Seat N	o.: _	Enrolment No		
		GUJARAT TECHNOLOGICAL UNIVERSITY		
M.B.A -III nd SEMESTER-EXAMINATION – MAY/JUNE- 2012 Subject code: 2830002 Date: 30			/05/2012	
•		ode: 2830002 Date: 30/05/20 Jame: Legal Aspects of Business	U12	
· · · · · · · · · · · · · · · · · · ·			Marks: 70	
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1. Attempt all questions.				
	Make suitable assumptions wherever necessary.			
3.	Figu	res to the right indicate full marks.		
Q.1	(a) (b)	"For every valid agreement there should be the consideration." Comment. What are the rules under the Indian Contract Act for estimating the loss or damages arising from a breach of contract?	07 07	
Q.2	(a)	"No one can give a better title to the goods than what he himself has". Explain this rule and give exceptions to the rule under the Sale of Goods Act.	07	
	(b)	Explain the provisions relating to cyber regulation appellate tribunal under Information Technology Act, 2000?	07	
		OR		
	(b)	Discuss the rights of surety against- (1) The principal debtor; (2) co-sureties; (3) creditors	07	
Q.3	(a) (b)	Who is a holder in due course? What are his rights/special privileges? "The Articles of Association constitute a contract between the company and its members and also members inter so." Examine this statement. OR	07 07	
Q.3	(a)	Explain the provisions relating to infringement of Trademarks? Also state the provisions relating to the offences and penalties in respect of infringement of Trademark?	07	
	(b)	Who is a consumer? Discuss the rights of consumer granted under Section 6 of the Consumer Protection Act.	07	

Explain and illustrate the rule known as the doctrine of indoor management.

(a) Define the term 'Endorsement'. What are the essentials of a valid

endorsement? Explain with illustrations the various classes of endorsements.

What do you mean by hazardous substance? How does the Environment (Protection) Act, 1986 regulate the handling of hazardous substance in an

What are the exceptions to this rule?

Write a short note on 'Agency by Ratification'.

Q.4

Q.4

(b)

industry?

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- Q.5 (a) Rajat was offered 50 shares of a company by Tarun at a very good price. It was a very good deal. Rajat told Tarun, "I am interested and accept the offer, but I will confirm this evening." Rajat was concerned about mobilizing resources to buy the shares. Later in the day, he consulted a friend knowledgeable in stocks & shares. His friend told him that it was not a good time to buy shares. Believing his friend, Rajat changed his mind. He called Tarun in the evening and told him that he was no longer interested in buying the shares. Tarun managed to sell the shares next day for a price Rs.20,000 less than what he would have got from Rajat. Tarun is demanding Rs.20,000 as damages for breach of contract. Rajat says there never was any contract. Decide?
 - (b) A private limited company issued certain number of shares as fully paid up to a subscriber to the memorandum on the basis of promissory note executed by him as consideration towards the shares. Since no money was paid towards the allotment, the company after five years from the date of allotment wants to forfeit those shares and re-issue. Can the company do so?
- Q.5 (a) Akash a reputed manufacturer of consumer goods advertised a scheme of called "Hidden treasure prize offer" where prize coupons were placed inside some of the bottles of the products, by which purchases of the bottles wherein coupons are placed would get prizes. Does this amount to an unfair trade practice?
 - (b) Mr. Clever obtains fraudulently from Jacob a cheque crossed' Not Negotiable.' He later transfers the cheque to Danny, who gets the cheque encashed from ANC Bank, which is not the Drawee Bank. Jacob, on coming to know about the fraudulent act of Clever, sues ABC Bank for the recovery of money. Examine with reference to the relevant provisions of the Negotiable Instrument Act, 1881, whether Jacob will be successful in his claim. Would your answer be still the same in case Clever does not transfer the cheque and gets the cheque encashed from ABC Bank himself?
