

# Draft National Retail Trade Policy

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**In news**– The Department for Promotion of Industry and Internal Trade (DPIIT) has sought the views of 16 departments and ministries on its draft national retail trade policy recently.

## **About the policy-**

- It is aimed at the overall development of all formats of the sector.
- The policy would focus on formulating strategies to provide a globally competitive and sustainable environment for the overall development of retail trade through targeted efforts.
- The objectives of the policy include
  - Ensuring easy and quick access to affordable credit.
  - Facilitating modernization and digitisation of retail trade by promoting modern technology and superior infrastructural support.
  - Development of physical infrastructure across the distribution chain.
  - Promotion of skill development and improve labour productivity.
  - Providing an effective consultative and grievance redressal mechanism for the sector.
- The government plans to put in place **a single window clearance mechanism to acquire all registrations, licences or clearances for retail trade**, and a **Centralised Computerized Inspection Management System** for inspections of retail entities.
- The draft also proposes an **Accident Insurance Scheme for Traders** to protect them from any untoward incidents besides setting up Traders Welfare Board at national,

state and district levels.

- The policy is not intended for e-commerce, direct selling, multi-level marketing or street vendors and the government intends to provide a **national common framework for development of retail sector across the country through it.**
- As per the draft policy, efforts will be made to replace licenses with a simple registering process and panIndia acceptance of a license issued by one state will be encouraged.
- The department has suggested **review of eight laws including trade License, Insecticides Act, 1968, Consumer Protection Act, 2019 and License for Drugs and Cosmetics Act, 1940** to reduce the compliance burden and decriminalise minor technical or procedural offences.
- According to the draft, the government will promote **indigenous manufacturing of retail related modern fixtures**, digital equipment, devices and solutions and management tools while retailers will be encouraged to adopt the **Open Network for Digital Commerce.**

#### **Note:**

- India is the world's fifth-largest global destination in the retail space.
- A cohesive national retail policy can help generate 30 lakh more jobs by 2024.
- The retail industry is likely to see 10 per cent annual growth to reach about USD 2 trillion by 2032.