

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

STARRED QUESTION NO:148

ANSWERED ON:07.03.2011

FDI IN MULTIBRAND RETAIL

Ananth Kumar Shri ;Panda Shri Prabodh

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

- (a) whether the Government proposes to permit Foreign Direct Investment (FDI) by multinational companies in the multibrand retail sector in the country;
- (b) if so, the details thereof alongwith the discussions held with the stakeholders in this regard;
- (c) whether the Government has set up a Committee to prepare draft report in view of the apprehensions and representations from the stakeholders; and
- (d) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI ANAND SHARMA)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO.148 FOR ANSWER ON 7TH MARCH, 2011
REGARDING FDI IN MULTI-BRAND RETAIL

(a): The existing policy allows for 51 % Foreign Direct Investment (FDI), in only single brand retail trade, subject to specified conditions. Government has received representations and suggestions from trade bodies and investors for allowing FDI in multi brand retail. The matter is under consideration of the Government.

(b): The Department of Industrial Policy and Promotion had released a Discussion Paper titled "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. Comments were received from a number of stakeholders, including Ministries/ Departments of the Government of India.

(c): Yes, madam. An inter-Ministerial Committee was constituted to examine the comments received on the Discussion Paper.

(d): The Committee was headed by the Department of Consumer Affairs. The other Ministries/Departments represented in the committee were:

(a) Ministry of Micro, Small & Medium Enterprises (M/o MSME)

(b) Department of Agriculture and Cooperation

(c) Department of Economic Affairs

(d) Department of Commerce

(e) Department of Industrial Policy and Promotion