



## Press Release

22<sup>nd</sup> April, 2025

### National Conclave Exposes Dark Reality of Quick Commerce and E-Commerce, Demands Independent Regulatory Body

At the National Conclave on **Cruel Face of Quick Commerce & E-Commerce** held today at the Constitution Club, New Delhi, the **Confederation of All India Traders (CAIT)**, in association with **All India Mobile Retailers Association (AIMRA)**, **All India Consumer Products Distributors Federation (AICPDF)**, and **Organised Retailers Association (ORA)**, sounded a nationwide alarm against the unchecked and unethical operations of both foreign-funded e-commerce giants and so-called Indian quick commerce platforms.

The conclave unanimously highlighted that India's second-largest employment generator—the traditional retail sector—is under siege by companies that are blatantly violating laws, manipulating markets, and systematically dismantling small retailers for profit.

#### **Why does India need 10-minute deliveries when local shops are available on every street corner?"**

This was the strong opening question posed by **Shri Praveen Khandelwal, CAIT Secretary General and Member of Parliament from Chandni Chowk**. Criticizing the aggressive algorithm-driven consumer manipulation and the reckless use of FDI for predatory pricing, Khandelwal accused these platforms of treating India like a "banana republic" where laws are secondary to business ambitions.

**Instead of creating infrastructure or supporting the retail economy, FDI is being used to finance losses, destroy small shops, and capture control over the supply chain** he said. "It's not trade anymore—it's a race for valuations, and the casualties are India's small retailers."

**CAIT National President, Shri B.C. Bhartia** declared a full-scale nationwide campaign beginning 1st May 2025 to resist this digital colonization of retail. "We will not remain silent. Local trade associations in every city and state will rise to defend India's retail democracy," he said, announcing that a strategic roadmap will be released at CAIT's National Governing Council Meeting in Bhubaneswar on 25–26 April.

#### **Quick Commerce Platforms: The Trojan Horse**

**AICPDF President Shri Dhairysheel Patil** exposed that platforms like Zepto, Blinkit, and Instamart have received over ₹54,000 crore in FDI, yet only 2.5% has gone into infrastructure. Instead, the majority has been diverted towards loss funding, subsidized services for a few preferred sellers, and building a closed ecosystem that locks out independent traders and deceives consumers. "They are not marketplaces—they are inventory-led companies operating in disguise," Patil warned.

#### **Foreign E-Commerce Giants: Old Wine, Worse Bottle**

**AIMRA Chairman Shri Kailash Lakhyani** took aim at Amazon and Flipkart, calling them repeat offenders who have exploited India's legal loopholes for over a decade. "Using a maze of group entities and preferred sellers, these companies bypass FDI restrictions to dominate every layer of the supply chain while sidelining Indian retailers," he said. Independent sellers are charged exorbitant commissions, while preferred sellers receive warehousing, logistics, and delivery benefits at almost no cost—creating a monopolistic environment where fair competition is impossible.

#### **Conclave Resolution: Call for Urgent Government Action**

The conclave concluded with the unanimous adoption of a strong Policy Resolution demanding:

- Immediate enforcement of FDI and e-commerce policies and rolling out of e-commerce rules under Consumer Protection Act.
- Prohibition of inventory-led operations by platforms posing as marketplaces
- Formation of an independent regulatory body for digital commerce
- Mandatory transparency in algorithms, pricing, and seller selection
- Protection and promotion of small Kirana stores and offline trade

This conclave opined that action is needed now else there is risk losing the foundation of Indian retail to the unchecked aggression of digital monopolies.

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