



## ELP update: Government seeks comments on the proposed draft guidelines for protection of interests of consumers in the e-commerce sector

August 07, 2019

Dear Reader,

On August 2, 2019, the Department of Consumer Affairs set forth a proposal in relation to the protection of the interests of E-commerce consumers through a set of guidelines which can be found [here](#).

The Parliament, on August 6, 2019, gave its nod to the landmark Consumer Protection Bill, 2019 which aims to protect the rights of consumers by establishing authorities for timely and effective administration and settlement of consumers' dispute. The Bill was passed by the Lok Sabha on July 30, 2019, and was passed by Rajya Sabha today through a voice vote. The Bill will replace the over three decades old Consumer Protection Act, 1986.

Notably the Bill empowers the Central Government to take measures for preventing unfair trade practices in the e-commerce sector. Therefore, it appears that draft "E-commerce Guidelines for Consumer Protection 2019" ("**Draft Guidelines**") once finalized would be formally adopted and enforced by the Central Government pursuant to its powers under the Bill (as and when it receives the Presidential assent and is notified as an Act). The Draft Guidelines aim to prevent fraud, unfair trade practices and protect the legitimate rights and interests of consumers against E-tailers from influencing pricing, adopting unfair promotion methods or misrepresenting the quality of goods and services.

These guidelines are to apply to Business-to-Consumer E-commerce business, including goods and services, including digital content products. The proposed guidelines include vital definitions, general conditions for the operation of an E-commerce business, liabilities and obligations of an "E-commerce entity", liabilities of a "Seller" as well as the procedure for Consumer Grievance Redressal which will also involve a system for convergence with the National Consumer Helpline. The essential guidelines require E-tailers platforms to declare all details about their sellers, which includes address, website and email address. The platforms are also required to display terms of the contract with the seller relating to return, refund, exchange, warranty, delivery and mode of payments.

The e-commerce policy is under consideration by the Ministry of Commerce. The primary intent of the Ministry of Consumer Affairs is to protect the interests of consumers and we accordingly expect the proposed regulations under this space to be harmonious and complementary.

The Department of Consumer Affairs is seeking views and comments on the operation of these guidelines from the stakeholders and has set the deadline for the submission as **September 16, 2019**. Any such views or comments must be sent to [dscpu-ca@nic.in](mailto:dscpu-ca@nic.in) by the prescribed date.

ELP is preparing a report with our detailed comments and will share the same for your perusal within the coming weeks. Should you have any comments or inputs that you wish to see incorporated into the representation we're preparing for the government, do feel free to reach out to us at [insights@elp-in.com](mailto:insights@elp-in.com).

We remain available in case you have any further queries.

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[Email: Insights@elp-in.com](mailto:Insights@elp-in.com)

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