

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

UNSTARRED QUESTION NO:5352

ANSWERED ON:06.09.2011

EFFECTS OF MALL CULTURE

Rathwa Shri Ramsinhbhai Patalbhai;Yadav Shri Ranjan Prasad

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

- (a) whether the unprecedented growth in mall culture in the country effected by big corporate houses has had any adverse impact on small retail outlets in the unorganised sector;
- (b) if so, whether the Government has formulated any action plan to protect the business and earnings of the unorganised retailers; and
- (c) if so, the details thereof and if not, the reasons therefor?

Answer

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

(a): The organized retailers register their shops/malls with concerned authorities in State/Union Territory Governments. 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 Government had instituted a study on the subject of 'Impact of Organized Retailing on the Unorganized Sector', through the Indian Council for Research on International Economic Relations (ICRIER). The report, received in 2008, has projected that both organized and unorganized retail will not only co-exist but also achieve rapid and sustained growth in future. The Study also indicated that the growth of organized retail will enhance the employment potential of the Indian economy. There was no evidence of a decline in overall employment in the unorganized sector as a result of the entry of organized retailers.

(b) & (c): Retail trade is a state subject and states have their own policy in this matter. The Government is, however, fully committed to securing the legitimate interests of all stakeholders engaged in the retail business. Government also fully recognizes the need to ensure that small retailers are not adversely affected by the growing organized retail and that there is no adverse effect on employment.