

**Delhi University**

**2017**

**Name of Paper: Business Law**

**Name of Course: BCom (Hons) CBCS**

**Semester 1**

**Unique Paper Code: 22411102**

Attempt all questions. All questions carry equal marks.

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

(i) All illegal agreements are void, but all void agreements are not illegal.

(ii) Mistake as to law of land is not excusable.

(iii) Silence cannot be prescribed mode of acceptance.

(b) An agreement without consideration is void. Comment.

(or)

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

(i) Fraud is a wilful misrepresentation of facts.

(ii) A voidable contract can be enforced by a stranger.

(iii) Quasi contracts are based on the principle of unjust enrichment.

(b) 'Agreement in restraint of trade is void.' Critically examine the statement giving suitable examples.

Q.2. (a) (i) Explain three essentials of a contract of bailment.

(ii) 'Ratification has a retrospective effect.' Comment.

(iii) S, a minor fraudulently represented to L that he was of full age and obtained a loan of ₹150,000. Subsequently, he refused to pay it. Is L entitled to take any action against S for the money lent? Advise L as to his rights.

(b) Discuss in brief the various types of remedies available to an aggrieved party in the case of breach of a contract?

(or)

Q.2. (a) (i) Distinguish between the wagering agreement and the contingent contract.

(ii) X advertised that an auction of electronic goods would take place at a specified time and place. Y has travelled to auction place and came to know that auction had been withdrawn. He files a suit against X for recovery of compensation for his loss of time and expenses. Will he succeed?

(b) Discuss the rights of the surety against the principal debtor, creditor and co-sureties.

Q.3. (a) Explain the various implied conditions in a contract of sale.

(b) (i) Distinguish between specific and unascertained goods.

(ii) A delivered a horse to B on sale or return basis. The agreement provided that B should try the horse for 8 days and return, if he did not like the horse. On the third day, the horse died without the fault of B. A files a suit against B for recovery of price. Can he recover?

(or)

Q.3. (a) *Nemo dat quod non habet* (No one can give what he does not possess). Explain this maxim and state the exceptions to it.

(b) (i) 'The right of stoppage of goods in transit is an extension of right of lien.' Comment.

(ii) The buyer took the delivery of the 10 computers from the seller without examining them. Subsequently, he sold five computers to his customer. The customer lodged a complaint of some defects in the computers. The buyer sought to return the computers to the seller. Was he entitled to return the computers to the seller?

Q.4. (a) (i) What are the eligibility conditions for the appointment of designated partners?

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

(iii) State the contents of the incorporation documents of an LLP.

3 × 3 = 9

(b) State the provisions regarding the taxation of an LLP. (6)

(or)

(a) Who may file a petition for winding up? Discuss the grounds under which an LLP can be wound up by the court. (9)

(b) (i) How can an existing partner cease to be partner of an LLP? What are the consequences of cessation?

(ii) A partner shall never be liable to an unlimited extent for the debt of the LLP. Critically examine the statement.

Q.5. (a) (i) What are the duties of the subscriber under the IT Act?

(ii) Distinguish between the public key and private key.

(iii) What do you mean by the cyber terrorism?

(b) State the procedure for creation and verification of digital signature.

(or)

(a) (i) Explain the legal recognition of electronic records and electronic signatures.

(ii) Explain the meaning and punishment for tampering with computer source documents.

(iii) Define 'asymmetric crypto system'.

(b) Write a short note on (any one):

(i) Role of certifying authority

(ii) Appellate tribunal