

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

STARRED QUESTION NO:220

ANSWERED ON:04.08.2015

Regulation of e-Commerce

Ahmed Shri Sultan ;Selvam Shri V. Panneer

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

- (a) whether the market for e-Commerce is gradually growing in the country and if so, the details thereof indicating the value and growth of the sector during the last three years and the current year;
- (b) whether instances of irregularities in the functioning of e-Commerce have come to the notice of the Government, if so, the details thereof indicating the number of complaints reported during the said period and the action taken thereon;
- (c) the factors hindering the growth of e-Commerce in the country along with the remedial action taken by the Government to remove such hurdles and boost the sector;
- (d) whether the Government proposes to enact any legislation for regulating and development of e-Commerce in the country, if so, the details and the present status thereof; and
- (e) whether the traditional retail chains have sought clarification on guidelines regulating e-Commerce, if so, the details thereof and the response of the Government thereto?

Answer

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

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

STATEMENT REFERRED IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO.*220 FOR 04.08.2015 REGARDING REGULATION OF E-COMMERCE.

(a) : Yes Madam. However no official data on year wise growth of the e-Commerce sector is available. As per the latest Economic Survey-2014-15, India's e-Commerce market is expected to grow by more than 50% in the next five years.

(b) : Yes Madam. A complaint was filed with the Competition Commission of India (CCI) by Mr. Mohit Mangalani, Mumbai against five Online retailers i.e. M/s Flipkart India Pvt Ltd., M/s Jasper Infotech Pvt Ltd., M/s Xerion Retails Pvt Ltd, M/s Amazon Seller Services Pvt Ltd. and Vector e-commerce Pvt Ltd. alleging anti-competitive practices. The complaint was investigated by the CCI and closed on the ground that prima facie no case of contravention of the provisions of the Competition Act is made out against these companies.

(c) & (d) : According to Economic Survey-2014-15, inventory management, logistics planning and resource availability are important hurdles for online retail in India. There is no proposal for specific law/regulations for e-Commerce industry. These activities come under the purview of different existing laws like Information Technology Act, 2000, Contract Law, Company Act, Foreign Exchange Regulation Act (FERA), Income Tax Act/Sales Tax Act, etc.

(e) : Associations representing the traditional retailers like Confederation of All India Traders (CAIT) and Retailer Association of India have sought clarification on the guidelines for Foreign Direct Investment (FDI) in e-Commerce. The FDI policy is being implemented by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry.
