

E-com firms barred from selling non-essential items

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NEW DELHI/CHENNAI,
APRIL 19

Coming under pressure from the trader community, the Ministry of Home Affairs (MHA) has taken a U-turn and banned online sales of non-essential items. The fresh order from the ministry on Sunday, ahead of the partial lifting of the lockdown on Monday, has created dissatisfaction among e-commerce majors, who have been working to resume online sales of products like mobile phones and consumer appliances from Monday.

The online platforms such as Amazon, Flipkart and Snapdeal, among others, are learnt to have raised concern over prohibition of business operations in all goods other than essential items, appealing that the Prime Minister Narendra Modi should intervene in this matter.

An official statement said, "the government has prohibited supply of non-essential items through e-commerce under lockdown restrictions to fight Covid-19." The MHA excluded clause 14 of the April 16 guidelines which had permitted e-commerce companies to operate. The clause, however, had not specified whether they could sell essentials alone or deliver non-essentials as well.

This clause had created confusion among retailers. E-commerce players



interpreted it as a permission to sell non-essential goods and some of them had secured verbal permission from the government on the following day to sell non-essential goods while the brick and mortar stores were still under the lockdown restrictions.

However, the unorganised trader community represented by the Confederation of All India Traders (Cait) had argued that the MHA guidelines did not allow e-commerce companies to sell non-essential goods and termed it a misinterpretation of the guidelines. It had been arguing that allowing e-commerce companies to sell non-

essentials shall go against creating a level-playing field and will give rise to unnecessary conflicts.

Since the notification was issued, Cait has been putting pressure on the government to withdraw the permission. "We had sought the intervention of Prime Minister Narendra Modi and home minister Amit Shah, besides calling on defence minister Rajnath Singh and commerce minister Piyush Goyal," Cait said in a release.

Meanwhile, the Retailers Association of India, which represents modern retailers, said: "At RAI, we believe that to fulfill consumer needs in these trying times,

rules for direct customer delivery need to be broad-based and all types of retailers, including neighborhood stores, should be allowed to operate".

When asked about the operations after April 20 in the lockdown 2.0, an Amazon source said, "We had taken permissions to resume our delivery services of non-essential goods in Gujarat, Maharashtra, Tamil Nadu, Uttar Pradesh, Andhra Pradesh and Goa. And some other states were supposed to give the permission as well by Sunday evening, while Flipkart had also got the permission from Odisha and West Bengal. But with the government's impromptu order, we have to follow the rules and expect a revised order after May 3. We appeal our Prime Minister should intervene in this matter soon."

An Amazon spokesperson said, "The new guideline will disappoint not only the consumers whose list of essentials had expanded to work from home and study 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."

Electronic shopping platforms like Flipkart and Snapdeal were expected to start taking online orders for non-essential goods for delivery but in vain.