

**Delhi University**

**2018**

**Name of Paper: Business Law**

**Name of Course: B.Com (Hons) CBCS**

**Semester 1**

**Unique Paper Code: 22411102**

All the parts of a question should be attempted together.

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

- (i) Collateral transactions to an illegal agreement do not become void.
- (ii) Agreement in restraint of legal proceedings is valid.
- (iii) Contingent contracts are void.

(b) What is the difference between mistake of fact and mistake of law? Give examples. (6)

(or)

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

- (i) Quasi-contracts are illegal contracts.
- (ii) Wagering agreements are void ab initio.
- (iii) Consent is free when it is not caused by coercion or undue influence only.

(a) Explain in detail the position of minor in contract.

(6)

Q.2. (a) (i) Differentiate between fraud and misrepresentation.

(ii) P applied for the post of principle in a school. He was selected by the managing committee, but no formal communication was sent to him; after some time, committee met and cancelled the appointment of P as the principle. He came to know through someone. He filed a suit against the managing committee. Was he entitled to file a suit against the managing committee?

(iii) At the risk of his life, A saved B from a serious car accident, B promised to pay 10,000 to C (Son of A). B does not pay. Can C recover 10,000 from B? (9)

(or)

(a) (i) 'Ratification tantamount to prior authority'. Comment.

(ii) C agreed to let out his musical hall to T for a series of concert. The hall was accidentally burnt before the date of the first concert. T sued C for damages for breach of contract. Can T recover damages for breach of contract?

(iii) X hires a car from Y and agrees to pay hire charges of 1,000. The brake of car is defective, but Y is not aware of it. X uses the car and gets injured in an accident due to faulty brake of the car. X claims compensation for the injuries suffered by him. Will he succeed? (9)

(b) Differentiate between actual breach and anticipatory breach. (6)

Q.3. (a) (i) When can a breach of condition be treated as breach of warranty?

(ii) 'Risk prima facie passes with property'. Comment.

(iii) R bought a second-hand motor car from D and used it four months. It was discovered that D had no title to the car since it was stolen one. On being compelled to return the car to the true owner, R sued D to recover the purchase price. Was R entitled to do so? (9)

(b) Distinguish between 'sale' and 'agreement to sale'. (6)

(or)

(a) Explain the right of an unpaid seller against the goods. (9)

(b) (i) Define the term 'delivery of goods'. State the different modes of effective delivery of goods.

(ii) X, the owner of a car, hands over the car to Y, a mercantile agent and gives him instructions to sell the car subject to a reserve price of ` 6 lakhs. Y sells the car to Z for ` 5 lakhs and misappropriates money. Z buys the car in good faith. Will Z get good title to the car? (6)

Q.4. (a) Explain the provisions relating to voluntary winding up of LLP. (9)

(b) (i) 'A limited liability partnership is a legal entity distinct from its members taken individually or collectively'. Comment.

(ii) What protection is provided by the LLP Act to partners and employees regarding whistle-blowing? (6)

(or)

(a) Explain the procedure and the effects of conversion of a partnership into LLP as per the LLP Act, 2008. (9)

(b) (i) Explain the extent of liability of LLP.

(ii) What are the eligibility conditions for a designated partner under the LLP Act? (6)

Q.5. (a) What is e-governance? How does the IT Act, 2000, facilitates e-governance? (9)

(b) Discuss the objects of the IT Act, 2000. (6)

(or)

(i) The Appellate Tribunal has the same powers as a Civil Court, but an aggrieved party may appeal to the High Court.

(ii) Explain the meaning and punishment of publishing or transmitting obscene material in electronic form.

(iii) Define the terms: computer resource and intermediary. (9)

(b) What are the functions of controller and certifying authority? (6)