

Code No: MA115

**JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD
MBA – I Semester Examinations, February -2012
BUSINESS LAW AND REGULATION**

Time: 3hours

Max. Marks: 60

**Answer any five questions
All questions carry equal marks**

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- 1.a) What is the nature and essential elements of a valid contract? Discuss.
- b) A sold some land to B. At the time of sale both the parties believed in good faith that the area of the land sold was 10 hectares. It, however, turned out that the area was 7 hectares only. How is the contract of sale affected? Give reasons.
- 2.a) What are the essential requisites of performance? Under what circumstances a contract need not be performed?
- b) A promises B to pay C a sum of Rs.500. A does not pay the amount to C. Can C take action against A for non-performance? Explain.
- 3.a) Explain the distinction between a contract of indemnity and contract of guarantee.
- b) X and Y go into a shop. X says to the shopkeeper “Let Y have the goods and if he does not pay, I will.” What kind of contract is this? Would it make any difference if your X had said to the shopkeeper, “Let Y have the goods. I will see you paid”?
- 4.a) What are the rights, duties and liabilities of a partner?
- b) A, B and C carried on a business for profit but under very special conditions as to C, that C was to contribute neither labour nor money, and was not to receive any profits, but was to lend his name to the firm. Is C liable for the debts of the firm?
- 5.a) Compare and contrast Promissory Note, bill of exchange and Cheque?
- b) A document containing the express words “undertaking to pay” and signed by the maker. What is the nature of the instrument and why?
- 6.a) State the procedure for Appointment of directors .
- b) Six of the seven signatures to the Memorandum of Association of a company were forged. The Memorandum was duly presented, registered and a certificate of incorporation was issued. The existence of the company was subsequently attacked on ground that the registration was void. Decide.
- 7.a) Explain the procedure for Advance Payment of Tax.
- b) What are the different provisions of Income Tax Act for Deduction of Tax at source?
8. Explain the provisions of Sec 3 (1) with regards to basic concepts of Central Excise Act, 1944. What is excisable goods?
