

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

UNSTARRED QUESTION NO:3303

ANSWERED ON:30.11.2010

RETAIL SECTOR

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

- (a) whether the turnover of the retail sector has shown a rising trend during the last three years;
- (b) if so, the details thereof;
- (c) whether the growth rate in this sector showed a decline during the said period;
- (d) if so, the details thereof and the reasons therefor alongwith the remedial steps taken in this regard;
- (e) whether the Government proposes to develop/promote this sector through foreign investment;
- (f) if so, the details thereof; and
- (g) the other steps taken for modernisation of the sector?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF THE STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K. V. THOMAS)

(a) to (d): The National Accounts Division of Central Statistical Organization publishes Gross Domestic Product (GDP) of trade (both Wholesale and Retail). Data on GDP retail trade is not available separately. The GDP of trade over the last three years is as follow:

Year	GDP Trade at Constant 2004-05 prices (Rs Crores)	Rate of growth over the previous year(%)	Share of Trade in Total (current prices) GDP (%)
2006-07	537690	10.8	15.3
2007-08	587041	9.2	15.2
2008-09	624193	6.3	15.1

Source: NAS, 2010 pp 14-19

(e) to (g): The existing policy allows for 51 % FDI in only single brand retail subject to specified conditions. Government has received suggestions from associations /trade bodies for allowing FDI in multi brand retail. The objective is to enhance the operational efficiency of back-end infrastructure in the retail sector, reduce wastage in the agricultural sector, enhance benefit to producers, integrate the retailer in the value chain, and benefit consumers through greater competition. Towards this end, the Department of Industrial Policy and Promotion has released a Discussion Paper on the subject of 'Foreign Direct Investment in Multi-Brand Retail Trading', with the aim of generating informed discussion on the subject and obtaining the views and comments of various stakeholders. The views received on the paper are being examined by an inter ministerial committee. .