

FOREIGN DIRECT INVESTMENT IN INDIAN RETAIL SECTOR – AN EMPIRICAL STUDY

SRINIVAS K T

ASSOCIATE PROFESSOR
CIMS B SCHOOL, JAYANAGAR,
BANGALORE

ABSTRACT

With a contribution of 14% to the national GDP and employing 7% of the total workforce in the country, the retail industry is definitely one of the pillars of the Indian economy. Indian retail industry is one of the sunrise sectors with huge growth potential. According to the Investment Commission of India, the retail sector is expected to grow almost three times its current levels to \$660 billion by 2015. In this context, the present paper attempts to analyze FDI policy in India, FDI Policy with Regard to Retailing in India, advantages and disadvantages of FDI in retail sector in India, Entry Options for Foreign Players prior to FDI Policy, Pre-requisites before allowing FDI in Multi Brand Retail and Lifting Cap for Single Brand Retail and Limitation of the present setup. However, in spite of the recent developments in retailing and its immense contribution to the economy, retailing continues to be the least evolved industries and the growth of organized retailing in India has been much slower as compared to rest of the world.

KEY WORDS: Foreign Direct Investment, Single Brand Retail, Multi Brand Retail etc.
