

MGT 204: Business Law

Credit Hours: 3

Lecture Hours: 48

Course Objectives:

This course aims to enhance students understanding of the basic business laws required for effective management of business operations.

Course Description

This course contains Law and business, general law of contract; offer and acceptance, contractual capacity, consideration, consent, legality of objectives and consideration, contingent contract, Quasi Contract, Performance of contract, Termination of Contract, Breach of Contract, Specific Contracts; Contract of Agency, Contract of Sale of Goods, Contract of Carriage, Law of Negotiable Instruments, Law of Company and Insolvency.

Course Details

Unit 1: Introduction to law and Business law **LH 2**

Law: Meaning, Nature and Characteristics

Business law: Meaning and Characteristics and Sources of Nepalese Business Law

Unit 2: General Law of Contract **LH 25**

Law of Contract

Meaning and definition of contract, Essential elements of valid contract, Classification of Contract, The law relating to contract in Nepal and features of contract Act, 2056

Offer and Acceptance

Meaning and Rules regarding offer, Revocation/ lapse of offer, Meaning and rules regarding acceptance, communication of offer and acceptance

Contractual Capacity

Meaning of contractual capacity, Legal effects of agreements made with an incompetent party (the minor and the person of unsound mind)

Consideration

Meaning and Rules regarding consideration, Exceptions to the general rule 'No consideration no contract'

Free Consent

Concept and importance of free consent, Meaning, and legal effects of contract caused by: Coercion, Undue influence, Misrepresentation, Fraud, Mistake

Legality of objective and consideration

Concept and importance of legality of objective and consideration, Conditions of unlawful agreement and void agreement.

Contingent Contract

Meaning and definition of contingent contract, Rule regarding contingent contract

Quasi Contract

Meaning and definition of quasi contract, Cases of quasi contract.

Performance of contract

Meaning and nature of performance of contract, who can demand performance of contract? Who should performance the contract?

Termination of Contract

Meaning of termination of contract, Modes of termination of contract.

Breach of Contract

Meaning and types of breach of contract, Remedies for breach of contract.

Unit 3: Specific Contracts**LH 15****Contract of Agency**

Meaning and general rules of agency, Modes of creating agency, Types of agent Rights and duties of agent, Responsibility of agent, Personal responsibility of agent, Termination of agency.

Contract of Sale of Goods

Meaning and feature of contract of sales of goods, Difference between sales and agreement to sell, implied condition and warranty, and caveat emptor, Transfer of ownership, transfer of title by non- owner, Rights and duties of unpaid seller.

Contract of Carriage

Meaning and nature of contract of carriage, Characteristics of common carrier, Difference between common and private carrier, Rights, duties and liabilities of common carrier, Carriage by land, Carriage by Sea (contract of Affreightment: charter party and bill of lading), and carriage by air, Inco terms 2010: A brief introduction.

Unit 4: Law of Negotiable Instruments**LH 4**

Meaning and feature of negotiable instruments, Promissory note, bills of exchange and cheque, Holder and holder in due course, Discharge of negotiable instrument.

Unit 5: Law of Company and Insolvency**LH 4**

Company: Meaning, Nature and incorporation of company, Insolvency: Meaning and procedure of insolvency of company, Investigation, Re- organization and liquidation of a company, Power and role of the liquidator, Nepalese law of insolvency and feature of insolvency Act, 2003.

Addendum: At least one case will be administered at the end of each chapter. The students will also prepare a project report from public media on legal case of business, and other assignments as specified by faculty member.

Basic books/ References

- Albuquerque, Daniel (2013) Legal Aspects of Business (Texts, Jurisprudence and Cases), OxfordUniversity Press, New Delhi, India.
- Fitzgerald, Ram Prasad, P. J (2012), Salmond on Jurisprudence, Sweet & Maxwell Ltd. U.K.
- Shrestha, Ram Prasad, BaniyyaKanoon, Mrs. BijayaShrestha, Lagankhel, Lalitpur.
- Kalika, Satya Narayan, Business Law for BBA, Buddha Pulication, Kathmandu.
- Shukla, M.C.,Mercantile Law,S. Chand & Company Ltd, New Delhi.
- Agency Act, 2014, Law Book Mgmt. Committee, Kathmandu.
- Companies Act, 2063, Law Book Mgmt. Committee, Kathmandu.
- Contract Act, 2056, Law Book Mgmt. Committee, Kathmandu.
- Insolvency Act, 2063, Law Book Mgmt. Committee, Kathmandu.