

Seat No.: _____

Enrolment No. _____

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA (PART TIME) – SEMESTER 4 – EXAMINATION – SUMMER 2019

Subject Code: 3549902

Date: 09/05/2019

Subject Name: Legal Aspects of Business

Time: 10:30 AM To 01:30 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.	Question Text and Description	Marks
Q.1	Define following terms: (a) Digital Signature (b) Prospectus (c) Trademark (d) Consideration (e) Free Consent (f) Outgoing Partners (g) Complaints	14
Q.2	(a) What is free consent? Under what circumstances is consent said to be free? (b) “The Articles of Association constitute a contract between the company and its members and also members inter se.” Examine this statement.	07 07
OR		
	(b) Define Contract. What are the essential elements of a Valid Contract?	07
Q.3	(a) Who can be Trustee? Explain the process for creation of Trust. (b) Who may be Partner? Explain the types of Partnership with suitable example.	07 07
OR		
Q.3	(a) Define GST Act., 2017. How GST benefits to associated parties? (b) Under the Consumer Protection Act, explain who is not a Consumer with suitable example?	07 07
Q.4	P appoints A as his agents to sell his estate A, on looking over the estate before selling it, finds the existence of a good quality granitamine on the estate, which is unknown to P. A buys the estate himself after informing P that he wishes to buy the estate for himself but conceals the existence of granitamine. P allows A to buy the estate in ignorance of existence of granitamine. i. Discuss the rights of P and A in the principal agent relationship. ii. What would be your answer if A had informed P about the existence of granitamine before purchase?	14
OR		
Q.4	During summer vacation, a freelancing journalist in aesthetics visits	14

the Fundacio Miró in Barcelona. It is a very relaxed gallery, with no major security presence and none of the ugly signs that pollute the gallery with warning of criminal charges to be levied at anyone who breaks the rules. On seeing one of the paintings, the journalist realizes that it could form the basis of an article. She quickly takes a photograph of the painting. No one seems to mind. Later she finds an internet cafe, and logs into her module web page. She uploads the photo of the artwork, and adds it to the resources page for the article in which she plans to discuss the artwork. The page has its security permissions set so that only Journal staff and members can access it. The image will only be used in discussion of the aesthetics.

- i. Has the journalist done anything wrong?
- ii. Is the image subjects to copyright?

Q.5

CASE STUDY:

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M/s Supreme Technologies Ltd Propose to appoint Mr. E and Mr. F as whole-time directors for a period of three years with effect from 1st June 2018. The company proposes to pay a consolidated salary of Rs. 80000 per month to each of them.

Mr. D, the managing director of the company, has been appointed for a period of five years with effect from 1st January 2018 on a remuneration payable in the form of commission at the rate of 5% of net profit subject to a minimum remuneration of Rs. 80000 per month. The effective capital of the company at the end of the financial year ending 31st December 2017 is Rs. 4.5 crore and it has been increased to Rs. 5.5 crores on 1st April 2018 by the way of right issue of equity shares. The company did not repay public deposit on the date of maturity from 1st January 2017 onwards, but the default was made good on 1st April 2016.

The company seeks your advice on the steps to be taken to comply with requirements of Section 196 with Companies Act.,2013 regarding proposed appointment of Mr. E and Mr. F as whole-time directors. Advice, explaining the relevant provisions.

OR

Q.5

- (a) Mr. A, resident of Ahmedabad, had purchased a wafer packet of ABC Ltd. In June 2010 and sensed its being underweight. He wrote twice to the manufacturer while the first letter go, he got no response, in the reply to the second, it offered gift hamper which he refused. He took the issue to the consumer disputes redressal forum, which also gave favorable ruling. The company asked for bill of purchased which he could not produce.

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- i. Is Mr. A a consumer? Is he can able to file the complaint under which head?
- ii. What is judgment can be given? Comment on the judgment given.
