

# The Government Of India Coming Up With Stricter Rules For Flipkart, Amazon

The government of India is planning to come up with stricter rules for e-commerce platforms like Flipkart, Amazon. The government may not permit e-commerce websites to hold flash sales of goods and services. The Department of Consumer Affairs has sought comments/suggestions to put forward amendments to Consumer Protection by July 6, 2021. Walmart-owned Flipkart, Amazon hold countless sales all over the year which seems to be hampering the small businesses, under the new law such sales would be prohibited

The government has said in its release that it has received countless complaints from consumers, traders and associations against widespread cheating and unfair trade practices being observed in the e-commerce ecosystem.

As a result of which, the Ministry of Consumer Affairs in its proposal has said that no e-commerce platform should be allowed to hold flash sales in India. Amazon, Flipkart hold flash sales especially around festivals like Diwali, Republic Day in India. While these sales must be highly beneficial for the e-commerce firms and the customers, the government may not let the sales anymore.

“Certain e-commerce entities are engaging in limiting consumer choice by indulging in ‘back to back’ or ‘flash’ sales wherein one seller selling on the platform does not carry any inventory or order fulfilment capability but merely places a flash or back to back order with another seller controlled by the platform. This prevents a level playing field and ultimately limits customer choice and increases prices,” the ministry said in a statement.