

TILAK MAHARASHTRA VIDYAPEETH, PUNE
BACHELOR OF BUSINESS ADMINISTRATION (B.B.A.)
EXAMINATION: DECEMBER- 2024
SEMESTER - I

Sub.: Legal Aspects of business - I (BBA23-114)

Date : 23/12/2024

Total Marks : 60

Time: 10.00 am To 12.30 pm

- Instructions:** 1) All questions are compulsory.
 2) Figures to the right indicate full marks.

Q. 1. Choose the most appropriate option. (05)

1. Who among the following is competent to contract?
 - a) A minor
 - b) A person of unsound mind
 - c) A person disqualified by law
 - d) A person of sound mind who has attained the age of majority
2. A person is said to be of sound mind for the purpose of making a contract if?
 - a) He understands the terms of the contract
 - b) He is capable of making a rational decision
 - c) Both a and b
 - d) None of the above
3. Which document governs the internal management of a partnership firm?
 - a) Partnership Contract
 - b) Memorandum of Association
 - c) Partnership Deed
 - d) Articles of Incorporation
4. In the absence of an agreement, profits and losses are shared?
 - a) In the ratio of capital contributions
 - b) Equally among partners
 - c) As decided by the managing partner
 - d) In proportion to the seniority of partners
5. A cheque is considered 'stale' if it is not presented for payment within
 - a) 1 month from the date of issue
 - b) 3 months from the date of issue
 - c) 6 months from the date of issue
 - d) 12 months from the date of issue

Q. 2. State True / False (05)

1. A contract made by a person disqualified by law is void.
 - a) True
 - b) False
2. A person under the influence of drugs or alcohol cannot enter into a valid contract..
 - a) True
 - b) False
3. A partnership firm cannot enter into a contract.
 - a) True
 - b) False
4. A firm is dissolved automatically if one of the partners dies
 - a) True
 - b) False
5. A cheque payable to "bearer" can be transferred by mere delivery under the Negotiable Instruments Act, 1881
 - a) True
 - b) False

Q. 3. Write Short notes on (Any Three) (15)

1. What is Consideration? State the exceptions to the rule "No consideration, No contract."
2. Explain the concept of Free Consent under the Contract Act
3. What is a Partnership Deed? Discuss its contents.
4. Discuss the rights of partners in a partnership firm
5. Explain the concept of Condition and Warranty

Q. 4. Answer in detail (Any Two) (20)

1. What is Delivery of Goods? State the rules regarding delivery.
2. Explain the duties and liabilities of partners in a partnership firm.
3. Explain Capacity to Contract with relevant examples.
4. Discuss the rights of an Unpaid Seller.

Q. 5. Case study (15)

Case Title: *Mohan's Furniture Store vs. Royal Home Decor*

Facts of the Case: Mohan's Furniture Store, a well-known furniture supplier in Mumbai, entered into a contract with Royal Home Decor, a retail chain, to supply 100 premium wooden dining tables. The contract stipulated that the tables must be of superior quality wood, with a modern finish, and delivered by 15th November 2024.

Mohan's Furniture Store delivered the goods on time, but upon inspection, Royal Home Decor found several tables with noticeable scratches, uneven finishes, and inferior quality wood. The store had also not provided a warranty for the quality of the materials used, as agreed upon in the contract.

Royal Home Decor refused to accept the goods and asked for a replacement or refund. Mohan's Furniture Store claimed that they had delivered the goods as per the agreement and insisted that the tables could be sold at a discounted price.

Royal Home Decor filed a complaint under the Sale of Goods Act, 1930, claiming that Mohan's Furniture Store had violated their duties as a seller

Questions :

1. What are the main duties of the seller under the Sale of Goods Act, 1930, that Mohan's Furniture Store failed to fulfill in this case?
2. Was Royal Home Decor justified in rejecting the goods under the Sale of Goods Act, 1930? On what grounds?
3. What remedies are available to Royal Home Decor if Mohan's Furniture Store fails to resolve the issue?
