

# **FDI IN MULTI-BRAND RETAILING-A POLICY PARALYSIS**

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## **ABSTRACT**

As we are marching ahead with the retail revolution and awaiting a dynamic change in the retail landscape, the government's decision to put on hold FDI in multi-brand retailing is a major setback. India is been ranked as the 4<sup>th</sup> most attractive nation for retail investment and 2<sup>nd</sup> in the FDI Confidence Index by A T Kearney's Global Retail Development Index (GRDI). India is an emerging market for global retailers; having a huge population and a young consumer base. The acceptance of the proposal of FDI in multi-brand retail would accelerate India towards becoming the worlds' third largest economy. The non-approval of the proposal has lead to a policy paralysis. The paper makes an attempt to understand the arguments in favour of and against FDI in multi-brand retail in India on the basis of the policy U-turn.

The study is based on secondary data collected from various sources like Books, Journals, Newspapers articles and websites.

**KEY WORDS:** Foreign Direct Investment, Retail Industry, India, Multi-brand Retail, Policy Paralysis, Implementation Crisis