

PGDM (RM), 2013-15  
Legal Framework for Retail Business  
RM-401

Trimester – IV, End-Term Examination, September 2014

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
		<b>Total Marks</b>	<b>50</b>

**Section A**

**[3\*5=15]**

**Note :** Answer any three question each carry equal marks.

1. Define 'Commercial Establishment', 'Retail Trade or Business' and 'Shops' as per UP Shops and Establishment Act 1962?
2. "Every promise or every set of promises forming consideration for each other". explain
3. "A builder after constructing 5 floor of a 10 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.
4. Define the term 'Restrictive Trade Practices' and 'Unfair Trade Practices' as discussed in Consumer Protection Act, 1986?
5. 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)?

**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 quasi-contracts? Discuss the quasi-contracts dealt under the Indian Contract Act, 1872?

2. Elaborately explain the essential elements of the consumer protection act 1986. How are 'Consumer Protection Councils' different from 'Consumer Redressal Forums' ? Also briefly discuss unfair trade practice and restrictive trade practice as discussed under this Act.
3. What are the characteristics of negotiable Instrument? Discuss the 'privileges' of 'holder' and 'holder in due course' by applying the provisions of the Negotiable Instruments Act, 1881?

Section C

[3\*5=15]

**Note: Give your answers for the following cases:**

1. A dealer ABC in Delhi purchases goods in Delhi for which he pays `4800' as input tax. He makes a sale in Delhi for which the tax is `1800'. He also makes an inter-state sale to another dealer situated outside Delhi for which the CST is `6000'. What is the DVAT and also final amount of tax payable after adjustment?
2. Mr. Manoj is working as a cook in restaurant, he has just now attained the age of 13 years. The restaurant owner asks him to bring a person of his age for some other related issues connected with the restaurant. Mr Manoj brings his friend Mahesh who is 15 years old, discuss the employable status of both the individuals in light of provisions discussed under the UP shops and establishment act?
3. Shifting of Weekly off (Shops and Establishments Act)

In March, 2010 the UP government's labour department has notified the closing of all shops in the city on Wednesdays. This implies that the largely unorganised, semi skilled and unskilled workers employed in many shops and malls in Noida will get their weekly off on Wednesdays. However, the labour commissioner stated that they would not mind allowing to keep their shops opened 24\*7, only if they strictly adhere to labour laws. "They must follow the laws so far as following the outer limit for working hours in a week. They must give wage for extra time as laid down in the laws. At any cost, no employee should be exploited. In those conditions we can relax the opening of shops."

"This is a conscious decision. The earlier proposal of closing shops on Sunday was opposed by the stakeholders as they argued that their sale is much better on official holidays. Hence, from now onwards, our officials will initiate action against the violators," he said. The labour Commissioner said "if the employers feel that Noida is recognized globally, the citizens must follow the best practices." He said that this move is aimed at regulating the working of shops and not to discourage them.

Discuss the above decision with respect to the provisions of The shops and Establishments Act. In case some shopkeepers decide to keep their shops open on Wednesdays, what are their obligations towards the employees? What are the likely restrictions?

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