

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

**UNSTARRED QUESTION NO. 2786.
TO BE ANSWERED ON TUESDAY, THE 10TH MARCH, 2026.**

EXPANSION OF QUICK COMMERCE DELIVERY PLATFORM

**2786. SHRI SANJAY DINA PATIL:
SHRI MOHITE PATIL DHAIRYASHEEL RAJSINH:
SMT. SUPRIYA SULE:
DR. AMOL RAMSING KOLHE:
PROF. VARSHA EKNATH GAIKWAD:
SHRI BHASKAR MURLIDHAR BHAGARE:**

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether the Government is aware of the impact of the rapid expansion of e-commerce and quick-commerce delivery platforms on traditional kirana shops in Maharashtra, particularly with regard to deep discounting, pricing practices and unfair competition;
- (b) if so, whether any study or assessment has been conducted on their impact on small retailers, employment and local supply chains in the State and if so, the details thereof;
- (c) whether the Government proposes to take regulatory measures under e-commerce rules, FDI policy or the Competition Act to prevent predatory pricing and market concentration and ensure a level playing field, if so, the details thereof;
- (d) the support mechanisms being implemented or proposed to help kirana shops in Maharashtra modernize, digitally integrate and remain competitive; and
- (e) the timeline and monitoring mechanism proposed to ensure effective implementation of these measures in the State?

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) to (b):** Pricing and discounting of products are business decisions driven by market forces. However, 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. The Competition Commission of India (CCI) established under the said Act decides matters of anti-competitive practices, including predatory pricing, on a reference by the

aggrieved party. Action is taken as and when such allegations of anomalies and violations of existing laws are brought to the notice of the Government.

- (c): The Government has been focusing on protecting the interests of small retailers and traditional kirana stores, safeguarding local business interests and promoting fair competition. Various measures in the form of Acts, Rules, and Policies have been put in place to ensure fair trade practices and a level playing field and act against anti-competitive practices by e-commerce platforms. 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 (CGST) Act, 2017; Information Technology Act, 2000; Payment and Settlement Systems Act, 2007; Income Tax Act, 1961; 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.

The Competition Act, 2002 was enacted to prevent practices having adverse effects on competition, to promote and sustain competition in markets, to protect interests of consumers and to ensure freedom of trade carried on by other participants in the markets. The Act prohibits anti-competitive agreements (Section 3), abuse of dominant position (Section 4) and provides for regulation of combinations i.e, mergers and acquisitions (Section 5& 6). The Competition Commission of India (CCI) has been established under the Act to enforce these provisions and empowers CCI to issue appropriate remedies for such anti-competitive behavior.

Additionally, the Foreign Direct Investment (FDI) policy on e-commerce and retail sectors reflects the Government's intent to safeguard local business interests. Para 5.2.15.2 of the FDI Policy on e-commerce [as amended vide Press Note 2 (2018 Series) dated 26.12.2018 issued by the Department for Promotion of Industry and Internal Trade (DPIIT)], prohibits FDI in inventory based models of e-commerce, where the inventory of goods and services is owned by the e-commerce entity and sold directly to consumers. To safeguard and promote local business interests, the FDI Policy for Single Brand Retail Trade (SBRT) mandates that for foreign investment beyond 51%, 30% of the value of goods purchased should be sourced from India, preferably from Micro, Small, and Medium Enterprises (MSMEs), village and cottage industries, artisans, and craftsmen across all sectors. Similarly, the FDI Policy on MultiBrand Retail Trading (MBRT) outlines several conditions to ensure that the benefits of FDI in the sector create commensurate forward and backward linkages. Furthermore, to curb opportunistic takeovers or acquisitions of Indian companies, amendments were made to the FDI policy via Press Note 3 (2020 Series). According to these amendments, an entity of a country, which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, can invest only under the Government route.

(d) & (e): 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 protocols standardize operations like cataloguing, inventory management, order management and order fulfilment. 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 those currently not on digital commerce networks. The open network model enables scalable, cost-effective and inclusive digital market access for small retailers.

Training, handholding and onboarding support are being provided through network participants, industry associations and State-level engagements to build digital capacity among kirana stores. ONDC also provides access to on-demand digital logistics services, improving hyperlocal delivery capabilities in neighbourhood areas. The network follows a technology-driven, market-based approach that empowers kirana stores, MSMEs, SHGs, farmers and artisans to participate effectively in digital commerce while ensuring fair and non-discriminatory access without dependence on any single platform.

ONDC has entered into an MOU with Directorate of Industries, Govt of Maharashtra. There are 28196 sellers from Maharashtra registered with ONDC with 6,934,848 transactions carried out till date.

The Government continues to strengthen the ONDC ecosystem through targeted initiatives to enhance digital capabilities and market access for kirana stores, including those in Maharashtra. Implementation of the above measures is an ongoing process. For regular review of the progress and functioning of the network and its initiatives, ONDC has put in place dedicated governance and monitoring mechanisms, including a Board of Directors and various Committees.
