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

UNSTARRED QUESTION NO. 2516. TO BE ANSWERED ON TUESDAY, THE 10TH DECEMBER, 2024.

DEDICATED LAW TO REGULATE E-COMMERCE WEBSITES

2516. SHRI M K RAGHAVAN:

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

- (a) Whether the Government has any proposal to introduce a dedicated law to regulate e-Commerce websites in the country, if so, the details thereof;
- (b) whether the Government has any proposal to introduce a dedicated grievance redressal system for e-Commerce consumer complaints in view of the raising complaints; and
- (c) if so, the details thereof?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री जितिन प्रसाद) THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI JITIN PRASADA)

- (a): The e-commerce sector is governed by a comprehensive legislative framework. Some of the Acts applicable to e-Commerce Sector are Consumer Protection Act, 2019; Consumer Protection (E- commerce) Rules, 2020; Competition, Act, 2002; Central Goods and Services Act (CGST) Act, 2017; Information Technology Act, 2000; Payment and Settlement Systems Act, 2007; Companies Act, 2013; Copyright Act, 1957 etc. FDI policy and Foreign Exchange Management Act, 1999 contain provisions related to Foreign Direct Investment (FDI) in e-Commerce Sector.
- (b) & (c): Consumer Protection Act, 2019 has been enacted to provide a framework for governing the consumer protection in the new era of globalization, technologies, e-commerce markets etc. The Department of Consumer Affairs has notified the Consumer Protection (E- commerce) Rules, 2020 under the provisions of the Consumer Protection Act, 2019 to safeguard consumers from unfair trade practices in e-commerce. 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 consumer grievance redressal. Department of Consumer Affairs has also launched National Consumer Helpline to create awareness, advise and redress consumer grievances including those related to e-commerce and act as a central registry for lodging consumer grievances.

The Consumer Protection Act, 2019 provides for redressal of the grievances of consumer through specialized three-tier quasi-judicial agencies, now commonly known as 'National Consumer Disputes Redressal Commissions (NCDRC)' at National level, 'State Consumer Disputes Redressal Commission (SCDRC)' at State level, and 'District Consumer Disputes Redressal Commission(DCDRC)' at District level. The Act also provide for simple and speedy redressal of consumer disputes including those related with unfair trade practices. The Consumer Commissions are empowered to give relief of a specific nature and award, wherever appropriate, compensation to consumers.

Salient features of the Consumer Protection Act, 2019 are establishment of a Central Consumer Protection Authority(CCPA); simplification of the adjudication process in the Consumer Commissions; filing of a complaint by a consumer in the Consumer Commission having jurisdiction over the complainant's place of residence/work or where the cause of action arises, or the place of business or residence of the opposite parties; virtual hearing; deemed admissibility of complaints if admissibility is not decided within 21 days of filing; provision of product liability; penal provisions for manufacture/sale of adulterated products/spurious goods; provision for making rules for prevention of unfair trade practice in e-commerce and direct selling etc.

Further, Bureau of Indian Standards (BIS) has notified framework on 'Online Consumer Reviews — Principles and Requirements for their Collection, Moderation and Publication' on 23.11.2022 for safeguarding and protecting consumer interest from fake and deceptive reviews in e-commerce.

The Central Consumer Protection Authority, in exercise of the powers conferred by Section 18 of the Consumer Protection Act, 2019, has issued "Guidelines for Prevention and Regulation of Dark Patterns, 2023" on 30th November, 2023 for prevention and regulation of dark patterns listing 13 specified dark patterns identified in e-Commerce sector.
