

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

**LOK SABHA**

**UNSTARRED QUESTION NO. 127.  
TO BE ANSWERED ON MONDAY, THE 30<sup>TH</sup> NOVEMBER, 2015.**

**FDI IN E-COMMERCE SECTOR**

**127. SHRI MULLAPPALLY RAMACHANDRAN:**

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

**वाणिज्य एवं उद्योग मंत्री**

- (a) whether the Government has allowed FDI in e-commerce sector;
- (b) if so, the details thereof;
- (c) whether the Government has held any meeting or discussion with various States and industry representatives in this matter; and
- (d) if so, the details thereof?

**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):** As per the extant FDI policy, FDI up to 100% under the automatic route is permitted in companies engaged in e-commerce provided that such companies would engage only in Business to Business (B2B) e-commerce. Further, it has been decided an entity will be permitted to undertake retail trading through e-commerce under the following 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.

**(c) & (d):** The Government, with a view to simplify and liberalise FDI policy and to ensure that India remains increasingly attractive and investor-friendly investment destination, undertakes stakeholders consultations with concerned Ministries/ Departments, Apex Industries Chambers and other organizations. Consultations, in this regard, were held with the stakeholders including States and industry representatives.

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