ABSTRACT

With the growing integration of the Indian economy with the international market a rapid transformation of the Indian retailing sector is exhibited through the increased volumes of transactions, increasing investments from the corporate sector, development of various retail formats, and shopping infrastructure and opening up of the retail sector to the foreign investors has been engaging the interests of various stakeholders. The Government of India made a detailed proposal to introduce the FDI in retail in India and the same was implemented in 2012. A debate started in the country on the decision and the then opposition parties opposed it with local unorganized retailers, but simultaneously, there were the stakeholders/people who were supporting it. The present study is an attempt to study the perception of various stakeholders towards the decision covering Delhi-NCR with a total respondents of 750 including organized and unorganized retailers of India, consumers, farmers, and also the politicians of national political parties. The main objectives of the study was to examine the perceptions of stakeholders towards the impact of FDI on Indian retail industry. The responses collected through the structured questionnaire from the various categories of the respondents were analyzed with the help of appropriate statistical techniques such as Crosstab, Chi-square, Percentage, Mean Scores, etc. The results perceived form the Indian organized retailers exhibited that FDI in retail will have a positive impact on income and employment generation in the country besides the ease of capital constraints of the Indian organized retailers. They also affirmed that the FDI in retail will not result into the monopolistic situation in the country and will not result in decrease in their income. The study advised on the basis of findings that the FDI in retail sector should be thrown open in the country for taking the benefits it for boosting the economic growth and development.

It was established through the study that the Indian unorganized retailers were of the opinion, irrespective of their categories i.e. age, educational qualifications, venture status, type of retail business, retail segment, and monthly family income that the foreign retailers will not decrease their income substantially as they will be working for specific customers only and moreover they will remain attach with Indian unorganized retailers for their need fulfilment. The foreign retailers are not going to pose any threat to them rather they will be helpful in employment generation of different types of educated unemployed youth of the country and since they will be working in specific areas only hence, they are not going to displace the Indian unorganized retailers. In the light of the above assertion, it is suggested that if the
foreign retailers are allowed to work in India as per the government policy, it is not going to
hurt the interest of Indian unorganized retailers but even then every precautions is required to
be made by the Govt. of India to check and control the activities of foreign retailers which
may harm the interest of local retailers in this way or that way, directly or indirectly, visibly
or invisibly.

The farmer respondents argued that the FDI in retail sector will help them substantially in
their income and employment generation and improving their standard of living, reduce the
wastage of agricultural produce that will also generate more working facilities to their
families, better soil management and selection of right crops; direct marketing and contract
farming supply of their produce to the markets etc. The study suggested that the FDI in retail
should be allowed by the government to create a win-win situation not only for farmers but
also for the government and the consumers in particular. The politicians from different
political parties having different background (political party, age, educational qualification,
etc.) accepted in varied volumes that the FDI in retail will help in income and employment
generation in the country by bringing about the noticeable changes in the development
infrastructural facilities in the county. Therefore, the decision should be implemented by
keeping in mind the constraints and apprehensions exposed by leader of varies parties from
time to time. At last the study suggests the implementation of the policy in the interests of the
stakeholders in particular and in the interest of the nation in general on the basis of the
findings.