



E-commerce can help MSMEs contribute to Uttar Pradesh's \$1 trillion economy vision

- *IIM Lucknow-Centre for Public Policy in partnership with Department of State Tax, Department of Planning, Government of U.P, and Flipkart come together to discuss the potential of e-commerce in augmenting the socio-economic growth of the state*
- *The event witnessed participation of several state dignitaries, industry leaders and entrepreneurs*

Lucknow – May 19, 2023: IIM Lucknow - Center for Public Policy, today hosted an event at their campus in partnership with the Department of State tax, Department of state planning, Government of Uttar Pradesh and Flipkart to deliberate on the role of e-commerce in achieving the vision of USD 1 trillion economy for the state. The discussions touched upon the e-commerce platforms' impact on the state's economy and how collaborative efforts between the state and the industry can maximize this potential.

As a part of the Industry, academia and state government conversation, this joint event was aimed at discussing opportunities, policies and activities that will enable inclusive growth for the MSMEs in Uttar Pradesh. Key strategies and action items were discussed during the panel discussions, which could help support the entrepreneurial ecosystem, drive economic empowerment in the state and help progress towards Uttar Pradesh's vision of becoming a trillion-dollar economy.

Speaking about the role of e-commerce in driving growth of MSMEs and augmenting revenue, **Shri. Pankaj Chaudhary, Hon'ble Minister of State for Finance, Government of India**, said, *"The government is committed to providing a supportive framework and a conducive ecosystem for MSMEs to thrive and adopt digital commerce. Local artisans, sellers and handloom weavers have started seeing e-commerce as a growth enabler and are increasingly opting to do business online. Infrastructure investments in the state such as warehouses, logistics networks, and last-mile delivery services, are further creating jobs. There's an increased allocation of budget to strengthen the state's infrastructure to enable progress for MSMEs and help them create further livelihood opportunities through their businesses. Through e-commerce platforms MSMEs now have access to a vast customer base, leading to increased sales and revenue. We are keen to see more MSMEs join the digital commerce opportunity and expedite their growth."*

Shri. Rajneesh Kumar, Chief Corporate Affairs Officer, Flipkart Group, said, *"MSMEs can witness a multiplier effect through digitization and adoption of e-commerce. We are happy to partner with IIM Lucknow to promote a meaningful conversation that lays out the future growth for UP, which has emerged as a key player in India's economy. We aim to continue to strengthen our partnership in the state and contribute to achieving its goal of becoming a USD 1 trillion economy. We are committed to providing the right tools and technology to enable MSMEs and other sellers from UP, including ODOP partners, to scale up their entrepreneurial endeavors by leveraging the digital economy and contributing to India's growth story."*



Prof. Archana Shukla, Director, IIM Lucknow, said, *“At IIM Lucknow, we aim to create a learning environment that fosters innovation and inspires the next generation of entrepreneurs. E-commerce is a powerful means of driving socioeconomic development, and we hope today’s knowledge-sharing session will lead to further dialogues and partnerships in this direction, not just among existing businesses and entrepreneurs but also among our students. It was great to have such enriching discussions and nuanced insights into the challenges and opportunities ahead. It will help us find new avenues of growth and development for the state and, ultimately, the nation.”*

Platforms like Flipkart are democratizing technology by lowering the cost of conducting online business, simplifying on-boarding, and supporting financial management for MSMEs to drive their businesses online seamlessly. This is helping contribute to the state's economy and bolstering its aim of becoming a USD 1 trillion economy.

As part of the deliberation, two panel discussions were organized on topics including **‘E-commerce as an Enabler for MSME & Entrepreneurship’** and **‘Impact of E-commerce on State Revenues’**, which was attended by **Shri. Arvind Kumar**, Advisor to Hon'ble Chief Minister for Industrial Development, **Shri. Pranjal Yadav**, Secretary, Department of MSME, Govt of UP, **Shri. Nitin Ramesh Gokarn**, Additional Chief Secretary Department of State Tax, Govt. of UP, **Shri. Alok Kumar**, Principal Secretary Department of Planning, Govt. of UP, **Shri. Rajneesh Kumar**, SVP & Chief Corporate Affairs, Flipkart Group, **Shri. Pramod Jain**, SVP, Taxation, Flipkart Group, **Prof. Kshitij Awasthi**, Faculty at IIM Lucknow and **Prof. Ajay Garg**, Faculty at IIM Lucknow.

Flipkart’s key investments in UP include establishing 8 fulfillment centers and mother hubs, over 21,000 kiranas partnering as delivery partners, and around 80,000 sellers from the state on its platform. Supporting the ODOP program, Flipkart has onboarded district-specific products and is supporting indigenous art and artisans that are unique to the region. This includes Siddharthnagar Kala Namak Rice under FPO project, leather products from Agra, sports goods from Meerut and locks from Aligarh. The state of UP has also seen a year-on-year growth of sellers joining the Flipkart Samarth program and with over 6 lakh products from the state listed on the marketplace, it is generating a GMV of over 1 crore. Flipkart is deeply invested in creating economic opportunities and market access for farmers with technology. Besides this there are several MoUs with the State Government and government-supported entities – including **the District Administration of Varanasi and the Uttar Pradesh Khadi & Village Industries Board (UPKVIB)** – all of which have helped in creating around 2,40,000 job opportunities so far.

IIM Lucknow, a knowledge center with top-quality and progressive curriculum, has been a key driver over the years in nurturing business leaders capable of creating future-ready change. The institute contributes to the State's intellectual capital and encourages entrepreneurship and innovation among its students.



The UP Government, IIM Lucknow, and Flipkart are committed to creating a business environment that supports innovation, facilitates nationwide market access, and empowers MSMEs to thrive in an increasingly digital business landscape.

About IIM Lucknow

The Indian Institute of Management Lucknow is one of the twenty functional national level management institutes set up by the Government of India. IIM Lucknow's vision is to be a preeminent centre of excellence, generating and imparting knowledge in management and providing socially conscious and globally relevant thought leadership. The mission of IIM Lucknow is to help improve management systems with regard to business, industry and public services through pursuit of excellence in management education, research, consultancy and training.

IIM Lucknow's Centre for Public Policy (CPP) is one of the Centre's of Excellence, set up with a larger objective to impact the public policy process and service delivery. CPP has been developed as a think-tank, providing expertise and advisory services to the government and related stakeholders. CPP helps in direct efforts towards impacting society but also establishing institutional linkages with other government bodies and agencies working in this direction. CPP helps the national and state policy makers streamline their activities towards achievement of sustainable growth in the long term.

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About the Flipkart Group

The Flipkart Group is one of India's leading digital commerce entities and includes group companies Flipkart, Myntra, Flipkart Wholesale, Flipkart Health+, and Cleartrip. Started in 2007, Flipkart has enabled millions of sellers, merchants, and small businesses to participate in India's digital commerce revolution. With a registered customer base of more than 450 million, Flipkart's marketplace offers over 150 million products across 80+ categories. Today, there are over 11 lakh sellers on the platform, including Shopsy sellers. With a focus on empowering and delighting every Indian by delivering value through technology and innovation, Flipkart has created lakhs of jobs in the ecosystem while empowering generations of entrepreneurs and MSMEs. Flipkart is known for pioneering services such as *Cash on Delivery*, *No Cost EMI* and *easy returns*, which are customer-centric innovations that have made online shopping more accessible and affordable for millions of Indians.

For more information, please write to media@flipkart.com