

## **LEGAL ASPECTS OF BUSINESS**

### **Course Objectives**

- Law lays down the framework within which business activities shall be carried out
- A business person can resort to various Judicial and quasi-judicial authorities against the government in case their legal rights have been violated
- Law are made to facilitate the business persons to achieve their goals smoothly
- Business law has social objectives too. Examples: Prevention of food adulteration, pollution control, etc.,
- Law aims to prevent concentration of economic power and help in the adjustment of claims damages of individual against each other in case of breach of contract.

### **Course Outline**

#### **Module – 1**

- The Companies Act, 2013

#### **Module – 2**

- Indian Contract Act, 1872

#### **Module – 3**

- Sale of Goods Act, 1930

#### **Module – 4**

- Contract of Agency
- Contract of Bailment & Pledge
- Contract of Indemnity & Guarantee

#### **Module – 5**

- Consumer Protection Act
- Intellectual Property Rights

#### **Module – 6**

- Cyber Law & Information Technology Act, 2000

# Introduction to the Course

## Legal Environment of Business

- Law is almost a Universal human need.
- No society can exist without a legal order.
- Law provide firmness to our mutual relations.
- Law Closely related disciplines and complement each other.
- Law is the foundation for the regulations of all business conduct and decisions

## Law

In a society, everyone is having contracts with other in some way or other in words capacities. A business man transacts with his customers, employer with his employees, tax payer with the Government, a company with its shareholders, creditors, Government, etc. In all transactions, it is expected from everyone that certain rules and regulations are to be observed to have their relations and dealings.

The rule of conduct imposed by a Government to maintain order and fairness is called law; laws are exacted and backed by authority and power of the state.

## Mercantile Law

In term “Mercantile Law” or “Commercial Law” or “Business Law” is the branch of Civil Law which has a direct application to mercantile transactions. A business man enters into a number of commercial transactions like purchases, sales, etc. It also lays down rules and regulations relation to the right and duties of the parties to be contract.

## Source of Indian Mercantile Law

Most of the provisions of the Indian Mercantile Law are based on the provisions of the English Mercantile Law. In other words Indian Mercantile Law is substantially based on the English Law.

1. English Mercantile Law
2. Statues law
3. Customs and Usages
4. Past Judicial Decisions

## Classification of law

### I. Public Law

Regulates the functioning of states (Countries)

- a. Constitutional law
- b. Administrative law

- c. Criminal law
- d. Municipal law
- e. International law

## **II. Private Law**

Regulates the relations, rights and duties of persons.

- a. Law of contract
- b. Law of tort
- c. Law of property
- d. Family law, etc.

## **III. Criminal Law**

The kinds of wrong doings as offences against the state.

## **IV. Civil Law**

Regulates rights and duties of individuals towards each other.