



February 20, 2025

Mr. S.K Kanogia

Head (Service Sector Department)

Retail, E-commerce & E payment Services Sectional Committee Sectional Committee,
Bureau of Indian Standards

Sub: Comments on the E-Commerce Principles and Guidelines for Self-Governance

Dear Mr. S.K Kanogia,

ALG India Law Offices LLP (“ALG”) submits these comments in response to the invitation for feedback on the E-Commerce Principles and Guidelines for Self-Governance (“guidelines”) prepared by Bureau of Indian Standards.

Our key comments and suggestions, discussed in detail in the enclosed Note, are summarized below –

1. The definition of ‘E-Commerce Entity’ is to be revised for conformity with Consumer Protection (E-Commerce) Rules, 2020
2. The definition of ‘*Country of Origin*’ may have inconsistent application in practice when products involve multiple countries in their production and assembly process
3. The requirement for more specific, detailed disclosure of Relevant Information
4. No mandatory requirement to specify an upper limit with respect to space for displaying seller and product information
5. The guidelines stage at which consumer is contractually bound to proceed with the transaction must be clarified.
6. Clear specification of the manner of refund against Cash on Delivery
7. E-commerce entities must be accountable to adopt preventive mechanisms against counterfeiting and intellectual property rights violation

We thank you for your time and consideration of these comments.

ALG India Law Offices LLP

Through

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NOTE CONTAINING ALG'S COMMENTS AND SUGGESTIONS ON E-COMMERCE PRINCIPLES AND GUIDELINES FOR SELF-GOVERNANCE

• Definition Clauses

1. The definition of 'E-Commerce Entity' is to be revised for conformity with Consumer Protection (E-Commerce) Rules, 2020

1.1. *ALG's Observations*

1.1.1. Paragraph 3.7 of the guidelines defines an **E-Commerce Entity** as 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.

1.1.2. Accordingly, the ambit of the guidelines is restricted to a company or an organization and does not include an individual. This definition is not in consonance with the definition of E-Commerce Entity mentioned in the Consumer Protection (E-Commerce) Rules, 2020.

1.2. *ALG's Recommendations*

1.2.1. The definition of **E-Commerce Entity** can be amended to state "**a person or company or organization that operates or manages** an electronic commerce platform, such as an online marketplace or web store, where buyers can purchase products or services ~~from~~ third-party sellers."

2. The definition of 'Country of Origin' may have inconsistent application in practice when products involve multiple countries in their production and assembly process

2.1. *ALG's Observations*

2.1.1. Paragraph 3.6 of the guidelines defines **Country of Origin** as 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.



2.1.2. The definition of **Country of Origin** as drafted in paragraph 3.6 lacks specificity regarding the various scenarios in which goods are produced, assembled, or made from parts sourced globally. The guidelines currently state that the country of origin is where the product is ‘*created, produced, or assembled,*’ but the additional note introduces the idea of considering where the parts were purchased or where final assembly took place. This could result in unclear or inconsistent application in practice, especially when products involve multiple countries in their production and assembly process.

2.2. *ALG’s Recommendations*

2.2.1. Amend the definition to explicitly cover various scenarios, particularly for products with complex supply chains involving multiple countries. The clarificatory note can be amended as proposed –

Country of Origin as the nation where a product is created, 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. **In cases where the product is made from parts sourced from multiple countries, the Country of Origin may be determined by the location of the final assembly or the country where the most substantial transformation of the product occurs. If the product undergoes multiple stages of production or assembly across different countries, the Country of Origin shall be defined based on the country where the final significant transformation or the greatest value is added to the product, whether through manufacturing or assembly. In instances where multiple stages of production or assembly occur across different nations, the Country of Origin may also be identified separately for each phase of production, if applicable.**

- **Pre-Transaction Principles**

3. The requirement for more specific, detailed disclosure of Relevant Information

3.1. *ALG’s Observations*

3.1.1. Paragraph 4.2.2 of the guidelines provides for Listing Products. It states that *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.

3.1.2. Paragraph 4.2.3 of the guidelines states that 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 alongside 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...*

3.1.3. While the draft establishes a general principle of providing accurate and transparent product information, it lacks specific requirements regarding the level of detail necessary. This is particularly important for pricing, including hidden fees, delivery charges, platform fee and taxes. Many consumers experience issues with unclear or deceptive pricing, leading to dissatisfaction and complaints. Further, it lacks specifically stating the need to add expiry date in the product listing page.

3.2. ALG's Recommendations

3.2.1. More detailed provisions that require e-commerce platforms to display all associated costs (including shipping, taxes, and handling fees, discounts) clearly upfront, prior to checkout should be added. This will help protect consumers from unexpected charges and foster trust in the platform.

3.2.2. Product listings should include mandatory disclosures of important information such as the country of origin, import details, warranty information, safety warnings, sustainability information and expiry dates (where applicable).

3.2.3. Revised clause would be –

*Paragraph 4.2.2 - 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. **All associated costs with the transaction, including shipping, taxes, handling fees, and any applicable discounts, must be clearly disclosed upfront, prior to checkout, to protect consumers from unexpected charges and to foster trust in the platform.***

Paragraph 4.2.3 of the guidelines states that:



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 alongside the listing in the principal search and display page (which shows the 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, including any applicable taxes, shipping fees, and other charges, for the purpose of comparison. **In addition, the product listing should include mandatory disclosures such as country of origin, import details, warranty information, safety warnings, sustainability information, and expiry dates (where applicable). These disclosures will ensure consumers are fully informed before making a purchase.***
4. **No mandatory requirement to specify an upper limit with respect to space for displaying seller and product information**

4.1. ALG's Observations

- 4.1.1. Paragraph 4.2.4 (a) states *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.*
- 4.1.2. The guidelines do not specify the upper limit of space for displaying seller and product information may result in limiting transparency and the comprehensiveness of product listings. By not clearly setting industry standards, it is not feasible for e-commerce platforms present information as required under this guideline.

- **Pre-Transaction Principles**

5. **The guidelines stage at which consumer is contractually bound to proceed with the transaction must be clarified.**

5.1. ALG's Observation

- 5.1.1. Paragraph 4.3.2. lays down Confirmation Point as *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.

- 5.1.2. The confirmation point precedes the actual payment completed by a consumer to confirm the transaction, and this stage cannot be said to contractually bind the consumer to proceed with the transaction. Under Indian Contracts Act, 1872, such a contractual obligation cannot be imposed on the consumer until the payment is successfully made by the consumer.

5.2. ALG’s Recommendations

- 5.2.1 The implication of a binding contract at the Confirmation Point stage of the transaction should be deleted as below:

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~~, and is clearly and unambiguously indicated to the consumer.

6. Clear specification of the manner of refund against Cash on Delivery

6.1. ALG’s Observation

- 6.1.1. Paragraph 4.3.8 states *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*
- 6.1.2. Effectuating refund for Cash-on-Delivery payment options to consumer in ‘a manner’ opted by the consumer may place an unnecessary and onerous burden of e-commerce entities to refund the payment as per requests of each and every consumer, on a case-to-case basis. This guideline may be revised to clearly specify the manner of refund to be as per the mode of payments made available by the e-commerce entity.

6.2. ALG’s Recommendations

- 6.2.1. The consumers option to choose the payment mode for refund in relation to the COD transaction may be limited to the payment mode made available by the e-commerce entity. The language proposed below may be adopted instead:



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 any manner opted by the consumer, which is available and listed as a mode of refund by the E-commerce entity on the e-commerce platform.

- **Post Transaction Principles**

7. E-commerce entities must be accountable to adopt preventive mechanisms against counterfeiting and intellectual property rights violation

7.1. ALG's Observations

7.1.1. Paragraph 4.5.5 states:

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.*

7.1.2. While the aforementioned paragraph outlines several policies to address the listing of counterfeit products, it does not include preventive measures to avoid such listings in the first place. One area that needs to be addressed in greater detail is the responsibility of e-commerce platforms for third-party sellers. There have been increasing concerns about counterfeit goods, fake reviews, and unethical marketing practices on platforms. The draft needs to specify stronger accountability measures for platforms hosting third-party sellers.



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7.2. *ALG's Recommendations*

- 7.2.1. The guidelines should identify practical measures for marketplace e-commerce platform to facilitate intellectual property protection of trademark owners during onboarding of sellers to marketplace e-commerce platforms.

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