

ISLAMIC UNIVERSITY OF TECHNOLOGY (IUT)
 ORGANISATION OF ISLAMIC COOPERATION (OIC)
DEPARTMENT OF BUSINESS AND TECHNOLOGY MANAGEMENT

Semester Final Examination

Summer Semester, A. Y. 2022-2023

Course No. : BTM 4401

Time : 3 hours

Course Title : Legal Environment of Business

Full Marks : 150

Answer **all 6 (six)** questions. All questions carry equal marks. Marks of each question and corresponding CO and PO are written in the right margin with brackets.

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|-------|--|-----|----------------|
| 1. a) | Describe negotiable instrument. Explain the essential elements of negotiable instrument. | 7.5 | (CO3)
(PO2) |
| b) | Define promissory notes and distinguish it from bill of exchange. Explain principles of estoppels. | 7.5 | (CO3)
(PO2) |
| c) | Distinguish between negotiability and assignability in connection with negotiable instruments. | 5.0 | (CO3)
(PO2) |
| d) | Write short notes on: usance, escrow, qualified acceptance, material alteration. | 5.0 | (CO3)
(PO2) |
| 2. a) | Explain the terms 'Condition' and 'Warranty'. Distinguish between the two. When can a condition be treated as warranty? | 10 | (CO3)
(PO2) |
| b) | What do you understand by Caveat Emptor? Are there any exceptions to its application to sale of goods? | 5.0 | (CO3)
(PO2) |
| c) | State the implied conditions in a contract of sale of goods. | 5.0 | (CO3)
(PO2) |
| d) | Who is an unpaid seller of goods and what are his rights against the goods? Has he any remedy against the buyer personally? | 5.0 | (CO3)
(PO2) |
| 3. a) | "All agreements are not contracts, but all contracts are agreements". Discuss the statement explaining essential elements of a valid contract. | 10 | (CO3)
(PO2) |
| b) | When is an offer completed? What do you understand by counter offer? Give an example. | 5.0 | (CO3)
(PO2) |
| c) | Define consideration. Describe with examples the agreements which can be valid without consideration. | 5.0 | (CO3)
(PO2) |
| d) | Is a promise to make a contribution to charity enforceable by law? Can a person who is not a party to a contract sue it? | 5.0 | (CO3)
(PO2) |
| 4. a) | When is consent said to be free? Distinguish between coercion and undue influence. | 7.5 | (CO3)
(PO2) |
| b) | Define and distinguish misrepresentation and fraud. What remedies are available to the aggrieved party? | 7.5 | (CO3)
(PO2) |

	c)	Who are competent to enter into contract under the Law of Contract? What is the effect of agreements entered into by persons of unsound mind.	5.0	(CO3) (PO2)
	d)	"Ignorance of law is no excuse to avoid a contract" – Discuss.	5.0	(CO3) (PO2)
5.	a)	When is agreement said to be against public policy? Give five examples of agreements which are against public policy.	7.5	(CO3) (PO2)
	b)	Define quasi contract. Distinguish between a contingent contract and wagering agreement.	5.0	(CO3) (PO2)
	c)	Explain illegal agreement. Distinguish between void and voidable contract.	5.0	(CO3) (PO2)
	d)	What do you understand by performance of a contract? Under what circumstances a contract need not be performed?	7.5	(CO3) (PO2)
6.	a)	Differentiate between Partnership and Co-ownership.	5.0	(CO2) (PO2)
	b)	What are the rules regarding the relationship between the partners as regards the management of the business and their mutual rights?	7.5	(CO2) (PO2)
	c)	What are the rights of an outgoing partner?	5.0	(CO2) (PO2)
	d)	Describe the consequences of dissolution of partnership firm.	7.5	(CO2) (PO2)