

**Paper No. 6
BUSINESS LAWS****Date : 13.12.2009
Time : 10.00AM to 1.00 PM****Max. Marks :100
Duration :3 Hrs.****Instructions:**

1. From Part A: Answer all question (compulsory). Each sub-question carries 1 mark. **Total marks = 32**
 2. From Part B: Answer any three questions out of 5 questions. Each question carries 16 marks. **Total marks = 48**
 3. Part C is a case study with sub-questions (compulsory). **Total marks – 20**
 4. Please read and follow the instructions given in the answer sheets carefully.
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PART – A**Q.1, Match column “A” and “B”**

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|-------------------------------|----------------------------------|
| 1. Acceptance must be | 1. Enforceable by law. |
| 2. Company in its own name | 2. Some human intermediary |
| 3. The Patent Act. 1970 | 3. No contract |
| 4. A contract is an agreement | 4. Absolute and unqualified |
| 5. Law is a body of | 5. Civil law |
| 6. Company must Act through | 6. May sue and be sued. |
| 7. No consideration | 7. Extents to the whole of India |
| 8. Criminal | 8. Rules |

Q.2. Expand the following abbreviations.

- | | | | |
|---|-----------|---|-------|
| 1 | R.T.P : | 5 | N.I : |
| 2 | U.T.P : | 6 | Q.M : |
| 3 | A.G.M : | 7 | D.F: |
| 4 | S.E.B.I : | 8 | P.N.: |

Q.3. State whether the following are True or False

1. In contract there are at least two parties.
2. All agreements are contracts, but all contracts are not agreement.
3. Contract need not be in writing.
4. Agent is a person employed to do any act for another in dealing with third party.
5. An endorsement is the mode of preparing a negotiable instrument.
6. Statutory minimum numbers of members are eleven in the case of public company.
7. The patent Act 1970 extents to Jammu and Kashmir.
8. Cyber law is concerned with communication and computers.

Q.4 Fill in the Blanks.

1. Business is as old as _____ itself.
2. The main sources of modern Indian law is divided into two broad categories primary source and _____ source.
3. _____ is the consideration of the contract of sale.
4. _____ prima facie passes with property.
5. A cheque is the usual method of _____ money from a current account with a banker.
6. Company is distinct from the persons who constitute it , hence it is separate _____.
7. A share is a _____ in the share capital of a company.
8. The essence of Bailment is _____.

PART – B

Answer any three questions out of questions 5 to 9 questions.

Q.5:- Discuss meaning, definition and essential elements of a negotiable instruments.

Q.6:- Discuss legal environment of business.

Q.7:- Discuss meaning and essentials of valid contract.

Q.8:- Distinguish between (Any Two)

1. Sale and agreement to sale
2. Law and morality.
3. Bailment and pledge.
4. Bill of Exchange and cheque.

Q.9 Write short notes on any two.

1. Ignorance of law is no excuse.
2. Capacity to contract.
3. Crossing of cheque.
4. Doctrine of ultra vires

PART – C

Read the following case study and give answer to the question given at the end.

M/s Punjab Steel, Mumbai enters in to a contract with M/s Gujarat Rolling Ahmedabad for supplying 500 M.tones of iron ore at Rs. 15 per Kg., Ex-works plus taxes against “C” form. The delivery of the Consignment is to be made within four months in four installments and payment within fifteen days on receipt of the each consignment. M/s Punjab steel could not make the delivery in time owing to difficulty in transport. But M/s Punjab Steel admitted the availability of iron ore in the market at a prevailing higher price and ready to supply the materials at Rs. 20/- per Kg with no change in other terms and conditions. M/s Gujarat rolling did not agree to the revised proposal offered by M/s Punjab Steel and insisted to perform the old contract by M/s Punjab Steel. Even after the difficulty of transport is over, M/s Punjab steel had not supplied the materials. M/s Gujarat Rolling now has no alternative but to take legal action for specific performance of the contract.

Questions:-

- 1) Can M/s Gujarat Rolling take the plea of impossibility of performance?
- 2) What is total value of materials considering CST @ 4 % and Rs 1- per Kg. Freight?
- 3) Is it interstate transaction or interstate transaction?
- 4) Is legal action for specific performance of contract is correct?
- 5) M/s Gujarat rolling has got right even to get compensation for non-fulfillment of the Contract. Is it correct?