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 **PRESIDENCY UNIVERSITY**

  **Bengaluru**

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| **End - Term Examinations –JANUARY 2025** |
| **Date:** 04 - 01- 2025 **Time:**09:30 am – 12:30 pm |

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| **School:** SOM (PG) | **Program:** MBA |
| **Course Code :**MBA3001 | **Course Name :** Business Law |
| **Semester**: III | **Max Marks**: 100 | **Weightage**:50% |

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| **CO - Levels** | **CO1** | **CO2** | **CO3** | **CO4** | **CO5** |
| **Marks** | **9** | **19** | **37** | **35** |  |

**Instructions:**

1. *Read all questions carefully and answer accordingly.*
2. *Do not write anything on the question paper other than roll number.*

**Part A**

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| **Answer ALL the Questions. Each question carries 3marks. 3Mx10Q=30M** |
| **1** | State the difference between Contract and Agreement and brief the essentials of a valid contact | **3 Marks** | **Knowledge** | **CO3** |
| **2** | Describe the discharge of contract? Discuss the various modes of discharging the contract. | **3 Marks** | **Knowledge** | **CO2** |
| **3** | Define Quasi contract with an example | **3 Marks** | **Knowledge** | **CO2** |
| **4** | Explain the performance of the contract & Capacity of the parties. | **3 Marks** | **Knowledge** | **CO1** |
| **5** | Define Sale and briefly explain about “Unpaid Seller” and its Rights. | **3 Marks** | **Knowledge** | **CO3** |
| **6** | Outline the roles and responsibilities of an Auditor under the companies act 2013? | **3 Marks** | **Knowledge** | **CO1** |
| **7** | State the prospectus and the Borrowing powers of a company. | **3 Marks** | **Knowledge** | **CO1** |
| **8** | List the difference between sale and agreement to sell. | **3 Marks** | **Knowledge** | **CO2** |
| **9** | Describe memorandum of association(MOA), for a company. | **3 Marks** | **Knowledge** | **CO3** |
| **10** | Define a company. Explain the classification of companies under the companies act, 2013. | **3 Marks** | **Knowledge** | **CO3** |

**Part B**

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| **Answer ALL the Questions. Each question carries 10 marks. 10Mx4Q=40M** |
| **11** | A contract is made between a supplier and a buyer for the supply of goods. However, due to a fire in the supplier’s warehouse, the goods are destroyed, making performance impossible. How is this contract discharged under the Indian Contract Act, 1872? What effect does this have on the parties involved? illustate in detail. | **10 Marks** | **APPLICATION** | **CO2** |
| **Or** |
| **12** |  X agreed to become an assistant for 5 years to Y who was a doctor practicing at Chennai. It was also agreed that during the term of agreement X will not practice on his own account in Chennai. At the end of one year, X left the assistantship of Y and began to practice on his own account. Referring to the provisions of the Indian Contract Act, 1872, Interpret whether X could be restrained from doing so? | **10 Marks** | **APPLICATION** | **CO2** |

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| **13** | Distinguish between a ‘Condition’ and a ‘Warranty’ in a contract of sale. Interpret, when shall a‘breach of condition’ be treated as ‘breach of warranty’ under the provisions of the Sale ofGoods Act, 1930?  | **10 Marks** | **APPLICATION** | **CO4** |
| **Or** |
| **14** | Ram consults Shyam, a motorcar dealer for a car suitable for touring purposes to promote the sale of his product. Shyam suggests ‘Maruti’ and Ram accordingly buys it from Shyam. The car turns out to be unfit for touring purposes. Prepare remedy Ram is having now under the Sale of Goods Act, 1930? | **10 Marks** | **APPLICATION** | **CO4** |

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| **15** | Adorable Ltd., incorporated under the Companies Act, 2013 has on its Board, 5 directors and a Managing Director. The company has also appointed a Company Secretary. The financial statements of the company, viz., balance sheet and statement of profit and loss for the year ended 31st March, 2015, were authenticated under signatures of one director and the Company Secretary. Referring to the provisions of the Companies Act, 2013, Illustrate the validity of authentication. What shall be your answer in case the company in question is a 'one person company' | **10 Marks** | **APPLICATION** | **CO3** |
| **Or** |
| **16** | Interpret the following 1. A prospectus must state truth and nothing but truth, Do you agree explain?
2. The validity of a certificate of incorporation can’t be disputed on any ground whatsoever. Comment.
 | **10 Marks** | **APPLICATION** | **CO3** |

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| **17** | Ravi recently purchased a new refrigerator from an electronics store. The salesperson assured him that the product comes with a 2-year warranty and excellent after-sales service. However, within two months, the refrigerator stopped cooling. Ravi contacted the company's service center, but they delayed repairs, claiming parts were unavailable. After a month of waiting, Ravi demanded a replacement or refund, but the company refused, stating that minor repairs were not covered under their policy. Frustrated, Ravi approached the District Consumer Disputes Redressal Commission to file a complaint. Illustrate why Ravi is appearing in District Redressal Commission and list the remedies that Ravi can seek under the Act? | **10 Marks** | **APPLICATION** | **CO4** |
| **Or** |
| **18** |  “Doctrine of Caveat Emptor”. Illustrate the exceptions to the doctrine of caveat emptor? | **10 Marks** | **APPLICATION** | **CO4** |

**Part C**

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| **Answer all the Questions. Each Question carries 15 marks. 15Mx2Q=30M** |
| **19** | A few days back in Uttar Pradesh, an ATM of a nationalized bank in Shahjahanpur dispensed counterfeit Rs. 2,000 notes. The victim Puneet Gupta, who withdrew a total of Rs. 10,000, was shocked when he found that one of the five notes he withdrew was a scanned copy, but the bank refused to change it. They, in fact, even refused to acknowledge that the note came out of their ATM. His friend Avneet who is banker told him that as per the Reserve Bank directive issued in May 2012, no bank can put back into circulation currency notes (of Rs. 100 and higher denominations) received by them, without first processing them for authenticity. Moreover he suggested to him to exercise a particular right and ask the bank for evidence on the kind of steps being taken by the bank to stop fake notes entering the ATM and also the number of complaints that they have received so far from consumers about fake notes coming out of their ATMs.Question:1.Analyse the right of consumer that Puneet Gupta has been suggested to exercise by his friend in the above case. 2. Examine the List any two values being ignored by the bank. | **15 Marks** | **ANALYSIS** | **CO3** |
| **20** | Mr. Das, a customer came to the shop and asked for wooden logs measuring 4 inches broad and 8 feet long as required by the carpenter. Mr. Das specifically mentioned that he required the wood which would be best suited for the purpose of making wooden doors and window frames. The Shop owner agreed and arranged the wooden pieces cut into as per the buyers requirements. The carpenter visited Mr. Das's house next day, and he found that the seller has supplied Mango Tree wood which would most unsuitable for the purpose. The carpenter asked Mr. Das to return the wooden logs as it would not meet his requirements. The Shop owner refused to accept return of the wooden logs on the plea that logs were cut to specific requirements of Mr. Das and hence could not be resold.**Questions** I. Analyze the duty of the buyer as well as the seller according to the doctrine of “Caveat Emptor”. Ii Examine Whether Mr. Das would be able to get the money back or the right kind of wood as required serving his purpose? | **15 Marks** | **ANALYSIS** | **CO4** |