

Amazon seeks relaxation of India e-commerce rules

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An iPad with an Amazon logo on the screen on November 13, 2012 in Paris. US online retail giant Amazon said Tuesday it had asked New Delhi to consider relaxing a law that stops its Indian subsidiary from selling directly to customers.

US online retail giant Amazon said Tuesday it had asked New Delhi to consider relaxing a law that stops its Indian subsidiary from selling directly to customers.

The topic was raised when Paul Misener, Amazon's global vice

president, met Indian Trade Minister Anand Sharma in New Delhi.

"We talked about it (ending the ban on direct sales to customers)," Misener said after the meeting, adding that the company is always "trying to find a better way to serve our Indian customers, both sellers and buyers".

Asked by reporters whether Sharma had made any commitment to change the retail policy Misener replied, "The government of India has been very kind to Amazon.com and we continue to grow here."

Early last year, Amazon made its first foray into India with the launch of a shopping website, Junglee.com.

Junglee, which means "wild" in Hindi, is a modified version of the world's top online retailer's shopping portal, allowing customers to search for different products and compare prices.

It offers millions of products from Indian and global brands—but buyers must make their purchases through a network of third-party suppliers either by ordering online or visiting them in person.

Last year the Indian government eased legislation to allow foreign retailers such as US supermarket giant Wal-Mart to set up shop in India and sell directly to Indian consumers but online retailers were left out.

The Junglee set-up allows Amazon's Indian website to sidestep government rules forbidding it to sell directly to customers as it only directs shoppers to sites rather than selling the products directly.

India's e-commerce business is set to boom as incomes and consumer demand climb in a country of 1.2 billion people with a steadily ballooning middle class, analysts say.

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