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Reference: SSD 11/T-01 Date: 16 January 2025

TECHNICAL COMMITTEE: Retail, E-commerce & E payment Services Sectional Committee, SSD 11

To,

All concerned

Dear Madam/Sir,

The following document has been prepared by the Retail, E-commerce & E payment Services Sectional Committee Sectional Committee, SSD 11. Please click here to view the document.

Document Number: SSD 11 (26940) WC

Title of the document: E-COMMERCE-PRINCIPLES AND GUIDELINES FOR SELF-GOVERNANCE

Document Type: New Indian Standard

This document has following salient features which may require specific attention for your valuable comments:

1) This document lays down the essential principles and provides guidelines for the self-governance of E-Commerce operations for the best interests of not only the consumer but also other stakeholders involved in the business of e-commerce.

Please examine the document and share your comments regarding further improvement in the document.

Last date for sharing the comments is: 15 February 2025

The comments should be shared in the prescribed template through this portal only; and the comments so received shall be taken up by the Sectional Committee for necessary action. For any other query, please write an email at ssd@bis.gov.in to the undersigned at Bureau of Indian Standard, Manak Bhawan, 9, Bahadur Shah Zafar Marg, New Delhi.

In case no comments are received, we would presume your approval of the documents. However, in case we receive any comments on the document, the same shall be put up to the Sectional Committee for necessary action.

Thanking You,

व्यापक परिचालन में मसौदा(दे)

हमारा सन्दर्भ : SSD 11/ T-01 दिनांक : 16-01-2025

तकनीकी समिति : Retail, E-commerce & E payment Services Sectional Committee Sectional Committee, SSD 11

प्राप्तकर्ता: रूचि रखने वाले सभी निकाय

महोदय/या,

निम्नलिखित मसौदा तैयार किया गया है:

प्रलेख संख्या : SSD 11 (26940) WC

शीर्षक:

कृपया इस/इन मानक(को)/संसोधन(नो) के मसौदे(दो) का अवलोकन करें और अपनी सम्मतियाँ यह बताते हुए भेजें कि यदि ये मानक(को) के संशोधन(नो) के रूप में प्रकाशित हो तो इन पर अमल करने में आपके व्यवसाय अथवा कारोबार में क्या कठिनाइयां आ सकती हैं।

सम्मत्तियाँ भेजने की अंतिम तिथि: 15 February 2025

सम्मतियाँ, यदि कोई हों तो, कृपया यहाँ क्लिक करके ऑनलाइन पोर्टल के माध्यम से ऊपर दी गयी अंतिम तिथि तक दर्ज कराएं।

यह/ये प्रलेख भारतीय मानक ब्यूरो की वेबसाइट www.bis.gov.in पर भी उपलब्ध है/हैं।

धन्यवाद।

भवदीय/भवदिया,

विभाग प्रमुख का नाम : S K KANOGIA (Service Sector Department)

ई-मेल : ssd@bis.gov.in

Draft Indian Standard for Comments Only

Doc: SSD/11/26940 January 2025

Last date of comments - 20 February 2025

BUREAU OF INDIAN STANDARDS

Draft Indian Standard (WC Draft)

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ई-कॉमर्स- स्व-शासन के लिए सिद्धांत और दिशानिर्देश

E-COMMERCE- PRINCIPLES AND GUIDELINES FOR SELF-GOVERNANCE

ICS 35.240.63

Retail, E-Commerce & E Payment Services Sectional Committee, SSD 11

FOREWORD

(Formal clauses will be added later)

This document lays down the essential principles and provides guidelines for the self-governance of E-Commerce operations for the best interests of not only the consumer but also other stakeholders involved in the business of e-commerce.

E-commerce has grown exponentially in recent years, creating several opportunities and benefits for both firms and consumers. However, the rise of e-commerce has introduced new challenges, particularly in terms of consumer protection and trust. The importance of clear and effective rules and norms for self-governance in e-commerce cannot be further emphasized in this context. Such principles and rules are critical for ensuring that e-commerce entities operate fairly and transparently, as well as protecting consumers from fraudulent and unethical practices. This document proposes a complete set of principles and guidelines for e-commerce self-governance, with the goal of supporting an ethical and responsible e-commerce ecosystem.

Draft Indian Standard for Comments Only

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January 2025

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E-COMMERCE- PRINCIPLES AND GUIDELINES FOR SELF-GOVERNANCE

1 SCOPE

This document lays down the essential principles and provides guidelines for the self-governance of E-Commerce operations for the best interests of not only the consumer but also other stakeholders involved in the business of e-commerce.

2 REFERENCES

There no normative references for this standard.

3 TERMINOLOGY

- **3.1 ASCI** Advertising Standards Council of India (ASCI) is a self-regulatory organization that governs advertising in India. It ensures that advertisements are truthful, ethical, and not misleading or offensive. When displaying products or services in advertising, it is important to comply with ASCI guidelines to ensure that the advertisements are fair and accurate.
- **3.2 Bundled Services** Package of different or unrelated services or products that are sold together as a single unit or subscription plan.
- **3.3 Business Partners** Any third-party entity involved in a commercial relationship with an ecommerce platform is referred to as a business partner. Sellers, Suppliers, vendors, distributors, manufacturers, or any other company/entity that offers goods or services to the e-commerce platform or relies on the e-commerce platform to sell their products or services to customers may be included.
- **3.4 Confirmation Point** The exact stage of the transaction process at which the customer is asked to confirm the purchase.
 - NOTE The consumer is often needed to enter into a contract or make a payment at this point in order to continue the transaction.
- **3.5** Contract Formation Legal principles that govern the process of creating a binding agreement between the buyer and the seller.

NOTES

- 1 In e-commerce, contracts are formed electronically through the exchange of information over the internet.
- 2 It commonly includes Offer and Acceptance, Consideration, Intent to Create Legal Relations, Capacity to Contract, Consent, etc.
- **3.6** Country of Origin The nation where a product is created or produced or assembled.
 - NOTE It's the nation from which the product's parts were purchased or where the final assembly or manufacturing was carried out.

3.7 E-Commerce Entity — E-commerce entity refers to a company or organization that operates an electronic commerce platform, such as an online marketplace or web store, where buyers can purchase products or services from third-party sellers.

Note_Entity may be a separate electronic commerce platform that is run by the E-commerce entity.

- **3.8 Geographic Limitations** Limitations on the locations where a good or service can be used or sold or purchased based on the buyer's or user's location.
- 3.9 Goods goods shall include services and may be interchangeably used with products.
- **3.10 Identification Number** Product ID or SKU (stock keeping unit), is a distinctive alphanumeric code allocated to a particular product in e-commerce or online marketplaces.

NOTES

- 1 It assists in keeping track of the product's inventory and sales while acting as a unique identification for it
- **2** The marketplace platform or the vendor may assign the identifying number, which may combine letters, numbers, and special characters.
- 3 It aids in maintaining a seller's inventory and guaranteeing precise order fulfilment.
- 3.11 **inventory e-commerce entity** means an e-commerce entity which owns the inventory of goods or services and sells such goods or services directly to the end consumers and shall include single brand retailers and multi-channel single brand retailers;
- **3.12** Logistics Partner An entity that offers shipping or delivery services for a seller's merchandise as per the requirements of the seller and the consumer.
 - NOTE They often have their own infrastructure, including warehouses, trucks, and delivery employees, and provide several shipping choices, including normal or rapid shipping.
- 3.13 **marketplace e-commerce entity** means an e-commerce entity which provides an information technology platform on a digital or electronic network to facilitate transactions between buyers and sellers;
- **3.14** Merchantability The quality of goods being sold on an e-commerce platform to be suitable for the **purpose** they are intended for.
- **3.15 platform** means an online interface in the form of any software including a website or a part thereof and applications including mobile applications;
- **3.16 Pre-Transaction Principles** Set of rules and principles that govern the preliminary stages of an e-commerce transaction, starting when a customer begins to browse through a website or an online store in order to ensure that customers can browse their websites with ease, understand their terms and conditions, and feel secure while doing so.
- **3.17 Post-Transaction Principles** Rules and guidelines that are applicable after a transaction is completed between the buyer and seller and such guidelines are intended to ensure that the buyer receives the goods in a timely and satisfactory way.
- **3.18 Product Information** Details and attributes of a specific product that a seller needs to provide to the e-commerce platform to create a listing for that product on the e-commerce platform or online marketplace.
- **3.19 Product Title** Name or title that describes the product being offered.

- 1 It is usually a concise and descriptive phrase or sentence that provides potential customers with a general idea of what the product is.
- 2 It should accurately reflect the item being sold and include relevant keywords to improve search engine optimization.

3.20 Recurring Obligations —

- **3.21 Registration** Process of creating user accounts on an e-commerce platform to either buy or sell products. For the registration of buyer/user, information such as name, email address, contact number, shipping address, and payment information may be sought by the e-commerce platform. For the registration of the seller, information such as GST registration, PAN details, legal entity name, registered or branch address, details of key managerial personnel may be sought by the e-commerce platform.
- **3.22 seller** in relation to a product, means a person who, in the course of business, imports, sells, distributes, leases, installs, prepares, packages, labels, markets, repairs, maintains, or otherwise is involved in placing such product for commercial purpose and includes --
- (i) a manufacturer who is also a product seller; or
- (ii) (ii) a service provider, but does not include— (a) a seller of immovable property, unless such person is engaged in the sale of constructed house or in the construction of homes or flats; (b) a provider of professional services in any transaction in which, the sale or use of a product is only incidental thereto, but furnishing of opinion, skill or services being the essence of such transaction;
- (iii) a person who— (I) acts only in a financial capacity with respect to the sale of the product; (II) is not a manufacturer, wholesaler, distributor, retailer, direct seller or an electronic service provider; (III) leases a product, without having a reasonable opportunity to inspect and discover defects in the product, under a lease arrangement in which the selection, possession, maintenance, and operation of the product are controlled by a person other than the lessor;
- **3.23 Resale Prohibitions** Restrictions imposed on the resale of a good or service by the original buyer.
- **3.24 Terms of Delivery or Fulfilment** The criteria and agreements that control the delivery of goods or services to customers and frequently detail shipping procedures, estimated arrival dates, any applicable fees or charges, etc.
- **3.25** Transaction Buying or selling products or services over the internet or other electronic methods is referred to as a transaction.

NOTES

- 1 This entails the exchange of information and money between buyer and seller, which is frequently assisted via an online platform or marketplace.
- 2 This may also include the delivery or shipment of the purchased products to the buyer, as well as the performance of the acquired services.
- 3 It can take several forms, including business-to-consumer (B2C), consumer-to-consumer (C2C), and business-to-business (B2B).
- **3.26** Unsolicited Communications Any marketing or promotional materials sent by an e-commerce entity to a customer without the customer's express consent.
 - NOTE These could be phone calls, emails, texts, or other forms of communication that aim to advertise a good or service or persuade the customer to buy it.
- **3.27 user** means any person who accesses or avails any computer resource of an e-commerce entity.

4 PRINCIPLES OF SELF GOVERNANCE

- **4.1** The E-commerce transaction principles have been divided into three phases, namely,
 - a) Pre-Transaction Principles;
 - b) Contract Formation Principles; and
 - c) Post-Transaction Principles

Accordingly, the phase-specific principles have been laid down for each phase along with General principles for the governance of transactions.

4.2 Pre-Transaction Principles

4.2.1 Registration

The E-commerce entity shall ensure that:

- a) A seller on an e-commerce platform shall establish its identity, provide its legal entity name and trading name (if any), working contact information, registered place of business (and in the case of operations in more than one place, details of the branch offices of all such places), details of key managerial personnel or nodal officers (for customer care/grievance redressal) financial information as relevant, credit eligibility if relevant, and such other requirements. Additionally, an e-commerce entity may require additional information for due diligence depending on their business requirements and in consumer interest;
- b) A process for diligent and vigorous KYC of all business partners, especially third-party sellers and service providers is in place and is undertaken every time a seller or service provider is onboarded. A checklist of all KYC procedures undertaken in the onboarding of a seller or service provider shall be prominently published on the e-commerce platform.

4.2.2 Listing Products

The e-commerce platform shall ensure that every product listed on the platform has detailed information – product title, name and contact details of seller, identification number and supporting images/videos etc. to enable the consumer to assess the product's utility, features and cost.

The e-commerce entity shall require the seller to:

- a) map every product to an existing and relevant category and provide navigation tools to identify
 the right category for the ease of the consumer. A few categories (as disclosed by the platform along
 with objective reasons for the same) may be restricted for direct listing and may call for additional
 approvals.;
- b) to indicate the mode of shipment whether fulfilled by seller directly or fulfilled by the logistics partner.;
- c) Ensure that counterfeit, fraudulent or illegal product are not listed or sold or offered for sale by the seller on the e-commerce platform;
- d) to submit the product page for internal review before it can be made live.

4.2.3 Disclosure of Relevant Information

- a) An e-commerce entity shall ensure that relevant information is provided in a clear, easily accessible and legible form prominently on the website/app. This information should be prominently displayed, enabling customers to make informed decisions when engaging in a transaction or purchasing a product or service. This means that customers should be able to find the information they need quickly and easily, without having to navigate through multiple pages or sections of the website/app.
- b) Relevant information means all information pertaining to the product listing and seller or service provider which is necessary for the consumer to make an informed decision about the transaction, and shall include the following:

- 1) Product or Goods Description: A clear and concise description of the product, including its features, price, specifications, warnings and dimensions;
- 2) Price: The final consumer price should be displayed along side the listing in the principal search and display page (which shows entire selection available on the e-commerce platform). The product display page shall contain the final consumer price along with the breakdown of the price with all its components including any applicable taxes, shipping fees, and other charges, for the purpose of comparison.
- 3) Privacy policy, and Terms and Conditions of Use, in compliance with applicable law;
- 4) Cancellation, exchange, return, or refund, compensation policies that specify the charges therein and the time limit of all products or services (together, 'Goods') on the platform;.
- 5) Information on the presence of a reporting and returning mechanism for counterfeit products which may require extended timelines beyond the generic return timelines stated above.
- 6) Safety warnings: Any applicable restrictions, limitations or conditions of purchase, including geographic limitations, resale prohibitions, or parental / guardian approval or supervision requirements for minors;
- 7) Any applicable restrictions, limitations or conditions usage, warnings for hazardous content for users;
- 8) Clear indication from the seller regarding manufacturer/importer, seller and Country of Origin or origins (in case the country of origin would differ for goods of different batches).
- 9) Terms for delivery or fulfillment;
- 10) Terms and Conditions of discounts or special offers, and the details to avail of same;
- 11) Details of payment options available to the consumer to complete the transaction;
- 12) Seller information: including but not limited to contact details (working mobile number and email), trade names, principal address of headquarters and all branches (if applicable), nodal grievance redressal officers, customer care toll-free number, customer care email address.
- 13) Policy for wrong delivery and non-delivery and terms of sale stating clearly whether the product is returnable or not;
- 14) Reviews and Ratings: Customer reviews and ratings, which are an essential source of information for other potential customers, and e-commerce platforms should display them prominently. The platforms should also disclose the logic and parameters behind the ratings and reviews. The ratings and reviews shall strictly comply with IS 19000: 2022 Online Consumer Reviews Principles and Requirements for their Collection, Moderation and Publication.
- 15) Product Comparison: The ability to compare products based on features, prices, and other criteria can help customers make informed purchasing decisions;
- 16) Material Composition: Disclosure of the materials used in the product, including whether they are natural, synthetic, or a blend of both;
- 17) Buyer Protection Policy which details the process for registering and resolving complaint (s) raised by the consumer for unsatisfactory experience.
- 18) Environmental Impact: Disclosure of any environmental impact associated with the product, including its carbon footprint, disposal instructions, and any environmental certifications or standards, as per applicable law;
- 19) Additional Information: Other relevant information, such as the brand and model of the product, materials used, care instructions, and any relevant certifications or standards, should be provided; and
- 20) Search Functionality: Provide a search function that allows customers to search for products by name, category, Country of Origin or keyword to help them quickly find what they are looking for.

4.2.4 *Display of Product/Service Information*

An e-commerce entity shall ensure that all information pertaining to, *inter alia*, the description, functionality, use, life, physical appearance, manufacturer/ importer, country of origin, aftersale support, warranty/ guarantee details, and other relevant details of goods, is published prominently on the e-commerce platform in a clear, accessible and legible form.

The e-commerce entity shall ensure that photos and/or videos in high resolution with physical dimensions are clearly provided on the e-commerce platform.

In the case of imported goods, the name and details of the importer and/or packer and/or the seller shall be mentioned on the platform.

a) E-commerce entities shall display such other information as provided by the sellers without any modification or changes for the information of consumers. The e-commerce entity shall specify an upper limit with respect to space which is inclusive of both i.e seller information as well as product/ service information.

NOTE — The requirements of product display to comply with following points:

- a) The display of product or service to comply with applicable laws such as FSSAI Act, 2006 LMR, Consumer Protection Act, 2019 etc.
- b) Detailed Product overview, including title, Price and offer price, features and customization options.
- c) Product Social proof, including review and ratings.
- d) Similar product suggestions (upsell and cross sell) with comparative study without degrading any of the brand or product.
- e) Human interaction for any help or guidance needed.

4.2.5 *Placement of Disclosures by E-Commerce Entity*

All disclosures shall be provided by the e-commerce entity in a phased manner relevant to the stage of decision making of the consumer, and shall be published prominently on the platform/website/app in a clear, legible and accessible manner.

4.2.6 *Identification of E-commerce Entity*

E- commerce entities shall ensure that all such information that is sufficient for:

- a) the identification of the legal operating entity; and trading name/entity (wherever applicable);
- b) prompt and easy consumer communications with the entity;
 - c) service of legal process;
 - d) effective timely and adequate grievance redressal of consumer queries/complaints as per the Consumer Protection Act, 2019;
 - e) adequate fulfilment of customer orders/returns/refunds/cancellation/compensation etc; and
 - f) adequate fulfilment of guarantee and warranty terms or any other such representations

is displayed in a clear, accurate, easily accessible, and legible form and displayed prominently on the website/app.

4.3 Contract Formation Principles

4.3.1 Express Informed Consent

Every e-commerce entity shall only record the consent of a consumer for the purchase of any good or service offered on its platform where such consent is expressed through an explicit and no such entity shall record such consent automatically, including in the form of pre-ticked checkboxes.

4.3.2 *Transaction Review:*

E-commerce entities shall provide consumers with an opportunity to review all information that is transaction-related, personal, and Goods related, at the Confirmation Point, allowing them to edit or modify any necessary details, or cancel the transaction in its entirety. It shall let them review the transaction before final payment i.e. addition of delivery or any other charges, consent over redressal process, return policy, re-call policy if any or any other consents.

Ordering information should include order summary stating product type and specification,

quantity, the total price with breakup of all components including delivery charges, discount, taxes, refund charges, insurance, etc. delivery address, consignee information, delivery time and day, selected logistics service provider, and the contact no of the buyer etc. *Transaction Confirmation*

E-commerce entities shall ensure that the point at which consumers are asked to confirm a transaction ("Confirmation Point"), shall be understood as the point at which payment is due from the consumer or where the consumer is contractually bound to proceed with the transaction, is clearly and unambiguously indicated to the consumer. After reviewing their order, customers shall be prompted to confirm the accuracy of details and confirm whether the consumer is ready to make payment. Once the payment is made, customers shall be provided with a receipt or order confirmation that summarizes the details of the order.

4.3.3 Reversal Processes and Policy

E-commerce entities shall ensure that there is a transparent and easy process and clear laid-down policy for cancellations, returns, replacements and refunds ("**Reversal Process**"), in partial or in full, of transactions on its platform, where such Reversal Process is prominently published on the platform for the ease of access of the consumer.

It should clearly specify the charges; time limits and any other relevant information. The e-commerce platform should maintain clear communication with the customer throughout the reversal process, providing updates on the status of the return/replacement and refund and any additional information required.

NOTE — An e-commerce platform has a 'no-questions asked' 15-day return policy but the process is chargeable at INR 100 per return, which is to be borne by the consumer. The no-questions asked' 15-day return policy is highlighted but the charges are hidden. The consumer places an order with the assurance that if the product isn't good it can always be returned free of charge. The consumer will never be able to trust e-commerce again when she realizes, at the time of return, that there are hidden charges in the return process which were not highlighted at the time of placing the order.

4.3.4 Transaction Record

E-commerce entities shall maintain a complete, accurate and durable record of every transaction carried out on its platform, and shall enable the consumers to access and retain a copy of their particular record for such time as required under applicable law.

4.3.5 Payment Principles

E- commerce platforms shall strive to offer a variety of payment methods that are accessible to all users irrespective of the type of product or seller chosen by the user, including credit/debit cards, mobile payments, e-wallets, and bank transfers. While choosing the mode of payment all the associated costs including processing charges, shall be disclosed to the consumer.

E-commerce platforms shall ensure that payment transactions are secure and protected from fraud and other security breaches through the use of encryption, two-factor authentication, and other security measures. E-commerce platforms shall comply with all relevant laws and regulations related to payment processing, including data protection and privacy laws, antimoney laundering regulations, and other financial laws.

4.3.6 Platform Hosted Payment Instruments

Where a payment option is hosted, owned or operated by the e-commerce entity or any of its affiliated/related/associated enterprises whether directly or indirectly, such payment option shall comply with all applicable laws and ensure full transparency in terms of any additional

charges, or lock-in modalities, forfeiture etc. The relationship and terms of reference of the platform hosted payment instrument provider with the e-commerce entity shall be prominently displayed on the platform, in the interest of consumers, sellers and other payment service providers so that an informed decision can be made by all stakeholders.

4.3.7 *Recurring Charges and Subscriptions*

Any payment option or transaction involving a specified recurring charge, automated repeat purchases, transaction renewals or a subscription contract 'Recurring Obligations', shall carry a full disclosure on the specific duration, intervals, and exact amount in relation to the Recurring Obligations, as well as information, and a clear, accessible process to opt-out from or cancel such Recurring Obligations at any time before or during the tenure/currency of such subscription.

If a customer has subscribed for a stated period, any changes in the terms and conditions including any changes in price, quantity, service conditions shall be pre-informed to the consumers and shall be continued after the express consent of the consumer. In case the consumer seeks to discontinue the subscription due to a change in the terms and conditions, he shall be permitted to do so. Any subscription services provided by the E-commerce platform shall be the responsibility of such platform.

4.3.8 *Refund in Case of Cash on Delivery*

E-commerce entities offering a cash-on-delivery 'CoD' payment option to consumers shall ensure that any refund in relation to the CoD transaction shall be made in a manner opted by the consumer.

4.4 Post-Transaction Principles

4.4.1 *Merchantability*

Where Goods sold on an e-commerce platform are notified to either not confirm with the purpose indicated in the relevant disclosures on the platform or are not usable or deficient in some or the other manner, the e-commerce entity shall facilitate the easy return, exchange, refund, or dispute resolution process between the consumer and the seller of the goods in question. Clear timelines shall be prominently disclosed to the consumer within which a consumer can claim refund, replacement, or exchange. In the case of counterfeit goods sold to the consumer, the timeline for replacement or exchange and refund shall be over and above the general timeline.

4.4.2 *Dispute Redressal*

E--commerce entities shall ensure that redressal of consumer grievances and/or disputes is as per procedure laid down in the Consumer Protection Act, 2019 and related rules.

4.4.3 *Notification of Delivery*

The e-commerce entity shall ensure that the consumers, are duly notified of the delivery of the Goods in a timely manner, whether such delivery is being facilitated through an e-commerce platform or by a third party deliver service provider. It should strive to use multiple channels like SMS or email and provide tracking information. The notifications should be in a clear language.

4.5 General Principles

4.5.1 Sale of Banned Products

E-commerce entities shall ensure that sellers do not sell goods that have been banned under

the law and such entities shall undertake due-diligence and strict KYC of all sellers. At the time of onboarding of sellers, the platform shall have a ready-made list of the banned products, technology to monitor listings and conduct background checks on sellers. Additionally, the platforms shall have mechanisms to enable consumers to report and flag violations.

4.5.2 Data Protection

E-commerce entities shall ensure that it complies with all applicable laws in relation to data protection. Specifically, they shall ensure the following:

- a) All personal data collected from a consumer, at any time, shall be used solely for the purpose of facilitating transactions on the platform, and for such other purposes that are disclosed to the consumer at the pre-transaction stage and for which he has given express consent; and
- b) As a custodian of the data, every marketplace platform shall ensure that there is no misuse of data for any other commercial or alternative use.

4.5.3 *Unsolicited Commercial Communication*

E-commerce entities shall ensure compliance with all applicable law pertaining to commercial communications, including the following:

- a) All communication originating from the e-commerce entity to the consumer shall be made only with the express consent of the consumer, or in relation to a transaction made by the consumer on the platform;
- b) All non-transactional communication originating from the e-commerce entity to the consumer shall be on the basis of an express opt-in by the consumer, and shall be accompanied with an option to silence or cease such communications;

4.5.4 *Fair Business Practice Principles*

Every e-commerce entity shall ensure that e-commerce operations are neutral, transparent and offer a level-playing field to all consumers, sellers and service providers irrespective of their relationship with the e-commerce entity. Marketplace e-commerce entities shall not extend preferential treatment, whether directly or indirectly, to a seller or service provider or a group of sellers or service providers in any manner, including:

- a) All sellers/service providers on the platform shall be treated in a non-discriminatory manner and no seller(s)/service providers or group of sellers/service providers shall be given any preferential treatment, whether directly or indirectly;
- b) If a seller is related or associated or affiliated with the e-commerce platform, whether directly or indirectly, the seller shall be prohibited from selling goods (including private label goods) to consumers of the e-commerce platform.
- c) Every e-commerce platform shall publish open APIs for enabling direct links for (i) warehousing service providers, (ii) logistic service providers (iii) any payment service providers and any other third-party service providers on their platform so as to allow any third-party service provider to register on the e-commerce marketplace platform giving consumers as well as sellers the option to choose from a wide range of service providers;
- d) E-Commerce marketplace platforms shall not classify sellers or buyers into categories unless there exists a reasonable, transparent and non-arbitrary parameter for the same;

- e) No E-commerce entity shall influence the supply or price of the goods and services sold on its platform either by:
 - 1) Holding direct or indirect equity/control/ownership into the seller/service provider.
 - 2) Directly or indirectly supplying goods to the seller entity to control the inventory of goods sold on its own platform..

4.5.5 *Anti-Counterfeiting Measures: Counterfeiting Measures:*

- a) E-Commerce entities shall put in place adequate policies and processes to combat the listing of counterfeit products on their platforms, which shall include:
 - 1) well-defined mechanism for Rights Owners to report instances of violation of their intellectual property rights, which shall include the provision of requisite information pertaining to their rights, and any other evidence of the alleged violation;
 - 2) well-defined mechanism on the platform for consumers to report instances of receipt of counterfeit products to the e-commerce entities;
 - 3) well-defined process to investigate the counterfeiting allegation, and provide a preliminary response to the Rights Owner within the timeline as set out under applicable law;
 - 4) list of appropriate action(s) that may be taken by the e-commerce entity, at its sole discretion, in accordance with applicable law; and
 - 5) an appeals process, by which an aggrieved party may communicate with the e-commerce entity on any reservations it may have on actions taken on the platform on the basis of the Rights Owners report on counterfeiting;
- b) Where an e-commerce entity receives a report from a Rights Owner, regarding instances of violation of its intellectual property rights, the e-commerce entity shall ensure that the same is immediately forwarded to the concerned seller as well as authorities on its platform within 48 hours and the evidence of such communication is shared with the rights owner;
- c) Where an e-commerce entity receives a complaint from a consumer regarding the genuineness and authenticity of a product being made available by the e-commerce entity, he shall forward the same to the seller within 48 hours and the evidence of such communication shall be shared with the consumer:
- d) The seller shall be provided with an opportunity to respond to the report or the complaint, as the case may be, and thereafter, the e-commerce entity may take appropriate actions at its sole discretion;
- e) Any e-commerce entity/ seller which explicitly or implicitly vouches for the authenticity of the goods or services sold by it, or guarantees that such goods or services are authentic, shall bear appropriate liability in any action related to the authenticity of such good or service; and

4.5.6 *Representations on Goods*

E-commerce entities shall, as far as practicable, refrain from making, on its own behalf, any representation regarding the quality, durability and fitness for Goods sold on its platform, and where such representation is made by the E-commerce entity, it shall not be deceptive, misleading or fraudulent. In such a case, the E-commerce entity should clearly disclose its relationship with the seller.

4.5.7 *Unfair Trade Practices and Fairness in Competition*

E-commerce entities, shall not adopt any practice/method for the purpose of promoting the sale, use or supply of Goods on its platform, and shall not seek to coerce a consumer into making a transaction on its platform or to buy from a particular seller or group of sellers. A consumer should have a free and fair choice whether to choose bundled services or singular services. The pricing of the bundled services should not be such that customers are not able to choose the specific products or services they want.

the interests of smaller e-commerce platforms and consumer interest.

4.5.8 Advertisements

Advertisements or sponsorships shall be clearly identifiable as such and should be distinguished from other content, such as editorial comments, terms and conditions, and independent product reviews.

4.5.9 *Correct Representations*

E-commerce entities shall require sellers, through an undertaking, to ensure that the descriptions, images and other content pertaining to Goods on their platform is accurate and corresponds directly with the appearance, nature, quality, purpose, and other general features of the specific product/service, and shall, where brought to their notice of the incorrectness of the representation, take appropriate action against such sellers. The e-commerce entities shall also undertake periodic <u>review</u> of all sellers and ensure that all representations are authentic and accurate.

4.5.10 Fairness of Consumer Reviews and Ratings

All consumer reviews and ratings shall be in strict compliance with IS 19000 : 2022 Online Consumer Reviews – Principles and Requirements for their Collection, Moderation and Publication.