



INDIAN INSTITUTE OF MATERIALS MANAGEMENT

June 2023

Post Graduate Diploma in Logistics & SCM Post Graduate Diploma in Materials Management - 2 years

PAPER No.7(enrollment code –CPM, CPS)

PAPER No. 6(enrollment code- PMM,PSM, CMM,CSM)

Business Law

Date : 10.06.2023

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 outof 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 appropriate option:

(5 marks)

1. Copyright is valid for the lifetime of the author and the minimum of _____ years after the death of the owner.
a. 30 years b. 40 years c. 50 years d. 60 year
2. Which of the following comes under the Companies Act 2013?
a. Banking company b. Insurance company c. Power company d. All of the above
3. Within how many days of the communication of the order of the CCI, the aggrieved person can file an appeal to Supreme Court?
a. 60 days b. 30 days c. 90 days d. 150 days
- 4.The number of parties in a chequeis
a. two b. three c. four d. six
5. The number of categories into which the rights of a surety can be classified is
a.two b. three c. four d. six

Q.2: Fill up the Blanks:

(5 marks)

- a. Common Law is a set of rules and principles of _____ law established from judicial decisions.
- b..A partner is said to be _____ when he is unable to pay off the liabilities that are due on him.
- c. Trade draft refers to a bill of exchange issued by an _____.
- d. No person registered under GST can transport goods worth more than Rs. _____ without an EWB.
- e. Information Technology Act 2000 came into force to tackle issues related to E-Commerce such as _____ crimes and other related activities.

Q.3 Expand the following.

(5 marks)

- a.LLP b. NAFTA c. GATT d. AGM e. CCI

Q.4. State whether true or false:

(5 marks)

- a. A precedent is a set of legal principles established from prior court cases.
- b. Immovable goods also can be bailed.
- c. There need not exist a mutual agency relationship among the partners.

d. Equity shares are also called ordinary shares.

e. According to Sale of Goods Act, Goods means every kind of movable property other than actionable claim and money.

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. Main sources of law
- b. Contract of guarantee
- c. Trade Marks Act 1999
- d. Anti-competitive agreements

Q.6 .(a). Explain the features of contract of sale of goods.(5 marks)

(b). Give five exceptions to the rule of ' Nemo dat quod non-habet'(5 marks)

Q7(a) Explain the salient features of partnership (5 marks)

(b) Explain the meaning and features of negotiable instruments. (5 marks)

Q.8.(a). Discuss the rights of a consumer under the Consumer Protection Act 1986.(5 marks)

(b). Explain the concept of geographical indications (GIs) with five examples.(5 marks)

Q.9.(a). Explain at least 6 important features of a company. 2x5= 10 marks (5 marks)

(b). Explain the features of Right to Information Act, 2005.(5 marks)

PART C [Compulsory]

[20 Marks]

Q.10. Read the case-study below and answer the questions:

Mr. Yuvi is a director of MYT Ltd., and was appointed on 1st April 2013. The terms and conditions of his appointment held that in case of absence of profits or inadequacy of profits of the Company in a particular financial year, Mr. Yuvi shall be paid remuneration in accordance with Schedule V of the Companies Act 2013. MYT Ltd., incurred heavy losses during the financial year ending 31st March 2017. The effective capital of the company stands at Rs.150 crores. Although the Company was not in a position to pay remuneration to the directors, Mr. Yuvi was paid remuneration of Rs.50 lakhs for that financial year as it was paid to the other directors of the company.

The accountants of the company held that the remuneration payable to the managerial personnel is linked to the effective capital of the MYT Ltd., in accordance with the Section II of Part II of Schedule V to the Companies Act, 2013. In case during the tenure of service of a managerial personnel, a company has no profits or inadequate profits, it can without the approval of the Central Government, give managerial remuneration not exceeding Rs. 120 lakhs if the effective capital of the company is Rs.100 crores and above but less than Rs.250 crores. The accountants considered the payment of Rs.50 lakhs to be accurate on the ground that Mr. Yuvi was entitled to a remuneration of Rs.120 lakhs during the financial year; and the payment of remuneration in accordance with the schedule V was also provided in terms of his employment.

Questions:

- a. Is the Central Government approval required in the above case?
- b. Was the payment of managerial remuneration valid?
- c. Would a higher remuneration of Rs.100 lakhs, if paid, have been valid?
- d. What is effective capital of a company?
- e. Is Schedule V of the companies act 2013 applicable to a private company?