

Seat No.: _____

Enrolment No. _____

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA – SEMESTER 3 – EXAMINATION – SUMMER 2018

Subject Code: 2830002

Date: 01/05/2018

Subject Name: Legal Aspects of Business

Time: 02:30 To 05:30 PM

Total Marks: 70

Instructions:

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

- Q. No.** Multiple Choice Questions. Attempt All. **6**
- Q.1** Which of the following is an invitation to offer? **6**
- (a)**
1. A. A tender to supply goods B. A request for a loan
C. A bid in an auction sale D. A catalogue of goods for sale
- The liability of a surety is
2. A. More than that of the principal B. Less than that of the principal debtor
C. Same as that of the principal debtor D. Dependent on the Court's discretion
- Under Sale of Goods Act, the term 'Goods' include
3. A. Goodwill B. Patent
C. Old coins and notes D. All of these
- Trade practices that bring about manipulation of conditions of delivery of goods amounted to
4. A. Fraud B. Unfair trade practice
C. Restrictive trade practice D. None of these
- Anyone can verify digital signature by using
5. A. Public key B. Private key
C. Both public and private key D. Pass key
- The presentment for payment is required in case of a
6. A. Bill of exchange B. Promissory note
C. Cheque D. All of these
- Q.1** **(b)** i) What is an unlimited liability company? **04**
ii) What is call on shares?
iii) What is a Cyber Appellate Tribunal?
iv) What is warranty?
- Q.1** **(c)** Explain the memorandum of association of a company? **04**
- Q.2** **(a)** Explain the type of damages awarded in the case of a breach of contract. **07**
- (b)** What is bailment? Explain the essentials of a valid bailment. **07**
- OR**
- (b)** Explain the modes of creating an Agency. **07**
- Q.3** **(a)** Explain the types of Meetings conducted in a company. **07**
- (b)** What is allotment of securities? Explain the provisions for the allotment of securities. **07**
- OR**
- Q.3** **(a)** Discuss the legal position of a Director. List the duties of a Director. **07**

- (b) Explain the concept of intellectual property rights? What is a Patent? 07
- Q.4 (a) What is a 'digital signature' and 'digital signature certificate'? Who can issue digital signature certificates? 07
- (b) "I promise to pay Amit or bearer a sum of Rs.6000 less charges involved in documentation of accounts" – Signed Ramesh. Is the instrument valid? Explain. 07
- OR**
- Q.4 (a) Discuss the object of Consumer Protection Act. List the rights of a consumer. 07
- (b) Why is a Cheque crossed? Explain the different types of crossings. 07
- Q.5 Read the case and answer the question given at the end. 14
- Mohan, an impoverished university student, and his millionaire father enter into an arrangement where Mohan agrees that he will keep the front and backyards of the family property mowed, and he will 'do a bit' to keep the gardens looking tidy. In return, his father agrees to pay him a weekly allowance of Rs.10,000. His father had previously used a garden contractor to do the job and paid him Rs.16,000. They live on a one-hectare property, and the mowing alone takes half a day a week. After four weeks, Mohan's father tells him that he can't afford to pay Rs.10,000 a week. He says that Mohan should be doing the work for nothing, as it is the responsibility of the whole family to look after the property; besides, he says, Mohan is getting free boarding and lodging.
- A. Discuss the case methodically
- B. Give advice to Mohan with reference to his situation.
- OR**
- Q.5 Read the Case and answer the questions given at the end. 14
- Ritesh owned an antique shop that specialized in rare porcelain statuettes. When he opened the business in 1989, it was at a shop in an eastern suburb of Mumbai. In 1999 he started to advertise on the Internet and by 2006 the business had grown to the point where he needed help to keep the business going. After a family discussion one night at the living-room table in July 2006, it was agreed that Ritesh would probably keep the business going for another couple of years and then retire. Bunty, his shop helper (since 2004) and aged 16, would work in the shop as long as was needed, and in return, he would receive (ownership) of any unsold statuettes. When Ritesh retired at the end of 2009, he decided that he would give the unsold stock to charity and they could auction it and keep the proceeds.
- A. Discuss the case methodically
- B. Give advice to Bunty with reference to his situation.
