

CBBCS Scheme

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16/17MBA24

Second Semester MBA Degree Examination, June/July 2018 Business Law and Policy

Time: 3 hrs.

Max. Marks:80

**Note: 1. Answer any FOUR full questions from Q.No.1 to Q.No.7.
2. Question No. 8 is compulsory.**

- 1 a. Define the term contract. (02 Marks)
b. Discuss the modes for termination of agency. (06 Marks)
c. Explain in detail the arguments for and against corporate social responsibility. (08 Marks)
- 2 a. What is corporate governance? (02 Marks)
b. Brief on rights and duties of bailor. (06 Marks)
c. Explain different kinds of companies. (08 Marks)
- 3 a. What is patent? (02 Marks)
b. Explain the salient features of Environment Protection Act 1986. (06 Marks)
c. What is winding up of company? What are the different modes of winding up? Explain. (08 Marks)
- 4 a. Differentiate between bailment and pledge. (02 Marks)
b. State and explain benefits of good corporate governance. (06 Marks)
c. Enumerate the obligations of corporate governance to society. (08 Marks)
- 5 a. What is corporate social responsibility? (02 Marks)
b. What are the objectives of Consumer Protection Act 1986? (06 Marks)
c. Briefly explain the different types of models related to corporate social responsibility. (08 Marks)
- 6 a. What is expulsion of partner? (02 Marks)
b. Differentiate between Memorandum of Association and Articles of Association. (06 Marks)
c. Explain the provisions on liability of retired partner according to Partnership Act 1936. (08 Marks)
- 7 a. State the need for corporate governance. (02 Marks)
b. Discuss the features of company. (06 Marks)
c. Explain the essential elements of valid contract. (08 Marks)
- 8 **Case study: (compulsory)**

Jessica Smith works as a clerk for AVO Environmental services, a small toxic – waste disposal company. The company has a contract to dispose of medical waste from a local hospital. During the course of her work, Jessica comes across documents that suggest AVCO has actually been disposing of some of this medical waste in a local municipal landfill. Jessica is shocked. She knows this practice is illegal. And even though only a small portion of the medical waste that AVCO handles is disposed of this way, any amount at all sums a worrisome threat to public health.

She gathers the appropriate documents and takes them to her immediate superior, Dave Lamb. Dave says, "Look, I don't think that sort of thing is your concern, or mine. We are in charge of record keeping, not making decisions about where this stuff gets dumped. I suggest you drop it."

The next day, Jessica decides to go one step further and talk to Angela Van Oldenburg, the company's operations manager. Angela is clearly irritated. Angela says, "This isn't your concern. Look, these are the sorts of cost-cutting moves that let a little company like ours compete with our giant competitors. Besides, everyone knows that the regulations in this area are overly cautious. There is no real danger to anyone from the thing amount of medical waste that slips into the municipal dump. I consider this matter closed."

Jessica consider her situation. The message from her superior was loud and clear. She strongly suspects that making further noises about this could jeopardize her job. Further, she generally has faith in the company's management. They have always secured like honest, trustworthy people. But she is troubled by this apparent disregard for public safety. One the other hand, she asks herself whether may be Angela is right in arguing that the danger is minimal. Jessica looks up the phone number of an old friend who worked for the local newspaper.

Questions:

- a. What dilemma is Jessica facing? (04 Marks)
- b. Is AVCO Environmental demonstrating socially responsible behavior? Justify. (06 Marks)
- c. What do you think Jessica should do? Explain your reasoning. (06 Marks)

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