

INDIAN INSTITUTE OF MATERIALS MANAGEMENT

Post Graduate Diploma in Materials Management

June 2013

8 marks

d. international law

Graduate Diploma in Materials Management

Paper No. 6 BUSINESS LAWS

Instructions:

1. From Part A: answer all questions (compulsory) Each sub-question carries 1 mark 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.

Law of property is a part of

a. public law

PART A

(1 marks each x 32 = 32 marks)

Q.1] Select the correct option:

1.	If a partnership is started with the object of carrying on banking business, the no. of member					
m	ust not exceed					
	a. 10	b. 20	c. 5	d. 3		
2.	The maxim 'caveat emptor' pertains to					
	a. Income Tax Act	b.Sale of goods Act	c. Arbitration Act	d. Factories Act		
3.	Custom duty can be levied only by					
	a. State Government	b. Panchayat	c. Union Government	d. Municipality		
4.	Sale is					
	a. executed contract	b. Quasi contract	c. Contingent contract	d. executory contract		
5.	A wagering agreement is					
	a. voidable	b. void	c.illegal	d. Unlawful		

c. Private law

b. municipal law

7.	Cor	Control over Special Economic Zones (SEZs) is exercised by the Ministry of							
	a. H	lome	b. Commerce	c. Finance	d. Defence				
8.	The	The minimum number of directors in a private company is							
	a. 3		b. 5	c. 4	d. 2				
Q.	.2] Ex	xpand the follo	wing:		8	3 marks			
	1.	ADR							
	1. 2.	UNCITRAL							
	3.	CENVAT							
	3. 4.	CST							
	5.	FEMA							
	6.	DGFT							
	7.	ICA							
	8.	CRZ							
	0.	OTIL							
Q.	.3] Fi	II in the blanks	:		;	8 marks			
	-								
Definition of contract is an agreement enforceable by									
	2.	A person is said to be of the age of minority if he has not completed years of age.							
	3.	Custom Act is administered by the Ministry of							
	4.	A contract of sale may be absolute or							
	5.	Marine Insurance is based on the principle of							
	6.	The minimum number of members in a public company is							
7. The minimum number of directors in a public company is									
	8.	The contingency or happening against which insurance is effected is called the							
Q.	4] Si	tate whether the	e following are true o	or false:		8 marks			
	1.	Wealth tax is a							
	A same action may not result in both a civil case and a criminal case.								
 Cross offer and counter offer are not the same. Registration of firm is compulsory under the Indian Partnership Act. 									
	4. -	·							
	5.	eptance of the proposal.	- FO! A :						
6. Workmen's Compensation Act does not apply where workerman covered under7. Decision on arbitral tribunal is called Arbitral Award.									
	7.	Decision on arl	oitral tribunal is called	Arbitral Award.					

8. Proposal is the first step towards formation of a contract.

PART-B

(Answer any three $16 \times 3 = 48$ marks)

- 1. Memorandum of Association and Articles of Association
- 2. Sale and Agreement to Sell
- 3. Criminal law and Civil law

Q.5] Distinguish between: (any 2)

4. Promissory Note and Bill of Exchange

Q.6] Write short notes on: (any 2)

16 marks

16 marks

- 1. Quasi contract
- 2. Life Insurance
- 3. Value Added Tax
- 4. Workmen's Compensation Act 1923

Q.7] What is consideration? Discuss the various legal rules governing a valid Consideration

16 marks

Q.8] 16 marks

- a. Explain the types of custom duties.
 - b. Discuss the key features of Special Economic Zones.

Q.9] 16 marks

- a. Explain the doctrine of 'Caveat Emptor'.
- b. Discuss the rights of unpaid seller.

PART-C Case Study

Q.10] Read the following case study and give answers to the questions at the end.

20 marks

The Customs Act was formulated in 1962 to prevent illegal imports and exports of goods. Besides, all imports are sought to be subject to a duty with a view to affording protection to indigenous industries as well as to keep the imports to the minimum in the interest of securing the exchange rate of the Indian currency. The rates of customs duty levied on the imported and exported goods are assigned in the Customs Act and the duty is payable as a percentage of 'value' often called' Assessable value' or 'Customs value'. The present procedure of customs clearance is entirely transaction based and it entails assessment, duty collection and examination of each import consignement before its release. Though an importer or exporter can himself transact business of imports and exports, however, generally it is not possible for an individual to complete customs formalities and obtain clearance from ports. Hence, appointment of Customs House Agent is necessary. CESTAT was created to provide an independent forum to hear the appeals against orders and decisions passed by the Commissioners of Customs and Excise under the Customs Act, 1962, Central Excise Act, 1944, Finance Act, 1994, relating to Service Tax .It is also empowered to hear the appeals against orders passed by the designated authority with regard to Anti-Dumping Duties under the Customs Tariff Act, 1975.

- 1. What is the purpose and aim of the Customs Act, 1962?
- 2. How is the customs duty calculated on the imported goods?
- 3. What is the present procedure of customs clearance?
- 4. What is the necessity of a Customs House Agent?
- 5. Why was CESTAT created?
