

Seat No.	
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**M.B.A. (Part - I) (Semester - I) (CBCS) Examination,
December - 2014**

LEGAL FRAMEWORK OF BUSINESS

(New) (Paper - VIII)

Sub. Code : 57111

Day and Date : Thursday, 18 - 12 - 2014

Total Marks : 80

Time : 10.00 a.m. to 1.00 p.m.

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

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

- a) X sees a book display in a shelf of a book shop with a price tag of ₹ 200. X tenders ₹ 200 on the counter and asks for the book. The book seller refuses to sell saying that book has already been sold to some one else and he does not have another copy of that book in the stock. Is the book seller bound to sell the book to X ?
- b) A who is trying to sell an unsound horse, forges a reterinary surgeon's certificate, stating that the horse is sound and pins it on the stable door. B comes to examine the horse but the certificate goes unnoticed by him. He buys the horse and finds later on the horse to be unsound mind. He wants to avoid the agreement under the plea that he has been defrauded. Will he succeed?
- c) A agrees to supply to B a certain quantity of Timber of halfinch thickness. The timber actually supplied varies in thickness from one third inch to five-eight inch. The timer is merchantable and fit for the purpose for which it was ordered. B reject the timber. Is his action justified?
- d) A sells goods to B. B pays to A through a cheque Before B could obtain the delivery of goods his cheque has been dishonoured by the bank. A there fore, refuses to give delivery of the goods until paid. Is A's action justified?

P.T.O.

- e) A draws a cheque payable to self or order. Before he could encash the cheque, one of his creditors B approaches him for payment. A endorses the same cheque on B's favour. The banker refuses payment to B on account of insufficiency of funds in the account. Can A be made liable to penalties for dishonour of cheque due to insufficiency of funds in the account under section 138?
- f) A shareholder of a company who sold his shares executed blank transfer deed and delivered it along with the share certificate to the purchaser. He writes to the company that he has sold the shares, but neither he nor the purchaser deposited the shares with transfer deed and consequently the transfer was not noted on the register of members? On the winding up of the Company who should be placed on the list of contributions?
- Q2)** a) What are the characteristics of Negotiable Instruments? [10]
b) Who is unpaid seller? What are his rights against the unpaid seller? [10]
- Q3)** a) Distinguish between Memorandum of Association and Articles of Association. [10]
b) Explain the powers and functions of SEBI. [10]
- Q4)** a) Explain the term consumer, consumer dispute, complaint and complainant under the provisions of consumer protection Act, 1986. [10]
b) What are the main objects of Information Technology Act, 2000? [10]
- Q5)** Write short notes (Any four) : [20]
a) State Commission.
b) Nature of Right to Information Act 2005.
c) Discharge of contract by impossibility of performance.
d) Essentials of contract of sale of goods.
e) Digital signature.
f) Voluntary winding up of companies.

