

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE**

LOK SABHA

**UNSTARRED QUESTION NO. 42.
TO BE ANSWERED ON MONDAY, THE 4TH FEBRUARY, 2019.**

e-COMMERCE POLICY

42. SHRI B. SENGUTTUVAN:

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether the Ministry has recently introduced some changes to the e-Commerce Policy prevailing in the country with a view to protecting the indigenous traders and business houses from being taken undue advantage of by the e-Commerce giants and if so, the details thereof;
- (b) whether the policy changes are poised to take effect from the 1st of February, 2019 and if so, the details thereof;
- (c) whether the major policy changes include that the e-Commerce companies in India will not be able to sell products *via* companies in which they have an equity interest and they will not be able to compel the sellers to sell their products exclusively on the e-Commerce platform of one company, if so, the details thereof;
- (d) whether the policy changes have not gone down well with the US traders and if so, the details thereof; and
- (e) whether the media reports are true that these changes would scale down the quantum of e-Commerce turnover by about \$ 46 billion in about two years and if so, the details thereof?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्यमंत्री (श्री सी.आर. चौधरी)

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI C.R. CHAUDHARY)**

- (a) to (c):** In order to ensure due compliance of the FDI policy on e-Commerce, Government has issued Press Note 2 (2018) which inter-alia provides that:
- (i) An entity having equity participation by e-commerce marketplace entity or its group companies, or having control on its inventory by e-commerce marketplace entity or its group companies, will not be permitted to sell its products on the platform run by such marketplace entity.

- (ii) e-commerce marketplace entity will not mandate any seller to sell any product exclusively on its platform only.

This Press Note is effective from February 01, 2019.

- (d):** Representations in this regard have been received from US India Business Council and US India Strategic Partnership Forum.
- (e):** The e-Commerce sector is expected to keep growing in future because of a number of reasons. The FDI Policy on e-Commerce has remained unchanged. Better enforcement of this policy will contribute significantly to growth of this sector over medium and long term.
