

PGDM (RM), 2017-19
Legal Framework for Retail Business
RM-501

Trimester – V, End-Term Examination, December 2018

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. Define 'Commercial Establishment', 'Retail Trade or Business' and 'Shops' as per UP Shops and Establishment Act 1962?
2. 'Quasi-contracts have an important role in retail business'. Elaborate?
3. 'A builder after constructing 5 floor of a 10 storey Mall was stopped from further continuing the contract' what his rights and duties under Indian Contract Act 1872.
4. "Retail business involves various 'Restrictive Trade Practices' and 'Unfair Trade Practices' as discussed in Consumer Protection Act, 1986" Explain.
5. 'Dishonour of cheques for insufficiency of funds etc. in account is now a criminal offence' 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. "All contracts are agreement but all agreements are not contract". Explain. Also elaborate the essential elements of a valid contract with reference to retail business?
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.

[Turn over]

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

[15 Marks]

Note: Give your answers for the following cases:

1. Goods and services Tax (GST), the biggest India's indirect tax reform, has implemented in India with effect from July 1, 2017. It will create a common market in India by replacing 17 indirect taxes with one tax. It is expected to add up significantly to the gross domestic products (GDP), once it is implemented successfully and it would create the broaden the tax base, more unorganized sector would fall within it, Information Technology (IT) support would help more transparency of the business and corruption free tax administration. Please answer the following questions: (10 Marks)

- i. Why GST is called one Nation and One Tax?
- ii. Explain the reason of seamless Input Tax Credit (ITC) under GST regime
- iii. How the Composition Scheme helps to SME sector in India under GST regime?
- iv. Is it really helps to reduce the corruption (such as black money) in India? If yes, how?
- v. In retails sector, how it impacts on supply chain management?

2. Shifting of Weekly off (Shops and Establishments Act)

(5 Marks)

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?