

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

Paper 6 (New)
BUSINESS LAWS

Date : 13.12.2008

Time : 10.00 am To : 00 pm

Max Marks : 100

Duration : 3 hrs

Instructions:

1. From Part "A" Answer all questions (Compulsory). Each sub-question carries one mark. Total Marks: 20
2. From Part "B" answer any three questions out of five questions. Each question carries 16 marks. Total Marks: 48
3. Part "C" is a case study with sub questions (Compulsory) Total Marks : 20
4. Please read and follow the instructions given in the answer sheets carefully.

PART -A

Q.1 Choose the correct answer and write it on the answer sheet.

- (1) The Law is almost a universal.
(1) Requirement (2) Human need (3) Accepted (4) Recognition
- (2) Power corrupts and absolute power corrupts.
(1) Absolutely (2) Legally (3) Totally (4) mainly
- (3) There are two main sources of Law one is primary and second is
(1) Criminal (2) Nature (3) Secondary (4) Judicially
- (4) One of the sources of Indian Business Law is
(1) Common Law (2) Criminal Law (3) Jurisprudence (4) Civil Law
- (5) The Indian Contract Act is framed in
(1) 1888 (2) 1818 (3) 1901 (4) 1872
- (6) To constitute a partnership there must be
(1) Four persons (2) Two persons (3) Seven persons (4) Five persons
- (7) In contract of sale to transfer is the
(1) Ownership (2) Consideration (3) property (4) goods
- (8) A cheque must be an instrument in
(1) Negotiating (2) crossing (3) writing (4) endorsing

Q.2 State whether the following statements are TRUE or FALSE.

- (1) A cheque must contain an unconditional order.
- (2) Consumer forums do not have any power to pass any interim order.
- (3) Currency notes means and include cash in the form of coins and bank notes.
- (4) A Company is created with the sanction of law and is not itself a human being hence called artificial.
- (5) Cyber Law concerns with transportation and automatic control system.
- (6) The Patents Act 1970 extends in Jammu and Kashmir only.
- (7) Copy right society means a society registered under company law.
- (8) Business enterprises dominate poor lives.

- Q.3 Expand the following abbreviations:**
- | | | | |
|--------|---------|---------|----------|
| (1) IT | (2) WTO | (3) RBI | (4) PN |
| (5) NI | (6) EGM | (7) MA | (8) SEBI |

- Q.4 Fill in the blanks.**
- (1) Business is as old as _____ itself.
 - (2) Law is for the guidance or conduct of _____
 - (3) Customs have played an important role in making law and is also known as _____
 - (4) A Guarantee may either be for the whole Debt for a _____
 - (5) The essence of bailment is _____
 - (6) The phrase "Property in Goods" means _____
 - (7) Bills must be presented for acceptance before _____
 - (8) It means _____ and EC means _____

PART- B

- Q.5 Answer any three questions out of Questions Nos. 5, 6, 7, 8 and 9**
- Write short notes on any four**
- | | |
|-------------------------------|---------------------------------------|
| (1) Capacity to Contract | (2) Rights of bailee |
| (3) Classification of Agents | (4) Meaning and nature of partnership |
| (5) Conditions and Warrantees | |

- Q.6** All agreements are not contracts but all contracts are agreements, discuss.
- Q.7** Discuss definition and essentials of a contract of sale
- Q.8** Name the instruments which are recognized as negotiable instruments by the negotiable Instruments Act 1881.
- Q.9** Distinguish between a public limited company and private limited company.

PART- C

- Q.10 Read the following case study and answer the questions (20 Marks)**

Mohan sold 150 quintals of wheat to Sohan on immediate delivery basis. The payment was made by Sohan by cheque of Rs. 3 Lacs. The cheque was dishonoured upon presentation in Bank. Mohan had given a delivery order to Sohan. Sohan resold wheat to Rohan a buyer in good faith; for consideration, endorsing the delivery order to him. Here Mohan refuses to deliver the goods to Rohan on the ground that payment is not made. Considering the above situation, kindly give answer of the following questions.

- (1) Can Rohan claim delivery of the goods?
- (2) Is Sohan's title defective?
- (3) Can Sohan pass title better than what he himself has?
- (4) State name of the item and quantity sold by Mohan to Sohan.
- (5) Provisions of which Act apply in the above transactions.