

Conclusion

As per the Union Cabinet's decision, 51 per cent FDI is allowed in multi-brand retail and 100 per cent FDI in single brand retail in India.

The industry experts believe that new FDI norms in retail will help the Indian retail industry to grow faster.

The consumers will also benefit from this move as they will be able to avail more purchasing options and better deals due to intense competition among brands.

Currently, the total retail market is estimated to grow to US\$ 1,250 billion by 2020, of which 21 per cent would be organized. With added capital investments from key overseas players, the sector would have the potential to significantly impact the Indian economy.

Bane or Boon?

While the opinions have been divided among various experts with regards to the implementation of the policy, yet looking from a long-term point of view it is vital that the assessment is undertaken after a certain time-frame. While the entry of Walmart, Ikea sounds attractive to the consumers in the country, one must make sure that the interest of domestic retailers and manufacturers are also taken into consideration, otherwise chances of monopoly situation creeping into the Indian market is more than feasible. Political conundrum has already delayed the policy, further delaying can only lead to pessimism among the international brands about the prospects of India as a market for them.