

# Govt not against e-com, but wants fair play: Goyal

## Reiterates commitment to attracting FDI, technology

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After criticising Amazon for predatory pricing, Commerce and Industry Minister Piyush Goyal softened his stance on Thursday, clarifying that the government is not opposed to e-commerce but is focused on ensuring fair competition between online and offline businesses.

He further reiterated the government's commitment to attracting foreign direct investment (FDI) while maintaining "fair play" and "honesty" for both customers and suppliers.

"We are very clear that we want to invite FDI, we want to welcome technology, we want the best of the world, and we are not against online platforms at all. E-commerce offers tremendous benefits — convenience, speed, and comfort. It has many advantages," Goyal said while speaking to students at Atharva College in Mumbai.

"We want to encourage the growth of online businesses; it is not the government's intention to stop them. However, if the law specifies that FDI is allowed in online services only when operating on a business-to-business model, it is a well-thought-out strategy. The idea is to ensure that small retailers can survive and co-exist with online services. Unfair competition should not adversely



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**PIYUSH GOYAL**  
UNION MINISTER OF  
COMMERCE AND INDUSTRY

affect them," he added.

However, on Wednesday, the minister said that the e-commerce sector's rapid growth is a "cause for concern" and not pride, warning that it could lead to job losses in tra-

ditional retail. He argued that e-commerce platforms are taking business away from small retailers by offering high-margin products, such as consumer electronics and apparel, at discounted rates.

While acknowledging the importance of e-commerce, Goyal stressed the need to "carefully consider" its role in a more organised manner, weighing both its benefits and potential drawbacks.

Goyal also criticised the investment strategies of large e-commerce companies like Amazon, suggesting that their financial losses — often due to large payments to professionals and top lawyers — are offset by new rounds of investment.

The minister's comments on Wednesday attracted considerable attention, particularly given the rapid expansion of India's e-commerce sector over the past four to five years.

According to a report by the Pahle India Foundation titled Assessing the Net Impact of E-commerce on Employment and Consumer Welfare in India, the country's e-commerce industry is projected to grow at a compound annual growth rate of 27 per cent from 2018 to 2030. The report also highlighted e-commerce's considerable contribution to employment, estimating that vendors in the sector have generated 16 million jobs.