

The Walmart-[Flipkart](#) deal will be cancerous for the Indian retail industry, the [Confederation of All India Traders](#) (CAIT) has said in a letter to Finance Minister Piyush Goel.

[CAIT](#) said on Sunday that its letter has also drawn the attention of Goel towards the inaction of the [Commerce Ministry](#) for not taking any steps so far in connection with [Walmart Flipkart](#) deal, despite sending communication to the trade minister.

"The [Walmart Flipkart](#) deal will prove to be cancerous to retail trade and economy of the country," [CAIT](#) Secretary General Praveen Khandelwal said.

"Although more than one month has passed but we are unable to understand what is preventing the government to take any action on this deal which is offending the FDI policy and circumventing the law. It's an open case for backdoor entry of [Walmart](#) to retail trade of India," [CAIT](#) said.

The trade body also apprehended that if no action is taken, other foreign [e-Commerce](#) majors like [Amazon](#) and [Alibaba](#) will also engage companies like Flipkart and the result would be consolidation of retail trade in very few hands which will be detrimental to offline retailers.

The [e-Commerce](#) spectrum will also be vitiated to a great extent, it added.

CAIT said it has "urged the finance minister to understand the seriousness and gravity of the situation and intervene in the issue since the traders have lost all hopes of getting this deal heard by commerce ministry".

It added that a policy of [e-Commerce](#) must be framed immediately and a regulatory authority must be constituted for regulating and monitoring the e-Commerce market of the country.

Ever since the US retailer Walmart Inc has announced acquisition of 77 per cent stake in Flipkart in its biggest takeover till date, CAIT has been opposing the deal.

The deal values the 11-year old Indian e-Commerce firm at \$20.8 billion.

In May, CAIT said Walmart's USD 16 billion acquisition of home-grown retailer Flipkart will affect India's retail sector "very badly" and demanded scanning and scrutinising the deal from "different angles" by the government.