



Avinashilingam Institute for Home Science and Higher Education for Women

Deemed to be University Estd. u/s 3 of UGC Act 1956, Category 'A' by MHRD (now MoE)

Re-accredited with 'A++' Grade by NAAC. CGPA 3.65/4, Category I by UGC

Coimbatore - 641 043, Tamil Nadu, India

Continuous Internal Assessment Test I – February 2025

Semester-II

Class : I PG
Major : I MBA/SF

Time: 2 hours
Maximum Marks: 60

23MBAC15- Legal Systems in Business

Course Outcomes

On the completion of the course students will be able to

1. Comprehend the various laws and its amendments related to company and cyber business.
2. Identify areas of application of statutory legislations for stakeholders' well-being.
3. Infer legal cases and relates to the legislations and legal protection.
4. Infer the accountability of various stakeholders to enforce legislations and ensure good governance.
5. Identify sources of amendments and its applications in domestic and international arena.

Part-A

Choose the correct answer

6x1=6

- 1 The contract with no legal effect is called **CO1K1**
a) Valid Contract b) Void Contract c) Executory Contract d) Implied Contract
- 2 An illegal contract is **CO1K2**
a) Void and unenforceable by law b) Valid and enforceable c) Voidable by one party
d) Binding until proven illegal
- 3 In a contract of sale, the buyer's main obligation is to **CO1K3**
a) Take delivery of the goods b) Pay the price c) Pay for any damages
d) Inspect the goods before purchase
4. In which type of company are shares freely transferable? **CO2K2**
a) Private Limited Company b) Public Limited Company c) Sole Proprietorship
d) Partnership Firm
- 5 The maximum number of shareholders in a private limited company is **CO2K2**
a) 20 b) 50 c) 200 d) Unlimited
- 6 The primary feature of a negotiable instrument? **CO3K2**
a) Transferability b) Fixed Value c) High Security d) Limited Validity

Part- B

Answer ALL Questions

3x6=18

Each answer should not exceed 400 words or two pages

7. a) Explain the concept of free consent under the Indian Contract Act, 1872 (or) **CO1K2**
b) Differentiate between void, voidable, and illegal contracts. **CO1K3**
8. a) Discuss the provisions regarding consideration under the Indian Contract Act, 1872 **CO1K4**
(or)
b) What is a quasi-contract? Discuss its types under the Indian Contract Act, 1872. **CO1K2**
9. a) Explain the difference between a sale and an agreement to sell. (or) **CO2K3**
b) Differentiate between a condition and a warranty under the Sale of Goods Act, **CO2K4**
1930.

Part-C
Answer ALL questions
Each answer should not exceed 800 words or four pages

3x12=36

10. a) Discuss the authority of an agent and the scope of their powers under the Indian Contract Act, 1872. (or) **CO1K4**
b) Highlight the key features of private companies and public companies under the Companies Act, 2013. **CO2K3**
11. a) Explain the relationship between Digital Negotiable Instruments and Digital Signatures. (or) **CO3K5**
b) Discuss the concept of 'caveat emptor' under the Sale of Goods Act, 1930, and its exceptions. **CO2K4**

Case:

- 12 **Transfer of Ownership**
Rahul purchases a second-hand laptop from Ramesh for ₹20,000. Rahul pays ₹10,000 as an advance and takes possession of the laptop, agreeing to pay the balance after one month. Before the full payment is made, the laptop is stolen from Rahul's house. Ramesh claims that ownership has not transferred as full payment was not made and demands the return of the laptop or its value. **CO2K5**

Questions:

Has the ownership of the laptop transferred to Rahul?
What are the rules regarding the transfer of ownership under the Sale of Goods Act?
Who bears the risk of loss in this situation?

No of copiers: 52

Name of the staff: Dr.P.Deepa AnandhaPriya,
Mrs.Selva Vaishali Nachiyar