

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

UNSTARRED QUESTION NO:1548

ANSWERED ON:02.12.2014

E COMMERCE UNDER CONSUMER LAW

Agrawal Shri Rajendra;Ahlawat Smt. Santosh;Kambhampati Dr. Hari Babu;Mullappally Shri Ramachandran;Singh Shri Rakesh

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

- (a) whether there is any proposal to bring e-commerce operations under the Consumer Protection Law in view of the complaints of cheating and other malpractices by such companies;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) whether the expansion of e-commerce is also causing a loss to the State revenues; and
- (d) if so, the details thereof and the corrective steps taken in this regard?

Answer

THE MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI RAOSAHEB PATIL DANVE)

(a) & (b): Madam, e-commerce operations are already covered under the Consumer Protection Act, 1986.

(c) & (d): Trading of goods by e-commerce does not attract levy of Service Tax. Goods which are imported/manufactured are cleared on payment of duty of Customs/Central Excise, as the case may be, at the time of import/clearance from the factory. Therefore, as far as the Central Government is concerned, there is no loss to indirect tax revenue due to expansion of e-commerce.