

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

**UNSTARRED QUESTION NO. 559.
TO BE ANSWERED ON WEDNESDAY, THE 16TH SEPTEMBER, 2020.**

E-COMMERCE RETAIL COMPANIES

559. SHRI RAMDAS C. TADAS:

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether it is a fact that e-commerce Retail Companies are providing online services to the customers by violating Indian Laws;
- (b) if so, the number of such Retail Companies against which complaints have been received by the Ministry of Commerce and Competition Commission of India; and
- (c) whether the Government has instructed e-commerce Foreign Companies to operate as per the Indian Laws and if so, the details thereof?

ANSWER

वाणिज्य एवं उद्योग मंत्री (श्री पीयूष गोयल)

**THE MINISTER OF COMMERCE & INDUSTRY
(SHRI PIYUSH GOYAL)**

- (a) & (b):** Representations alleging violations of extant laws by e-commerce companies, have been received. In this regard, representations received are being examined by Department for Promotion of Industry and Internal Trade (DPIIT) and certain alleged contraventions under the FDI Policy, are also being investigated against certain e-commerce retail companies under provisions of Foreign Exchange Management Act, 1999 by the Directorate of Enforcement. Further, several complaints against e-commerce entities, including related associate/holding companies etc, which are operating as marketplace platforms, online sellers/service providers, search engines service providers operating in different verticals etc, regarding anti-competitive behavior, are being looked into by Competition Commission of India.
- (c):** In order to provide clarity to the extant FDI Policy on e-commerce, DPIIT, had issued Press Note 2 of 2018 on 26.12.2018. However, no specific instructions have been provided by DPIIT to any e-commerce foreign companies having FDI, operating in Retail Sector. Department of Consumer Affairs, has released the Consumer Protection (e-commerce) Rules, 2020 on 23.07.2020, to clarify liability on e-commerce entities for goods/services provided. Mandatory declarations specifying country of origin, have also been imposed as requirement for e-commerce entities under the Legal Metrology (Packaged Commodities) Rules, 2011 as per O.M. WM-7(7)/2020 dated 03.07.2020 by Department of Consumer Affairs.
