
UNIT 18 LEGAL AND SECURITY ISSUES IN RETAIL

Objectives

After going through this unit, you should be able to:

- to appreciate the existing legal complexities and need for new measures in the retailing sector;
- to understand the existing legal framework under which the retailing activities must be conducted; and
- understand the security issues and solutions in retailing.

Structure

- 18.1 Introduction
- 18.2 The Existing Legal Issues Affecting Retailing in India
 - 18.2.1 The Implication of VAT Regime and Overview of Retailing Legal Norms in the West
- 18.3 The Legal Acts Applicable to the Industry
- 18.4 Security Issues in Retailing
 - 18.4.1 External Security
 - 18.4.2 Internal Security
 - 18.4.3 Data Security
- 18.5 New Trends in Security-Retailing
- 18.6 Summary
- 18.7 Key Words
- 18.8 Self Assessment Questions
- 18.9 Further Readings

18.1 INTRODUCTION

The retailing sector has grown in India even though it has not been formally accorded the "industry status" by the government of India. This evolution as you would appreciate has not been easy in view of the multiple clearances/ licenses(10-20) required by large format stores in particular from multiple government agencies than having to deal with a single clearing agency/body.

18.2 THE EXISTING LEGAL ISSUES AFFECTING RETAILING IN INDIA

The lack of clarity in legal issues facing the industry currently now are related to real estate, work-force, lack of industry status, complex taxation system, multiple legislations and certain other issues which you will come across during the course of this unit.

Real estate

- lack of legislation for creating uniform stamp duties on transfer of property.



- the replacement of the urban land ceiling act and rent control acts has resulted in heavy distortions in property prices thereby threatening to slow down the availability of quality space in major cities.
- the spectre of property disputes arising on account of shallow pro-tenancy laws, land use conversion, skewed urban planning projects and zoning laws can have dampening effects on the growth of this dormant industry.

Work-force

The existing labour laws governing working hours are not amenable to the needs of the industry as to operate for longer hours there is need for multiple shifts where-in temporary staff can not be hired under current laws.

Lack of industry status

The lack of industry status coupled with FDI not being permitted has restricted the availability of finance, scale up of operations, adaptation of best practices.

Complex taxation system

The prevalence of different sales tax rates across states, multi point octroi, sales tax evasion by smaller players has resulted in cost escalation and complexity of distribution.

Multiple legislations

The multiple licenses/clearances required for setting up retail operations has limited the operational flexibility of existing retailers.

Activity 1

Talk to a few retailers in you neighbourhood market selling FMCG and durable goods. Discuss with them to understand the legal issues affecting their business.

.....

.....

.....

.....

.....

.....

18.2.1 The Implication of VAT Regime and Overview of Retailing Legal Norms in the West

VAT (Value Added Tax)

As you are aware that value added tax system replaced the existing state sales tax system since June-2005 which will have major ramifications for retailers across categories as they can design and implement their operations with an national footprint approach keeping in mind the sourcing and movement of products across stores.

Under the VAT regime most items attract a general VAT rate of 12.5%; which means that nearly all items currently falling in the sale tax brackets of 8-12% will be reassigned to the 12.5% VAT rate. Further the industrial inputs and essential goods will attract a 4% VAT, a rate that is roughly similar to current rates for most items.

Therefore the retailers who are dealing in commodities that are in 8% bracket are greatly concerned as their items would be taxed at 12.5%, these include milk products, tea, coffee, toothpaste etc.



Further there is a strong possibility that prices will remain stable after shift to the VAT regime. The 8-12% sale tax is only the minimum stipulated floor rate as most states levy sales tax at far higher rates.

Thus VAT is expected to simplify a variety of imports-sales tax, work contract tax, lease tax, entry tax, purchase tax, turnover tax and additional excise duty-the final incidence of tax on most commodities would not be substantially different when the effect of all these taxes is discounted.

For example: Southern and western states in India levy taxes at rates higher than the minimum sales tax rates in other parts of the country.

In Gujarat 12% sales tax is levied on milk products and 15% on tea, coffee whereas Maharashtra levies a 13% tax on bulbs and tubelights.

Similarly A.P and Kerala levy a 20% tax on pastes (food and culinary segment) and Tamilnadu imposes a 16% tax on the item.

Thus you would agree that implementation of VAT will do away with the price cushioning that is implicit in the current minimum retail system as the incidence of taxes paid in the entire chain would be clearly documented.

As and when the domestic retailing sector is formally accorded industry status, new measures for retail decisions can be drawn from experiences in the developed countries across the following areas/factors.:

1) **Legal structure of regulatory environment**

- Governmental organizations role-play defined.
- Regulatory instruments-clarity of purpose stated.

2) **Legal aspects of retail competition**

- Controlling unfair trade practices
- Defining what constitutes restraints of trade and passing legislations to prevent monopolistic behaviour through pricing discrimination, exclusive contracts, management control etc.

3) **Legal aspects of retail operations**

- Laws governing store organization (vertical integration/horizontal integration) and ownership norms.
- Personnel management laws governing discrimination, working conditions, compensation for workers and unemployed on grounds of being laid off or fired.
- Store facilities laws determining building codes, zoning ordinances, licensing requirements and operating regulations.

4) **Legal aspects of retail merchandising**

- Product legalities covering guarantees, warranties, liabilities and authorisation.
- Pricing legalities on aspects of price discrimination, price fixing and solicitation.
- Promotion legalities governing deceptive sales, price and product advertising.
- Distribution legalities governing exclusivity contracts, territories, anti-competitive leasing arrangements so on.



Activity 2

Make a visit to a few retailers in your area and discuss with them the implications of VAT on their business.

18.3 THE LEGAL ACTS APPLICABLE TO THE INDUSTRY

We are all aware of the fact that a host of legislations govern the retail industry. Let us briefly understand the provisions of each and the way they impact the retail business.

Currently the nascent stage of retailing sector is governed by the following acts / license requirements about which you should be aware of:

1) The Shops and Establishment Act

This act, in essence a state legislation seeking to regulate working conditions of workers in the largely unorganized sector.

This includes all type of shops and establishments which do not fall under the purview of the Factories Act Regulations.

It deals with rules and regulations regarding working hours, recess, overtime, holidays, termination of services, working environments of shops, other rights and obligations of the employer and employees so on.

Further it provides for provisions wherein compulsory registration of the shop/ establishment within 34 days of operational commencement and intimation of closure within 15 days of closure is mandatory.

Thus the objective of this act we infer is to provide statutory obligation and rights to employees and employers primarily in the unorganized sector.

2) Sales Tax Act

This act states that a dealer who is engaged in activity of manufacturing, importing, buying and selling of goods needs to register under the Bombay Sales Tax Act, 1959.

The following are the requirements for registration:

- Showing the books of account and statement of sales/purchases.
- Proof of partnership deed/memo of articles of association.
- Rent receipts of place of business and residence.
- Proof of identity (ration card/driving license etc.)
- Photos duly attested, certificate/license under the Municipal Act, Factories Act, shops and establishments Act etc. as applicable.
- Copy of the assessment order under income tax if any.
- Court fee stamp on CST registration application and any other details to prove the genuineness of the applicant.



The benefits of registration are as follows:

- Entitlement to collect sales tax paid .
- Exemptions on tax for purchases made.
- Incentives in the form of sales tax exemption; preference for govt. and semi-govt. contracts given.

The turnover lists above which the sales tax has to be paid depend on whether one is a manufacturer, importer or dealer of any other product.

This is in the range of Rs. 10,000 - Rs. 2,50,000 depending on the type of applicant.

3) **The Consumer Protection Act, 1986**

This act was legislated to provide protection to consumer interests through consumer councils for settlement of disputes and other relevant issues.

It bestows the following rights on the consumer as per Consumer Protection Act:

- The right to be protected against marketing of goods and services, hazardous to life and property.
- Right of information on quality, quantity, potency, price to protect the consumer against unfair trade practices.
- The right to have access to variety of goods and services at competitive prices.
- The right to be heard and seek redressal for his grievances at appropriate forums against exploitation by manufacturers or retailers.

4) **The prevention of Food Adulteration Act, 1954**

This act aims at making provisions for the prevention of adulteration of food. The definition of adulterated food can be any of the below instances:

- If the article contains any substance affecting the quality or nature, substance that is injurious to health.
- If the article has been kept, prepared, packed under insanitary conditions whereby it is so processed as to effect its nature, substance or quality.
- If it so coloured, flavoured, coated, powdered so as to conceal any damage to article.
- If false claims are made for it upon label.
- If it is being represented as being for special dietary uses without label bearing the dietary information.
- Unit sale price of the commodity and sale price of that particular package.

5) **The standard of Weights and Measures Act, 1976**

This act was enacted to establish standards of weights and measures, regulating inter-state trade or commerce in weights, and measures.

Thus when commodities are sold or distributed in packaged form in the course of inter-state trade or commerce, it is essential that every package must have:

- plain and conspicuous declaration thereon. showing the identity of the commodity in package.



- quantity in terms of standard units of weights and measures.
- names of the manufacturer and also of the packer or distributor to be mentioned.
- no one will sell any packaged commodity at a price exceeding the MRP or above the revised rate.
- where the revised prices are lower than the price marked on the package. The commodity shall be sold at that revised price irrespective of month of packing.
- the manufacturer or packer shall not alter price on a wrapper once printed and used for packaging.

Further for packed commodities into India the following is mandatory:

- Name and address of the importer. Generic or common name of the commodity packed.
- Quantity in terms of standard unit of weight and measure without applying standard sizes prescribed under the third article.
- Month and year of packing in which commodity is manufactured or packed or imported.

The above requirements can be undertaken through label printing, additional wrapper with the relevant information made available.

6) The Sale of Goods Act, 1930

This act governs the contracts relating to sale of goods. It is subject to the general principles of the law relating to contracts.

A contract of sale of goods is a contract whereby seller transfers or agrees to transfer the property in goods to buyer for a determined price.

Thus a "sale" must be distinguished from an "agreement to sell" since the legal implications of the two terms are vastly different.

Further the conditions and warranties offered by the seller to the buyer may be expressed or implied by law or custom by the following:

- condition as to title
- condition as to description
- condition as to quality or fitness
- condition as to merchantability
- condition as to wholesomeness
- condition implied by custom or trade usage
- conditions in sale by sample
- conditions in sale by sample as well as by description.

Warranties

A condition becomes a warranty under the following cases:

- the buyer waives conditions or opts to treat breach of the condition as breach of warranty.
- the buyer accepts goods or a part thereof, is not in a position to reject goods.



Thus there are aspects of **implied** warranty of **quiet possession and freedom from encumbrances**.

7) **The Essential Commodities Act, 1955**

This is an act to provide the consumer, for the control of production, supply, distribution trade and commerce in certain commodities.

A listing of the essential commodities are as follows:

- cattle fodder, oil cakes and other concentrates
- coal including coke and other derivatives.
- cotton and wollen textiles.
- food stuffs including edible oilseeds and oils.
- iron and steel, paper products, petroleum products etc.

Further this act confers powers and imposes duties upon central government I state governments to ensure the availability of the above listed products.

In addition this act provides powers to collectors to take action if there is confiscation of any of the mentioned essential commodities.

8) **The Factories Act**

This act requires that any retail establishment having more than 40 employees (permanent/temporary) needs to get registered under the Factories Act and not under shops and Establishment Act.

9) **Professional Tax Act**

This act requires that any retail establishment having full time employees obtains a license from the local Municipality or corporation office.

10) **Service Tax Act**

This act requires that any retailer providing transportation services needs to obtain a license from the local excise department.

12) **Labour Act**

This act is applicable to any retail establishment employing individuals permanently/temporarily. The enforcement of this falls under the jurisdiction of the area labour officer.

13) **Public Provident Fund Act**

This act is applicable to any retail entity employing ≥ 10 employees where the retailer is bound to maintain a separate provident account (with equal contributions from employer and employee) with the Central Provident Fund department/organisation.

14) **Employee State Insurance Act**

This act states that any organization having more than 10 employees needs to have license from the local ESIC office.

15) **The Employees' Provident Funds & Miscellaneous Provisions Act**

This act states that any organization having more than 20 employees needs to maintain a provident fund account with regional provident fund office.



Some of the other aspects that the retailer needs to take care pertains to obtaining licenses from the local Fire Department, Water board and Electricity Department, having a Income tax (PAN) account and TAN account.

Further the following aspects need to be taken into account by the retailer:

- Whether the architectural design needs to meet the municipal corporation guidelines.
- Property agreements-irrespective of the fact whether the property is bought or taken on lease the following things must be checked.
- Check the terms of occupancy with respect to whether the lease terms are stated in favour of the landlord.

If the property is being bought then the retailer needs to check for the following:

- Check if the premises is a freehold and not a leasehold one in which case the retailer may have to leave the premises after a couple of years even though it may be an outright purchase deal.
- Cross-check the authenticity of the previous owner; no liens must be there on the premises under question.
- Ensure all the previous dues relating to electricity and water have been paid; the premises has official municipal sanction.

If the property is being leased then the retailer needs to check for the following:

- Other than checking out the authenticity of the owner ensure that sufficient electric load is available to operate the premises; check out if there are any dues of the owner.
- Ensure that there are no restrictions on the movement of customers and the employees at any time of the day.

Further the retailer needs to verify whether the maintenance charges are defined and adequate security is provided by the landlord.

If the retailer is buying a franchise or offering his own franchise the following aspects should be clearly specified in agreements between the two parties:

- The obligations of both the parties with respect to each other.
- The periods of agreement and the fees to be paid along with the tenure of payment.
- The aspect of exclusivity within a specific area to avoid cannibalization of each others sales.
- The exact share of marketing and advertising costs and their modus operandi.
- Lastly an exit clause in case of either party being dissatisfied with terms of the agreement.

Note: India till date do not have its own laws on franchising and thus has to refer to foreign laws when drafting such agreements.

A different aspect of legal issues involve licensed merchandise sold through departmental stores, franchisees wherein the licensee is liable to the retailer (licensor) for infringement/misuse of his brand name/trademark.



Activity 3

Discuss with a few retailers in your neighbourhood location and evaluate their understanding of the legal acts governing their business and the number and type of licenses taken in the light of their line of activity?

.....

.....

.....

.....

18.4 SECURITY ISSUES IN RETAILING

Issues pertaining to security assumes paramount importance in retailing like in most other industries/sectors.

The growth of various retailing formats stocking a range of categories across smaller sized-high value items has meant that security has become a major imperative for retailers.

This has been further compounded by the multiplicity of new stores by retailers resulting in large data generation which needs to be secured by a sound Information Technology (IT) back-end infrastructure.

Security in retailing can be classified under the following major heads:

- External Security
- Internal Security
- Data Security

18.4.1 External Security

As you would concur that with the emergence of malls, huge shopping centers with multi-services like multiplexes, food courts, shopping outlets and other services locational security has become a major issue.

This calls for designing the physical contours/lay-out in such a manner that keeping track of car parking areas, open spaces/piazzas becomes easy for the administration/security staff of the mall / shopping center.

Further the aspect of 24/7 stores or stores working for long hours targetting women in particular makes it necessary that adequate security is in place in terms of approachability to any location within the perimeter of the mall atleast for the security staff.

Thus parking lots especially those underground must have closed circuit televisions, electronic security tags /IDs for vehicle owner authentication. It should be mandatory to have closed circuit televisions even in the perimeter, outside of the shopping areas to keep track of any untoward activities that may occur.

Random or compulsory physical frisking of shoppers should be exercised communicating the need as part of the overall safety needs for all.

18.4.2 Internal Security

The internal security refers to in-store security basically for preventing Instances of shop-lifting, pilferage resulting in commercial loses to the retailer.



As per surveys 43% of store pilferage/shrinkage occurs on account of employee theft, 30% due to shop lifting and remaining on account of mistakes and inaccurate records management.

Internal security mechanisms have the twin advantage of controlling consumer-driven and store staff driven thefts.

Store design: As you would agree that one of the aspects of controlling shrinkage which we need to understand is the store design itself. The following rules or Dos may be judiciously followed while planning store design and layout:

- Small and theft prone items should never be kept near entrances.
- The entrances to trial/change rooms should be visible to as many employees as possible customers should be allowed to carry only one or two items for trials.
- All staff must make it mandatory to leave the store only after having their bags checked at the exit by a senior. A small enclosure near the entrance is must for checkup of all employees.
- The layout of the store should be that the staff gets a full view of an aisle or section of the store from a single point.
- The security room or surveillance room must be located close to the entrance to take immediate action in case of any problem occurrence.
- The check-out counters may be placed in such locations so as to enable the cashiers to act as a second line of security for each of the long aisles in front of them.

Employee screening and training

A compulsory pre-employment screening is mandatory with relevant reference-checks for every prospective employee. Further good training and greater sense of ownership with transparent rewards and appraisal system can go a long way in minimizing employee related theft.

Some of the technology applications used for maintaining internal security are as follows:

- Bar-coding
- Electronic article surveillance
- Electronic shelf labels
- CCTVs(Closed Circuit Televisions)

Infra-red Scanners

The aspect of shrinkage is of major concern to retailers especially for high-priced/small sized products or SKUs.

Retail shrinkage across categories should be less than 1% of annual sales Further for apparel I life-style categories it should be less than, 3% of their annual sales.

This aspect of shrinkage cannot be monitored and controlled through mere technology interventions. It needs to be complemented with non-tangibles, staff training, transparent appraisals, greater role play for them and changing working hours of the staff.

Bar-Coding: Bar-coding is the technology by which a specific numerical code number is automatically transferred to black and white bar codes whose width and size identify each item code.



A bar-coder is used to scan these bar codes whereby the computer automatically reads the item codes.

Bar-coding as we all would appreciate is used in almost every aspect of inventory management in retailing operations right from the point of receiving to the point of selling thereby facilitating tremendous ease of operations apart from increasing the overall efficiency of the retailer.

Bar-coding has yet to be adopted by majority of manufacturers here in India, but the pressure is being built up by the retailers on them to have bar-coding on their packaging foils for facilitating inventory management and tracking old stocks.

Example: It has become a common feature in most of the organized retail chains around the world. In India retailers like Music World, West Side, Big Bazaar, Lifestyle etc. use bar-coding system.

Electronic Article Surveillance: This technology helps those retailing small sized Stock Keeping Units (SKUs) but expensive merchandise which includes garments, shoes, watches, jewellery etc.

Basically it is an electronic tag that must be removed or de-activated at the check-out counter before the item leaves the store front. This means if an individual takes the product out of the store with the tag on it the sensors for detection beep at the exit counter. Further these electronic tags can be removed only by a removal equipment and not by hand or with ordinary tools.

Electronic shelf labels: This technology is still in the infancy which involves labeling of display shelves with electronic indicators connected to the computer network for displaying price changes across products.

These tags are not used in warehouses.

CCTVs (Closed Circuit Televisions): This form of retail security is the most commonly used in the world. It is a network of cameras installed at key locations within the store connected to a central TV. These cameras are fixed or can be rotated. Further these cameras should be covered with an inverted transparent dome so that the direction in which the camera is facing is not visible to anyone.

In certain cases dummy cameras may be used to act as a deterrent to shoplifters.

Example: The use of CCTVs has become a common practice in most of the departmental and super market retail formats in India like Shoppers' Stop, Lifestyle, Food world, Big Bazaar etc.

18.4.3 Data Security

As you would appreciate that data management refers to IT security requirements of the organisation. This includes meeting store-level and head-office level security policies and protocols.

The following are the broad requirements;

- Access level by user
- Recovery management
- Payment gate-ways
- Security audits of IT systems



Access level by user

There should be access level defined as per internal user level of authentication and authorization. Multiple keys should be used with encryption if necessary. Further swipe cards can also be considered for accessing critical information.

Recovery management

It should be part of the IT policy with technical and process documentation so that there is no redundancy and loss of data at any time. Further regular back-ups using data mirroring and storage management solutions need to be used.

The day's transaction back-up and other data relate to inventory/merchandise should be downloaded by the Head Office.

Payment gate-ways

The use of payment gate-ways with digital signatures and encryption standards certified with an authorized agency/firm will take care of on-line payments with respect to suppliers, online-shoppers etc.

Security audits of IT systems

This should be a half yearly/ yearly audit of software (operating system, applications, database), hardware, networking and communications done by any of the reputed IT vendors or certified Quality assessment auditors like PwC, Ernst and Young, Deloitte Consulting etc.

Activity 4

Talk to the operations managers of a few of the prominent retail chains in your city/town and try to understand the security dimensions of the store and how they have been addressed.

.....

.....

.....

.....

.....

18.5 NEW TRENDS IN SECURITY - RETAILING

RFM (Radio Frequency Identification): Radio Frequency Identification is indeed a powerful application for retailing industry as it enables access control and security. It helps in migration from a passive security model to one where active monitoring is made available to the retailer in real time mode.

RFID provides the mechanism for automating the vigilance system for maintaining the enterprise's assets, as the system knows not only what is leaving the premises(whether it is the shelf-racks display or the ware-house) but also can authenticate or enforce rules with respect to who can handle a particular SKU at the warehouse. This facility is unmatched by any other security system currently used.

This is how an RFID system works: A central system/server receives information through a sensory network of RFID devices spread across the facility. This provides an enterprise level controllability and integration with access control, inventory and other IT systems.



For example: "An RFID system can authenticate the kind of laptop that can be carried by persons A, B, C can enter a premises at a point in time. If there are any violations the system will raise an alarm etc."

RFID as of date can be said to be still in experimental phase for retailers world-wide. Retailers like Wal-mart are gradually incorporating it in their retail operations.

Currently the cost of this technology is significantly high for any mass scale use among the retailing fraternity in particular.

Thus the major benefits of RFID are as follows:

- helps in checking the accuracy of price match between price lookup and the shelf label price or product price tag.
- helps in taking a physical inventory count on a frequent and regular basis. helps ascertain price of returned merchandise.
- helps identify low stock levels and automatically record merchandise.
- enables merchandise manager to request out-of-stock merchandise from the distributor center or another store.
- verify electronic invoices for incoming shipments.

Example: RFID technology is currently being pilot tested by big retailers like Wal-mart, Tesco. Marks & Spencer's and a few of the Indian retailers.

Digital signatures (for online retailing): The use of digital signatures using PKI (Public Key Infrastructure) and encryption technology for vendor/suppliers management, though expensive will go a long way in enhancing online security specific to e-commerce transactions.

18.6 SUMMARY

In this unit we discussed the growth of the retailing industry in India which has been hampered by the multiplicity of licenses required from multiple state/central government bodies.

The aspects like inflexible laws pertaining to working hours norms, minimum wage payments, lack of FDI investment, pending industry status recognition, opaque system of comprehensive real estate price determination and innumerable hurdles in acquisition of land which threaten to derail the pace of growth of the industry was also touched upon.

Further we discussed the need to improve the civic infrastructure, amend rent laws, reduce stamp duty, ensure implementation of VAT to plug sales tax evasion, create single point/window for obtaining licenses etc.

Then we went to discuss the role of security in retailing centered around making available External, Internal, Data security in tandem. In external security we discussed the role of creating a congenial atmosphere for shoppers and retailers to monitor against any unwanted activities through use of Closed circuit televisions, electronic security tags /IDs etc.

We also discussed the role of internal security through enhancing the store design, regular employee screening and training, use of technology products like Electronic shelf labels, RFIDs, scanners etc. shrinkage/pilferage.

We then concluded the unit discussing data security which is related to the core IT infrastructure demanding clear demarcation of access roles using system driven authentication, authorization.



18.7 KEY WORDS

Barcode: A series of white and black bars that constitute a symbol that is typically attached to a product or shipping carton.

Counterfeit good: A good that has illegally been using the registered trademark of some other product, thereby deceiving consumers into thinking that the merchandise was produced by the original manufacturer.

Electronic point-of-sale: A point-of-sale system that uses a range of software packages together with a computerized checkout counter to capture, process, analyse sales and inventory data etc.

Electronically programmable shelf labels: Small liquid crystal display labels that are fixed at the edges of shelves displaying new prices instantly on command.

Franchising: A continuous relationship in which the franchisor provides a licensed privilege to do business complemented with assistance in training, merchandising so on.

Lease Agreement: A contractual agreement in which the customer rents a product in the present with the option to buy in future.

Licensed Merchandise: An item that is designed and sold through identification with a renowned corporate name, logo, slogan etc.

VAT(Value Added Tax): It is a multi-stage tax levied at each stage of the value chain, with a provision to allow input tax credit on tax paid at an earlier stage, which can be appropriated against the VAT liability on subsequent sale.

Warranties: A written statement of promise by the seller regarding performance of a product to the consumer for which he is legally obligated to honour in case of failure by replacing it or repairing it free of cost.

Zoning laws: Controls that local governments place on land use by regulating the type of activities and buildings that can come up in certain areas.

18.8 SELF ASSESSMENT QUESTIONS

- 1) Elaborate on the licenses required by a retailer for setting up his operations in India?
- 2) Explain what you mean by VAT(Value Added Tax) and how it will benefit the retailing industry in India? Draw out instances of how VAT has complemented the growth of organised retailing in western Europe and North America?.
- 3) Elaborate on the legal issues faced by the retailing fraternity in India?
- 4) Elaborate on the legal framework governing the retail industry in United Kingdom?
- 5) Elaborate upon the role of different security dimensions in the retailing environment? further elaborate on the list of the IT system requirements a multi-channel retailing venture with cost determinants for capital and variable expenses?

18.9 FURTHER READINGS



Retail Management by Chetan Bajaj, Rajnish Tuli and Nidhi V Srivastava. (Oxford University Press).

Retailing by Dale M. Lewison (sixth edition- Prentice Hall)

Sales Tax and Value Added Tax in India by Mahesh C Purohit. (Gayatri Publications).

