



Estd.: 1990

# Confederation of All India Traders

(An Apex Body of Trade Federations, Associations & Non-Corporate Sector of India)

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## Press Release

29<sup>th</sup> December, 2024

### CAIT Urges Piyush Goyal to intervene against violations by Quick Commerce Companies

The Confederation of All India Traders (CAIT) has written to Union Commerce Minister Shri Piyush Goyal, drawing his attention to the violations of laws and regulations by quick commerce companies. In its letter, CAIT highlighted how these companies are misusing foreign investments to distort the country's retail market, creating significant threats to small shopkeepers. CAIT had earlier released a white paper on this issue, a copy of which has also been sent to Shri Goyal. The organization is now sending the white paper along with a letter to the Chief Ministers of all states.

CAIT National President Shri B.C. Bhartia accused quick commerce platforms like Blinkit, Instamart, Zepto, and Swiggy of misusing funds received through Foreign Direct Investment (FDI). He stated that these companies control suppliers, dominate inventory, and arbitrarily determine product prices. Their primary objective appears to be eliminating small neighborhood grocery stores and taking over their markets. Like e-commerce giants, these companies are using quick commerce to harm India's retail sector. CAIT emphasized that such business strategies create an uneven playing field, making it nearly impossible for over 30 million small grocery shops across the country to survive.

CAIT Secretary General and Chandni Chowk MP Shri Praveen Khandelwal strongly criticized quick commerce companies, accusing them of driving small retailers out of the market. He said these companies blatantly violate FDI policies and flout the Competition Act. They seem to have little regard for Indian laws and regulations.

Shri Khandelwal also referred to recent remarks by Shri Piyush Goyal, where he expressed concerns about quick commerce and suggested connecting such platforms with local kirana stores. Shri Khandelwal announced plans to lead a delegation of traders to meet Shri Goyal soon regarding this issue. Meanwhile, CAIT is organizing a two-day national seminar in Delhi on January 6-7 to discuss this and other pressing trade issues.

Shri Bhartia revealed that quick commerce companies have raised over ₹54,000 crore through FDI but have neither invested in infrastructure nor created long-term assets. Instead, they have used these funds to cover business losses, control supply chains, and offer deep discounts through select vendors, which is highly objectionable. He pointed out that these companies have set up numerous dark stores across the country for supply, which is against the rules prohibiting them from establishing any kind of store.

Shri Bhartia added that quick commerce companies make exclusive deals with select vendors, eliminating competition for independent retailers. Additionally, they withhold vendor information from consumers, violating the Competition Act and consumer rights. These companies manipulate prices and control inventory through unilateral agreements, which adversely impact fair competition.

CAIT stated that the unchecked growth of these foreign-funded companies poses a significant threat to India's small retail sector. The organization urged the government to enforce strict monitoring of quick commerce companies through consumer protection (e-commerce) rules and e-commerce policies. CAIT also demanded immediate steps to ensure these companies comply with laws and regulations.

For more details, please contact CAIT National General Secretary and Member of Parliament Mr. Praveen Khandelwal at +91-9891015165