

Amazon founder Jeff Bezos announces USD 1 billion investment in India

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Amazon.com Inc chief Jeff Bezos recently announced USD 1 billion (over Rs 7,000 crore) investment in India to help bring small and medium businesses online and committed to exporting USD 10 billion worth of India-made goods by 2025. Before this, the online retail giant had committed USD 5.5 billion investments in India - Amazon's most important market outside of the US and a key growth driver.

"Over the next five years, Amazon will invest an incremental USD 1 billion to digitize micro and small businesses... across India, helping them reach more customers than ever before. This initiative will use Amazon's global footprint to create USD 10 billion in India exports by 2025," he said.

He added that part of this goal is to ensure that more people can participate in the prosperity of India. "We are making this announcement now because it is working... When something works you should double down on it. And that is why we are doing it." Amazon hopes that this investment will "bring millions of more people into the future prosperity of India and at the same time expose the world to the 'Make in India' products that represent India's rich, diverse culture." The company had previously said it expected e-commerce exports from India to reach USD 5 billion by 2023 under its global selling programme.

His visit has been marked by Competition Commission of India initiating a formal investigation into alleged deep discounts, preferential listing and exclusionary tactics adopted by Amazon and Flipkart, and small store owners demonstrating on the streets against online retailers driving them out of business by offering sharply discounted products. The Confederation of All India Traders, an

association of about seven crore brick-and-mortar retailers, has said it will protest across 300 cities during his visit.

Last year, the government had tightened rules for e-commerce marketplaces with foreign investment. These rules barred such platforms from offering products of sellers in which they hold a stake and banned exclusive marketing arrangements among other clauses. Following this, Amazon restructured its joint ventures to ensure compliance.

SOURCE: *Business Standard*