

**K. J. SOMAIYA INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH,**  
**Vidyavihar, Mumbai- 400077**

**Program: MHRDM Sem I (Batch2018-21)**  
**Subject: Legal Aspects of Business**

**Date: 20.11. 2018**  
**Total Marks: 50**  
**Duration: 3 Hours**

**Part – A**

**Answer any six questions (30 Marks)**

1. What is a Private Company and how is it different from a Public Company?
2. Explain briefly the various implied conditions and warranties in a contract of sale.
3. How is a company different from a Limited Liability partnership?
4. What amounts to dishonour of cheques?
5. Distinguish between 'stranger to consideration' and 'stranger to contract'.
6. Explain acceptance. What are the general rules for making a valid acceptance?
7. What is a contract of sale? Explain the essential elements.

**Part – B**

**Answer any three questions (10 Marks)**

1. Over a cup of tea in a restaurant, X invites Y for a dinner at his house on a Sunday. Y hires a taxi and reaches X's house at the appointed time, but X fails to perform his promise. Can Y recover damages from X? Why?
2. SBI communicates voluntary retirement scheme to all its employees. One of the managers applies under it but the Bank refuses his applications. Is the bank manager entitled to any right against the bank? Why?
3. A agreed to supply certain goods to B. As a result of an increase in the raw material costs, it's no longer profitable for A to supply them at the agreed rate. A refused to perform under the contract on the ground of impossibility. Is the ground of A justifiable? Why?
4. A delivers his car to B on 'sale or return basis'. B then delivers the same car to C and C

further delivers it to D on similar terms. While in the possession of D, the car is destroyed in an accident. Who should bear the loss of car? Why?

### **Part – C**

#### **Answer any one question (10 Marks)**

1. "The fundamental attribute of corporate personality is that the company is a legal entity distinct from the members." Elucidate the above statement.
2. " All contracts are agreements but all agreements are not contracts." Comment.

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