

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

**LOK SABHA**  
**STARRED QUESTION NO. \*132**  
**TO BE ANSWERED ON 08.12.2015**

**E-COMMERCE**

\*132. SHRI JAGDAMBIKA PAL:  
SHRI NISHIKANT DUBEY:

**Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION** **be pleased to state:**

- (a) whether the Government has been received complaints including fraud, cheating, tax evasion predatory pricing, mis-selling, privacy concerns etc., against the e-commerce companies, if so, the details of such complaints received during each of the last three years and the current year along with the action taken thereon, e-commerce company/site-wise;
- (b) whether the Government has received requests/demands from various associations and public representatives regarding need for regulating e-commerce business in the country and to provide a level playing field to the traditional traders, if so, the details thereof and the reaction of the Government thereto indicating its impact on small retailers and the steps taken to protect their interest;
- (c) whether there is a multiplicity of rules regulating e-commerce which is affecting the interest of the companies, and if so, the details thereof; and
- (d) whether the e-commerce transactions are proposed to be covered under the consumer protection bill and if so, the details thereof?

**ANSWER**

**मिन्टर कनसुमर अफेयर्स, फूड अण्ड पब्लिक डिस्ट्रिबुशन**  
**के प्लेज्ड टु स्टेट:**

**THE MINISTER OF**  
**CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION**  
**(SHRI RAM VILAS PASWAN)**

(a) to (d) : A Statement is laid on the Table of the House.

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**STATEMENT REFERRED IN REPLY TO PARTS (a) TO (d) OF LOK SABHA  
STARRED QUESTION NO.\*132 FOR 08.12.2015 REGARDING E-COMMERCE.**

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(a) : As reported by Ministry of Corporate Affairs, over the last three years (i:e 2012-13 to 2014-15) and during the current year till date, a total of 12 complaints have been received against e-commerce companies. The complaints have been made against alleged money laundering, hiding of operation details, fraud transactions, non delivery of goods, unfair trade practice etc. The company wise details of complaint and follow up action taken is given at Annexure.

(b) & (c): Yes, Madam. The e-commerce activities are essentially commercial/ business oriented and therefore come under the purview of different Laws /Act like the Shop and Establishment Act, Sales of Goods Act, Companies Act, Indian Penal Code, Income Tax Laws, Information Technology Act, the Competition Act and the Consumer Protection Act, etc. As regard safeguarding the interest of small retailers/domestic traders, important policy decision taken by the Government include the introduction of the public procurement policy for Small and Medium Enterprises (SMEs), restricting Foreign Direct Investment to Single Brand retailing and to Business to Business segment of e-commerce.

(d) : Yes, Madam. The Consumer Protection Bill, 2015, since introduced in the Lok Sabha on 10.8.2015 also covers e-commerce transactions.

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**STATEMENT REFERRED IN REPLY TO PART (a) OF LOK SABHA STARRED QUESTION NO.\*132 FOR 08.12.2015 REGARDING E-COMMERCE.**

**STATEMENT SHOWING DETAILS OF COMPLAINTS RECEIVED AGAINST E-COMMERCE COMPANIES DURING 2012-13 TO 2014-15 AND CURRENT YEAR(TILL DATE) IN RESPECT OF PART(A)**

PERIOD	NAME OF COMPANY	NOS.OF COMPLAINTS RECEIVED	DETAILS OF ALLEGATIONS	ACTION TAKEN
01.04.2012 to 31.03.2013	1.M/s Newlook Retails Private Limited.	02	Serious nature of complaints relating to money laundering.	The Ministry of Corporate Affairs has already issued order on 01.10.2012 to carry out inspection of Books of accounts and other records of the concerned company to examine the violations under various provisions of the Companies Act,1956.The Inspection Report submitted by the Inspecting Officer has already been examined and instructions has already been issued to the concerned Regional Director and Registrar of Companies, Mumbai for initiating penal action for violations under the provisions of the Companies Act,1956.
	2. M/s G-Link Revenue E-Com Private Limited.	01	Serious nature of complaints relating to money laundering and unauthorized collection of funds from the public.	The complaint has been forwarded to the Ministry of Finance & also to the Economic Offence Wing for suitable action for the allegations made therein. The necessary prosecution for violation under section 234 of the Companies Act, 1956 has also been initiated.
01.04.2013 to 30.03.2014	1.M/s Newlook Retails Private Limited.	01	Serious nature of complaints relating to money laundering and unauthorized collection of funds from the public.	The Ministry of Corporate Affairs has already issued order on 01.10.2012 to carry out inspection of Books of accounts and other records of the concerned company to examine the violations under various provisions of the Companies Act,1956.The Inspection Report submitted by the Inspecting Officer has already been examined and instructions has already been issued to the concerned Regional Director and Registrar of Companies, Mumbai for initiating penal action for violations under the provisions of the Companies Act,1956.
	2.M/s Flipkart Internet Private Limited.	01	Not disclosing the true and complete identity and even the address of the registered office on the website.	The complaint received by e-mail (without complete postal address) was taken up with the concerned company and reply of the company received thereon was sent to the complainant by e-mail.

01.04.2014 To 30.03.2015	1.M/s Newlook Retails Private Limited.	04	Serious nature of complaints relating to money laundering and unauthorized collection of funds from the public.	The complaint was forwarded to SEBI as well as Department of Financial Services, Ministry of Finance for necessary action as the allegations were related to multilevel marketing & money circulation.
	2.M/s Flipkart Internet Private Limited.	01	Fraud transaction of Rs.49,669/- on the complainant's ICICI Bank Account.	The reply of the concerned company was sent to the complainant on 02.02.15 and advised him to approach RBI's Banking Ombudsman in r/o his complaint since the matter does not come under the purview of the Companies Act.
	3. M/s Bhaap Online Retails Private Limited.	01	Non delivery of product even after making the payment.	The complaint received by e-mail (without complete postal address) was taken up with the concerned company. The reply of the company received thereon was sent to the complainant by e-mail advising him to move on application before the appropriate Forum for redressal of his grievances since the matter does not come under the purview of the Companies Act.
01.04.2015 to till date	2.M/s Flipkart Internet Private Limited.	01	For deficiency in service and unfare trade practice	The complaint received by e-mail (without complete postal address) was taken up with the concerned company. The reply of the company received thereon was sent to the complainant by e-mail advising him to move on application before the appropriate Forum for redressal of his grievances since the matter does not come under the purview of the Companies Act.
	<b>Total</b>	<b>12</b>		

*Note:-Data Compiled based on the information received from The Ministry of Corporate Affairs.*