



INDIAN INSTITUTE OF MATERIALS MANAGEMENT

Post Graduate Diploma in Materials Management

Graduate Diploma in Materials Management

June 2018

Paper No. 6

BUSINESS LAWS

Date : 10.06.2018

Max Marks: 100

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

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 no excuse.
- b) Law is not a body of Rules.
- c) Law is made to serve some purpose which may be social, economic or political.
- d) Law is 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 not 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) The contract must be supported by ..... on both sides.
- e) Ownership is an intimate relationship ..... a person and object.
- f) Law must be ..... both in its application and coverage.
- g) The agreement must be such which is enforceable by .....so as to become a contract.
- h) The parties to the contract must be ..... to contract.

**Q.3 Expand the abbreviations:**

i) PAN	iii) ED	v) HSN	vii) FERA
ii) IGST	iv) TIN	vi) WCO	Viii) CIF

**Q.4 Match the following- Column A and B**

Column A	Column B
a) Ethical or Moral Rules	i) an agreement enforceable by law
b) Procedural law	ii) to the agreement must be free and genuine.
c) The consent of parties	iii) the non observance of which may lead to social boycott, trade sanctions etc.
d) The Contract Act 1872	iv) of a purely social or domestic nature is not a contract.
e) An Agreement	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) lays down the general principles subject to which the contracting parties may create the rights and duties for themselves.
h) A Contract is	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 What are the essentials of a valid contract. Briefly explain the difference between offer and invitation to offer.
- Q.6 Discuss the kinds of guarantee. Distinguish between criminal law and civil law.
- Q.7 Explain the performance of a contract of sale of goods. Also explain the rights of the unpaid seller.
- Q.8 Distinguish between any **Two**. ( 2 X 8= 16 marks)
- i) Sale and Hire Purchase.
  - ii) Public law and Private law.
  - iii) Offer and Acceptance.
  - iv) Formal and Informal Contracts.
  - v) Conditions and Warranties.
- Q.9 Write short notes on any **Four ( 4 x 4 = 16 marks)**-
- i) Personal Law.
  - ii) GST.
  - iii) FEMA
  - iv) Passing of property in goods.
  - v) Right to Information Act 2005
  - vi) Capacity to Contract.

**(compulsory)**

**Q.10 Read the following case study relating to the famous case of KANTA Vs JATIN and give minimum five reasons why JATIN won the case:**

The brief of the case is: Jatin 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.

Jatin's mother on coming to know of this served a notice on the money lender intimating that her son Jatin 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. Jatin declared in writing that he was a major and 2. Jatin executed a mortgage deed mortgaging both the houses to the money lender. On the death of money lender, his wife Kanta filed a suit against Jatin for the recovery of the loan.

Jatin 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.

**JATIN 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 Jatin winning the case.

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

\*\*\*\*\*