

Code: BA2T5

PVP 12

I MBA-II Semester-Regular Examinations-OCTOBER 2013

BUSINESS LAW

Duration: 3 hours

Max. Marks: 7X10=70

SECTION-A

1. Answer any FIVE of the following. 5 x 2=10 Marks
- a) What is a contract
 - b) Implied contract
 - c) Transfer of ownership
 - d) Agent
 - e) Bailment
 - f) Consumers rights
 - g) Consumer protection council
 - h) Equity shares

SECTION-B

Answer the following. 5 x 10 = 50 Marks

2. a) Discuss about the classification of contracts according to validity.

(OR)

- b) Explain about the cases in which a contract is discharged?

3. a) Distinguish between conditions and warranty.

(OR)

b) What are the rights of an unpaid seller?

4. a) Discuss about the kinds of negotiable instruments.

(OR)

b) Discuss the salient features of Consumer protection act 1986.

5. a) Discuss about the rights of partners.

(OR)

b) Discuss the main contents of Information Technology Act- 2000.

6. a) Discuss about the various types of companies.

(OR)

b) What are the duties of Directors?

SECTION-C

7. Case Study:

1 x 10 = 10 Marks

X Ltd., was formed with X, his wife, daughter and four sons as its subscribers and only members. The company took over the shoe business of X for Rs.30 lakhs giving him in consideration Rs.2 lakhs equity shares of Rs.10 each and debentures worth Rs.10 lakhs which also created a charge on the company's assets. All members except X purchased one

equity share each. X and his two sons constituted the Board of the Directors of the Company.

Due to general trade recession, the company went into liquidation. The assets of the company amounted to Rs.6 lakhs, where as its creditors amounted to 17 lakhs, Rs.10 lakhs due to X secured by a charge on companies assets and Rs.7 lakhs due to unsecured creditors.

X claims the assets of the company as his debt is secured by a charge over them. On the other hand, the unsecured creditors are contending that they should be paid in priority over X as the company and X are one and the same person.

Who is entitled to the assets? Discuss and decide in the background of the provisions of the companies Act-1956.