

Seat No.	01378.
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**M.B.A. (Part-I) (Semester -I) (New) (CBCS)**

**Examination, April - 2016**

**LEGAL FRAMEWORK OF BUSINESS (Paper - VIII)**

**Sub. Code: 57111**

**Day and Date : Saturday, 02 - 04 - 2016**

**Total Marks : 80**

**Time :11.00 a.m. to 2.00 p.m.**

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

**Q1) Attempt the following problems giving reasons (Any four): [20]**

- a) A man lost his son. He sent his manager to search a boy. When he did not hear any-thing about the whereabouts of the boy. He declared a reward of ₹ 50,000/- to the finder. The manager traced the missing boy. Can he claim the reward?
- b) A gifted the whole of his property to his daughter on the condition that she should pay ₹ 2000/- per month to her uncle (father's brother). On the same day the daughter extend into an agreement with her uncle to pay ₹ 2000/- per month. Later she refused to pay on the ground that she did not receive any consideration from her uncle. Advise her.
- c) X contracts to repair Y's house in a certain manner and receives payment in advance. X repairs the house but not according to the contract. Y incurs ₹ 10,000 to remedy the defect. Can Y recover ₹ 10,000 from X?
- d) All statements in a prospectus issued by a public Ltd company were literally true, but it failed to disclose that the dividends stated in it as paid were not paid out of its realised profits. The statement the company had paid dividend for a number of years was true. But the fact that company had incurred losses for all these years was not disclosed in prospectus . An allottee of shares wanted to avoid the contract on the ground that the prospectus did not disclose this fact, which in his opinion was very material. Will he succeed?

**P.T.O.**

- e) On a Bill of Exchange for ₹ 10,000, X's acceptance to the Bill is forged. A takes the Bill from his customer for value and in good faith before the Bill becomes payable. Whether A can be considered as a holder in due course and can he receive the amount of Bill from X?
- f) In a painting exhibition a famous painting was offered for sale. A thief replaced the painting with a 'duplicate' one. When the buyer came to know of the reality, he refused to pay for the painting. What is the remedy available to the buyer.
- Q2) a)** What is breach of contract? What remedies are available to an aggrieved party in the event of breach of contract? [10]
- b) Who is unpaid seller? What are his rights? [10]
- Q3) a)** Explain meaning and characteristics of Negotiable Instruments. [10]
- b) What is the difference between memorandum and Articles of Association? [10]
- Q4) a)** What are the powers and functions of SEBI? [10]
- b) Explain the Nature of Right to Information Act. [10]
- Q5) Write short Notes on (any four):** [20]
- a) Who should perform the contract?
- b) Implied conditions in contract of sale.
- c) Unfair Trade practices.
- d) Types of companies on the basis of liability.
- e) Types of cyber crime.
- f) Characteristics of Bill of Exchange.

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