

**GOVERNMENT OF INDIA  
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION  
LOK SABHA**

UNSTARRED QUESTION NO:2240

ANSWERED ON:03.12.2007

RETAIL TRADE

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**Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:**

- (a) the extent of Foreign Direct Investment (FDI) entering the retail sector in the country alongwith the number of Malls and Outlets opened by the Multi-National Companies (MNCs);
- (b) the growth registered in the retail market during the last three years;
- (c) the extent of employment generated in the country in retail sector by the entry of the organised sector;
- (d) whether the Government has defined the single branded retail for the purpose of allowing FDI in retail;
- (e) if so, the details thereof; and
- (f) the commodities allowed to be sold through the organised retailers?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION(SHRI TASLIMUDDIN)

(a) : No Foreign Direct Investment (FDI) in the Retail trading except for Single Brand product retailing where FDI upto 51% is permitted with prior Government approval subject to the following conditions:

- i) Products should be sold and should be of a single brand only
- ii) Products should be sold under the same brand internationally.
- iii) Single brand product retailing would cover only products which are branded during manufacturing.
- iv) August, 2007, 18 proposal for single brand retail have been approved.

(b) : As per the GDP estimates of the Central Statistical Organisation (CSO) the growth rate in GDP of trade sector as a whole has been estimated as 7.5 per cent during the year 2004-05. Separate official estimates of rate of growth of share of retail sector in GDP are not available.

(c) : As per two latest quinquennial rounds of National Sample Survey Organization on employment, and unemployment opportunities on Current Daily Status basis in trade, hotel and restaurant sector (including retail trade) have been estimated at 37.58 million in 1999- 2000 (55th round) and at 47.99 million in 2004-05 (61st round). Share of trade, hotel and restaurant sector in total employment was estimated at 5.87% in 1999-2000 and at 7.39% in 2004-05. Data is not available separately on employment in retail sector.

(d) & (e): As per reply given at part (a) above.

(f) : Organized retailers register their shops with concerned authorities in various State/UT Governments in respect of the commodities sold by them. There is no express ban on number/type of commodities sold by domestic organized retailers.