

Seat No.	
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**SF-339**  
Total No. of Pages : 2

**M.B.A. (Part - I) (Semester - I) (New) (CBCS)**  
**Examination, January - 2017**  
**LEGAL FRAMEWORK OF BUSINESS (Paper - VIII)**  
**Sub. Code : 57111**

**Day and Date : Wednesday, 04 - 01 - 2017**  
**Time : 2.30 p.m. to 5.30 p.m.**

**Total Marks : 80**

- Instructions :**
- 1) Question No. 1 and 5 are compulsory.
  - 2) Attempt any two questions from Question No. 2 to 4.
  - 3) All questions carry equal marks.

**Q1) Attempt the following problems giving reasons (Any four): [20]**

- a) X sold his business to Y but this fact was not known to an old customer Z. Z placed an order for certain goods to X by name. Y supplied the goods to Z. Is there a valid contract?
- b) A guardian on behalf of B, her minor daughter entered into a contract with C whereby 'C' promised to marry her. Later on C refused to marry. Can B sue 'C' for damages?
- c) X bought a horse with a warranty that it was free from any disease. The horse was suffering from a disease at the time of sale. As a result not only that horse died but infected other horses also. Discuss the legal position.
- d) A company issued a prospectus advertising that the company has a great "Potential Turnover" of a million bags of cement in a year. It is discovered later that while the company did have the installed capacity of one million bags, it had never produced more than six lakh bags of cement in a year. Buyers of the shares seek remedy against the misleading statement will they succeed?
- e) J stole a number of cheques belonging to Gopal endorsed them to himself and paid them into his account with C Bank. In each case money was immediately credited to his account and he was either allowed to withdraw the money or his overdraft wiped out before the cheque could be cleared. Gopal sues the bank for wrongful conversion of funds will he succeed?

**P.T.O.**

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- f) Dipali bough a colour T.V. from m/s Heda enterprises for a sum of ₹19000/- the T.V. set was defective right from the beginning and it didnt work inspite of repairs by the expert mechanics. Dipali wants to return the T.V set to m/s Heda Enterprises and claim refund. Will she succeed?
- Q2) a)** 'Contract is an agrement enforceable at law' comment on this statement in the light of essential elements of a valid contract. [10]
- b) Explain the doctrine of ultra vires in relation to companies & and describe the consequences of ultra virus act. [10]
- Q3) a)** What do you mean by contract of sale of goods? What are the essentials of contract of sale of goods? [10]
- b) Explain the 'District Forum' as consumer redressal agency. [10]
- Q4) a)** What is endorsement? Explain various kinds of endorsement. [10]
- b) What are the objectives of Information Technology Act 2000? [10]
- Q5) Write short notes (any 4):** [20]
- a) Types of damages.
  - b) Types of crossing of cheque.
  - c) Articles of Association.
  - d) Powers of SEBI.
  - e) Complaint and complainont.
  - f) Importance of Right to Information Act.

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