



Press Release

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ABSENCE OF E COMMERCE POLICY & RULES IS A SLOW POISON FOR RETAIL TRADE

The Confederation of All India Traders (CAIT) in a communication sent to Union Commerce Minister Shri Piyush Goel today has expressed utter dismay over inordinate delay in rolling out of e-commerce policy and rules under Consumer Protection Act which is nothing short than a slow poison situation for the business community of the Country. The delay has given blanket opportunity to foreign e-commerce companies Amazon & Flipkart to damage retail trade of mainline retailers to the best of their deep pockets and resources- said CAIT.

"This delay has caused irreparable loss to the small and medium retail traders and has resulted in deep loss of turnover in their business and thousands of retail traders have been forced to close down their businesses in addition to wreaking havoc in the lives of all those who are directly and indirectly dependent on India's retail and e-commerce industry"- said Mr B.C.Bhartia National President & Mr Praveen Khandelwal, Secretary General of the CAIT. It is painful to observe that every other sector of Indian economy has a policy & specified rules except e-commerce and retail trade. How can a sector like e-commerce which has no boundaries, can operate seemingly without disturbing others, in absence of policy or the rules.

Mr Bhartia & Mr Khandelwal though lauded extensive deliberations with stakeholders by DPIIT & Ministry of Consumer Affairs, both under charge of Mr Piyush Goel, has regretted that inspite of assurance given on 2nd August, 2023 at a meeting of stakeholders, the much awaited policy & the rules are yet to be notified causing great damage to the businesses of the traders particularly in mobile, consumer electronics, FMCG, consumer durables, Groceries etc. This critical matter is hanging fire for last more than 3 years.

Mr Bhartia & Mr Khandelwal said that in the current situation where companies like Amazon & Flipkart are openly flouting the norms which has created an uneven level playing field, the traders are unwilling to onboard e-commerce platforms as they will remain non-competitive. It is a known fact that Amazon, Flipkart and a nexus of their preferred/owned sellers have been exploiting the Indian consumer, Indian Kirana traders, the Government and violating the laws of the land for their own selfish motive of earning profits at India's cost. This has directly and greatly damaged the mainline retail trade of the Country.

Both trade leaders said that the industry, especially small and medium retail traders who have served as India's backbone for many years, has been waiting eagerly for clear and transparent e-commerce policy and rules ever since the Amazon, Flipkart and their nexus started exploiting the loopholes in Press Note 2 (2018) and Press Note 3 (2016) of the FDI Policy.

The need of the hour is to immediately roll out both e-commerce policy and the rules to create an even level playing field in e-commerce trade of India and the traders can make best use to make e-commerce as their additional business vertical- said Mr Bhartia and Mr Khandelwal.

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