

GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO: 3224

ANSWERED ON: 01.01.2019

Protection of Traditional Retailers

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Will the Minister of
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:-

- (a) whether the Government's policy that allows 100 per cent FDI, under automatic route in market place e-Commerce model, has put a question mark on the existence of lakhs of mom-and-pop stores in the country;
- (b) if so, whether armed with capital and technology, companies like Amazon and Walmart have fundamentally disrupted the retail sector by offering deep discounts to consumers, if so, the details thereof;
- (c) whether even during Diwali, the peak time of retail activities, physical stores had suffered so badly that the owners of these establishments ordered goods worth crores of rupees from e-Commerce giants and upon their arrival refused to take delivery and sent them back instead, if so, the details thereof; and
- (d) whether the Government has received any complaint/representations from the owners of traditional stores in the country against the e-Retailers and if so, the details thereof and the steps taken/being taken by the Government to protect the interest of the traditional store owners?

ANSWER

THE MINISTER OF STATE
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)

(a) to (d) : As per the information received from the Department of Industrial Policy & Promotion, they receive suggestions/ grievances on issues related with e-commerce sector. The same are considered by the Government in consultation with stakeholders. Necessary amendments, if required, are made in the policy from time to time. Recently, the Government vide Press Note 2(2018 Series) dated 26.12.2018 has reviewed the policy on Foreign Direct Investment (FDI) in e-commerce to provide clarity to FDI policy on e-Commerce sector. It has inter-alia been mentioned that e-commerce entities providing marketplace will not directly or indirectly influence the sale price of goods or services and shall maintain level playing field. Further, only a single brand retail trading entity operating through brick and mortar stores is permitted to undertake retail trading through e-commerce.
