IN THE HON'BLE HIGH COURT OF DELHI AT NEW DELHI

[EXTRA-ORDINARY CIVIL WRIT JURISDICTION]

WRIT PETITION (CIVIL) NO. OF 2021

IN THE MATTER OF:

A PUBLIC INTEREST LITIGATION

AND

IN THE MATTER OF:

AJAY KUMAR SINGH

PETITIONER

VERSUS

UNION OF INDIA & ORS.

RESPONDENTS

AND

IN THE MATTER OF:

A WRIT PETITION (CIVIL) UNDER ARTICLE 226 OF THE CONSTITUTION OF INDIA FOR ISSUANCE OF A WRIT IN THE NATURE OF MANDAMUS AND/OR ANY OTHER WRIT OF APPROPRIATE NATURE AND/OR DIRECTION(S)/ORDER(S) AGAINST THE RESPONDENTS, INTER-ALIA DIRECTING THEM TO ENSURE THE COMPLIANCE OF CONSUMER PROTECTION (ECOMMERCE) RULES, 2020 AND LEGAL METROLOGY (PACKAGED COMMODITY) RULES, 2011

AND

IN THE MATTER OF:

A WRIT PETITION (CIVIL) UNDER ARTICLE 226 OF THE CONSTITUTION OF INDIA FOR ISSUANCE OF A WRIT IN THE NATURE OF MANDAMUS AND/OR ANY OTHER AND/OR NATURE WRIT OF **APPROPRIATE** DIRECTION(S)/ORDER(S) AGAINST THE RESPONDENTS, INTER-ALIA ISSUING DIRECTING THE E-COMMERCE WEBSITES TO PROMINENTLY DISPLAY NAME OF THE MANUFACTURER, COUNTRY OF ORIGIN, AUTHORIZED DISTRIBUTOR/DEALER, MAXIMUM RETAIL PRICE [MRP] OF THE PRODUCTS, DESPATCHER/SELLER DETAILS (INCLUDING MANDATORY GSTIN NUMBER), ON THE PRODUCTS OFFERED FOR SALE THROUGH THE E-COMMERCE WEBSITES.

TO

THE HON'BLE CHIEF JUSTICE AND HIS COMPANION JUSTICES OF THE HIGH COURT OF DELHI AT NEW DELHI

THE HUMBLE PETITION OF THE PETITIONER ABOVE NAMED

MOST RESPECTFULLY SHOWETH:

1. That the Petitioner is filing the present writ petition in public interest and petitioner has no personal interest in the present litigation and the petition is not guided by self gain or for any other person/institution/body and there is no motive other than of public interest and the interest of the Nation in filing of present Writ Petition. The instant Public Interest Litigation (PIL) by way of Writ Petition has been preferred under Article 226 of the

Constitution of India, seeking issuance of directions to the Respondent no. 1, 2 and 3 to ensure the display of mandatory declarations on the products offered for sale at ecommerce websites and the Compliance of Legal Metrology Act, 2009 and Consumer Protection Act 2019.

- 2. That the E-Commerce and E-Commerce Entity is defined in amended Legal Metrology (Packaged Commodities) Rules, 2011. Further the roles and responsibilities of e-commerce were again defined in Consumer Protection (Ecommerce) Rules, 2020. The E-Commerce Web Sites / Mobile Applications are in public domain and are accessed by public at large for the purposes of buying and selling of consumer goods and other goods online.
- The Petitioner is also a regular buyer from such 3. online e-commerce websites and have also made due research and found that the requirements mandated under Consumer Protection (Ecommerce) Rules. 2020 and Legal Metrology (Packaged Commodities) Rules, 2011 are not complied and the consumers are facing great difficulty on account of non-mention of Retail Price. details Maximum of Seller, Manufacturing country / origin Country of the goods and products sold through E-Commerce Platforms.

4.

- That economy of the entire nation would suffer in the event the E-Commerce websites continue not to mention the MRP, seller details, Manufacturing country / Country of Origin of products in the Ecommerce Websites. Since MRP of the product is not displayed the customers are forced to buy the product at higher cost fixed by the manufacturers. The important rights of consumers are also being violated as they are not made aware of the Seller at the time of purchase. Large number of public is effected and being lack of sources / knowledge are not in position to approach the Hon'ble Court hence the petitioner is filing the present Public Interest Litigation on behalf of such affected persons seeking direction from the Court for their welfare. That the Respondent No. 4 to 6 are the E-Commerce Entity amongst other E-Commerce entities [which are defined in Consumer Protection (Ecommerce) Rules, 2020 and Legal Metrology (Packaged Commodities) Rules, 2011] shall be effected by the orders sought in this Writ Petition.
- 5. That the present Public Interest Litigation has been preferred in urgency keeping in view the policies of the Respondent No. 1, 2 and 3, interest of nation and the mandates under Consumer Protection Act,

2019 and Legal Metrology Act, 2009. The petitioner has also made representations to the Respondent No. 2 and 3 but they have failed to take any action against the ecommerce websites.

- India having powers to promulgate and implement laws under List I of the Schedule VII of the Constitution of India. The present subject matter falls under Entry 50 of List I. the Respondent No. 2 and 3 are the concerned Ministry/Department of the Government of India which directly regulates and administer the affairs pertaining to Consumer and Consumer Goods.
- 7. That the Respondent No. 4 to 6 are the E-Commerce companies/websites which are involved in the business of online selling of all kind of goods including food items, electronics, electrical, clothing /merchandise, furniture, toys and Sports and Home /Living in India.
- 8. That the Legal Metrology Act, 2009 and Legal Metrology (Packaged Commodity) Rules 2011 came into force to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for

matters connected therewith or incidental thereto. The Legal Metrology (Packaged Commodities) Rules, 2011 was amended by the Ministry of Consumer Affairs, Food and Public Distribution vide Notification dated 23.06.2017. The following definition/ amendments were introduced in the Rules:

Rule 6 (aa) "The name of the country of origin or manufacture or assembly in case of imported products shall be mentioned on the package;"
Rule (10) "An E-Commerce entity shall ensure that the mandatory declarations as specified in sub-rule (1), except the month and year in which the commodity is manufactured or packed, shall be displayed on the digital and electronic network used for e-commerce transactions:

Provided that in case of market place model of e-commerce, responsibility of the correctness of declarations shall lie with the manufacturer or seller or dealer or importer if,-

- (a) the function of the e-commerce entity is limited to providing access to a communication system over which information made available by the manufacturer or seller or dealer or importer is transmitted or temporarily stored or hosted; or
- (b) the entity does not-
- (i) initiate the transmission;
- (ii) select the receiver of the transmission; and (iii) select or modify the information contained in the transmission;

(c) the entity observes due diligence while discharging its duty as an intermediary under the Information Technology Act, 2000 and also observes such other guidelines as the Central Government may prescribe in this behalf Sub Rule 1 of Rule 6 is reproduced herein below:

Rule 6. Declarations to be made on every package:

(1) (a) the name and address of the manufacturer, or where the manufacturer is not the packer, the name and address of the manufacturer and packer and for any imported package the name and address of the importer shall be mentioned on every package.

Explanation I.- If any name and address of a company is mentioned on the label without any qualifying words 'manufactured by' or 'packed by', it shall be presumed that such name and address shall be that of the manufacturer and the liability shall be determined accordingly;

That view of Rule 6 (1) and 6 (10) of the Legal 9. Metrology (Packaged Commodities) Rules, 2011, it is now mandatory for the E-Commerce Entities to conspicuously mention the Maximum Retail Price, Country where the product / goods are manufactured (Country of Origin) and information related to the manufacturing of the product. The respondent websites are knowingly violating the said guidelines only with motive to promote illegal sale and make huge money out of it.

- 10. The role and responsibilities of the E-Commerce websites were again defined by the Government through the Consumer Protection (Ecommerce) Rules, 2020. The relevant provisions of the said Rules definitions are reproduced herein below for ready reference:
 - Rule 3 (g) "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;
 - Rule 5.Liabilities of marketplace e-commerce entities. (1) A marketplace e-commerce entity which seeks to avail the exemption from liability under sub-section (1) of section 79 of the Information Technology Act, 2000 (21 of 2000) shall comply with sub-sections (2) and (3) of that section, including the provisions of the Information Technology (Intermediary Guidelines) Rules, 2011.
 - (2) Every marketplace e-commerce entity shall require sellers through an undertaking to ensure that descriptions, images, and other content pertaining to goods or services on their platform is accurate and corresponds directly with the appearance, nature, quality, purpose and other general features of such good or service.
 - (3) Every marketplace e-commerce entity shall provide the following information in a clear and

accessible manner, displayed prominently to its users at the appropriate place on its platform:

(a) details about the sellers offering goods and services, including the name of their business, whether registered or not, their geographic address, customer care number, any rating or other aggregated feedback about such seller, and any other information necessary for enabling consumers to make informed decisions at the pre-purchase stage:

Provided that a marketplace e-commerce entity shall, on a request in writing made by a consumer after the purchase of any goods or services on its platform by such consumer, provide him with information regarding the seller from which such consumer has made such purchase, including the principal geographic address of its headquarters and all branches, name and details of its website, its email address and any other information necessary for communication with the seller for effective dispute resolution;

- (b) a ticket number for each complaint lodged through which the consumer can track the status of the complaint;
- (c) information relating to return, refund, exchange, warranty and guarantee, delivery and shipment, modes of payment, and grievance redressal mechanism, and any other similar information which may be required by consumers to make informed decisions;
- (d) information on available payment methods, the security of those payment methods, any fees or charges payable by users, the procedure to cancel regular payments under those

methods, charge-back options, if any, and the contact information of the relevant payment service provider;

- (₹) all information provided to it by sellers under sub-rule (5) of rule 6; and 10
- Sec. 3(i)] (a) an explanation of the main parameters which, individually or collectively, are most significant in determining the ranking of goods or sellers on its platform and the relative importance of those main parameters through an easily and publicly available description drafted in plain and intelligible language.
- (4) Every marketplace e-commerce entity shall include in its terms and conditions generally governing its relationship with sellers on its platform, a description of any differentiated treatment which it gives or might give between goods or services or sellers of the same category.
- (5) Every marketplace e-commerce entity shall take reasonable efforts to maintain a record of relevant information allowing for the identification of all sellers who have repeatedly offered goods or services that have previously been removed or access to which has previously been disabled under the Copyright Act, 1957 (14 of 1957), the Trade Marks Act, 1999 (47 of 1999) or the Information Technology Act, 2000 (21 of 2000): Provided that no such e-commerce entity shall be required to terminate the access of such seller to its platform pursuant to this sub-rule but may do so on a voluntary basis.

- 11. That in view of Rules 5 (3) (a) every marketplaces has to display sellers details so that the consumer can make a pre-purchase decision. It is respectfully submitted that the Respondent No. 4 to 6 are not displaying any seller detail (Name, address, GSTIN Number etc.) on the website. The respondent websites such as meesho.com is not displaying details of seller and also seller detail is not available on packing slip/invoice. Copy of website screenshot and product packing slip/invoice is attached herewith.
 - 12. That the Petitioner has made a detailed research of several E-Commerce entities / websites including the Respondents and found that these E-Commerce sites / applications do not conspicuously mention the MRP, seller details, Country of Origin / Manufacture of products offered for sale. It is observed that those E-Commerce websites which are mentioning the Country of Manufacturing are displaying it in discrete, not easily searchable by the consumers at large. It is further seen that many declarations on Manufacturing are wrong and misfed into the online system giving no clarity to the Consumers.

- 13. That to dive deep the petitioner made purchase on the website of Respondent No. 4 and he was shocked to see that the mandatory details required under Consumer Protection (Ecommerce) Rules 2020 and Legal Metrology (Packaged Commodity) Rules 2011 are not mentioned on the packaging slip/Invoice. There is no seller details mentioned on the invoice and buyer is being kept in dark about the seller selling the product. It is also submitted that since merchantability of the product is responsibility of seller, if the details of seller is not made available to consumer he shall not be able to file any complaint against a seller.
- 14. That since no seller details is mentioned mandatory GST of seller is also not being displayed on the invoice. The Petitioner believes that these ecommerce websites are also aiding and abetting the sellers to evade payment of GST to the Government Exchequer and to carry out sale of illegal products through these websites.
- 15. Thereafter the Petitioner also made representations to Ministry of Consumer Affairs and Legal Metrology Department to take action against these ecommerce websites but the representation has fallen flat on ears of the respondent and no action has been taken

till date. The e-commerce websites are still violations the Rules notified under Consumer Protection Act, 2019 and Legal Metrology Act, 2009.

16. That the present Public Interest Petition is of utmost importance and in sync with the objective of the government of India.

GROUNDS

- A. Because the E-Commerce Entities are violating the mandate of the law and the Consumer Protection Act, 2019 and Legal Metrology Act, 2009 and rules framed thereunder.
- B. Because non-mention of MRP is serious violation of law as the respondent websites are allowing the seller to seller their product at any price wheich is generally higher than the price mentioned by the manufacturer.
- C. Because non-mention of seller details on the website and mobile application is blatant violation of the Consumer Protection (Ecommerce) Rules 2020.
- D. Because non display of seller details (including mandatory GSTIN number) either on the website or the invoice/package is blatant violation of the Legal Metrology (Packaged Commodity) Act, 2011 and other commercial laws.

- E. Because the non-display of Manufacturer details and impact of non-mention of the Country of origin / Manufacturing Country on the products is fatal to the Indian Economy.
- F. Because the goal of Make in India was to encourage both multinational and domestic companies to manufacture their products within the country. This initiative is an honest attempt to revive the Manufacturing sector and the compliance of the motive of the government to upscale the economy can be achieved if the prayer is granted by this Hon'ble Court.
- G. Because the rights of the Consumers shall be gravely prejudiced in the event the E-Commerce entities are not directed to conspicuously display the MRP, details of seller, manufacturer details and Country of Origin in the products offered for sale in E-Commerce platform.
- H. Because the prayer if awarded will boost the foreign investments in the economy and the Make in India will help the country become self-reliant in terms of manufacturing of products.
- Because the prayer if awarded will create employment opportunities for the youth of the country, alleviate poverty, attract investments,

- create value for Indian goods and fix the rising trade deficit.
- J. That the Petitioner has no other alternative, efficacious remedy available except to file the present Petition.
 - The Petitioner craves leave of this Hon'ble Court to raise any other such further grounds as may be available under the law, during the course of his arguments, with prior leave of this Hon'ble Court.
- 17. That no such or similar Petition has been filed by the Petitioner nor are any such proceedings pending before any other court.
- 18. That in the facts of the present case and the relief sought, this Hon'ble Court has both territorial and subject matter jurisdiction to adjudicate the present Petition.
- in the interest of justice. In view of the facts and circumstances stated above, it is evident that the present petition merits indulgence of this Hon'ble Court under its inherent powers. The present Petition is bonafide and is being filed for the protection of the fundamental / Constitutional / Statutory Rights and in the interest of the public at large.

PRAYER

In view of the aforesaid facts and circumstances, considering the gross failure on the part of the Respondents 1 & 2 in performing their respective duties in enforcement of the statutory provisions, notified by Respondent No.1, and on the basis of the grounds pleaded hereinabove, the Petitioner respectfully prays that this Hon'ble Court may kindly be pleased to:

(a) Pass an appropriate Writ, order or direction, in the nature of Mandamus, inter-alia, directing the Respondent No. 1, 2 and 3 to issue directions to ensure the compliance of Consumer Protection (Ecommerce) Rules, 2020 and Legal Metrology (Packaged Commodity) Rules, 2011 and directing Social Commerce Websites to display MRP, Seller Details (including mandatory GSTIN number), Name of the Manufacturer and Country of Origin on the products offered for sale at ecommerce websites.

pass any other such order(s)/direction(s) as may be deemed to be fit and proper in the facts and circumstances of the matter.

It is prayed accordingly.

PETITIONER

THROUGH:

[RAJESH PANDIT]