

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

LOK SABHA
UNSTARRED QUESTION NO. 3406
TO BE ANSWERED ON 09.08.2023

CONSUMER FINANCIAL BEHAVIOURS

3406. SHRI BENNY BEHANAN:

Will the Minister of **CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION**
उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण राज्य मंत्री be pleased to state:

- (a) whether the Government has proposed any collaboration or coordination between the Finance Ministry and the Ministry of Consumer Affairs to build consumer awareness on consumer financial behaviour especially online, if so, the details thereof; and
- (b) whether the Government has a proposal to remove the duplication of unnecessary compliances and reflect the reality that e-commerce is a complex mix of digital and physical worlds to protect consumers and promote innovation, if so, the details in this regard?

ANSWER

उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण राज्य मंत्री
(श्री अश्विनी कुमार चौबे)

THE MINISTER OF STATE
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI ASHWINI KUMAR CHOUBEY)

(a) & (b) : The Department of Consumer Affairs holds the mandate to safeguard and promote consumer interests and rights. Section 2(7) of the Consumer Protection Act, 2019 defines a consumer as a person who buys goods or hires or avails of services for a consideration that has been paid or promised or partly paid and partly promised, or under any system of deferred payment. This includes any user of such goods or beneficiary of such services other than the person who buys or hires or avails of the goods or services, when such use or benefit is made with the approval of the person who buys or hires or avails of the goods or services. However, a consumer does not include a person who obtains goods for resale or for any commercial purpose or a person who avails of services for any commercial purpose.

Section 2(21) of the Consumer Protection Act, 2019 defines goods as movable property, including "food" as defined in the Food Safety and Standards Act, 2006. Meanwhile, Section 2(42) defines services as offerings to potential users, in various sectors such as banking, financing, insurance, transport, processing, supply of electrical or other energy, telecom, boarding or lodging or both, housing construction, entertainment, amusement or the purveying of news or other information.

There are various regulators for the aforementioned sectors. Department of Consumer Affairs engages in consultations, meetings, and deliberations as necessary while framing sector specific rules/regulations.

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, 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 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.
