

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

UNSTARRED QUESTION NO:1097

ANSWERED ON:04.03.2013

. BAN ON FDI IN RETAIL E COMMERCE BUSINESS

Bhagora Shri Tarachand

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

(a) whether the industrial bodies have asked the Government to remove the ban on Foreign Direct Investment in retail e-commerce business; and

(b) if so, the reaction of the Government thereto along with the steps taken to encourage business-to-business trade?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (DR. S. JAGATHRAKSHAKAN)

(a): Some representations to remove the ban on retail trading through e-commerce have been received.

(b): As per the extant Foreign Direct Investment (FDI) policy, FDI, up to 100%, is permitted under the automatic route, in business-to-business e-commerce. Retail trading, in any form, by means of e-commerce, is not permissible for companies with FDI. No proposal for amendment of this policy, is under consideration.