



**JK LAKSHMIPAT UNIVERSITY, JAIPUR**  
**INSTITUTE OF MANAGEMENT**  
**End Term Examination, May 2026**  
**BBA, Semester IV, 2025-26**

Roll No.....

**LS1110: Business Laws and Ethics**

**Time: 2 Hours**

**Max. Marks: 30**

**Instructions to students:**

1. Do not write anything other than your roll number on the question paper.

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- Q. 1 Aman agreed to sell 100 bags of rice to Bisman at a price to be determined by Chaman before the end of the month. However, Chaman failed to fix the price within the stipulated time. Examine whether this agreement amounts to a valid contract, giving reasons with reference to the provisions of the Sale of Goods Act, 1930. 3.0 Marks  
(CO2,3)
- Q. 2 Jolly purchased a second-hand refrigerator from Akshay for ₹15,000. After using it for one month, Jolly was forced to return the refrigerator because Akshay had no valid title over it. Can Jolly recover the purchase price from Akshay? Advise Jolly with reference to the provisions of the Sale of Goods Act, 1930. 3.0 Marks  
(CO2,3)
- Q. 3 Rohit borrowed ₹500 from Sameer and pledged his gold ring as security for the loan. A few days later, Rohit obtained possession of the ring from Sameer on the pretext of attending a family function and thereafter sold it to Tarun, who purchased it in good faith without notice of Sameer's rights over the ring. Later, Sameer demanded ₹500 from Tarun to release his claim on the ring. Tarun paid the amount to Sameer and subsequently filed a suit against Rohit to recover ₹500. Will Tarun succeed in recovering the amount from Rohit? Give reasons with reference to the provisions of the Sale of Goods Act, 1930. 3.0 Marks  
(CO2,3)
- Q. 4 How do you define the Doctrine of Caveat Emptor? Discuss the circumstances in which this doctrine does not apply. Explain with suitable examples. 4.0 Marks  
(CO1,3)
- Or
- Who is an unpaid seller? What are his rights against the goods?
- Q. 5 Many business organizations follow all legal rules and regulations, yet they may still face criticism from society for certain decisions and practices. In the light of this statement, discuss the similarities and major differences between business ethics and laws. 4.0 Marks  
(CO1,4)
- Q. 6 In the modern business environment, organizations are expected to maintain trust, fairness, and social responsibility. In this context, discuss the need for business ethics in today's corporate world. 4.0 Marks  
(CO1,4)

Q. 7 Case: Read the following case carefully and answer the questions given below.

3.0+3.0+3.0

Marks

(CO2,4)



In 2015, Volkswagen was found to have installed special software, commonly known as a “defeat device,” in millions of diesel vehicles sold worldwide. This software could detect when the vehicle was undergoing official emissions testing and would temporarily reduce harmful emissions to meet regulatory standards. However, during normal road use, the same vehicles emitted nitrogen oxide pollutants far above permitted limits.

The company’s actions misled government regulators, customers, investors, and the public. Many customers had purchased these vehicles believing they were environmentally friendly and fuel-efficient. When the scandal became public, Volkswagen faced huge financial penalties, legal actions, product recalls, and serious damage to its brand reputation. The case became a major example of how unethical business decisions can create long-term losses for a company.

- a. A company may meet performance expectations in the market, but hidden practices can create serious long-term consequences. Discuss this statement with reference to the above case.
- b. Examine how lack of transparency and accountability can affect the relationships between a business and its stakeholders.
- c. What measures should organizations adopt to ensure that the pursuit of profit does not override ethical responsibility?