



INDIAN INSTITUTE OF MATERIALS MANAGEMENT

Post Graduate Diploma in Logistics & SCM
Post Graduate Diploma in Materials Management - 2 years
PAPER No. 6(enrolment code- PMM, PSM, CMM, CSM)

JUNE 2025

Business Law

Date : 14.06.2025

Max. Marks : 70

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

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. The year when Sale of Goods Act came in force in India:
(a) 1947 (b) 1956 (c) 2014 (d) None of these.
- ii. The year in which Negotiable Instrument Act was introduced in India:
(a) 1950 (b) 1965 (c) 1881 (d) 1972
- iii. Which among the following comes under the company's Act 2013;
(a) Insurance Cos. (b) Banking Cos. (c) Power Cos. (d) All of these.
- iv. The minimum number of persons required to formulate a Pub. Ltd Co:
(a) 50 (b) 7 (c) 100 (d) Any number
- v. The maximum number of members in a private company can be:
(a) 20 (b) 30 (c) 50 (d) 60

Q.2 Fill in the blanks with appropriate word(s):

(5 Marks)

- a) A company incorporated outside India but doing business in India is called a _____ Company.
- b) The process of arbitration is governed by the _____ Act.
- c) Articles _____ & _____ of the Constitution of India addresses the competition law.
- d) A contract of sale of goods may be absolute or conditional according to the desire of _____ & _____.
- e) An Agent performs all the acts and duties on behalf of the _____.

Q.3 Write the full form of the following abbreviation:

(5 Marks)

- a) LLP (b) IPR (c) ICAI (d) BODs (e) CCI

Q. 4 State whether True or False:

(5 Marks)

- a) The Company Act 2013 shall be applicable to all the companies incorporated under the Co's Act 2013 and under previous Company laws.
- b) The bank on which the cheque is drawn is Drawer.
- c) The person to whom the Holder transfers or endorses the cheque is Endorser.
- d) There is no authority with the Bailee to sell the goods that are bailed.
- e) The Legal Valid consideration may move from a person who is not a party to the contract.

PART - B**[30 Marks]**

Answer any THREE questions out of the following: (10 Marks each)

Q. 5 Explain the composition, powers and duties of the Competition Commission of India? **(10 Marks)**

Q. 6 (a) Explain the Doctrine of Ultra Vires and the Doctrine of Indoor Management. **(5 Marks)**
(b) Explain the rights of the shareholders as per the Company's Act 2013. **(5 Marks).**

Q. 7 (a) What is a trademark? What are different functions of a trademark? **(5 Marks)**
(b) What is copyright? Write down different categories of copyright? **(5 Marks)**

Q. 8 (a) What are the main features of Negotiable Instruments? **(5 Marks)**
(b) What do you mean by bill of exchange? Give an example, What are its common features ? **(5 Marks)**

Q.9 Differentiate between an agreement to sell and sale? What are the features of a hire purchase agreement? **(10 Marks)**

PART – C (Compulsory)**[20 Marks]**

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

XYZ Pvt Ltd was a paper manufacturing company that came into existence on 14th January 2009. It wanted to align its corporate governance practices with its vision statement to form the identity of the organization. The corporate governance practices at XYZ Pvt Ltd were comprehensive set of guidelines on ethics, transparency and spirit de corps i.e. team spirit. The organization's vision statement said that "*Our foundation comes from our tradition of values, oneness and reality.*" A few years after the establishment of organization, the aforesaid guidelines were reflected in its professional environment. The employees at XYZ Pvt Ltd not only started obeying these attributes of the value statement at the workplace, but also in their personal lives. Ten years down the line, the organization's financial health started deteriorating because the government had put a ban on cutting forests. Within a year its profit went down by 30%. The organization did not disclose the reason for the loss as the senior management was not answerable to the employees who were below them in the hierarchy. The stakeholders became unsure about the future of the organization. In addition, the share price of the organization started declining at the rate of 10% per annum.

At this particular point of time, a meeting was called by the CEO of the organization and it was decided to reframe the vision statement of the organization according to the guidelines given by The Organization for Economic Co-operation and Development (OECD) since the earlier vision statement had not included some of the most crucial practices of corporate governance.

QUESTIONS:

1. Were the objectives framed according to the corporate governance guidelines followed in the paper industry? **(10 Marks)**
2. Do you think ignorance of corporate governance leads to financial deterioration of XYZ Pvt Ltd? **(10 Marks)**
