

**Central Consumer Protection Authority**

**Ground Floor, CCPA Wing, Indian Institute of Public Administration, IP  
Estate, Ring Road, New Delhi, 110002**

**Case No: J-25/72/2021-CCPA (Part 3)**

In the matter of: Suo-moto case against Snapdeal with regard to sale of pressure cookers which do not conform to compulsory BIS standards.

CORAM:

Ms. Nidhi Khare, Chief Commissioner

Mr. Anupam Mishra, Commissioner

**APPEARANCES**

For Snapdeal Private Limited

1. Ms. Ankita Sharma

Date: 25.03.2022

**ORDER**

1. The hearing was conducted through video conferencing.
2. This is a suo-moto case taken up the by the Central Authority against Snapdeal Private Limited with regard to sale of domestic pressure cookers which purportedly do not conform to compulsory BIS standards on its e-commerce platform 'Snapdeal' available at [www.snapdeal.com](http://www.snapdeal.com).
3. Notice to the opposite party in this regard was issued on 18.11.2021. The products listed out in the notice were :-
  - ABODE 5L Aluminium Outer Lid Pressure Cooker Without Induction Base  
<https://www.snapdeal.com/product/abode-5-l-aluminium-outerlid/678032547695>
  - Bestech Mirror Finish Induction Stovetop Compatible Cherry Pressure Cooker 5Ltr

Product Page Link:-

<https://www.snapdeal.com/product/bestech-aluminium-mirror-finish-cherry/344784161>

4. In response to the notice, reply dated 24.11.2021 was received from the opposite party. In its reply, company has inter alia stated that it has taken down the aforementioned listings and blocked the respective sellers of such listings on receipt of the notice and as per the terms of seller agreement. Opposite party further submitted that Snapdeal is a marketplace e-commerce entity as defined under the Consumer Protection (e-commerce) rules. Being an intermediary under Section 79 of Information Technology Act, 2000 ("I.T. Act"), Snapdeal is not liable for any third party information or data hosted by it. The company has submitted details of sellers selling the pressure cookers listed out in the notice in its reply.

Further, on 02.12.2021, opposite party submitted additional response stating that seller of 'Bestech' brand of pressure cooker has shared its BIS license and an order passed by Karnataka High Court in Criminal Petition no. 4676 of 2020 Kunal Bahl vs. State of Karnataka, holding the company not responsible in a case relating to the Drugs and Cosmetics Act, 1949

5. Opportunity of hearing as mandated under the Consumer Protection Act, 2019 was given to the company on 09.03.2022 and the following directions were passed:-

Opposite party shall furnish the following information by 11.03.2022:-

- a) How many pressure cookers were sold by each seller?
- b) What was the commission earned by opposite party?
- c) Details of customers to who such pressure cookers sold after coming into force of the QCO

6. Pursuant to the order passed by CCPA, reply was received from the opposite party on 15.03.2022, wherein the company reiterated the submissions made in its reply dated 24.11.2021 with regard to being an intermediary under the I.T. Act and not being liable for any third party information as per Section 79 of the I.T. Act. Further, the company has stated that all the listings of the sellers have been terminated and they have been banned for lifetime to create any listing on the platform.

7. In compliance with direction as per Order dated 09.03.2022 following data has been submitted :-

Name of the Seller	Pressure Cookers Sold [Since August, 2020]	Seller proceeds [in Rs.]	Snapdeal platform Fee [in Rs.]
Shri Paras Sales	0	0	0
Saransh Enterprises	39	60,985.96	10,417.03
AZ sellers	34	25,514.61	1,980.25

8. The hearing scheduled on 16.03.2022 was postponed and was held on 17.03.2022. During the hearing, opposite party made the following submissions:-

- We are merely a conduit and a technology platform and have not aided or abetted such listings. We have blocked the listings on being notified.
- As a prudent business entity, we have added technology and manpower, along with manual checking, to ensure no product without compulsory BIS certification is listed on the platform.
- When the problem of counterfeits was reported on our platform, we were the first to implement a program called 'brand shield' through which we have been able to bring down the problem of brand counterfeiting.
- We will be refunding each and every penny to the consumers. We will refund them the exact amount that they have paid as per the refund policy and deduct that money from seller account and if the seller refuses, we are ready to take the hit so that no financial loss occurs to consumers.
- We have taken help of a law firm so that a product can only be listed when a team verifies that there is BIS certification available on the packaging with a license number.

9. It may be mentioned that the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry notified the Domestic Pressure Cooker (Quality Control) Order, 2020 ("QCO") on 21.01.2020 mandating conformity to standard - IS 2347:2017 and compulsory use of standard mark for 'Domestic Pressure Cooker'. The date of coming into force of QCO was stated as 01.08.2020.

Thereafter, vide Domestic Pressure Cooker (Quality Control) (Amendment) Order, 2020 notified on 23.06.2020, date of coming into force of the QCO was postponed to 01.02.2021. This offered all manufacturers/sellers reasonable time to sell their old stocks and prepare for conformity to the standards prescribed under QCO.

Therefore, since 01.02.2021, any domestic pressure cooker offered for sale in India is required to conform to IS 2347: 2017.

10. Undoubtedly, quality and standard of a good or service not only reduces safety hazard but is also one of the most important factors considered by consumers during a purchase.

Goods or products, which violate the standard required to be maintained by or under any law for the time being in force, are liable to be termed "defective" under the Consumer Protection Act, 2019

Under Section 2(10) "defect" means any fault, imperfection or shortcoming in the quality, quantity, potency, purity or standard which is required to be maintained by or under any law for the time being in force or under any contract, express or implied or as is claimed by the trader in any manner whatsoever in relation to any goods or product and the expression "defective" shall be construed accordingly.

Thus, Pressure cookers which do not conform to the compulsory standards are liable to held 'defective' under the Act.

'Consumer rights' as defined under Section 2(9) include:

- (i) the right to be protected against the marketing of goods, products or services which are hazardous to life and property;

(ii) the right to be informed about the quality, quantity, potency, purity, standard and price of goods, products or services, as the case may be, so as to protect the consumer against unfair trade practices;

Rule 4 of the Consumer Protection (e-commerce) rules, 2020 stipulates the duties of e-commerce entities. Sub-rule (3) of Rule 4 states that:-

No e-commerce entity shall adopt any unfair trade practice, whether in the course of business on its platform or otherwise

11. Although opposite party has submitted License details of 'Bestech' pressure cooker after notice by CCPA, it is relevant to mention that no manufacturer details or BIS license details or ISI mark is visible on the listing available on the platform. Lack of necessary information impedes consumers in making an informed purchase decision. Further, no license details have been sent by the company on the 'Abode' Pressure Cookers.
12. Snapdeal collects 'platform fee' from the sellers for each sale completed on its platform. The company commercially gains and profits from the purchase made by consumers on its platform. Therefore, the company cannot divorce from its role and responsibility in case of issues arising from sale of goods on its platform.
13. When compulsory conformity to standard and requirement of standard mark has been made mandatory by the central government, it was the duty of the opposite party to put in place necessary mechanism for ensuring only valid products are allowed to be sold on its platform. Any proposition of ignorance or unawareness of law cannot be countenanced. By allowing non-standard pressure cookers to be sold on its platform, opposite party has not only violated consumers' right to be protected against marketing of goods hazardous to life and property and the right to be informed, it has also aided in sale of non-standard pressure cookers by providing a fertile breeding ground through its e-commerce platform.
14. Violation of standards mandated by the QCOs can not only endanger public safety, it can make consumers vulnerable to severe injuries. This is a critical cause for concern especially in case of domestic pressure cooker, which is a household good, present in most homes in the immediate vicinity of family members.

15. Moreover, it is pertinent to note that the notification of QCOs is not a sudden overnight action by the Central Government. Before finalizing the notification of a compulsory standard for any good or article, extensive stakeholder discussions are undertaken by BIS and the concerned Ministry for effective implementation of the standard in public interest.

16. In view of the above, opposite party is hereby directed to:-

(a) Notify all consumers of the 73 pressure cookers sold on its platform, recall the pressure cookers and reimburse their prices to the consumers and submit a compliance report of the same within 45 days.

(b) Opposite party shall pay a penalty of ₹1,00,000 for allowing sale of pressure cookers in violation to the QCO on its platform and violating rights of consumers.

  
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Nidhi Khare  
Chief Commissioner

  
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Anupam Mishra  
Commissioner