

FICCI PRESIDENT'S REACTION ON FDI IN RETAIL

New Delhi, December 7, 2011 : Reacting to the Finance Minister announcement to hold back FDI in retail, **Mr. Harsh Mariwala, President FICCI** said "The Government decision to hold back upto 51% FDI in multibrand retail and 100 % in single brand retail is deeply disappointing. It is a highly regressive move. For the growth of this vital sector of the economy which is likely to result in strong linkages with the farm sector and for the economy as a whole it is imperative that the reforms like these should take place."

However, FICCI would like to urge the Government to move ahead with this progressive reform and would propose following solutions:

- Request to permit FDI upto 100% in single brand retailing
- To consider upto 49% FDI in multibrand retailing instead of 51%
- Possibility of Increasing the limit of the population of cities where FDI could be permitted from 10 lakhs to 15 lakhs
- Possibility of increased percentage of sourcing from SMEs

"We are hopeful that the Government would consider these suggestions and would continue to stand with their reform agenda as it has done in the past", said **Mr Mariwala**.

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