

TILAK MAHARASHTRA VIDYAPEETH, PUNE
BACHELOR OF BUSINESS ADMINISTRATION (B.B.A.)(071)/
BBA SPORTS MANAGEMENT (770)

EXAMINATION: MAY - 2025

SEMESTER - I

Sub.: Legal Aspects of Business - I

(BBA23-114, BBA24-114, BSBA24-114, BSC24-114)

Date : 30/05/2025

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. An agreement becomes a contract when it is
 - a) Made between friends
 - b) Enforceable by law
 - c) Written on paper
 - d) Signed in front of witnesses
2. A partnership formed for a specific venture or project is known as a
 - a) General partnership
 - b) Limited partnership
 - c) Joint venture
 - d) Particular partnership
3. A contract of sale includes
 - a) Transfer of ownership of goods
 - b) Transfer of possession only
 - c) Only an offer to sell
 - d) No consideration
4. Which of the following is NOT a negotiable instrument?
 - a) Promissory note
 - b) Cheque
 - c) Bill of exchange
 - d) Share certificate
5. The validity period of a cheque is
 - a) 1 month
 - b) 3 months
 - c) 6 months
 - d) 12 months

Q. 2. State True / False (05)

1. A contract must be in writing to be legally valid.
 - a) True
 - b) False
2. A partnership must always be formed through a written agreement.
 - a) True
 - b) False
3. A partnership firm has a separate legal identity from its partners.
 - a) True
 - b) False
4. A negotiable instrument must always be in writing.
 - a) True
 - b) False
5. The Sale of Goods Act applies only to the sale of tangible goods.
 - a) True
 - b) False

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

1. Doctrine of Caveat Emptor
2. Partnership Deed
3. Promissory Note
4. Conditions
5. Kinds of Contract

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

1. What is contract? Write down Essential elements of Valid Contract.
2. Write down the Difference between Sale & Agreement to Sell.
3. What is Negotiable Instrument? Explain its Characteristics.
4. What is Dissolution of Partnership Firm? Write down the Modes of Dissolution.

Q. 5. Case study (15)

Akhil, a businessman, agrees to sell 1000 units of electronic gadgets to Sunil, a retailer, for ₹10,00,000. A formal contract is signed specifying payment terms, delivery schedule, and quality standards. Sunil pays an advance of ₹5,00,000, but before the delivery, Akhil informs Sunil that he cannot supply the gadgets due to a sudden rise in production costs. Sunil insists that Akhil must honor the agreement or refund the advance with compensation. Akhil refuses, arguing that increased costs make the deal unviable. Sunil decides to take legal action, claiming breach of contract under the Indian Contract Act, 1872.

Questions :

1. Should Akhil compensate Sunil even if he is not legally required to do so?
 2. What legal rights does Sunil have after Akhil refuses to deliver the gadgets?
 3. If you were the judge, what would be your verdict in this case? Justify your answer.
-