

Centre directs E-commerce food business operators to submit proposal on improving consumer grievance redressal mechanism within 15 days

E-commerce FBOs directed to transparently show the breakup of all charges included in the order amount such as delivery charges, packaging charges, taxes, surge pricing etc

E-commerce FBOs advised to allow consumers the choice to share their contact information with the restaurants, only if the consumers approve

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The Department of Consumer Affairs has directed major e-commerce food business operators (FBOs) to furnish the current framework as well as a proposal on improving the consumer grievance redressal mechanism within 15 days.

The direction was given during a meeting chaired by Secretary, Department of Consumer Affairs, Shri Rohit Kumar Singh with major e-commerce food business operators, to discuss pertinent issues which affect consumers in this sector.

During the last 12 months, over 3,631 grievances have been registered on the National Consumer Helpline (1915) for Swiggy and 2,828 have been registered for Zomato. Both the companies are convergence partner on NCH, the details of which are as under:-

Company Name – Swiggy			
Sr. No.	Nature of Grievances	D o c k e t s Registered	%
1	Deficiency in Services	803	22
2	Non/Delay in Delivery of Product	628	17
3	Delivery of Defective /	456	13

	Damage Product		
4	Delivery of Wrong Product	401	11
5	Paid amount not refunded	391	11
6	Product / Product Accessories Missing	240	7
7	Charging more than MRP.	213	6
8	Non veg food delivered instead of veg and vice-versa	105	3
9	Promised gift not given/ Wrong Promsies	99	3
10	Amount debited but not credited to beneficiary.	58	2
11	Others	135	4
12	Sector Enquiry (about grievance management details)	102	3
	Grand Total	3631	100

Company Name – Zomato			
Sr. No.	Nature of Grievances	Dockets Registered	%
1	Deficiency in Services	707	25
2	Delivery of Defective / Damage Product	499	18
3	Non/Delay in Delivery of Product	319	11
4	Paid amount not refunded	307	11
5	Delivery of Wrong Product	298	11
6	Product / Product Accessories Missing	153	5
7	Non veg food	109	4

	delivered instead of veg and vice-versa		
8	Charging more than MRP.	90	3
9	Promised gift not given / Wrong Promises	78	3
10	A c c o u n t blocked/service barred.	20	1
11	Others	112	4
12	Sector Enquiry (about grievance management details)	136	5
	Grand Total	2828	100

During the meeting, major issues raised by the consumers on National Consumer Helpline of DoCA were discussed including veracity of the amount of delivery and packing charges and the reasonability of such charges, disparity between the price and quantity of food items shown on the platform and actually offered by the restaurant, inconsistency in the delivery time shown to consumers at the time of placing an order and the time at which the order is actually delivered, and absence of any mechanism to separate genuine reviews from fake ones.

The National Restaurant Association of India (NRAI) raised the issue of customer information not being shared by the e-commerce FBOs with the restaurants which impacts their ability to serve the consumer needs better. Further, delivery charges are determined and levied by the latter. Further, a commission of around 20% is also charged by the online FBOs on each order.

E-commerce FBOs were directed by the Department to transparently show consumers the breakup of all charges included in the order amount such as delivery charges, packaging charges, taxes, surge pricing etc. Platforms must also show individual consumer reviews transparently and refrain from showing only the aggregation of reviews. It was emphasized that the right of choice for a consumer should be respected and the e-commerce FBOs were advised to allow consumers the choice to share their contact information with the restaurants, if the consumers want so.

The meeting was attended by major online food business operators including Swiggy and Zomato as well as the NRAI.

Ms. Nidhi Khare, Additional Secretary and Mr. Anupam Mishra, Joint Secretary also attended the meeting.

The e-commerce FBOs observed that prices of food items are decided by the restaurants and they have a grievance redressal mechanism in place which does have a scope for improvement considering the number and nature of grievances registered by consumers.

During the meeting, stakeholders acknowledged the need to address consumer grievances closely and develop a robust grievance redressal framework. They assured that the concerns raised in the meeting will be duly taken into consideration and the proposed improved and transparent framework will be shared with the Department in 15 days.

AM/NS

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