

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT OF INDUSTRIAL POLICY & PROMOTION
LOK SABHA**

**UNSTARRED QUESTION NO. 3202.
TO BE ANSWERED ON MONDAY, THE 5TH DECEMBER, 2016.**

PROMOTION OF E-COMMERCE

**3202. PROF. PREM SINGH CHANDUMAJRA:
SHRI E. T. MOHAMMED BASHEER:**

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:

वाणिज्य एवं उद्योग मंत्री

- (a) whether the Government has set up a committee to suggest measures to promote e-commerce in the country;
- (b) if so, the details along with the present status thereof;
- (c) whether the Government has received suggestion to route its purchase through e-commerce;
- (d) if so, the details thereof and the response of the Government thereto; and
- (e) whether the Government has taken steps to regulate and licence e-commerce in various products including food and food products in the country, if so, the details thereof?

ANSWER

**वाणिज्य एवं उद्योग राज्यमंत्री (स्वतंत्र प्रभार)(श्रीमती निर्मला सीतारमण)
THE MINISTER OF STATE (INDEPENDENT CHARGE)
OF THE MINISTRY OF COMMERCE & INDUSTRY
(SHRIMATI NIRMALA SITHARAMAN)**

- (a) & (b):** A Committee has been constituted to examine various issues relating to e-commerce under the Chairmanship of CEO, NITI Aayog. The Committee inter-alia comprises representatives from Department of Industrial Policy & Promotion, Department of Economic Affairs, Department of Electronics & Information Technology, Department of Consumer Affairs and certain State Governments namely Assam, Karnataka, Madhya Pradesh, Maharashtra, Odisha and Punjab.
- (c) & (d):** Different Ministries/ Departments receive suggestions on various issues, which are considered by the Government and necessary amendments, if required, are made in the policy from time to time. Further, Government has inserted Rule 141 in General Financial Rules (GFR), 2005, which provides that Directorate General of Supplies & Disposal will host an online e-Marketplace for common use goods and services. Details thereof are at **Annexure**.
- (e):** The e-Commerce companies have to comply with the Companies Act and other applicable laws of the country. Such companies with FDI can operate only in activities which are specifically permitted as per the 'Consolidated FDI Policy Circular of 2016'. Further, activities of e-Commerce companies inter alia involve compliance of Shops and Establishment Act of the State concerned.

ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO PARTS (c) & (d) OF LOK SABHA UNSTARRED QUESTION NO. 3202 FOR ANSWER ON 05TH DECEMBER, 2016.

Government **e-Market place** (GeM): DGS&D will host an online Government e-Marketplace (GeM) for common use Goods and Services. The GeM would be dynamic, self sustaining and user friendly DGS&D will ensure adequate publicity including periodic advertisements in newspapers of the GeM and the items to be procured through GeM for the prospective suppliers. The procuring authorities will satisfy themselves that the price of the selected offer is reasonable. GeM may be utilized by Government buyers (at their option) for direct on-line purchases as under:

- (a) Upto Rs.50,000/- through any of the available suppliers on the GeM, meeting the requisite quality, specification and delivery period;
- (b) Above Rs.50,000/- through the supplier having lowest price amongst the available suppliers on the GeM, meeting the requisite quality, specification and delivery period. GeM will also provide tools for online bidding and online reverse auction which can be used by the Purchaser.

The above monetary ceiling is applicable only for purchases made through GeM. For all other purchases, GFR Rule 145,146, 150 and 151 will apply.
