

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

UNSTARRED QUESTION NO:1140

ANSWERED ON:28.11.2011

FDI IN SINGLE BRAND

Angadi Shri Suresh Chanabasappa;Ray Shri Rudramadhab ;Singh Shri Yashvir

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

- (a) whether the Government is considering to allow 100 per cent Foreign Direct Investment (FDI) in the single brand retail trading;
- (b) if so, the details thereof;
- (c) whether the Government has assessed its impact on local traders and small retail shopkeepers; and
- (d) if so, the details of protection provided by the Government to the existing local players?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) & (b) : The Government has approved a proposal to permit FDI, upto 100% under the Government route, in single brand retail trading, subject to specified conditions.

(c) & (d) : The Department of Industrial Policy and Promotion had, in 2008, 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 study did not find any evidence of adverse impact of organized retail on intermediaries or in overall employment in the unorganized sector, as a result of the entry of organized retailers. The report is available in the public domain on the website of the Department of Industrial Policy and Promotion.