Reg.No. \_\_\_\_\_\_\_\_\_\_\_\_

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**End Semester Examination – Nov/Dec – 2018**

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| **Code :** | **18MS3005** | **Duration :** | **3hrs** |
| **Sub. Name :** | **LEGAL AND BUSINESS ENVIRONMENT** | **Max. marks :** | **100** |

**ANSWER ALL QUESTIONS (5 x 20 = 100 Marks)**

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| **Q. No.** | **Sub Div.** | **Questions** | **Course**  **Outcome** | **Marks** |
| 1. | a. | Define contract. What are the essentials of a valid contract? | CO1 | 12 |
| b. | Paul a passenger deposited a bag in the cloakroom at a Railway Station. The acknowledgment receipt given to him had, on the face of it, the words “See back.” One of the conditions printed on the back limited the liability of the Railways for any package loss to Rs 50. The bag was lost, and Paul claimed Rs.1250 its value, pleading that he had not read the conditions on the back of the receipt. Ís Paul bound by the conditions printed.Should the Railways pay Paul for the loss? If so how much? Decide applying suitable principle. | CO3 | 4 |
| c. | Jamesan auctioneer advertised that a very rare piece of furniture auction would take place at his auction office in Delhi. Kevin travelled down about 200 km. to attend the auction sale but found the furniture was withdrawn from the sale auction. Kevin sued the auctioneer for his loss of time and expenses. Is his claim valid? Decideapplying suitable principle. | CO3 | 4 |
| (OR) | | | | |
| 2. | a. | What do you understand by the term agency? What are the various modes by which an agency can be created? | CO1 | 12 |
| b. | A sugar co-operative had pledged certain bags of sugar to the Maharashtra State Co-op, Bank Ltd. The sugar bags were stored in the premises of the co-operative but were in the possession of the bank. The Assistant Commissioner of PF, ordered the co-operative to pay PF amount deducted from employees within 10 days. On its failure to pay the money, under the Act, it attached the sugar bags lying in the godown. The bank claimed that the sugar bags were in their possession and the PF Commissioner cannot attach the sugar bags. Decide applying suitable principle. | CO3 | 4 |
| c. | Sam was importing a car. The custom authorities had the car in their possession for the valuation of custom duty. While moving the car around, due to the negligence of the custom officials the car collided with a container and got damaged. The custom authorities claim that as there was no contract between Sam and the custom Department, the department is not responsible for any damage. Decide applying suitable principle. | CO3 | 4 |
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| 3. | a. | What are negotiable instruments? Explain the different types of negotiable Instrument? | CO1 | 8 |
| b. | Explain contract of sale? Who is an Unpaid seller? List the rights of an unpaid seller under sale of Goods Act | CO1 | 8 |
| c. | An account holder issued a post-dated cheque and subsequently he instructed the bank to stop payment. Is it permissible for the drawer of the cheque to take advantage of his own wrong? Does this wrong fall under the scope of criminal charges for dishonor of cheques under Section 138 of Negotiable Instruments Act. | CO3 | 4 |
| (OR) | | | | |
| 4. | a. | Jones is setting up a private company to run a software development business, with his brother and a friend. Define a company.What are the documents he would need to prepare for the incorporation of the company? Where should they apply and what is the procedure for the registration of the company? | CO2 | 10 |
| b. | What information can be obtained under Right to Information Act? Explain the procedure to file a petition for seeking information under the Right to Information Act. | CO2 | 10 |
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| 5. | a. | Who is a Consumer? Explain the procedure for filing a consumer complaint under the Consumer Protection Act? | CO1 | 12 |
| b. | Steve after finishing his studies, decided to become management consultant. He chose the format of a company for running his business. He formed a company, Steve Consultants Private Limited. He is a director of the company and also the sole employee. The company bought a laptop. As Steve was the sole employee, he was using the laptop. The laptop turned out to be defective and not of merchantable quality. Can Steve seek remedy against the seller of the computer froma Consumer forum? Decide applying suitable principle. | CO3 | 4 |
| c. | An employee of a canara bank applied for information under the RTI Act, on the posting, transfer and promotion of other officials in the branch of the bank. The bank contended that it was exempt from providing information. Will the employee succeed? Is the bank bound to give information under RTI? Decide applying suitable principle. | CO3 | 4 |
| (OR) | | | | |
| 6. | a. | Define Copyright and explain the procedure for registration of Copyright in India? | CO2 | 12 |
| b. | The registered trademark of a brand of biscuit is ‘Cams’ has been in the market for 30 years. A new entrant introduced biscuit packets under the trade name ‘Suraj’. The package of the new entrant followed the same colour combination, green and white. A customer could easily mistake a packet of Suraj to be that of Cams. What remedy is available to makers of Cams against the makers of Suraj? | CO3 | 4 |
| c. | Maruthi is a well known trade name in the class of automobiles. A tissue manufacturing company introduces tissue boxes under the trade name, Maruthi. Could this constitute infringement of the right of the ownerof the trade name Maruthi? If yes, what could be the remedies available to prevent the use of the name by the tissue paper manufacturer? | CO3 | 4 |
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| 7. | a. | Define patent. Brief the procedure for registration of patent under the Patent Act. | CO2 | 12 |
| b. | A sports accessories manufacturing company discovered that the foot on which a cricket fast bowler lands, moves significantly within the shoe. This knocks the big toe, straining the toe, ankle and the foot. The company developed a pair of shoes where the front of the shoe, near the big toe had a hole. The idea was that on impact, the toe will have space to move out and not get knocked. Does designing a pair of shoes give rise to intellectual property? If yes under which law can the company seel protection from others coming up with similar shoes? | CO3 | 4 |
| c. | Ichhamati Co-operative Milk Producers’ Union Limited filed an application for registration of the mark ‘IMUL’ (depicted in a  triangular shape). After the advertisement of this application, Kaira District Co-Operative Milk Producers’ Union Limited (appellant) opposed registration of the trademark. The opposition was based on the ground that the appellant was carrying on a well established business of manufacturing, marketing and exporting milk products under the name AMUL since 1955. Therefore, the respondent’s adoption of the mark IMUL would cause confusion among the public and in the trade as it was deceptively similar to the AMUL trademark. Could this mean infringement of the rights of owners of the trade name AMUL? If yes what is the remedy available? | CO3 | 4 |
| (OR) | | | | |
| 8. | a. | What is the impact of rise in exchange rate on national income? Is a higher or lower exchange rate better? | CO2 | 10 |
| b. | Discuss the external influences on India’s business environment. Is Indian economy growing at present? | CO2 | 10 |
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|  | | **Compulsory**: |  |  |
| 9. | a. | A famous cricketer scored a century in a match. X Ltd company announced an award of Rs 10 lakhs to the cricketer for scoring the century. The cricketer thanked the company for the award and gave them the bank account number for remitting the amount. Later, the company insisted that the money would be given only if he receives in public function from their managing director. The cricket refused as he was prohibited from doing so by a contract with a rival company. X Ltd company refused to give the promised money. The cricketer claims that he has a contractual right to get the money from X Ltd company. Is his claim valid? Decide | CO3 | 4 |
| b. | The seller was to deliver the buyer, 500 pieces of teak wood of dimensions 20 cm x 30 cm x 90 cm. The contracted price was Rs 150 for each piece. The seller supplied 500 pieces. On examination the buyer discovered that the measurement of the pieces was 20cm x 30 cm x 95 cm. The buyer could have readily cut the extra 5 cm and used the logs. The buyer, wants to reject the goods and terminate the contract. Decide applying suitable principle. | CO3 | 4 |
| c. | Jones pledged gold to secure a loan of Rs 1 lakh taken from David, to be paid back in a year. Jones could not pay back the loan. David gave a notice to Jones that he was going to sell the gold to recover his money. The gold prices were depressed at the time. David got only Rs 80,000 from the sale. David is claiming the deficit from Jones, while Jones asserts that his liability was only to the extent of the pledged goods. Jones further claims that as a prudent person. David should have waited for the price of gold to improve. Decide applying suitable principle. | CO3 | 4 |
| d. | The proprietors of a medical preparation called the “Carbolic Smoke Ball” published in several newspapers the following advertisement:—“£1000 reward will be paid by the Carbolic Smoke Ball Co. to any person who contracts the increasing epidemic influenza after having used the Smoke Ball three times daily for two weeks according to printed directions supplied with each ball. £1000 is deposited with the Alliance Bank showing our sincerity in the matter.” On the faith in this advertisement, the plaintiff bought a Smoke Ball and used it as directed. She was attacked by influenza. She sued the company for the reward. Will she succeed? Decide applying suitable principle. | CO3 | 4 |
|  | e. | A customer at a self-service store was pleased to see a sticker on a box of detergent declaring the price to be Rs 200. The product ordinarily sold for Rs 250. He readily put it in his trolley. At the cash counter, the attendant informed him that the store staff had made a mistake in putting the price sticker. The price of the box is Rs 250. The customer claims a right to the box at a price of Rs 200. Decide applying suitable principle. | CO3 | 4 |