? Discuss his rights under this situation.	4	4	4
12	Read the context given below and analyze the situation. As you got admitted for the management program at SMS, and you had been put up in a PG (paying guest) facility near the campus. Your parents/sponsor gives a guarantee to the manager for settling all bills on your dining at the PG facility, for a tenure two years. What type of a guarantee is this? Discuss the implications on the surety on giving such guarantee. Can such a guarantee be revoked?	4	3	5

(5X4=20 marks)

PART C
(Answer ANY TWO questions. Each question carries 10 marks)

Q. Nos	Questions	Marks	BL	CO
13	Mr. Raj is a fabric stockiest. He received an order to supply uniforms for 300 students of a school. The school management has described their requirements as full sleeves white shirts and navy-blue trousers in fitting conditions for their students. Raj sends 300 full sleeves white shirts black trousers to the school. School management denied to accept the consignment pointing the color of the trousers were black (instead of navy blue). Raj claims the uniforms were all in fitting conditions, and only for the color being different the consignment cannot be returned. Analyze and discuss this situation based on the provisions of Sale of Goods Act 1930. Discuss other implied conditions also (with example) in a contract of sale of goods.	10	5	5
14	What are different types of companies? If you would have to start a company, discuss the procedure for incorporation, and flotation of the company.	10	3	2

15 Study the image of the NI given below and answer the questions.



(a) i) What deficiencies do you find in this instrument, if it need be negotiated?	5	5	5
ii) If the deficiencies of this instrument are removed, how can this instrument be negotiated (by delivery/endorsement)? Explain			
(b) i) Suppose you receive this instrument for value and in good faith, and however, later discover that an intermediate indorse has forged the instrument. What is your status as a holder of the instrument? Analyze and discuss.	5	5	4
ii) What are your rights as the holder of this NI in this situation?			

(2x10=20 marks)

L1 - 6%, L2- 12%, L3- 44%, L4- 20%, L5-18%, L6-0%
