

FHRAI to approach Commerce Ministry against Q-commerce apps by food aggregators

The restaurant industry in the country is all set to take the food aggregators Zomato and Swiggy head on against what they allege are the food market place players' foray into food Q-commerce by creating private label apps. The Federation of Hotel & Restaurant Associations of India (FHRAI) has decided to knock on the doors of the Commerce Ministry seeking immediate intervention of the government against what they allege as gross violation of e-commerce rules by the market place players.

The two dominant food aggregators, Zomato and Swiggy, have launched new private labels for q-commerce in recent months. Zomato-owned Blinkit had launched 'Bistro', and Swiggy 'Snacc', a Q-commerce food app, which the restaurant industry feels is against 'market place neutrality' by these platform players.

“We are approaching the Commerce Ministry tomorrow itself and seeking an early appointment as well. This is a clear violation of e-commerce rules. Zomato and Swiggy are marketplace platforms and they should remain so. If they start selling their products, the neutrality of the platforms will be defeated. Moreover, they are using the data collected by associating with restaurants all these years for this,” said Pradeep Shetty, vice president of FHRAI.

Restaurateurs also raised grave concerns about the private label apps by the food aggregators and said that the move will pose a challenge to conventional restaurant business in the country and their very survival.