

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:4919
ANSWERED ON:24.08.2001
MARKETING OF RETAIL PRODUCTS OF MNC(S)
VILAS BABURAO MUTTEMWAR

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether multinational companies have sought permission of the Government to undertake retail marketing of their products in India;
- (b) if so, the names of the companies, who have sought permission and the products they intend to market;
- (c) whether the Government have considered the request of these companies;
- (d) if so, the decision taken thereon;
- (e) the manner in which the country would be benefitted by such retail marketing by multinational companies; and
- (f) the steps proposed by the Government to cope with the adverse impact of retail marketing by MNCs, on indigenous industry, if any ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a) to (f) The present Foreign Direct Investment (FDI) Policy, laid down in 1997 does not permit FDI in domestic retail trading in India and accordingly no such proposals are now being approved. However, prior to 1997, approvals had been given to two companies permitting FDI in retail trading, viz., M/s. Nanz Food Products in 1992 for wholesale trade, retail trade, storage and warehousing; and M/s. Spencer & Company for food super markets (1995) and healthcare retail outlets (1996).