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Internal Assessment Test - II

Sub:	Business law and policy	Code:	16MBA 24						
Date:		Duration:	90 mins	Max Marks:	40	Sem:	II	Branch:	MBA

Second test scheme

1 **patent**: the exclusive right granted by a government to an inventor to manufacture, use, or sell an invention for a certain number of years.

an invention or process protected by this right.

1 b) **Role of minor**: Section 30 in The Indian Partnership Act, 1932

30. Minors admitted to the benefits of partnership.—

A person who is a minor according to the law to which he is subject may not be a partner in a firm, but, with the consent of all the partners for the time being, he may be admitted to the benefits of partnership

. Such minor has a right to such share of the property and of the profits of the firm as may be agreed upon, and he may have access to and inspect and copy any of the accounts of the firm. Such minor's share is liable for the acts of the firm, but the minor is not personally liable for any such act.

1 c) **consumer rights**: right to safety, right to be informed, right to seek redressal, right to education . **2) Right to be Informed/Right to Representation:**

A consumer has also the right that he should be provided with all the information on the

basis of which he decides to buy goods or services **(3) Right to Choose:**A consumer has the absolute right to buy any goods or services of his choice from among the different goods or

services available in the market. **(4) Right to be Heard:**A consumer has the right that his complaint be heard. Under this right, the consumer can file a complaint against all those

things which are prejudicial to his interest.. **(5) Right to Seek Redressal:**This right provides compensation to the consumers against unfair trade practice of the seller Several redressal

are available to the consumer by way of compensation, such as free repair of the product, taking back of the product with refund of money, changing of the product by the seller. **(6)**

Right to Consumer Education: Consumer education refers to educating the consumer constantly with regard to their rights..

2 a) AGM and EGM

The objective of holding an AGM is to provide an opportunity to members to discuss the functioning of the company, and take steps to protect their interests. They can discuss any matter relating to the conduct of the affairs of the company.

EGM : extra ordinary meeting for deciding extra ordinary agendas like changes In AA.

2 b) exceptions to majority rule: a)to protect the rights of minority.

b) in case of any wrong doing by majority.

2 c) Section 3 of the (Indian) Patents Act, 1970

The following are not patentable in India:-

1. An invention, that is frivolous or that claims anything obviously contrary to well established natural laws;
2. An invention, the primary or intended use of which would be contrary to law or morality or injurious to public health;
3. The mere discovery of a scientific principle or the formulation of an abstract theory;
4. The mere discovery of any new property or new use for a known substance or of the mere use of a known process, machine or apparatus unless such known process results in a new product or employs at least one new reactant;
5. A substance obtained by a mere admixture resulting only in the aggregation of the properties of the components thereof or a process for producing such substance.

3 a) **consumer:** Any individual who purchases products or services for his personal use and not for manufacturing or resale is called a consumer. A consumer is one who is the decision maker whether or not to buy an item at the store, or someone who is influenced by advertisement and marketing.

b) Rights and duties of partners: Rights of a Partner:

The rights of a partner are as follows:

- i. Right of the partner to take part in the day-to-day management of the firm.
- ii. Right to be consulted and heard while taking any decision regarding the business.

iii. Right of access to books of accounts and call for the copy of the same.

iv. Right to share the profits equally or as agreed upon by the partners.

Duties of a Partner:

The duties of a partner are as follows:

i. To carry on the business to the greatest common advantage:

Every partner is bound to carry on the business of the firm to the greatest common advantage. In other words, the partner must use his knowledge and skill in the conduct of business to secure maximum benefits for the firm.

ii. To be just and faithful to each other:

Every partner must be just and faithful to other partners of the firm. Every partner must observe utmost good faith and fairness towards other partners in business activity.

iii. To render true accounts:

Every partner must render true and proper accounts to his co-partners. Each and every entry in the books must be supported by vouchers and explanations if demanded by other partners.

iv. To provide full information

3 c) Dissolution of a Partnership firm may be effected in the following ways:

- *Dissolution without the intervention of the Court.*
- *Dissolution by Court.*

Dissolution without the intervention of Court:-

1. **By Agreement (S.40):-** A partnership firm can be dissolved any time with the consent of all the partners whether the partnership is at will or for a fixed duration. A partnership can be dissolved in accordance with the terms of the Partnership Deed or of the separate agreement.
2. **Compulsory Dissolution (Sec.41):-** In case, any of the following events take place then it becomes compulsory for the firm to dissolve:
 - (i) **Insolvency of Partners:-** In case all the partners or all the partners except one become insolvent.
 - (ii) **Unlawful Business:**
 3. **Dissolution by Court:-**
 4. The court may order for the dissolution of the firm on the following grounds:-
 5. (i) **Insanity of Partner:-** (ii) **Incapacity of Partner.**

Case study:

1) Deficiency is the defect in the safety valve of gas cylinder.

2) District redressal machinery, state redressal machinery and central or national dispute redressal machinery.

