



INDIAN INSTITUTE OF MATERIALS MANAGEMENT

Dec 2023

Post Graduate Diploma in Logistics & SCM
Post Graduate Diploma in Materials Management - 2 years
PAPER No.7 (enrolment code –CPM, CPS)

PAPER No. 6(enrolment code- PMM,PSM, CMM,CSM) [OFFLINE EXAM]
Business Law

Date : 09.12.2023
Time : 10.00 a.m to 1.00 p.m.

Max. Marks : 70
Duration : 3 Hrs.

Instructions:

1. From Part A – answer all questions (compulsory). Each sub questions carries 1 mark. **Total : 20 Marks**
2. From Part B – Answer any 3 questions out of 5 questions. Each question carries 10 marks. **Total :30 Marks**
3. Part C is a case study (compulsory) with questions. Read the case study carefully and answer the questions **Total: 20 Marks**

Part – A

(20 Marks)

(Attempt all questions. Each sub question carries 1 mark.)

Q. 1 Choose the right option:

(5 marks)

- i. Which of the following is not a source of law:
(a) English Mercantile Law (b) Statue Law (c) Police Law (d) Case Law
- ii. A contract that is dependent on the happening/non-happening of future uncertain event, is a contract:
(a) Uncertain (b) Contingent (c) Void (d) Voidable
- iii. The contract of Sale of Goods contains the following terms/stipulations regarding the:
(a) Quality of goods (b) Price (c) Mode of payment (d) All of these
- iv. The minimum fine that is imposed on a company for not filing the Annual Return with the ROC is:
(a) INR 10 K (b) INR 50 K (c) INR 1.00 L (d) INR 5.00 L
- v. How many days notice is mandatory for a company for its members for a scheduled meeting:
(a) 10 days (b) 15 days (c) 21 days (d) 31 days

Q.2. Fill up the blanks:

(5 marks)

- a. An LLP is a corporate body which may be set by any _____ or more persons.
- b. A _____ is a legal relationship between persons who have agreed to work together to perform business activities.
- c. The _____ consists of laws that are designed to ensure the rights of consumers.
- d. The majority of _____ % votes is required to pass a special resolution.
- e. The person who makes a “Bill of Exchange” is _____.

Q. 3 Expand the following:

(5 marks)

- (a) CGST (b) UTGST (c) EGM (d) ROC (e) NI Act

Q.4 State whether True or False:**(5 marks)**

- (a) The person to whom the amount mentioned in the Bill of Exchange is payable is called "Drawer".
- (b) A partner in a partnership firm has the right to access the accounts.
- (c) An agreement is a promise/set of promises forming the consideration for one party.
- (d) Void and Voidable Contract are one and the same thing.
- (e) In India the law pertaining to "Trademarks" are governed by the Consumer Protection Act 1986.

PART B**[Total 30 marks]****Answer any THREE out of the following five questions : (10 Marks each)****Q. 5. Write short notes on any two of the following:****(2x5 = 10 marks)**

- (a) Negotiable Instrument Act 1881
- (b) Sale of Goods Act 1930
- (c) The Consumer Protection Act 1986
- (d) Goods and Service Tax

Q 6. Write briefly on the (a) "Rights and duties of a Bailee".**(10 marks)****(b) Intellectual Property Rights.****Q.7. Explain features of (a) Public Limited Company.****(10 marks)****(b) Limited Liability Partnership.****Q.8. Explain the (a) Rights of a Pawnee.****(2x5 = 10 marks)****(b) Pollution Control and Environment Protection Act.****Q. 9 Write short notes on the following:****(2x5 = 10 marks)**

- (a) Corporate Governance Guidelines followed in India.
- (b) Rights of a Consumer.

PART C [Compulsory]**[20 Marks]****Q.10. Read the case-study below and answer the questions:**

Mr. A deals in the Jewellery business. He sells a ring to Mr. B - who is his close friend – at a low price. B purchased the ring from A , thinking that the ring is made of real gold. A knows that B believes it to be real gold and that B is not aware of the truth at the time of the purchase, but A does nothing to correct B's impression. After some time, B discovers that the ring is a mix of silver and gold. He now wants to cancel the contract.

However, B cannot cancel the contract. The role of 'Caveat Emptor' applies here. The term caveat emptor means 'let the Buyer beware'. It is not the part of the Seller's duty to point out the defects of the goods that he offers for sale, rather, it is the duty of the Buyer to satisfy himself about the quality as well as the suitability of the goods being bought by him.

QUESTIONS:

- I. Do you think that the doctrine of 'caveat emptor' facilitates no implied warranty or condition for the quality of the goods on Seller under the Contract of Sales Act ?
- II. What could be the expected duties of the Seller & Buyer in this case?
- III. Can the Buyer return the ring?
- IV. Can the Buyer file a case for claim for the loss he suffered?