

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

UNSTARRED QUESTION NO:2037

ANSWERED ON:09.03.2010

RETAIL MARKET

Joshi Dr. Murli Manohar,Munda Shri Arjun

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

- (a) whether with the entry of big domestic and foreign industrial houses in the retail market, the traditional small retailers are likely to lose their business and employment;
- (b) if so, whether the representative organisations of small traders have drawn the attention of the Government towards this condition;
- (c) if so, the names of these organisations alongwith the date of receipt of their representations;
- (d) the action taken by the Government in this regard; and
- (e) the details of the action plan formulated to deal with the problem of unemployment amongst the retail traders affected by the entry of big industrial houses in retail trade?

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 (PROF. K. V. THOMAS)

(a): The share of organized retailing in the total retail trade is very small and it would not have any major adverse impact on retail outlets in the unorganized sector. The Organized retail sector would reduce the cost of intermediation on account of economies of scale benefiting consumers and producers/farmers. It also helps in establishment of cost affective supply chains. Besides, the organized retailing sector would create more employment opportunities and improve the quality of employment in the long run.

(b): Yes Madam.

(c): Government had received representations from Organizations and small traders on the impact of unorganized retailing and a list of names of such representations received is enclosed as per Annexure-I

(d)to(f): The Government had instituted a study on the subject `Impact of Organized Retailing on the Unorganized sector` through the Indian Council for Research on International Economic Relations (ICRIER). A copy of the findings and recommendations of ICRIER is enclosed as per Annexure-II. The ICRIER Report has been forwarded to various Stake holders including all the State Governments and the Central Government Ministries.