

**Government of India
Ministry of Consumer Affairs, Food and Public Distribution
Department of Consumer Affairs**

RAJYA SABHA

STARRED QUESTION NO. *18

TO BE ANSWERED ON 21.07.2023

VIOLATION OF CONSUMER ACT BY ONLINE COMPANIES

***18. SHRI BRIJLAL:
(OIH)**

Will the MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether Government has enhanced the strictness on online companies violating the Consumer Act and using dark patterns; and
- (b) if so, the details thereof and the action taken or proposed to be taken against such online companies?

ANSWER

**THE MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI PIYUSH GOYAL)**

(a) & (b) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) & (b) OF RAJYA SABHA STARRED QUESTION NO.*18 FOR 21.07.2023 REGARDING VIOLATION OF CONSUMER ACT BY ONLINE COMPANIES BY SHRI BRIJLAL.

(a) and (b): To further strengthen the provisions for consumer protection especially in the new era of globalization, online platforms, e-Commerce markets etc., the Consumer Protection Act, 2019 was enacted to replace the Consumer Protection Act 1986. It inter-alia, provides for improved protection for consumers involved in online transactions. The Consumer Protection Act 2019 has widened the scope of the definition of "consumer" to include persons who buy or avail of goods or services online or through electronic means which was not present in the Consumer Protection Act 1986. Further, the Consumer Protection Act 2019 explicitly includes e-commerce transactions within its scope, defining e-commerce as the buying or selling of goods or services including digital products over digital or electronic network.

To safeguard consumers from unfair trade practices in e-commerce, the Department of Consumer Affairs has already notified the Consumer Protection (E-commerce) Rules, 2020 under the provisions of the Consumer Protection Act. These rules, inter-alia, outline the responsibilities of e-commerce entities and specify the liabilities of marketplace and inventory e-commerce entities, including provisions for customer grievance redressal.

Under the Consumer Protection Act 2019, the Central Consumer Protection Authority (CCPA) was established to regulate matters relating to consumer rights violations, unfair trade practices, and false or misleading advertisements that harm the public and consumer interests. The CCPA has issued advisories to, inter-alia, e-commerce companies to desist from manufacturing, selling or listing of products or services which are dangerous to life of the consumers which included selling and listing of car seat belt alarm stopper clips, illegal sale and facilitation of wireless jammers and also advised all marketplace e-commerce platforms to display information provided by sellers as per the E-Commerce Rules, 2020.

CCPA has also issued two safety notices cautioning consumers against buying goods that do not hold valid ISI Mark and violate compulsory BIS standards, such as Helmets, Pressure Cookers and Cooking gas cylinders and other household goods including electric immersion water heaters, sewing machines, microwave ovens, domestic gas stoves with LPG etc.

The Department of Consumer Affairs takes a proactive approach in tackling the challenges presented by the ever-evolving online sector. Recently, the Department has noticed emergence of unfair trade practices known as "dark patterns" which involve using design and choice architecture to deceive, coerce, or influence consumers into making choices that are not in their best interest.

The Department of Consumer Affairs (DoCA) conducted an interactive consultation in Mumbai on June 13, 2023 with various stakeholders including e-commerce companies, industry associations etc.

In line with these efforts, the Department of Consumer Affairs, Government of India, has urged the e-commerce companies, industry associations to refrain from indulging in any design or pattern in the online interfaces of their platform that may deceive or manipulate consumer choices and fall into the category of dark patterns.
