



## PRESS RELEASE

### **Flipkart Group announces the launch of Flipkart Wholesale aimed at transforming the kirana retail ecosystem**

*Acquires a 100% interest in Walmart India, which operates the Best Price cash-and-carry business to strengthen capabilities and business-to-business service offering;*

*Will leverage talent, strong technology backbone, deep merchandising expertise and logistics infrastructure to accelerate growth and prosperity for kiranas and MSMEs*

**Bengaluru - July 23, 2020:** The Flipkart Group, India's homegrown e-commerce group, today announced the launch of Flipkart Wholesale, a new digital marketplace that will help transform the kirana retail ecosystem in India by leveraging cutting-edge and locally developed technology. As part of this launch, the Group also announced the acquisition of 100% interest in Wal-Mart India Private Limited, which operates the Best Price cash-and-carry business, to leverage the strong wholesale capabilities of the company and enable growth and prosperity for kiranas and MSMEs.

Kiranas and MSMEs are central to India's retail ecosystem and Flipkart Wholesale will focus on meeting their needs by providing small businesses a wide selection at significant value, powered by technology to make their lives easier. Whether in grocery, general merchandise or fashion, these businesses will have one-stop access to an extensive selection of products with attractive schemes and incentives, supplemented with data-driven recommendations for stock selection, delivered through a fast and reliable network to drive greater efficiencies and better margins.

In addition, kiranas and MSMEs will benefit from access to easy credit options and opportunities for new income generation through various Flipkart initiatives, creating new ways to catalyse growth. These opportunities are especially relevant at this time as kiranas and MSMEs work



towards achieving scale and profitability following the impact on business due to the COVID-19 pandemic.

Flipkart Wholesale will leverage Flipkart's strong homegrown technology capabilities, extensive leadership in the consumer e-commerce segment, and a unique understanding of the industry in India. The business will also utilise the Flipkart Group's vast supply chain infrastructure to reach kiranas and MSMEs across the country. Flipkart Wholesale will draw on the merchandising experience of the Walmart India team, its strong relationships with brands, deep DNA of servicing kiranas and 12+ years of operating Best Price stores. One of India's largest cash-and-carry businesses, Best Price currently supports more than 1.5 million members, including kiranas, horecas and other MSMEs, and has long-standing supplier diversity and development programs. Flipkart Wholesale will continue to develop technology tools, and ecosystem partnerships to help Indian commerce unlock its potential.

Top Indian brands, local manufacturers and sellers have partnered with Flipkart Wholesale to ensure the availability of an exhaustive range of products and merchandise for kiranas and MSMEs. At the same time, partners will benefit from broader reach across the country, micro-market insights to enable effective inventory planning and new product development, and cost-effective distribution.

**Kalyan Krishnamurthy, Chief Executive Officer, Flipkart Group, said,** "As the e-commerce pioneer in India, the Flipkart Group has transformed the shopping experience for millions of Indian consumers. With the launch of Flipkart Wholesale, we will now extend our capabilities across technology, logistics and finance to small businesses across the country. The acquisition of Walmart India adds a strong talent pool with deep expertise in the wholesale business that will strengthen our position to address the needs of kiranas and MSMEs uniquely. With this development, the Flipkart Group will further build upon the synergies across its businesses to drive greater value and choice for end-consumers and businesses alike."

**Judith McKenna, President and Chief Executive Officer, Walmart International, said,** "For over a decade, we've been committed to India's prosperity by serving kiranas and MSMEs, supporting smallholder farmers and building global sourcing and technology hubs throughout



the country. Today marks the next big step as Walmart India's pioneering cash-and-carry legacy meets Flipkart's culture of innovation in the launch of Flipkart Wholesale. By leveraging each other's strengths and unique expertise, this combined team will break new ground in their shared mission to help Indian businesses grow and succeed. We look forward to a bright future for Flipkart Wholesale."

Flipkart Wholesale will launch its operations in August 2020 and will pilot services for the grocery and fashion categories. It will be headed by Adarsh Menon, a veteran at Flipkart. Sameer Aggarwal, Chief Executive Officer at Walmart India, will remain with the company to ensure a smooth transition, after which time he will move to another role within Walmart.

**Adarsh Menon, Senior Vice President and Head - Flipkart Wholesale**, said, "Flipkart Wholesale will further deepen and build on Walmart India and the Flipkart Group's commitment to kiranas and MSMEs over the last several years. Thousands of kiranas have already partnered with Flipkart to enhance their business and income streams. I am excited to be part of this new initiative that allows us to expand opportunities for growth for them and bring further prosperity to their lives. We will leverage the synergies between Flipkart and Walmart India as we stay focused on transforming the wholesale experience for kiranas and MSMEs."

**Sameer Aggarwal, Chief Executive Officer, Walmart India**, said, "This move recognises the critical role that kiranas and MSMEs play towards India's economic prosperity and growth, and the coming together of Walmart India with Flipkart Wholesale will provide an opportunity to build upon the 12+ year legacy of the Best Price brand serving kiranas across India."

With the acquisition of the Walmart India business, its employees will join the Flipkart Group and the home office teams will integrate over the next year. The Best Price brand will continue to serve its 1.5 million+ members via its omnichannel network of 28 stores and e-commerce operations.

#### **About Walmart, Inc. in India**

For over a decade, Walmart, Inc. has maintained a commitment to benefit people and businesses across India. It enables a mix of shopping experiences and helps local sellers and suppliers, including kiranas, MSMEs, farmers, artisans and women-owned businesses, to



modernize, prosper and create local jobs. Walmart India Development Center is engaged in cutting-edge engineering and product development to offer customers anywhere, anytime shopping experience. Walmart's Bangalore Global Sourcing hub exports high-quality India-made goods to major markets worldwide. The Walmart India Development Center and Walmart Global Sourcing will continue to operate under their existing structure and remain unchanged by this acquisition. The Flipkart Group operates India's leading e-commerce ecosystem, with Flipkart; fashion site Myntra; Flipkart Wholesale, which now includes the Best Price brand; the PhonePe payments and financial services platform; and the Ekart logistics network.

### **About the Flipkart Group**

The Flipkart Group is one of India's leading digital commerce entities and includes group companies Flipkart, Myntra, and PhonePe. Started in 2007, Flipkart has enabled millions of consumers, sellers, merchants and small businesses to be a part of India's e-commerce revolution. With a registered customer base of over 200 million, offering over 150 million products across 80+ categories. Our efforts to democratize e-commerce in India, drive access and affordability, delight customers, create lakhs of jobs in the ecosystem and empower generations of entrepreneurs and MSMEs has inspired us to innovate on many industry firsts. Flipkart is known for pioneering services such as Cash on Delivery, No Cost EMI and easy returns – customer-centric innovations that have made online shopping more accessible and affordable for millions of Indians. Together with Myntra, which holds a prominent position in the online fashion market, and PhonePe, India's fastest growing digital payments platform, the Flipkart Group is steering the transformation of commerce in India through technology.

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