**Roll No.** | | | | | | | | | | | | | **Total No. of Pages : 02**

**Total No. of Questions : 15**

**MBA (2012 & onward) (Sem.–3)**

# CORPORATE LEGAL ENVIRONMENT

**Subject Code : MBA-302**

**Paper ID : [C1170]**

**Time : 3 Hrs.** **Max. Marks : 60**

**INSTRUCTION TO CANDIDATES :**

1. **SECTION-A contains SIX questions carrying FIVE marks each and students has to attempt any FOUR questions.**
2. **SECTIONS-B consists of FOUR Subsections : Units-I, II, III & IV. Each Subsection contains TWO questions each carrying EIGHT marks each and student has to attempt any ONE question from each Subsection.**
3. **SECTION-C is COMPULSORY and consist of ONE Case Study carrying EIGHT marks.**

## SECTION-A

1. What do you understand by contract?

2. Explain the various features of law relating to careers.

3. What do you mean by Law of Contract?

4. Explain the remedies available for breach of a contract.

5. What are the legal formalities related with the membership of a company prospectus?

6. Explain the concept of direct and indirect taxes.

## SECTION-B

### Unit-I

7. What do you mean by performance and discharge of contract? What are the legal remedies available for breach of contract?

8. Explain the concept of free concept in relation with a contract in detail.

## Unit-II

9. Who is an Unpaid Seller? What are the rights of an unpaid seller?

10. What do you understand by the term "*dishonor of cheques*"? What is the liability of the banker and the drawer in this case?

## Unit-III

11. What do you understand by the formation of a company? Explain the procedure in detail.

12. What is winding up of a company? What is the procedure of winding up by the court?

## Unit-IV

13. What are the basic features of Central Exercise?

14. Explain the constitutional framework of taxation in the country.

## SECTION-C

15. **Read the case carefully and answer the questions :**

There was a closely held company floated by all family members. All the family members own shares in the Company. The family has active participation in other companies too. In the company as referred to, few members are actively involved in day-to-day management of the company and few other members are not involved in day-to-day management. While this is the case, one of the family members who are qualified to approach the Company Law Board under section 399 of the Companies Act, 1956, approaches the Company Law Board alleging some mismanagement in the Company. The applicant before the Board refers to many irregularities and especially the action of the majority in selling the company properties for throw away price. The majority has taken a stand denying the allegation that the properties of the company are sold for a throw away price and also specifically alleges that the applicant before the CLB did not participate in the day-to-day affairs of the Company. The Board has given an exit option to the applicant rather looking into the issue of irregularities.

**Questions**

a) Will the majority be allowed to contend that they are privileged in the company as they run the company and participate in the day-to-day affairs of the company?

b) Whether the applicant before the Board is forced to exercise exit option on the ground that he did not participate in the day-to-day affairs of the Company.