

SECOND SEMESTER DIPLOMA EXAMINATION IN CABM —
MARCH, 2015

LEGAL ENVIRONMENT OF BUSINESS

[Time : 3 hours

(Maximum marks : 100)

PART—A

(Maximum marks : 10)

Marks

I Answer all questions in one or two sentences. Each question carries 2 marks.

1. Define the term contract.
2. What is Quasi contract ?
3. What is meant by continuing guarantee ?
4. Define contract of sale.
5. State the meaning of Innocent misrepresentation.

(5×2=10)

PART—B

(Maximum marks : 30)

II Answer *any five* of the following questions. Each question carries 6 marks.

1. Explain the law regarding Minor's agreement.
2. Explain the concept of Contingent contract.
3. What are the types of contract of guarantee ?
4. List out the rules regarding passing of property, briefly explain them.
5. What are the exceptions to the rule of 'No consideration, No contract'?
6. Write on performance of contract.
7. Differentiate between fraud and misrepresentation.

(5×6=30)

PART—C

(Maximum marks : 60)

(Answer *one* full question from each unit. Each full question carries 15 marks.)

UNIT—I

III Explain the legal rules for a valid offer and a valid acceptance. 15

OR

IV Explain classifications of contract. 15

UNIT—II

V What are the various ways of discharging a contract ? Explain them briefly. 15

OR

VI (a) Write on breach of contract. 8

(b) Describe legality of consideration and object. 7

UNIT—III

VII Explain contract of Indemnity and explain various kinds of contract of Indemnity. 15

OR

VIII Differentiate between contract of Indemnity and guarantee, quote an example also. 15

UNIT—IV

IX (a) Differentiate between sale and agreement to sell. 8

(b) State the rules regarding delivery of goods. 7

OR

X Distinguish between contract of sale and various other contract of sale. 15
