



**East West University**  
**Bachelor of Business Administration**  
**Legal Environment of Business**

**BUS 361**  
Spring 2007  
**Assignment 2**

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**Note the followings:**

- \* This work must be done through the groups already formed.
- \* The length of the work shall not be more than two pages; but it excludes the title page.
- \* Following points must be addressed in the work:
  - (a) Facts of the case;
  - (b) Issues (disputes) between the parties to the case;
  - (c) Judgment of the Court to settle the disputes and
  - (d) Reasoning behind the judgment.
- \* The work must be word processed and be signed by all members.
- \* A soft copy of the work must be submitted by an e-mail to the account: [ar@ewubd.edu](mailto:ar@ewubd.edu)
- \* The work shall be submitted by MONDAY, 26<sup>th</sup> March, 2007.
- \* Delay in submitting the work and copying of any kind will seriously be dealt with.

“East West University” made a contract dated 1<sup>st</sup> January, 2004 to purchase twenty computers from a computer firm located in Dhaka in order to improve its existing IT facilities for the students. The terms of the said contract are stated below:

*The East West University has agreed to purchase and the computer firm has agreed to sale twenty computers the configurations of which have been stated in the appendix attached to the contract.*

*2. Price of each of the computers supplied under the contract is taka twenty-five thousand.*

*3. University shall pay half of the total price at the time of delivery of the computers and remaining half shall be paid within seven days from the date of delivery.*

*4. Computers will be supplied by the computer firm at its sale centre located at 45 Panthapath, Green Road, Dhaka.*

*5. The computers will be delivered to the University when these are fully ready for operation.*

*6. The University shall bear the cost of carriage of the computers to its campus from the sale centre.*

*7. Computer firm undertakes to provide “after sale service” free of charge in respect of the computers for a period of one year from the date of delivery.*

University appointed a carrier company to carry the computers to its campus. On the appointed day University sent one of its officials to receive the delivery of the computers on payment of taka three lac only.

The said official of the University found all computers fully operative at the time of delivery. On completion of all formalities computers were loaded on two pickup vans each carrying ten computers along with their accessories.

As the vans were driven towards the campus, suddenly one of the vans collided with a loaded track coming from opposite direction. Following the collision computers were thrown out of the van and were broken into pieces; some of them were smashed by other vehicles moving from both directions. However, other van carrying remaining ten computers arrived the campus safely.

Please state between East West University and computer firm who was the owner of the computers at the time when these were destroyed by the delinquent track  
Give your advice making reference to relevant laws.

# ASSIGNMENT # 2

**Name of The Case**

**East-West University Vs A Computer Firm in Dhaka**

**Legal Environment of Business**

**Course Code: BUS 361**

**Section # 02**

**Spring2007**

**Submitted To**

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**Date of Submission: 22 March 2007**

## **Facts of The Case**

An agreement signed between East-West University & a computer firm for the purchase of certain number of computers with a certain amount of money. According to the contract signed it is said there the University will bear the transportation cost from the computer firm to the university and the computer will be delivered when all of each computer can be run properly.

On a particular day the university sent its representative (an official) to check the computers whether they can be run properly and fetch them to campus by transport. The official found all computers are in right state to take to the university. The computers were transported in two vehicles and on the way an accident destroyed one of the vehicles along with the transported goods (10 computers).

## **Issues (Disputes) Between The Parties To The Case**

The dispute from the buyer's viewpoint is as the goods were not reached in the university campus so it will not be treated as that the university is the owner. So the seller, the computer firm will bear the loss & responsibility.

On the other hand from seller's view point, as the university representative has checked the goods and found everything in proper state according to the requirement and contract so university has become the owner while it has been checked by the representative & the found positive with it.

## **Judgment of The Court to Settle The Disputes**

The university will bear the losses as university was the owner of the property at the time of accident.

## **Reasoning Behind The Judgment**

According to the sections defined in Sale of Goods Act, 1930 the judgment has been done. The sections applied for this, are: 2(2), 2(3) & 26. The details are as follows...

According to the section 26 of the act and the 5<sup>th</sup> condition of the contract the university became the owner of the goods and also be the risk taker. According to the 5<sup>th</sup> condition the goods will be delivered when the computers will run properly and that has been checked by university representative. By checking it, it has been decided to take the computers to the university.

According to the 6<sup>th</sup> condition of the contract the university will bear the cost of transportation and according to the case it is found that the transportation was lead by the chosen official who acted as the representative of the university.

Though it had said in the contract that the computer firm will provide one year after sales services but as the subject matter has destroyed so there is no question of that kind of services. That service refers that, it will be applicable for existing goods that has technical fault.