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

#### **LOK SABHA**

## UNSTARRED QUESTION NO. 5081. TO BE ANSWERED ON WEDNESDAY, THE 24<sup>TH</sup> JULY, 2019.

#### **ONLINE DISCOUNTS**

5081. SHRI SELVAM G.:

SHRI MOHANBHAI KALYANJI KUNDARIYA:

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state: वाणिज्य एवं उद्योग मंत्री

- (a) whether major e-commerce companies are offering steep online discounts affecting domestic Indian traders and business houses and if so, the details thereof:
- (b) whether major e-commerce companies have approached the Government to reconsider the changes brought to e-commerce policy; and
- (c) if so, the details thereof and the reaction of the Government thereto?

#### ANSWER

### वाणिज्य एवं उद्योग मंत्री (श्री पीयूष गोयल) THE MINISTER OF COMMERCE & INDUSTRY (SHRI PIYUSH GOYAL)

(a)to (c): The extant Foreign Direct Investment (FDI) policy on e-commerce sector, inter-alia, specifies that e-commerce marketplaces will not directly or indirectly influence the sale price of goods or services and shall maintain a level playing field. Violations of FDI policy are covered under the penal provisions of the Foreign Exchange Management Act (FEMA).

Representations alleging violations of various provisions of FDI policy in ecommerce sector were received in this Department. These have been sent to the relevant enforcement agency for appropriate action under the law.

In order to provide clarity to the extant FDI policy on e-commerce, this Department has issued Press Note 2 of 2018 on 26.12.2018, and no changes have been made in the recent past in the FDI Policy on e-commerce sector.

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