

SH-433

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Seat No.	
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M.B.A. (Part - I) (Semester - I) (CBCS) (New)

Examination, December - 2017

LEGAL FRAMEWORK OF BUSINESS

Sub. Code : 68309/57111

Day and Date : Friday, 29 - 12 - 2017

Total Marks : 80

Time : 10.30 a.m. to 1.30 p.m.

- Instructions :**
- 1) Q.No. 1 and 2 are compulsory.
 - 2) Attempt any two questions from Q.3, Q.4 and Q.5.
 - 3) All questions carry equal marks.

Q1) Attempt the following problems, giving reasons :

[4 × 5 = 20]

- a) A sells a radio to M, a minor, who pays for it by his cheque. A indorses the cheque to B, who takes it in the good faith and for value. The cheque is dishonoured on presentation can B enforce payment of the cheque against A or M?
- b) P of Delhi writes to R of Bombay to send him a book by parcel post. R accordingly sends the book by parcel post. The parcel is lost on the way. Can R recover its price from P?
- c) A bank had power in the Articles to issue bonds under the authority of an ordinary resolution. The directors issued bonds to T without the requisite resolution. T sued the company for the recovery of the money under the bonds. The suit was resisted on the ground that there was no requisite resolution of the company. Will T's suit succeed?
- d) In one case, a foreigner who had been residing in Simla, India for almost 30 years wanted to avail of a scheme introduced by the Simla Housing Board to buy land at lower rates. When he made an application it was rejected on the grounds that the scheme was available only for citizens of India. He decided to take his revenge. Consequently, he sent thousands of mails to the Simla Housing Board & repeatedly kept sending e-mails till their servers crashed. Explain liability of foreigner person under IT Act, 2000.

P.T.O.

Q2) Case Study :**[2 × 10 = 20]**

- a) P, an eye surgeon, purchased a machine from R for his private nursing home. The machine was found to be defective one. P sued R for damages. R contended that P was not a consumer under the Act (The consumer protection Act, 1986) as the machine was bought for commercial purposes.

Decide case with help of the concept of 'Consumer' in detail.

- b) A contracts to marry B in two years time. Shortly afterwards he breaks of the engagement without B's consent. B writes repeatedly begging him to adhere to the contract. Just before the expiry of two years, a change in law makes it illegal for A to marry B. On the expiry of two years, B sues A for the breach of the contract. Will he succeed? Explain this case with help of 'Doctrine of frustration'.

- Q3) a)** "All contracts are agreements but all agreements are not contract" - comment. **[10]**

- b) Explain powers & functions of SEBI. **[10]**

- Q4) a)** Define Company. Write note on 'Kinds of Company'. **[10]**

- b) Define Pro-note. Explain its essentials with specimen. **[10]**

Q5) Short notes (Any Four) :**[20]**

- a) Rights of Unpaid seller.
- b) State Commission.
- c) Resolution.
- d) Scope of Right to Information Act, 2005.
- e) Digital Signature.
- f) Suit for specific performance.

