

GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
DEPARTMENT OF CONSUMER AFFAIRS

RAJYA SABHA
UNSTARRED QUESTION No. 717

TO BE ANSWERED ON 08.12.2023

UNFAIR TRADE PRACTICES BY ONLINE PLATFORMS

717. SHRI M. MOHAMED ABDULLA

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether Government is aware about the increasing prevalence of the deceptive trade practices by online platforms such as drip pricing, disguised advertising, choice manipulation, false urgency and privacy concerns that infringe upon consumer rights;
- (b) the steps taken by Government against the online platforms engaged in 'unfair trade practices' by incorporating 'dark patterns' in their online interface to manipulate consumer choice and violate consumer rights; and
- (c) if so, the details thereof?

ANSWER

THE MINISTER OF STATE, CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(SHRI ASHWINI KUMAR CHOUBEY)

(a) to (c) : Dark patterns involve using design and choice architecture to deceive, coerce, or influence consumers into making choices that are not in their best interest. Dark patterns encompass a wide range of manipulative practices such as drip pricing, disguised advertisement, bait and switch, false urgency etc.

Such practices fall under the category of "unfair trade practices" as defined under the Consumer Protection Act, 2019. The Central Consumer Protection Authority, in exercise of the powers conferred by Section 18 of the Consumer Protection Act, 2019, has issued "Guidelines for Prevention and Regulation of Dark Patterns, 2023" on 30th November, 2023 for prevention and regulation of dark patterns listing 13 specified dark patterns.

To safeguard consumers from unfair trade practices in e-commerce, the Department of Consumer Affairs has also notified the Consumer Protection (E-commerce) Rules, 2020 under the provisions of the Consumer Protection Act, 2019. 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.

The CCPA has notified the Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022 on 9th June, 2022. These guidelines inter-alia provide for; (a) conditions for an advertisement to be non-misleading and valid; (b) certain stipulations in respect of bait advertisements and free claim advertisements; and (c) duties of manufacturer, service provider, advertiser and advertising agency.

The Bureau of Indian Standards (BIS) has notified framework on ‘Online Consumer Reviews — Principles and Requirements for their Collection, Moderation and Publication’ on 23.11.2022 for safeguarding and protecting consumer interest from fake and deceptive reviews in e-commerce. The standards are voluntary and are applicable to every online platform which publishes consumer reviews. The guiding principles of the standard are integrity, accuracy, privacy, security, transparency, accessibility and responsiveness.
