

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 1076
ANSWERED ON MONDAY, FEBRUARY 10, 2025/ MAGHA 21, 1946 (SAKA)

Quick Commerce Platforms

QUESTION

1076. Shri Thiru Dayanidhi Maran.

Will the Minister of CORPORATE AFFAIRS

be pleased to state:

(a) the steps taken by the Government to address concerns raised by the Consumer Affairs Ministry regarding aggressive discounting and the proliferation of “dark stores” by quick commerce platforms;

(b) whether the Government has any plans to collaborate with the Consumer Affairs Ministry to create a unified framework to address the challenges posed by quick commerce platforms to smaller retailers;

(c) the criteria for quick commerce players to be regulated under the digital competition law and the criteria adopted to determine their regulatory significance and the manner in which their potential future impact being monitored;

(d) whether the Government has any plans to introduce guidelines or policies to ensure fair competition & prevent monopolistic practices by quick commerce platforms as they continue to grow and if so, the details thereof; and

(e) whether the Government has conducted or commissioned any studies to assess the long-term effects of quick commerce platforms on market competition, small retailers and consumer behaviour?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS.

(SHRI HARSH MALHOTRA)

(a)&(b) 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 customer grievance redressal.

In terms of the provisions of these rules, no e-commerce entity shall

(i) manipulate the price of the goods or services offered on its platform in such a manner as to gain unreasonable profit by imposing on consumers any unjustified price having regard to the prevailing market conditions, the essential nature of the good or service, any extraordinary circumstances under which the good or service is offered, and any other relevant consideration in determining whether the price charged is justified.

(ii) discriminate between the consumers of the same class or make any arbitrary classification of consumers affecting their rights under the Act.

These rules also provide that no e-commerce entity shall adopt any unfair trade practice, whether in the course of business on its platform or otherwise.

In order to strengthen consumer protection, the Central Consumer Protection Authority (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 Ministry of Corporate Affairs (MCA) regulates company entities under Companies Act, 2013. Competition Commission of India takes action to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect the interests of consumers and to ensure freedom of trade carried on by other participants in markets under the various provisions of the Competition Act, 2002.

Currently, there is no plan to collaborate with the Consumer Affairs Ministry to create a unified framework.

(c)&(d) There is no separate Digital Competition Law at present. However, appropriate action is taken as per the existing provision of the Competition Act, 2002 on receipt of any complaint regarding anti-competitive practices or abuse of dominance by any company including e-commerce companies.

(e) No such study has been conducted or commissioned by the Ministry of Corporate Affairs.