

**GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE & INDUSTRY  
DEPARTMENT OF INDUSTRIAL POLICY & PROMOTION**

**LOK SABHA**

**UNSTARRED QUESTION NO. 2058.  
TO BE ANSWERED ON MONDAY, THE 28<sup>TH</sup> NOVEMBER, 2016.**

**E-COMMERCE COMPANIES**

**2058. SHRI SULTAN AHMED:  
SHRI RAM PRASAD SARMAH:  
SHRI N.K. PREMACHANDRAN:  
PROF. SAUGATA ROY:**

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

**वाणिज्य एवं उद्योग मंत्री**

- (a) whether the e-commerce business has grown big rapidly in the country;
- (b) if so, the details thereof including the total value of e-commerce trading during each of the last three years and the current year, company-wise;
- (c) whether the Government proposes any scheme to overcome the challenges being faced by the e-commerce companies in the country;
- (d) if so, the details thereof and the time by which it is likely to be implemented; and
- (e) the other steps taken/proposed to be taken by the Government to promote e-commerce in the country?

**ANSWER**

**वाणिज्य एवं उद्योग राज्यमंत्री (स्वतंत्र प्रभार)(श्रीमती निर्मला सीतारमण)  
THE MINISTER OF STATE (INDEPENDENT CHARGE)  
OF THE MINISTRY OF COMMERCE & INDUSTRY  
(SHRIMATI NIRMALA SITHARAMAN)**

- (a) & (b):** No study in this regard has been undertaken by the Government.
- (c) & (d):** No such scheme is under consideration of the Government.
- (e):** Formulation of enabling policies for businesses is a continuous process in the Government. In order to promote e-commerce sector in the country, the Government has put in place a liberal FDI policy along with guidelines on e-commerce sector. As per the FDI policy on the sector, 100% FDI under the automatic route is permitted in B2B e-commerce activities including in market place model of e-commerce. Further, an

entity is permitted to undertake retail trading through e-commerce in following of the circumstances:

- i) A manufacturer is permitted to sell its products manufactured in India through e-commerce retail.
- ii) A single brand retail trading entity operating through brick and mortar stores, is permitted to undertake retail trading through e-commerce.
- iii) An Indian manufacturer is permitted to sell its own single brand products through e-commerce retail. Indian manufacturer would be the investee company, which is the owner of the Indian brand and which manufactures in India, in terms of value, at least 70% of its products in house, and sources, at most 30% from Indian manufacturers.
- iv) An entity selling food products manufactured and/or produced in India is permitted to sell its products through e-commerce.

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