

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 | Dockets 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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