

PGDM (RM), 2014-16

Legal Framework for Retail Business

RM-401

Trimester – IV, End-Term Examination, September 2015

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**. In case of rough work please use answer sheet.

Sections	No. of Questions to attempt	Marks	Marks
A	3 out of 5 (Short Questions)	5 Marks each	3*5 = 15
B	2 out of 3 (Long Questions)	10 Marks each	2*10 = 20
C	Compulsory Case Study	15 Marks	15
		Total Marks	50

Section A

[3*5=15]

Note : Answer any three question each carry equal marks.

1. Elaborate different kinds of 'Licences under Retail Business' on the basis of its relevance in the present format of business.
2. "A builder after constructing 10 floor of a 15 storey building was stopped from further continuing the contract" Can this situation be considered under breach of contract? Also discuss available remedies under Indian Contract Act 1872.
3. As per the negotiable instrument Act, 1881, how is the term Crossing of Cheque defined under this act?
4. Define 'Commercial Establishment', 'Retail Trade or Business' and 'Shops' as per UP Shops and Establishment Act 1962?

Turnover

5. How are 'Consumer Protection Councils' different from 'Consumer Redressal Forums/Commissions'? Also briefly discuss unfair trade practice and restrictive trade practice as discussed under this Act.

Section B

[2*10=20]

Note: Answer any two questions each carry equal marks

1. Elaborately discuss the essential elements of a valid contract with reference to retail business? What are the remedies available for a breach of contract under the Indian Contract Act, 1872?
2. Elaborate the provision of dishonour of cheque for insufficiency, etc., of funds in the accounts under the Negotiable Instruments Act 1881 (As Amended by 2009 Act)?
3. Define the term 'Restrictive Trade Practices' and 'Unfair Trade Practices' as discussed in Consumer Protection Act, 1986?

Section C

[3*5=15]

Note: Give your answers for the following case:

Dharma Plastics Ltd., Ghaziabad (U.P.)

Dharma Plastics Ltd., Ghaziabad (U.P.) is a factory attached with a retail store. Primarily dealing with manufacturing and retailing of plastic jars and kitchenware, it is also involved in some inter and intra state sales and purchases. It employs 250 regular and 58 casual workmen. In its retail store it employs 60 staff members including 12 managers and rest at different non executive levels. Manoj is working as a cook in its pantry, he has just now attained the age of 13 years. The manager asks him to bring two persons approximately of his age for some other related issues connected with the retail store. Mr Manoj brings his friend Mahesh and Sunil who are 12 and 15 years old respectively, who were subsequently inducted in the store. Later the ALC (Additional Labour Commissioner) and the Sales Inspector visited the same unit and identified certain discrepancies in its functioning which requires some clarification.

- I. What all acts are applicable in this unit?
- II. What are the different forms of licenses required by this unit?
- III. Discuss the employability status of both the individuals in light of provisions discussed under the UP shops and establishment act?
