



# The Indian Journal for Research in Law and Management

Open Access Law Journal – Copyright © 2024

Editor-in-Chief – Dr. Muktai Deb Chavan; Publisher – Alden Vas; ISSN: 2583-9896

This is an Open Access article distributed under the terms of the Creative Commons Attribution-Non-Commercial-Share Alike 4.0 International (CC-BY-NC-SA 4.0) License, which permits unrestricted non-commercial use, distribution, and reproduction in any medium provided the original work is properly cited.

---

## **Examining Consumer Protections in the Digital Marketplace through**

### **E-Commerce**

#### **Abstract:**

The non-stop growth of e-commerce in India has transformed the consumer revolution, presenting both opportunities and challenges for consumer protection. E-commerce has emerged as a significant and prevalent activity in the digital world. Some platforms have empowered Indian consumers to transcend state borders and gain access to a wide range of products. This abstract examines the evolving legal framework for consumer protection in the digital marketplace, with a focus on e-commerce. It analyses the impact of e-commerce on consumer preferences, the legal and regulatory environment, and the emerging trends in consumer protection. The study critically evaluates the Consumer Protection Act history and the Consumer Protection (E-commerce) Rules, 2020, and their effectiveness in safeguarding consumer interests in the online marketplace. The legal discourse surrounding unfair contract terms, consumer protection in online transactions, electronic authentication, and the intersection of Indian consumer laws with international digital trade are subjects of scrutiny. Additionally, the examination delves into deficiencies in governmental interventions aimed at safeguarding the rights of consumers, particularly those engaging in e-commerce activities, and the need and Relevance of Consumer Protection in E-Commerce in the legal framework to address the vulnerabilities of consumers in the digital marketplace and the importance of international cooperation and harmonization of laws to promote consistency and coherence in consumer protection laws. After that, the abstract gives knowledge about the impact of e-commerce on consumer privacy and data protection and the challenges related to cross-border purchases and dispute resolution.

**Keywords:** E-Commerce, Consumer Protection, Central Consumer Protection Council, OECD, Digital Marketplace.

## **Introduction:**

Trade has been a fundamental aspect of society for generations. Initially, it was done through a barter system where people exchanged goods for goods. As time progressed, these transactions took place with the exchange of money. With the advent of digitalization and commercialization, buying and selling moved from just being a physical interaction to an online activity. E-commerce, also referred to as electronic commerce, entails the sale and purchase of goods and services through online platforms using the Internet as the medium of exchanging commercial transactions. It holds a wide variety of data and tools for buyers and sellers to easily interact with each other and make their lives much smoother. According to an Economic Times Report in 2023, a whopping 45% of Indian Shoppers use e-commerce platforms for their daily transactions and shopping, compared to physical interactions and transactions. E-commerce allows buyers to sell physical goods such as home decor or electronics, digital goods like templates or tools, and services such as online coaching and workshops. E-commerce serves dual purposes. It makes citizens' lives easier by allowing them to order their desired products and get them delivered to their doorstep, and it also helps buyers expand their business digitally and open a new sphere of income. E-commerce encompasses various technological principles, including electronic funds transfer, supply chain management, online advertising, internet-based transaction processing, electronic data interchange, and automated data capture systems<sup>1</sup>. The varied systems coming into existence through e-commerce give rise to issues related to all of them. The issues that arise more than usually affect the buyers or the consumers, who have little to no control over the working of the online transactions, other than having control over the payment for the goods and services. Consumer frauds can take place in many ways such as credit or debit card fraud, identity theft, account takeover fraud, refund issues, and counterfeit, and drop shipping fraud. Sellers are always at a

---

<sup>1</sup> Ruwan Bandara & Oth., *Managing consumer privacy concerns and defensive behaviours in the digital marketplace*, 55(1) EUROPEAN JOURNAL OF MARKETING, 1 219-246 (2021), <https://ro.uow.edu.au/cgi/viewcontent.cgi?article=1038&context=balpapers> (last visited Apr. 8, 2024).

higher advantageous position and that sometimes allows them to exploit consumers. India tries its best to protect its consumers with the Consumer Protection Act, 2019 and the Consumer Protection (E-Commerce) Rules, 2020<sup>2</sup>.

### **History of Consumer Protection:**

The history of consumer protection can be traced back to ancient civilizations, with various cultures and administrations implementing measures to safeguard the interests of consumers. In India, consumer protection has its roots in ancient texts like the Manu Smriti, which emphasized the importance of consumers in an administration. The period of Smritis saw the creation of one of the oldest accounts of consumer and trader interactions in a market economy, as well as the role of the ruler in adjudicating disputes. The Arthashastra, written by Kautilya, further elaborates on the function of consumers and traders in the market, as well as the role of the ruler in deciding the liability and punishment of wrongdoers<sup>3</sup>.

During the Muslim empire, consumer protection continued to be a priority, with the Mughals attempting to codify it but ultimately falling short. After the Mughal empire, the involvement of the British led to the combination of traditional customs with modern elements, such as the Indian Contract Act of 1872, to create a more comprehensive legal framework<sup>4</sup>.

After India's independence, the country adopted the Consumer Protection Act of 1986, which aimed to provide "cheap, simple, and quick" justice to Indian consumers. This act, along with the establishment of Consumer Protection Councils at the central, state, and district levels,

---

<sup>2</sup> Dhanya K A, *Consumer Protection in the E-Commerce Era*, 3 Issue 4(1) IJLR 200, 2349-8463 (2015), <https://ssrn.com/abstract=3489753> (last visited Apr. 8, 2024).

<sup>3</sup> Dr. A. Rajendra Prasad, *Historical Evolution of Consumer Protection and Law in India*, 1 JOURNAL OF TEXAS CONSUMER LAW 132, 132-135 (2020), [http://www.jtexconsumerlaw.com/v11n3/jccl\\_india.pdf](http://www.jtexconsumerlaw.com/v11n3/jccl_india.pdf) (last visited Apr. 9, 2024).

<sup>4</sup> *Id.*

marked a significant legal revolution in India, providing easy access to justice and protecting consumer rights against misleading, false, and misrepresented facts<sup>5</sup>.

The enactment of the Consumer Protection Act of 1986 in India has revolutionized the legal landscape by providing enhanced protection for consumer rights that have been recognized and safeguarded since ancient times. The legislation has been hailed as a breakthrough, offering consumers easy access to legal remedies, affordable dispute-resolution processes, and widespread public backing. With its reputation as a "poor man's legislation," the Consumer Protection Act, 1986, has significantly improved access to justice for consumers in India. The Indian government is also taking an active interest in protecting consumer rights and promoting consumer awareness, with the Planning Commission of India identifying "Consumer Awareness, Redressal, and Enforcement of the Consumer Protection Act of 1986" as a priority<sup>6</sup>.

### **What is E-Commerce:**

The OECD has established guidelines for e-commerce businesses to ensure consumer protection. These guidelines emphasize the importance of transparent business practices, effective marketing, and responsible advertising. Businesses are expected to offer comprehensive information to enable consumers to make well-informed decisions. It falls upon governments to establish and enforce e-commerce regulations that safeguard consumers and foster equitable business operations<sup>7</sup>.

---

<sup>5</sup> Naman Jain and G. Datta Prasad, *Interface Between India's Constitutional Consumerism and the Consumer Protection Act of 1986*, 3 JOURNAL OF CONSUMER & COMMERCIAL LAW 12, 12-14 (2021).

<sup>6</sup> The Consumer Protection Act, 1986, § 28, No. 68, Acts of Parliament, 1986 (India).

<sup>7</sup> Sue L.T. McGregor, *Consumer education and the OECD electronic commerce consumer protection guidelines*, 24(3) JOURNAL OF CONSUMER STUDIES & HOME ECONOMICS 170, 173-176 (2000), [https://d1wqtxts1xzle7.cloudfront.net/47001711/Consumer\\_education\\_and\\_the\\_OECD\\_electron2016070417118-sa1965-libre.pdf?1467640905=&response-content disposition=inline%3B+filename%3DConsumer\\_education\\_and\\_the\\_OECD\\_electron.pdf&Expires=1712691916&Signature=bkI2Rn-VedlY~oQmO8xCj~gGEmfPE6JZ6he6rEgHurvCxbfb8abmbdnjQwg6YToc3WuBq57pdSQxqH9OJmsII1PPueCZLEKUc2lvDnGqNDT9vEkYwlkqdDIT-iW6rWD7fdoEbl~Y4eYTSOyJtKmP-DNRdRtvIxucJZOoPCOrKO6Jyo1cuzFw5iXDcKZZAIOxtbRSTca0oImrZc~URwAal39b~CWNRWRRT2aFrqNszyRcp6m8Gx3pllwwG~yqvNNP540DsoXPCRd6pPLfiBiTgc3DzbkRJbZWN~vRWW7RAqZ4PZPlcwjMD](https://d1wqtxts1xzle7.cloudfront.net/47001711/Consumer_education_and_the_OECD_electron2016070417118-sa1965-libre.pdf?1467640905=&response-content disposition=inline%3B+filename%3DConsumer_education_and_the_OECD_electron.pdf&Expires=1712691916&Signature=bkI2Rn-VedlY~oQmO8xCj~gGEmfPE6JZ6he6rEgHurvCxbfb8abmbdnjQwg6YToc3WuBq57pdSQxqH9OJmsII1PPueCZLEKUc2lvDnGqNDT9vEkYwlkqdDIT-iW6rWD7fdoEbl~Y4eYTSOyJtKmP-DNRdRtvIxucJZOoPCOrKO6Jyo1cuzFw5iXDcKZZAIOxtbRSTca0oImrZc~URwAal39b~CWNRWRRT2aFrqNszyRcp6m8Gx3pllwwG~yqvNNP540DsoXPCRd6pPLfiBiTgc3DzbkRJbZWN~vRWW7RAqZ4PZPlcwjMD)

The Organization for Economic Cooperation and Development (OECD) categorizes e-commerce as the comprehensive scope of transactions linked to business operations, encompassing both commercial enterprises and private individuals, which facilitates the processing and dissemination of digitized information in multiple mediums such as text, audio, and visual content. This definition includes all transactions that handle and send digital data, regardless of whether online employment is required to conduct business online<sup>8</sup>.

The OECD has been instrumental in creating definitions and measurements for e-commerce, identifying three types of indicators that can be collected on a comparable international level. These indicators correspond to three main stages in the evolution of e-commerce: preparation, transactions, and economic impact. The OECD has also stressed the importance of fair business practices, effective marketing, and responsible advertising, as well as providing all necessary information for consumers to make informed decisions<sup>9</sup>.

The growth of e-commerce has been spurred by numerous factors, including decreased transaction costs and advancements in product infrastructure. The tendency to adopt e-commerce has seen a sharp increase in OECD Member countries, though there are considerable variations depending on the country, sector, and firm size. Factors such as cost savings, increased efficiency, and access to new markets can drive businesses towards e-commerce adoption<sup>10</sup>.

## **Forms of E-Commerce:**

---

[TSxwqcSGUsmDM6JPD3pPQCAmuKSFEzQw\\_&Key-Pair-Id=APKAJLOHF5GGSLRBV4ZA](https://www.researchgate.net/publication/381111111/figure/fig/1/figure-fig1/1641111111111/TSxwqcSGUsmDM6JPD3pPQCAmuKSFEzQw_&Key-Pair-Id=APKAJLOHF5GGSLRBV4ZA) (last visited Apr. 9, 2024).

<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

<sup>10</sup> *Id.*

1. **Business-to-Business (B2B)** - All electronic transactions involving goods and services that take place between two businesses are included in this category of e-commerce. This type of online trade occurs between producers of a product, as well as the traditional distributors who promote the goods to consumers looking to buy<sup>11</sup>.
2. **Business-to-Consumer (B2C)** - This pertains to the contractual relationships formed through electronic commerce between enterprises and consumers and represents the most common form of online business transactions. Consumers have the opportunity to compare prices, review product feedback, and access a wider variety of goods not readily available in traditional retail settings through this form of electronic commerce<sup>12</sup>.
3. **Consumer-to-Consumer (C2C)** - All digital transactions conducted by individuals are deemed part of the realm of electronic commerce. This pertains to transactions facilitated electronically between two consumers for the exchange of goods and services, typically facilitated by an intermediary online platform<sup>13</sup>.
4. **Consumer-to-Business (C2B)** - E-commerce entails a paradigm shift in the exchange of goods and services, where individuals or private parties offer their products online for businesses to procure. This process involves the digitalization of transactions, enabling a seamless transition from traditional retail methods to virtual platforms. The fundamental nature of e-commerce lies in the facilitation of electronic commerce between parties, allowing for increased accessibility and efficiency in the marketplace.
5. **Business-to-Administration (B2A)** - This e-commerce comprises electronic transactions carried out by businesses and public administrative entities like the government. As a result, the B2A paradigm is frequently referred to as B2G (Business-to-Government)<sup>14</sup>.

---

<sup>11</sup> Shambhavi Tripathi, *Introduction to E-commerce : An ultimate guide*, IPLEADERS (last visited Apr. 10, 2024, 09:10 pm), <https://blog.ipleaders.in/introduction-to-e-commerce-an-ultimate-guide/>.

<sup>12</sup> *Id.*

<sup>13</sup> *Id.*

<sup>14</sup> *Id.*

- 6. Consumer-to-Administration (C2A)** - These computerized transactions between people and government agencies make up this e-commerce. Through this connection, consumers have access to receive information, make payments, and create direct contact with the government or administration<sup>15</sup>.

## **E-Commerce Market in India:**

The Indian e-commerce is witnessing a steady expansion. Projections suggest that by 2034, India may surpass the United States to become the second-largest global e-commerce market. It is projected that the Indian e-commerce market will reach a value of approximately US\$111.40 billion by 2025. The sector is experiencing a compound annual growth rate (CAGR) of 19.24% in areas like retail and clothing<sup>16</sup>.

According to Forrester Research, sales in the Indian e-commerce sector rose by 7-8% in 2020. It is projected that the Indian online grocery market has the potential to accumulate approximately US\$18.2 billion in revenue by the year 2024. Grant Thornton predicts that the entire e-commerce sector in India could see a growth of US\$188 billion by 2025. Despite the challenges posed by the COVID-19 pandemic, the e-commerce industry in India continues to show steady growth, with sales predicted to increase by US\$5 at 5% annually. Furthermore, the Indian e-commerce sector has secured the ninth position globally in terms of cross-border growth<sup>17</sup>.

However, along with the growth and development, the e-commerce sector also presents certain risks and threats to individuals and their finances. In one notable case, Delhi Police arrested five scammers who were involved in a scheme where over 10,000 customers were defrauded of more than Rs 25 crore over a period of three years using several fake e-commerce websites.

---

<sup>15</sup> *Id.*

<sup>16</sup> IBEF, *Indian E-commerce Industry Analysis, 2023* (last visited Apr. 11, 2024), <https://www.ibef.org/industry/ecommerce-presentation>.

<sup>17</sup> *Id.*

In another instance, 977 cases were recorded between FY 2018 and the seven-month span of FY 2017, followed by 4,955 incidents of fraud in FY 2019. By November 2020, the total number of cases reached 5,620. These incidents were reported via the National Consumer Helpline's e-commerce portal. The increase in these cases showed a rise of 149%, 102%, and 13% respectively. The OECD Consumer Policy Toolkit further underscored the potential risks when consumers make decisions based on heuristic techniques while using mobile devices for e-commerce in a "just-in-time" context<sup>18</sup>.

### **Need and Relevance of Consumer Protection in E-Commerce:**

In today's world, consumers face numerous challenges across various platforms, particularly in the B2C category. These challenges have gained significant attention in research papers, articles, and journals, emphasizing the need for urgent action from all involved parties. Privacy concerns, limited access to internet infrastructure, content regulation, and electronic transaction difficulties are among the pressing issues that consumers encounter. One specific challenge is the discrepancy between the product ordered and the one received. Shockingly, there have been cases where buyers expecting a brand-new smartphone were bewildered to find a simple bar of soap or a bundle of wooden sticks in their package instead. Additionally, the process of returning products that do not match the displayed items can be arduous and time-consuming, leaving customers discontented with their online shopping experience. Misleading advertisements further contribute to the woes of Internet commerce, making it imperative to protect consumer interests in the face of these technological hurdles. To address these challenges effectively, a collaborative effort is required<sup>19</sup>. E-commerce platforms need to invest in robust privacy measures and safeguard customer information. Governments and organizations must work towards improving internet infrastructure access, particularly in underserved areas, to ensure no one is left behind in the digital landscape. Content regulation frameworks should be established to prevent the dissemination of inappropriate or misleading

---

<sup>18</sup> *Id.*

<sup>19</sup> Durianto Darmadi & Oth., *Consumer Protection in E-Commerce: A Case Study on Lodging Applications*, 549 ADVANCES IN SOCIAL SCIENCE, EDUCATION AND HUMANITIES RESEARCH 285, 285-290 (2020), [10.2991/assehr.k.210506.039](https://doi.org/10.2991/assehr.k.210506.039) (last visited Apr. 9, 2024).



information. Moreover, innovative solutions should be developed to streamline electronic transactions and enhance customer trust in online purchases<sup>20</sup>.

In traditional brick-and-mortar transactions, consumers physically interact with sellers and have the opportunity to examine products, ask questions, and negotiate terms. In contrast, e-commerce transactions often occur through digital platforms, which may lack the same level of personal interaction. This raises questions regarding the validity of online contracts, the informed consent of consumers, and the enforceability of terms and conditions. Legal frameworks have been developed to address these concerns, such as the Electronic Signatures in Global and National Commerce Act (ESIGN Act) in the United States and the European Union's Directive on Electronic Commerce. These laws aim to ensure that electronic contracts are legally binding and that consumers are adequately informed about the terms and conditions before entering into an agreement. E-commerce has blurred the lines of traditional product liability, as consumers may purchase goods from sellers located in different jurisdictions. This raises complex legal issues related to determining applicable laws, identifying liable parties, and enforcing consumer rights. Additionally, the digital nature of e-commerce transactions can make it challenging for consumers to inspect products thoroughly, increasing the risk of defective or counterfeit goods. Legal frameworks, such as the Consumer Product Safety Act in the United States and the General Product Safety Directive in the European Union, aim to protect consumers from unsafe products, but their application in the e-commerce context requires careful consideration and adaptation to evolving technologies<sup>21</sup>.

E-commerce transactions generate vast amounts of personal data, including purchasing history, browsing behavior, and financial information. This data can be valuable to businesses for marketing, personalization, and improving customer experiences. However, the collection, use, and disclosure of personal data also raise concerns about consumer privacy and data protection.

---

<sup>20</sup> Id.

<sup>21</sup> Mitchell J. Katz and Allen W. Hile, Joint FTC/Commerce Department Report Released on "Reasonable Demonstration" Requirement of ESIGN, 2001 (last visited Apr. 9, 2024). <https://www.ftc.gov/news-events/news/press-releases/2001/06/joint-ftccommerce-department-report-released-reasonable-demonstration-requirement-esign>.

Legal frameworks, such as the General Data Protection Regulation (GDPR) in the European Union and various data protection laws in different jurisdictions, aim to strike a balance between the legitimate interests of businesses and the fundamental rights of consumers to privacy and data protection. E-commerce businesses must comply with these laws to ensure the lawful and ethical handling of consumer data. E-commerce transactions often involve cross-border purchases, making it challenging for consumers to seek redress in case of disputes. Traditional legal remedies, such as litigation, can be costly and time-consuming, particularly for small claims. Alternative dispute resolution (ADR) mechanisms, such as online dispute resolution (ODR) platforms, have emerged as potential solutions to facilitate efficient and cost-effective resolution of e-commerce disputes. These platforms provide a neutral and structured environment for consumers and businesses to resolve disputes amicably, without the need for lengthy and expensive litigation<sup>22</sup>.

### **Legal Stand in the Consumer Market:**

The Consumer Protection Act that was introduced in 1986 had an initial aim of protecting the interests of consumers. This was achieved by changing the traditional Latin phrase 'caveat emptor', meaning "let the buyer beware", to 'caveat venditor', signifying "let the seller beware". The Act was designed to be compensatory rather than punitive or preventive. Its primary objective was to provide consumers with an accessible, efficient, and cost-effective method of seeking redress. However, the intended impact or goal of the Act has been somewhat undermined due to changes in consumer attitudes, technological advancements, and delays in consumer court proceedings. This has led to a pressing need to revise many provisions of the Act to create a more effective system. Over time, several amendments have been made through the Consumer Protection (Amendment) Act in 1991 and the Consumer Protection Bill in 2015<sup>23</sup>.

---

<sup>22</sup> John Lee, Alternative Dispute Resolution for Cross-border E-commerce Disputes: A Comparative Analysis, 25(1) JICLP 57-82, 2024,

<https://www.juscorpus.com/wp-content/uploads/2021/03/11.-Vaibhav-Sangam-Mishra-Janmejay-Singh.pdf>.

<sup>23</sup> George Cheriyan and Jeetali Agnani, Consumer Protection Bill 2015: Fails to Define E-Commerce and The Liability of E-Platforms, Center for Consumer Action Research & Training (CUTS CART), 2017 (accessed 9th January 2024, 8:40PM),

<https://cuts-cart.org/consumer-protection-bill-2015-fails-to-define-e-commerce-and-the-liability-of-e-platforms/>.

In 1991, the amendments primarily dealt with District Forums and the vacancy of the President of the District Forum. The 2015 Bill, on the other hand, focused on modifying some provisions to align with changing times and market conditions. It emphasized the importance of consumer rights, defining who a consumer is and what rights they possess. To address some of the shortcomings in the 1986 Act that could not be completely resolved by the 1991 Amendments Act and the 2015 Bill, the Consumer Protection Bill of 2018 was introduced in the Lok Sabha. This led to the establishment of the Consumer Protection Act of 2019. On Monday, August 9, 2019, the Consumer Protection Act of 2019 took effect, covering every commodity and service<sup>24</sup>.

To eliminate ambiguity associated with previous Consumer Protection legislation, the Act includes specific definitions of key terms. Sections 2(5), 2(7), and 2(8) define the complainant and consumer<sup>25</sup>. Section 2(16) defines E-Commerce as the purchase or sale of goods or services<sup>26</sup>. Section 2(18) provides a precise legal definition of an endorsement, which is crucial for decision-making in legal processes<sup>27</sup>. The Act requires the establishment of a Central Consumer Protection Authority (CCPA), headed by a Director General.

Moreover, in order to safeguard consumers from unjust trading practices encountered in electronic commerce transactions, the Department of Consumer Affairs has promulgated the Consumer Protection (E-Commerce) Regulations, 2020 according to the stipulations of the Consumer Protection Act. An e-commerce entity is characterized as an individual who possesses, sustains, or manages a digital or electronic infrastructure or forum for electronic commerce, as outlined in the Consumer Protection (E-Commerce) Regulations, 2020. The

---

<sup>24</sup> Ministry of Consumer Affairs, Food & Public Distribution, Consumer Protection Act, 2019 to strengthen provisions for consumer protection, Ministry of Consumer Affairs, Food & Public Distribution 1-2, 2023,

<https://consumeraffairs.nic.in/sites/default/files/Consumer%20Protection%20Act,%202019%20protects%20consumers%20involved%20in%20online%20transactions%20English.pdf>.

<sup>25</sup> The Consumer Protection Act, 2019, § 2(5)(7)(8), No. 35, Act of Parliament, 2019 (India).

<sup>26</sup> The Consumer Protection Act, 2019, § 2(16), No. 35, Act of Parliament, 2019 (India).

<sup>27</sup> The Consumer Protection Act, 2019, § 2(18), No. 35, Act of Parliament, 2019 (India).

Draft Rules further specify that an e-commerce entity would also include any company hired by an e-commerce firm to fulfill orders and any associated party of an e-commerce entity (as defined under the Companies Act, 2013). The Consumer Protection Act of 2019 consists of eight draft rules released by the government. The Act establishes several bodies, including the Central Consumer Protection Council, Central Consumer Protection Authority (CCPA), and district, state, and federal advisory councils. The rules also outline the requirements, selection procedure, mode of appointment, and tenure<sup>28</sup>.

The legislation imposes an obligation on companies to disclose specific details, such as the official name of the business, the physical locations of its headquarters and branches, the website's name and particulars, all contact information encompassing email addresses, fax numbers, landline, and mobile numbers for customer support, as well as the contact details for the grievance officer, including their email addresses, fax numbers, landline, and mobile numbers. These particulars aim to facilitate consumers in making well-informed decisions. Firms must establish contractual terms with the vendor concerning the terms of return, refund, exchange, warranty/guarantee, delivery, payment methods, and grievance resolution process, among other stipulations. The Act also ensures that the actual characteristics, access, and usage conditions of the advertised goods or services are compatible with the marketing of such goods or services<sup>29</sup>.

Despite these measures, there are still some issues with the modified regulations. For example, small physical establishments that accept online orders are not exempt from the Draft Rules. In accordance with the Draft Rules, entities engaging in e-commerce activities, including but not limited to small bookshops offering postal orders through a website, are required to appoint a grievance officer, nodal person for law enforcement cooperation, and chief compliance officer. These individuals will be designated to ensure compliance with regulations as e-commerce entities. These regulations may prove burdensome for small businesses. Moreover,

---

<sup>28</sup> Harsh Maheshwari, Consumer protection Act 2019 and e commerce in India, ResearchGate 2023,

[https://www.researchgate.net/publication/369173108\\_Consumer\\_protection\\_Act\\_2019\\_and\\_e\\_commerce\\_in\\_India](https://www.researchgate.net/publication/369173108_Consumer_protection_Act_2019_and_e_commerce_in_India).

<sup>29</sup> Neelam Chawla and Basanta Kumar, E-Commerce and Consumer Protection in India: The Emerging Trend, 180 Journal of Business Ethics 581-604, 2021.

cross-selling and mis-selling are two sales techniques that are prohibited by the draft rules for e-commerce businesses. Nevertheless, such limitations may solely be applicable to e-commerce entities that deal with inventory.

## **Conclusion:**

According to the study reveals that consumers hold great significance in fortifying the financial stability of a market. However, it is disheartening to witness the prevalence of unfair, unethical, and influential practices imposed on consumers by numerous retailers on a daily basis. Consequently, addressing the protection of consumer rights emerges as a critical concern that warrants immediate attention from the judiciary, demanding stringent actions against these wrongdoers. The case study conducted in Bihar further emphasizes that without an educated or literate consumer base, any transformative changes in the market would be highly improbable. Conversely, an educated group of consumers would enable smoother implementation of corrective measures pertaining to consumer safety provisions. To achieve this, the establishment of a dedicated cell that aids consumers in filing complaints becomes imperative. Furthermore, this cell would serve as an educational platform, enlightening consumers about their rights, particularly on how to exercise them within the framework of the Consumer Protection Act, including the Right to Information. The study on the utilization of e-commerce in rural India highlights the pivotal role of literate consumers who possess the ability to address their grievances by filing cases through online consumer forums. Consequently, it becomes crucial for state governments to re-evaluate their educational systems and devise measures to promote literacy amongst their populace, empowering them to assert their consumer rights without falling prey to domination by other market players.