

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

LOK SABHA
UNSTARRED QUESTION NO. 4221
TO BE ANSWERED ON 26.03.2025

SALE OF LOW-QUALITY PRODUCTS ON E-COMMERCE PLATFORMS

4221. SHRI SANATAN PANDEY:
(OIH)

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

- (a) the steps taken by the Government to check the sale of spurious and low-quality products on e-commerce platforms along with the details thereof; and
- (b) the new initiatives taken by the Government to make consumers aware of their rights and simplify the process of filing complaints along with the details thereof?

ANSWER

THE MINISTER OF STATE
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI B.L.VERMA)

(a) & (b) : Department of Consumer Affairs is continuously working for consumer protection and empowerment of consumers by enactment of progressive legislations. With a view to modernize the framework governing the consumer protection in the new era of globalization, technologies, e-commerce markets etc. Consumer Protection Act, 1986 was repealed and Consumer Protection Act, 2019 was enacted.

The Consumer Protection Act, 2019 provides for a three tier quasi-judicial machinery at District, State and Central levels commonly known as “Consumer Commissions” for protection of the rights of consumers and to provide 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 compensation to consumers, wherever appropriate.

Salient features of the new Consumer Protection Act, 2019 are establishment of a Central Consumer Protection Authority(CCPA); simplification of the adjudication process in the Consumer Commissions such as enhancing pecuniary jurisdiction of the Consumer Commissions, online filing of complaint from the Consumer Commission having jurisdiction over the place of work/residence of the consumer irrespective of the place of transaction, videoconferencing for 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.

Section 90 and 91 of the Consumer Protection Act, 2019 provide for punishment for manufacturing for sale or for storing or selling or for distributing or importing any product containing an adulterant or spurious goods, which includes imprisonment or fine depending on the extent of injury to the consumer.

Under the provisions of the Consumer Protection Act, 2019, the Central Consumer Protection Authority (CCPA), an executive agency, came into existence on 24.07.2020. It is designed to intervene, to prevent consumer detriment arising from unfair trade practices and to initiate class action(s), including the enforcement of recalls, refunds and return of products. Its core mandate is to prevent and regulate false or misleading advertisements which are prejudicial to the public interest.

To safeguard consumers from unfair trade practices in e-commerce, the Department of Consumer Affairs has also 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 consumer grievance redressal.

The CCPA has also notified the Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022 on 9th June, 2022. These guidelines inter-alia provide for; (a) conditions for an advertisement to be non-misleading and valid; (b) certain stipulations in respect of bait advertisements and free claim advertisements; and, (c) duties of manufacturer, service provider, advertiser and advertising agency. These guidelines states that due diligence is required for endorsement of advertisements such that any endorsement in an advertisement must reflect the genuine, reasonably current opinion of the individual, group or organisation making such representation and must be based on adequate information about, or experience with, the identified goods, product or service and must not otherwise be deceptive.

The CCPA issued the “Guidelines for Prevention and Regulation of Dark Patterns, 2023” on 30th November 2023. These guidelines address and regulate 13 specific dark patterns identified in the e-commerce sector, aiming to prevent deceptive practices that mislead consumers.

Bureau of Indian Standards (BIS) introduced the framework on ‘Online Consumer Reviews — Principles and Requirements for their Collection, Moderation, and Publication’ on 23rd November 2022. This framework safeguards consumer interests by addressing fake and deceptive reviews in e-commerce. While the standards are voluntary, they apply to all online platforms that publish consumer reviews and are guided by principles such as integrity, accuracy, privacy, security, transparency, accessibility, and responsiveness.

The Department of Consumer Affairs has been generating consumer awareness by undertaking country-wide multimedia awareness campaigns under the aegis of "Jago Grahak Jago" to reach out to every consumer across the country by utilizing traditional media like All India Radio, Doordarshan, fairs & festivals, etc. as well as social media. Through simple messages and jingles, consumers are made aware about the consumer rights, unfair trade practices, consumer issues and the mechanism to seek redressal. The Department has also been releasing grant-in-aid to States/UTs for generating consumer awareness at local level. During the current financial year, the Department, under consumer awareness scheme, undertook campaigns through All India Radio (AIR) during T20 World Cup, IVRS (Interactive Voice Response System) campaign, Pan-India interaction session with panchayats, for generating awareness about consumer rights, standards, redressal mechanism, etc.
