

**ADITYA INSTITUTE OF TECHNOLOGY AND MANAGEMENT, TEKKALI
(AUTONOMOUS)**

I MBA II Semester Regular Examinations, July-2017

LEGAL ASPECTS OF BUSINESS

Time: 3 Hrs

Max. Marks: 60

**Answer any Five questions
All questions carry EQUAL marks
Question No. 8 is Compulsory**

1. Explain the persons who are incompetent to enter into a Contract
2. “Contract without Consideration is void”, Explain.
3. Explain the difference between Indemnity and Guarantee.
4. Explain different Modes of Termination of Agency.
5. Distinguish between Sale and Agreement to sale.
6. Explain difference between Cheque and Bill of Exchange.
7. Explain the steps and procedure for incorporation of the company.
8. CASE STUDY:
 - i. X agrees to buy from Y a certain horse. It turns out that the horse was dead at the time of the bargain through neither party was aware of the fact. But both parties entered into the Contract. Explain the Validity of Contract.
 - ii. A agreed to sell to B a parcel of 800 bags of sugar in his godown. Unknown to A, 105 bags had been stolen at the time of contract. A tendered delivery of 695 bags of sugar. B declined to accept. State the legal position.