

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE
LOK SABHA**

**UNSTARRED QUESTION NO. 2455.
TO BE ANSWERED ON TUESDAY, THE 10TH DECEMBER, 2024.**

**IMPACT OF THE GROWING E-COMMERCE AND QUICK-COMMERCE
SECTOR**

2455. ADV K. FRANCIS GEORGE:

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:

वाणिज्य एवं उद्योग मंत्री

- (a) whether the Government has assessed the impact of the growing e-commerce and quick-commerce sector on small retailers and traditional kirana stores, especially in urban and semi-urban areas;
- (b) if so, the details of the assessment, including data on the market share, revenue, or business losses experienced by small retailers due to the expansion of e-commerce platforms;
- (c) whether the Government has identified practices such as predatory pricing, bulk purchasing advantages, or exclusive supplier tie-ups by larger entities that negatively impact small retailers and the measures taken to address these problems; and
- (d) if so, the details thereof?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री जितिन प्रसाद)

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI JITIN PRASADA)**

- (a) & (b):** Government has been focusing on the protection of the interest of small retailers and traditional kirana stores. Various measures in the form of Acts, Rules and Policies have been put in place to ensure a level playing field and act against practicing anti-competitive conducts by e-commerce platforms. In addition, the Department for Promotion of Industry and Internal Trade (DPIIT) has pioneered the initiative of Open Network for Digital Commerce (ONDC). The initiative aims at promoting open networks for all aspects of exchange of goods and services over digital or electronic networks. ONDC makes e-Commerce more inclusive wherein small and medium-sized businesses can use any ONDC compatible applications instead of being governed by specific platform centric policies. This provides multiple options to them to be discoverable over network and conduct business. It also encourages easy adoption of digital means by the small retailers and traditional kirana stores, who may be currently not on digital commerce networks.

(c) & (d): The e-commerce sector is governed by a comprehensive legislative framework. Some of the Acts applicable to e-Commerce Sector are Consumer Protection Act, 2019; Consumer Protection (E-commerce) Rules, 2020; Competition, Act, 2002; Central Goods and Services Act (CGST) Act, 2017; Information Technology Act, 2000; Payment and Settlement Systems Act, 2007; Companies Act, 2013; Copyright Act, 1957 etc. FDI policy and Foreign Exchange Management Act, 1999 contain provisions related to Foreign Direct Investment (FDI) in e-Commerce Sector.

Imposition of unfair or discriminatory prices (including predatory pricing) by a dominant enterprise or group is prohibited under provisions of Section 4 of the Competition Act, 2002. It ensures a level playing field and act against anti-competitive conducts. Information alleging anti-competitive conduct such as predatory pricing, bulk purchasing advantages, or exclusive supplier tie-ups with regard to e-commerce has been investigated by the Director General, Competition Commission of India.
