

CAIT hails govt U-turn on home delivery of non-essential items

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The government's U-turn on home delivery of non-essential items will leave consumers disappointed, the world's largest online retailer Amazon said, but the decision was welcomed by local kirana store body CAIT that called it the "most pragmatic".

Four days after allowing e-commerce firms to also deliver non-essential items such as electronic goods and ready-made garments, the government on Sunday said non-essential items will continue to be prohibited during the lockdown period.

Commenting on the decision, Amazon India said the new guidelines will disappoint consumers whose list of essentials has expanded to 'work from home' and 'study from home' products, as well as small businesses, sellers and manufacturers.

The company said it will continue to follow the guidelines and deliver essential products and work with authorities for expedited processes to make safe deliveries of priority products possible.

"The new guideline will disappoint not only the consumers whose list of essen-

tials had expanded to work from home products but also the thousands of small businesses, sellers and manufacturers across the country, who had geared up in the last 48 hours to provide millions of people with safe access to products," Amazon India spokesperson said.

Amazon India further said the company hopes that "this situation is rectified soon so that the urgent need of consumers is met and that there is revival of economic activity".

The Confederation of All India Traders (CAIT), which had been campaigning hard against allowing e-commerce firms to also commence non-essential deliveries during the lockdown period, "lauded Prime Minister Narendra Modi and Home Minister Amit Shah for the most pragmatic decision" of "valuing the sentiments of Indian traders and protecting their business interests".

Commerce Minister Piyush Goyal on his part said the move will "help in creating a level-playing field for small retailers".

Separately, the Retailers Association of India (RAI) said the government's home delivery permissions need to be broad based and all types



of retailers, including neighbourhood stores, should be allowed to operate.

The retailers' body said allowing neighbourhood stores and large essential products' chain retailers to do home delivery will help fulfil consumer needs in these trying times and play a part in enhancing social distancing.

Soon after the government had on April 16 announced graded plan to lift the lockdown by allowing all e-commerce deliveries and movement of trucks, some states such as Maharashtra, Odisha and Rajasthan issued notifications allowing non-essential deliveries alongside essential ones.

CAIT had resented the move and said that the state governments were against Indian traders and "prefer to destroy the businesses of Indian traders at the hands of foreign e-commerce players".

"Multinational e-com-

merce players have been trying to disrupt the businesses of small Indian traders by adopting unfair business practices such as deep discounting and predatory pricing by controlling inventory. Even in the lockdown period, they would have adopted their vitiated business model and promote all kinds of malpractices to damage the foundation of Indian retail," CAIT said in a statement on Sunday.

The home ministry on Sunday issued an order saying the following clause -- "E-commerce companies. Vehicles used by e-commerce operators will be allowed to ply with necessary permissions" -- is excluded from the guidelines issues.

Players like Paytm Mall have urged the government to expand the ambit of essential goods to include products like laptops and mobile phones to facilitate people working from home.

"Safety of fellow Indians is of utmost importance to us and, therefore, we support the government's decision in spirit to limiting e-commerce operations to essentials. However, we believe that the ambit of essential goods should be increased," Paytm Mall Senior Vice-President Srinivas Mothey said.

He added that people in the country are mostly working from home at the moment but many are finding it difficult as they are running low on certain items necessary to effectively operate under lockdown.

"Laptops, mobile phones, and accessories, computer hardware, webcams, all these things should be allowed to be part of essential goods. If the lockdown continues, lack of proper technical support would hinder the efficiency of employees which in turn would affect a company's operations," he said.

Sanjay Sethi, CEO and co-founder of ShopClues, echoed similar sentiments. "It is imperative to expand the definition of 'essential goods'. In fact, not doing so could be counterproductive at this time," he said.

He added that while the entire nation is forced indoors and working from home for extended period, it is impor-

tant that besides products like food, groceries and medicine, one also ensures supply of other critical items like small kitchen appliances, personal hygiene items, work from home essentials like phones, laptops and accessories.

Under the first phase of the nationwide lockdown between March 24-April 14, the government had only allowed delivery of essential goods through e-commerce platforms.

On April 16, the Ministry of Home Affairs issued fresh guidelines for the current lockdown allowing e-commerce companies to sell non-essential items as well.

A Snapdeal spokesperson said the company will continue to operate in complete compliance with the guidelines issued by the government in this regard. Nasscom President Debjani Ghosh tweeted that the decision could have been "better thought through".

"This could have been better thought through... a lot of the e-commerce cos have invested in planning for the 20th.

And most don't have deep pockets to handle these kinds of reversal in decisions. The focus, I feel, should have been on ensuring adequate safety protocols," she said.