

PGDM (RM), 2019-21
Legal Framework of Retail Business
RM-505

Trimester – V, End-Term Examination: December 2020

Time allowed: 2 hrs 30 min

Max Marks: 50

Roll No: _____

Instruction: Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**.

Sections	No. of Questions to attempt	Marks	Total Marks
A	Minimum 3 question with internal choices and CILO (Course Intended Learning Outcome) covered.	3*10	30
B	Compulsory Case Study with minimum of 2 questions	20	20
Total Marks			50

Section A

Note: Answer any three questions each question carries equal marks. (10 x 3 = 30)

A1a. The fundamental attribute of retail business unit requires certain approvals and licenses to make it a legal entity in accordance with laws of the land.” Elucidate the statement.

CILO-1)

OR

A1b. “Retail business laws are in its formation or formalization stage in India”. In the light of this statement elaborate on the nature and type of the concerned retail business laws available in India. (CILO-1)

A2a. (i)“A retail business firm has two dishonest clerks. They stole the cheques issued by the firm of their customers having similar name as theirs. Later they transferred it to their respective accounts in a reputed bank. The cheques were crossed in favour of the concerned similar named clients.” In the light of this case discuss the different types of ‘crossing of the cheques’ and the available remedies to the affected parties. (CILO-2) and (ii)“Every agreement in a retail business is a contract but every contract is not agreement.” Comment. Also if a seller is left unpaid by the buyer willfully then what are the remedies available to the seller? (CILO-2/3).

OR

A2b. (i) Discuss the deference between 'Condition' and 'Warranty' under the provisions of Sale of Goods Act, 1930? Also state the important features of a sale deed used in retail business. (CILO 2/3) And

(ii) 'Holder and Holder in due course of a negotiable instrument have different commercial status', In the light of this statement distinguish the legal rights of these two holders . Explain the salient features of Negotiable Instruments Act 1881. (CILO-2)

A3a. Elaborately state the essential features of the consumer protection act 2019. Also briefly discuss the punitive jurisdiction of redressal forums under consumer protection Act 2019 with its latest amendments? (CILO-4)

OR

A3b Shivendra a retail consumer purchases a high end luxury car from an Audi showroom located in Mumbai. The high end model costed him 1.25 cr on road. The company gave a five-year warranty of post-sale services on this vehicle. After two months from the date of purchase the car developed some engine related problems, that could not be rectified by the dealer after several visits. In one visit one of the service engineer informally reported a manufacturing defect in the engine of this car. State the remedies available to the customer under the new consumer protection act 2019. (CILO-4)

Section B

Note: Analyze the following case and answer the questions therein.(CILO-2/5) (10x2=20)

B1. M/s ABC (P) Limited purchased goods of Rs.1,00,000 plus GST of Rs.18,000 (@18% of Rs. 1,00,000) in order to re-sale the same. The Company paid the total purchase consideration of Rs.1,18,000 to supplier of goods. Subsequently, M/s ABC (P) Limited sold whole goods to a customer with a value of Rs.2,00,000 plus GST of Rs.36,000 (i.e.@18% of Rs.2,00,000). Assumed that M/s ABC (P) Limited is a registered Taxable person under the CGST ACT 2017.

You are required to determine the following in the hand of M/s ABC (P) Limited.

(i) Find out the actual cost of purchase of goods.

- (ii) Find out the amount input tax credit.
- (iii) What is the gross GST liability?
- (iv) Calculate the net GST liability after taking ITC benefit.
- (v) Based on the case study, why GST is called a value added tax?

B2. The Competition Commission of India has found search giant Google guilty of abusing its dominant position in India and imposed a penalty of Rs.136 crores, according to the order posted on its website. The penalty amounts to 5 percent of Google's average total revenue from India operations in the last three years. The case against Google dates back to 2012 when Bharat Matrimony, now known as matrimony.com, and Consumer Unity & Trust Society (CUTS) had complained to the competition regulator about Google's anti-competitive behaviour. The internet giant provides online search services and online advertising business, namely AdWords and AdSense. The complainants had submitted to the CCI that Google is dominant in both online general web search services and online search advertising services market in India. During the course of investigation, Facebook, Flipkart, Make-my-Trip.com and several other entities submitted that Google is abusing its dominant position in India.

Based on the facts, kindly explain the followings:

1. What is anti-competitive behaviour in the market?
2. What is the meaning of the term Abusing of dominant position?
3. How google abused its dominant position in the market?
