

2015
Delhi University

Name of Paper: Business Law

Name of Course: BCom (Hons)

Semester 1

Attempt all questions.

Q.1. (a) State with reasons in brief whether the following statements are true or false: (9)

- (i) In commercial and business agreements, the presumption is that the parties intend to create legal obligations.
 - (ii) Communication of an offer is complete when the letter is posted.
 - (iii) Lotteries authorized by the government are not wagering agreements.
- (b) Discuss the position of a minor in a contract. (6)

(Or)

(a) State with reasons in brief whether the following statements are true or false: (9)

- (i) A contract cannot be discharged on account of strikes, lockouts and civil disorders.
 - (ii) The object of damages, in case of breach of contract, is to punish the person who fails to perform his obligations.
 - (iii) Inadequacy of consideration will make an agreement void.
- (b) Define undue influence. How does it differ from coercion? (6)

Q.2. (a) (i) Distinguish between sale and agreement to sell.

- (ii) X shows a sample to Y describing it as 'Chinese silk'. Y approves of the sample and places an order for the supply of 'Chinese silk'. The goods delivered are according to the sample but it turns out that the sample as well as bulk is Japanese silk. Discuss the rights of buyer Y against seller X.

(iii) A finds a costly ring and after making reasonable efforts to discover the owner, sells it to B who buys without knowledge that A was merely a finder of ring. Can the true owner recover the ring from B? State the reasons. (9)

(b) Explain the rights of unpaid seller against the goods. (6)

(Or)

(a) (i) When can a breach of condition be treated as a breach of warranty?

(ii) A agreed to purchase 200 tons of wheat from B out of a larger stock. A sent his men with sacks and 150 tons of wheat were put into the sacks. Then there was a sudden fire and entire stock was gutted. Who will bear the loss and why?

(iii) X agreed to sell his new LCD TV to Y for `25,000 payable partly in cash of `15,000 and partly in exchange of old TV set. Is it a valid contract of sale of goods? Give reasons. (9)

(b) Discuss the rules as to passing of property in case of specific goods.(6)

Q.3. (a) (i) State the contents of incorporation document of an LLP.

(ii) 'An LLP is a definite improvement over the partnership firm in the matter of promoting entrepreneurship'. Discuss.

(iii) Write a note on whistle-blowing. (9)

(b) State the provisions regarding taxation of LLP? (6)

(Or)

(a) (i) 'A partner shall never be liable to an unlimited extent for the debts of the LLP'.

Critically examine the statement.

(ii) 'The court can wind up an LLP on just and equitable grounds'. Comment.

(iii) Explain the rules regarding change of name of an LLP. (9)

(b) Discuss the provisions regarding appointment and eligibility conditions for a designated partner under the LLP Act, 2008. (6)

Q.4. (a) Distinguish between: (i) Digital signature and electronic signature

(ii) Cyber contraventions and cyber offences

(iii) Public and private keys (9)

(b) 'E-governance is SMART governance'. Discuss the provisions of the Information Technology Act, 2000, to facilitate and strengthen e-governance. (6)

(Or)

(a) (i) 'The IT Act is not applicable to some specified documents'. Comment.

(ii) 'Cyber appellate tribunal has some powers as civil court but an aggrieved part may appeal to the High Court'. Explain.

(iii) Write a note on tampering with computer source documents. (9)

(b) What is meant by digital signature? State the procedure of creation and verification of digital signature? (6)

Q.5. (a) Distinguish between:

(i) Sub-agent and substitute agent

(ii) Indemnity and guarantee

(iii) Novation and alteration as mode of discharge of contract. (9)

(b) Explain the declaration of solvency under voluntary winding up. Is it necessary to obtain the approval of creditors in the voluntary winding up of an LLP? (6)

(Or)

(a) 'An agreement in restraint of trade is void'. Examine the statement giving exceptions, if any. (9)

(b) Describe the procedure of a partnership firm into LLP? (6)