

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

STARRED QUESTION NO:122
ANSWERED ON:01.08.2006
SINGLE BRAND PRODUCT IN RETAIL SECTOR
Chinta Mohan Dr. ;Suman Shri Ramji Lal

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

- (a) Whether foreign companies have expressed their interest for sale of products in the retail market under Single Brand Product;
- (b) If so, the details thereof; and
- (c) The measures taken by the Government to protect the interest of retailers in India?

Answer

THE MINISTER OF COMMERCE & INDUSTRY (SHRI KAMAL NATH)

(a) & (b): Yes, Sir. Government has received 8 proposals for FDI in Single Brand Product retailing during March-July 2006. Details of these proposals are given in the statement laid on the Table of the House.

(c): Government has imposed suitable safeguards against adverse impact on small traders by allowing FDI only in retail of 'Single Brand' products. The policy is expected to encourage economic activity, employment opportunities and investment in the sector. FDI in Single Brand product -retailing would enhance competitiveness of Indian manufacturing by allowing access to global design, technology and practices. Products sold under Single Brand Retail with FDI usually cater to a clientele which is different from that served by the small retailers.