

Government of India
Ministry of Commerce & Industry
Department of Industrial Policy & Promotion

Clarification on FDI Policy on Single Brand Retail Trading¹
(as contained at para 6.2.16.3 of Consolidated FDI Policy Circular of 2015)

Issue	Clarification/ Comment
Can the brand owner or non-resident entity/entities undertake single brand retail trading of the specific brand through more than one company in India?	A non-resident entity or entities, whether owner of the brand or otherwise, shall be permitted to undertake 'single brand' product retail trading in the country for the specific brand, directly or through a legally tenable agreement with the brand owner for undertaking single brand product retail trading. Such non-resident entity or entities can undertake single brand retail trading business through one or more wholly owned subsidiaries or joint ventures.
Does the FDI policy on single brand retail trading apply to Indian brands seeking foreign investment?	It is clarified that FDI policy on single brand retail trading as contained in para 6.2.16.3 of Consolidated FDI Policy Circular of 2015 equally applies to Indian brands.

¹ This clarification is without prejudice to other conditions of the extant FDI policy on the sector.