



# INDIAN INSTITUTE OF MATERIALS MANAGEMENT

## Post Graduate Diploma in Materials Management

Dec 2011

## Graduate Diploma in Materials Management

### Paper No. 6

### BUSINESS LAWS

**Date :** 11.12.2011

**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 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.

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### **PART-A (1 mark X 8 questions)**

**Q 1.** Write alpha numeric answers for the following questions. from the choices

1. Which one of the following is not a capacity to enter into contract.
  - a) Age of Majority and Sound Mind.
  - b) Lunatic & Insolvency
  - c) An individual in his favor the court has given a verdict.
  - d) Good Business ethics in dealings.
2. Which of These is aptly a right type of Contract as per Contract Act.
  - a) Internal contract with a Minor
  - b) Import contract for restricted goods.
  - c) Unilateral contract & bilateral contract.
  - d) Executed contract which is unenforceable in the court of law.
3. The fact of the Partnership Firm is considered in the eye of law as.
  - a) a legal person.
  - b) is not a legal Entity.
  - c) Its not a legal entity to enter into agreements.
  - d) Its a legal Entity to register the firm.
4. The proposal in a Business means:-
  - a) signifying willingness to invite a friend for a social gathering.
  - b) Signifies to another his willingness to do or obtain from doing some thing to obtain the assent.
  - c) It's A's proposal to Mr. X to start a business to print counterfeit note.
  - e) It's a proposal to travel together to deal a business.
5. As per Sale of Goods Act 1930. "Sale" Means.
  - a) Sold the goods on credit.
  - b) Sold the goods for goods.
  - c) Sold the goods on cash.

- d) Doled the goods on friendship.
6. The Act always keep changing is called.
- The Partnership Act 1932..
  - The MRTP Act 1969.
  - The consumer protection Act1986.
  - The sale of goods Act 1930.
7. The totality of workmen compensation Act 1923, is covered under.
- Deviance theory of Karl marks.
  - Notional extension theory.
  - Hierarchical theory of Mashlow.
  - Non employment theory.
8. The PAN based registration Certificate will have 15 digit. Suppose the PAN number of Assessee is ABCDE123HXM001 which means.
- Its his first factory.
  - Its his Second factory.
  - Its his Third factory.
  - Its his fourth factory.

**Q-2**

**. (1mark X 8question)**

MATCH THE FOLLOWING & WRITE THE CORRECT ALFA & NUMERIC ANSWERS IN YOUR ANSWER BOOK. IN SERIES.

Sl.No.				
1	Negotiable Instrument Means		Can deal in foreign Exchange.	a
2	Authorized Dealer		Can obtain Clearance	b
3	TDS		Compensation for loss or Damages	c
4	Indemnity		1962 Act.	d
5	Central Excise Salt Act.		1944 Act.	e
6	Customs Act was formulated in		Deducted by the employer at source.	f
7	Advantage of joint stock Companies .		Transferable	g
8	CHA		Can be sued or get sued.	h

**Q.No- 3. Fill in the Blanks (1mark X 8question)**

1.DEPB.....Scheme

2.The Public Joint Stock Company is one which invites the ..... to ..... For its shares.

3. The first thing in the formation of Public Joint stock company is the preparation the .....and .....association.

4. Some partners brings in Capital & take no active interest in the conduct of the Business are called.....partner.

5. The Stale cheque is one which have .....months of validity.

6. The Purpose of Arbitration Act is to provide speedy.....to disputes.
7. The person who has ultimate control over the affairs of the factory is called .....
8. The Industrial dispute arises normally between
1. employee & employee
  2. Employee and Employer and finally may be 3)..... & .....

**Q-4. State True or (8 marks 1 mark each)**

- a. To be called as a minor in a partnership firm he/who should attain the age of 17 years.
- b. The negotiable instrument should be in writing directing the banker to pay a sum of Rs. 5000/- and should be signed by the holder of the account.
- c. A stale cheque should be minimum of 10 years validity
- d. The essentials of negotiable instrument is to become older in the due course
- e. The essential ingredient of contract must be free from coercion (prait)
- f. To be called as a shareholder of the company, a subscriber of the shares should necessarily hold 30% of the shares of the company.
- g. X purchased goods worth Rs. 10000/- and paid by cash. It attracts nominal account
- h. The alternative dispute resolution must be referred to the mediator or conciliator

**PART -B**

**Answer any three question each question carries 16 marks (3 x 16 = 48)**

Q.5. Explain the essential ingredient of Contract with special reference to General offer.

Q. 6.

**Write Short Notes on (any Four)**

- a) Sale and Agreement to sale .
- b) What do you mean by Capacity to Contract.
- c) Importer and Exporter Code (IEC).
- d) Define Prospectus.
- e) CZM ( Coastal Zone Management).
- f) VAT (Value added Tax).

Q.7. Distinguish between Central Excise duty and Custom duty.

Q.8. What are the documents which are needed and are to be attached with Bill of entry for import clearance.

Q.9. Define Factories. What are the powers of Inspector of factories (Act 1948).

### **Part C CASE STUDY**

**Q -10** Read the following case study carefully and answer the following questions given at the end of the case study.

“A workmen, having two children, working in a Theater, under a “Canteen and vehicle stand contractor” dies due to stampede, the Canteen Contractor, ran away. His whereabouts were not known. The wife of deceased filed a case against the Theater owner and claim compensation under Workmen Compensation Act. As a legal heir, will she succeed”.

- 1) If she gets compensation on what grounds.
- 2) If she do not get compensation on what grounds.
- 3) Kindly establish legal relationship in the above case.
- 4) Which Act does the above case study, attracts.

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