



INDIAN INSTITUTE OF MATERIALS MANAGEMENT
Post Graduate Diploma in Materials Management
Graduate Diploma in Materials Management

Dec 2016

Paper No. 6
BUSINESS LAWS

Date : 11.12.2016
Time : 10.00 a.m. to 1.00 p.m.

Max Marks: 100
Duration: 3 hours

Instructions:

1. From Part A: answer all questions (compulsory) Each sub-question carries 1 marks **Total marks – 32**
2. From Part B: answer any 3 out of 5 questions Each question carries 16 marks. **Total marks – 48**
3. Part C is a case study with sub-questions (compulsory). Read the passage and answer all the questions. **Total marks – 20**
4. Please read and follow the instructions given in the answer sheet carefully.

PART A (compulsory)

(32 x1 = 32 marks)

Q.1 State whether the following are True or False-

- a) Ignorance of 'law' is a good excuse.
- b) Law is a body of Rules.
- c) Law is made to serve some purpose which may be social, economic or political.
- d) Law is not for the guidance or conduct of persons-both human and artificial.
- e) Law is not made obligatory on the members of the society.
- f) Law responds to public opinion and changes accordingly.
- g) Fears of consequences such as punishment, ensures observance of law.
- h) Law is enforced by the Executive.

Q.2 Fill in the blanks-

- a) Without the neither property nor ownership, strictly speaking exists.
- b) Law does not any vacuum in ownership.
- c) The of property is exclusive.
- d) Law means any rule of conduct, standard or pattern to whichare required to confirm.
- e) Ownership is an intimate relationship a person and object.
- f) Law must beboth in its application and coverage.
- g) The agreement must be such which is enforceable byso as to become a contract.
- h) Unless a law is, it ceases to be a law, and those persons subject to it will regard it as dead.

Q.3 Expand the abbreviations:

i) PIO	iii) RTI	v) CENVAT	vii) MODVAT
ii) SIC	iv) CIC	vi) IPR	Viii) LD

Q.4 Match the following- Column A and B

Column A

Column B

a) Ethical or Moral Rules	i) the non observance of which may lead to public ridicule
b) Procedural law	ii) the non observance of which may lead to arrest, imprisonment, fines etc.
c) Law of the land	iii) the non observance of which may lead to social boycott, trade sanctions etc.
d) Statutory law	iv) predictability, flexibility and reasonable application and coverage.
e) Essentials of law	v) one of the essentials of a valid contract.
f) Consideration	vi) deals with the methods and means by which substantive law is made and administered.
g) Rules of International law	vii) this law is created by legislation such as Parliament.
h) Etiquettes	viii) do not be arrogant or do not be disrespectful to elders or women.

Part-B

48 Marks

(Answer any three questions. Each question carry 16 marks)

Q.5 State the essentials of a contract of sale under the sale of goods Act 1930. Also explain the concept 'Sale and Agreement to sale'.

Q.6 What is Alternate Dispute Resolution? Why is it necessary? Describe the common methods.

Q.7 What are the legal rules of a valid acceptance? When is the communication of acceptance taken as complete.

Q.8 Distinguish between any Two. (8x2 = 16 marks)

- i) Public law and Private Law.
- ii) Criminal law and Civil law.
- iii) Offer and Acceptance.
- iv) Substantive law and Procedural law.
- v) Conditions and Warranties.

Q.9 Write short notes on any Two- (8x2= 16 marks)

- i) Elements of a valid contract.
- ii) Value added tax.
- iii) Competition Commission of India
- iv) Restrictive trade practices
- v) Service Tax
- vi) Intellectual Property Rights.
- vii) Concept of Ownership

PART –C
(compulsory)

20 marks

Q.10 Read the following case study relating to the famous case of MOHARIBIBI Vs DHARMODAS GHOSE and give minimum five reasons why Dharmodas won the case:

The brief of the case is: Dharmodas was under the care of his mother. He was a wayward boy. He owned two houses in Calcutta. He wanted to borrow certain sum of money from a money lender. The money lender hurriedly agreed to lend the money without going much in detail and without verifying the legal aspects.

Dharmodas's mother on coming to know of this served a notice on the money lender intimating that her son Dharmodas was a minor, that he was a wayward boy and that no money should be lent to him. But the money lender ignored her plea and went ahead and lent the amount on the basis of two documents viz. 1. Dharmodas declared in writing that he was a major and 2. Dharmodas executed a mortgage deed mortgaging both the houses to the money lender. On the death of money lender, his wife Moharibibi filed a suit against Dharmodas for the recovery of the loan.

Dharmodas argued that he was a minor at the time of borrowing money and the mortgage deed executed by him should be declared as null and void.

Dharmodas won the case.

Please give the reasons **(at least five)** that the Honourable Judges would have advanced (under the Indian Contract Act) that led to Dharmodas winning the case.

Each valid reason will get 4 marks, with a total of 20 marks)
