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# Compliance of FSSAI regulations by E-Commerce Food Business Operators: Perspective of Consumers in Pune City

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#### **ABSTRACT**

The rapid growth of the domestic food market with the widespread use of food delivery applications has led to intense market competition. With increasing reliance of consumers on these services, it is necessary to check their compliance with the FSSAI regulations.

This study explores the compliance of regulations developed by the FSSAI to facilitate consumer rights in the ecommerce food delivery system in India, from the perspective of the consumers in Pune city. The paper begins with a general discussion of the present regulatory requirements which are to be adopted by Food Business Operators (FBOs) involved in the ecommerce market in India. Next, the paper assesses the responses of a sample of users of food delivery app services in Pune city to find out if the ecommerce FBOs comply with the FSSAI requirements of display of food images, information about the food, correspondence of the food item with the image displayed. The assessment finds that ecommerce FBOs have complied with some of the FSSAI requirements in this regard. Finally, the paper concludes that to ensure compliance of the regulations by the FBOs, there is a need to fix liability for different forms of ecommerce FBOs based on their involvement in facilitating orders and providing deliveries.

Legal implications and future research lines are suggested. The study will be of value to consumers, researchers and concerned agencies involved in the food industry.

**Keywords:** FSSAI, consumers, food business operators, compliance, ecommerce, regulation.

## I. Introduction

Ecommerce is the sale or purchase of goods or services, conducted over computer networks by methods specifically designed for the purpose of receiving or placing orders, and is characterized specifically by the method of ordering (OECD, 2011).<sup>3</sup> It is also defined as the

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<sup>&</sup>lt;sup>3</sup> Unpacking E-commerce: Business Models, Trends and Policies (OECD, 2019), https://doi.org/10.1787/235614 31-en last seen 3/3/23

production, distribution, marketing, sale or delivery of goods and services by electronic means (WTO, 1998).<sup>4</sup> Consumer transactions in ecommerce need to be regulated to create efficient markets and to protect consumers from corporate sellers, in the balance of power.<sup>5</sup>

The OECD has highlighted that consumers buying online are entitled to the same level of protection as those who make conventional transactions. In India, the Consumer Protection Act 2019 has provided for six rights of consumers: the right to protection against hazardous marketing of goods or services, the right to information regarding quality, quantity, price, standard of goods or services, the right to have access to variety of goods and services, the right to be heard before appropriate fora, the right to redressal against unfair trade practices or exploitation, and the right to consumer awareness.

Policies, guidelines, standards and regulations related to food management need to be kept up to date or further developed to reflect the changing needs within the current system, and to ensure public health (FAO, 2022).<sup>8</sup> Continuous monitoring in establishments that handle and produce meals for a large number of consumers, such as eateries, requires integrated efforts by government agencies.<sup>9</sup> In India, the Food and Safety Standards Authority of India ('FSSAI') is an independent statutory body established under the Food Safety and Standards Act 2006 ('the Act'), having the power to notify standards and guidelines in relation to food articles meant for human consumption.<sup>10</sup>

Revenue in the ecommerce food delivery market is projected to reach USD 33.36bn in 2023<sup>11</sup>, and this market comprises almost 30% of the ecommerce industry in India.<sup>12</sup> In the past year, over 3000 grievances were registered on the National Consumer Helpline against major ecommerce food business operators.<sup>13</sup> With increasing customer reliance on these online

<sup>&</sup>lt;sup>4</sup> Work Programme on Electronic Commerce (World Trade Organization, 1998), https://www.wto.org/english/trat op\_e/ecom\_e/wkprog\_e.htm last seen 3/3/23

<sup>&</sup>lt;sup>5</sup> A. Brooke Overby, *An Institutional Analysis of Consumer Law* 34(5) Vanderbilt J. of Transnational Law (2001), https://web.archive.org/web/20070302211417/http://law.vanderbilt.edu/journals/journal/35-01/overby.htm (last seen 14/5/23)

 $<sup>^6</sup>$  Recommendation on Consumer Protection in E-commerce (OECD, 2016), https://legalinstruments.oec d.org/en/instruments/OECD-LEGAL-0422 last seen 23/4/23

<sup>&</sup>lt;sup>7</sup> Section 2(9), Consumer Protection Act 2019

<sup>&</sup>lt;sup>8</sup> FAO, *Thinking about the future of food safety: A foresight report* (2022), https://doi.org/10.4060/cb8667en last seen 1/4/23

<sup>&</sup>lt;sup>9</sup> Gomes, C.C.B. et al. *Training of Food Handlers in a Hotel: Tool for Promotion of the Food Safety*, 34(3) Journal of Food Safety (2014), https://doi.org/10.1111/jfs.12116 last seen 28/2/23

<sup>&</sup>lt;sup>10</sup> Section 92(2)(e), Food Safety and Standards Act 2006

<sup>&</sup>lt;sup>11</sup> Online Food Delivery - India, Statista, https://www.statista.com/outlook/dmo/online-food-delivery/india last seen 2/5/23

<sup>&</sup>lt;sup>12</sup> *India Online Food Delivery Market*, Expert Market Research (2022), https://www.expertmarketresearch.com/reports/india-online-food-delivery-market last seen 20/5/23

<sup>&</sup>lt;sup>13</sup> Consumer Affairs Ministry asks food delivery players to furnish plans on improving complaints redressal (13 June 2022), The Hindu BusinessLine, https://www.thehindubusinessline.com/companies/consumer-affairs-

services, a robust regulatory mechanism is necessary. Since food delivery services or aggregator platforms store customer preferences data and have immense power in the food industry, it is necessary to study their compliance with FSSAI regulations.

# (A) Literature Review

Government policy is important to initiate food safety projects alongside international standards of the Food and Agriculture Organization and the World Health Organization. Culturally relevant research, appropriate methods of food safety management, industry involvement, explanations for the standards, and specific guidelines for different parts of the industry will enable development of practical solutions (Taylor & Taylor, 2015<sup>14</sup>). Consumer policy affects developments in ecommerce, hence governments should work with businesses and consumer groups to determine the legal changes that could improve consumer trust in ecommerce (OECD, 2016).<sup>15</sup>

Users of digital technology become customers when they shop online through apps or mobiles, and expect the same convenience and transparency when they order food items online. As a form of online platform for food delivery, aggregators take orders from their users (customers) and transfer them to the eateries which may deliver the order themselves, or they may outsource deliveries to the aggregators. The eatery has less control over the customer experience, as compared to the new delivery operators, since they enable customers to compare the offerings of different eateries, handle logistics of speedy delivery, ratings and reviews, personalizing the order experience etc (Hirschberg et al, 2016). In case of Online Food Delivery (OFD), orders can be made over the internet-based websites, and for Food Delivery Apps (FDA), orders can be made only through mobile apps. The latter offers services such as routing and monitoring orders, payment and tracking facilities, but they are not liable for the food items preparation (Ray et al, 2019). In the content of the same propagation of the same preparation and tracking facilities, but they are not liable for the food items preparation (Ray et al, 2019).

 $ministry-asks-food-delivery-players-to-furnish-plans-on-improving-complaints-redressal/article 65523879. ecc \\ last seen 20/5/23$ 

Dipak K Dash, *Complaints against food apps up 100%* (15 March 2020), Times of India, https://timesofindia.indiatimes.com/business/india-business/complaints-against-food-apps-up-100/articleshow/74633473.cms last seen 20/5/23

<sup>&</sup>lt;sup>14</sup> Eunice Taylor, Joanne Taylor, *Improving food safety – replicating the Abu Dhabi success story* in Worldwide Hospitality and Tourism Themes (Dr Eunice Taylor, 2015) http://ebookcentral.proquest.com/lib/britishcoun cilonline-ebooks/detail.action?docID=2030608. last seen 4/3/23

<sup>&</sup>lt;sup>15</sup> Recommendation on Consumer Protection in E-commerce (OECD, 2016), https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0422 last seen 23/4/23

<sup>&</sup>lt;sup>16</sup> Hirschberg, Carsten, et al. *The changing market for food delivery* (2016), http://dln.jaipuria.ac.in:8080/jspui/bitstream/123456789/2874/1/The-changing-market-for-food-delivery.pdf last seen 4/3/23

<sup>&</sup>lt;sup>17</sup> Arghya Ray, Amandeep Dhir, Pradip Kumar Bala, Puneet Kaur, *Why do people use food delivery apps (FDA)?* A uses and gratification theory perspective 51 Journal of Retailing and Consumer Services (2019), https://doi.org/10.1016/j.jretconser.2019.05.025 last seen 3/3/23

Previous studies have demonstrated that the Technology Acceptance Model can be applied as a tool to understand consumers' intention behind using technology for mobile food delivery services. Perceived ease of use and perceived usefulness of food delivery services are factors which significantly influence consumers' intention to use them (An et al, 2023). <sup>18</sup> Consumer behaviour is always dynamic, especially after Covid-19, and innovations in the Online Food Delivery (OFD) segment in various forms such as DIY meal kits, gourmet food delivery boxes etc increases the willingness of customers to order food online (Gavilan et al, 2021). <sup>19</sup>

Customer trust in ecommerce increases by factors such as security, privacy, warranty, customer service, information, and laws governing consumer rights protection in ecommerce. Since ecommerce and trust are areas of constant change, future research can explore how to strengthen trust-building among online consumers (Chawla and Kumar, 2022).<sup>20</sup> The new business model of delivering ready-to-eat food over a digital platform either through a web portal or mobile apps has appealed to customers. The FSSAI had recently warned food aggregators against keeping non-registered food eateries on their digital platforms, and to partner with registered eateries to improve food safety checks, instead of focusing only on marketing strategies and cut throat competition (Thamaraiselvan et al, 2019).<sup>21</sup> A survey conducted on consumers from different districts of India concluded that 4 in 5 respondents were unable to find the best before date information for products listed for sale on ecommerce apps and sites, which is a mandate under the Legal Metrology (Packaged Commodities) Rules 2018 (LocalCircles, 2021).<sup>22</sup>

The available literature provided an insight into the engagement of food ecommerce businesses with consumers, and pointed to the need to evaluate compliance of legal requirements for operating food businesses in ecommerce, which involve food preparation and delivery activities in India.

An, S.; Eck, T.; Yim, H. Understanding Consumers' Acceptance Intention to Use Mobile Food Delivery Applications through an Extended Technology Acceptance Model 15(1) Sustainability (2023), https://doi.org/10.3390/su15010832 last seen 4/3/23

<sup>&</sup>lt;sup>19</sup> Diana Gavilan, Adela Balderas-Cejudo, Susana Fernández-Lores, Gema Martinez-Navarro, *Innovation in online food delivery: Learnings from COVID-19*, 24 International Journal of Gastronomy and Food Science (2021), https://doi.org/10.1016/j.ijgfs.2021.100330.

<sup>&</sup>lt;sup>20</sup> Neelam Chawla & Basanta Kumar, *E-Commerce and Consumer Protection in India: The Emerging Trend*, 180 Journal of Business Ethics 581–604 (2022) https://doi.org/10.1007/s10551-021-04884-3 last seen 17/2/23

<sup>&</sup>lt;sup>21</sup> N. Thamaraiselvan, G. R. Jayadevan, K. S. Chandrasekar, *Digital Food Delivery Apps Revolutionizing Food Products Marketing in India* 8(2S6) International Journal of Recent Technology and Engineering (2019), https://www.researchgate.net/profile/K-S-

Chandrasekar/publication/335977154\_ijrte1/links/5d887f4692851ceb792fad84/ijrte1.pdf last seen 3/3/23

<sup>&</sup>lt;sup>22</sup> Neha Alawadhi, *Many consumers can't find MRP information for ecommerce items: Study* (22 Dec 2021), Business Standard, https://www.business-standard.com/article/economy-policy/many-consumers-can-t-find-mrp-information-for-ecommerce-items-study-121122201082\_1.html last seen 30/4/23

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# (B) Regulation of ecommerce food businesses in India

The FSSAI, established under the Food Safety and Standards Act, has the power to notify standards and guidelines in relation to food articles meant for human consumption.<sup>23</sup> The FSSAI can notify standards and guidelines which are meant to be followed by all the food businesses in India.

Under the Act, a food business means an undertaking, public or private, whether for profit or not, which carries on any of the activities related to any stage of manufacture, processing, packaging, storage, transportation, distribution of food, import and includes food services, catering services, sale of food or food ingredients.<sup>24</sup> This definition would cover businesses which prepare and deliver food articles, as well as the businesses which provide technology services for the sale and delivery of food. A Food Business Operator ('FBO') has been defined under the Act to mean a person by whom the business is carried on or owned, and who is responsible for ensuring the compliance of the Act and its regulations.<sup>25</sup>

The FSSAI Regulations define an ecommerce FBO as an FBO which carries out these activities through the medium of ecommerce. <sup>26</sup> These ecommerce FBOs may be in the form of inventory based models, where the FBO owns the inventory of food products and services and sells them directly to consumers without a third intermediary (for example: the traditional Dominos Pizza model)<sup>27</sup>, or they may be in the form of a marketplace based model, where the FBO provides an information technology platform on a digital and electronic network for eateries and customers to register themselves, so that it acts as a facilitator between the sellers and the consumers (for example: aggregator apps like Zomato, Swiggy, Dunzo). <sup>28</sup> An eatery may also utilize a combination of both these models, whereby it will offer food delivery through its own portal, as well as through a marketplace ecommerce entity portal. A sale of food articles through such electronic media will be a transaction covered under this Act and its regulations.

The definition covers ecommerce delivery businesses in India who are required to hold an FSSAI license for the same, including cloud kitchen businesses that operate on a delivery-only

<sup>&</sup>lt;sup>23</sup> Section 92(2)(e), Food Safety and Standards Act 2006

<sup>&</sup>lt;sup>24</sup> Section 3(n), Food Safety and Standards Act 2006

<sup>&</sup>lt;sup>25</sup> Section 3(o), Food Safety and Standards Act 2006

<sup>&</sup>lt;sup>26</sup> Regulation 1.2.2(c), Food Safety and Standards (Licensing and Registration of Food Business) Amendment Regulations 2018, https://fssai.gov.in/upload/advisories/2020/03/5e5cef15b7fefDirection\_ReOperationalization\_FSS\_Licensing\_Registration\_02\_03\_2020.pdf

Regulation 1.2.2(d), Food Safety and Standards (Licensing and Registration of Food Business) Amendment Regulations 2018, https://fssai.gov.in/upload/advisories/2020/03/5e5cef15b7fefDirection\_ReOperationalization \_FSS\_Licensing\_Registration\_02\_03\_2020.pdf
 Regulation 1.3.3(a), Food Safety and Standards (Licensing and Registration of Food Business) Amendment

<sup>&</sup>lt;sup>28</sup> Regulation 1.3.3(a), Food Safety and Standards (Licensing and Registration of Food Business) Amendment Regulations 2018, https://fssai.gov.in/upload/advisories/2020/03/5e5cef15b7fefDirection\_ReOperationalization \_FSS\_Licensing\_Registration\_02\_03\_2020.pdf

model without dine-in facilities. The food can be ordered online with their delivery partners. The Act prohibits food business operators from manufacturing, storage, sale or distributing food articles which are unsafe, or are misbranded or sub-standard or contain extraneous matter; or which contravene any rule or regulation made by the FSSAI.<sup>29</sup>

Under the Act, consumers have been defined to mean persons or families purchasing and receiving food for their personal need,<sup>30</sup> which would include customers who use the services provided by ecommerce businesses to receive the delivery of food items.

Apart from the above provisions, the FSSAI has operationalized **Food Safety and Standards** (**Licensing and Registration of Food Business**) **Amendment Regulations** in 2018, which apply to all ecommerce entities providing platform / listing services for sellers, eateries etc; or sellers who display or offer their food products or services through a marketplace or inventory ecommerce model; or providers of distribution, storage, transportation services of food products.<sup>31</sup> These Regulations impose the following responsibilities on such ecommerce FBOs<sup>32</sup>:

The FBO (this term indicates the seller/brand owner/manufacturer of any food article) has to display the license number / registration number as assigned by the FSSAI. The FBO seller of any pre-packed food product has to ensure that they upload a legible picture of their product on the ecommerce site, with its 'principal display panel' (i.e its brand name) visible, by which a consumer can identify what the package contains. They have to ensure that there is no misleading information or misleading pictures of food products shown to consumers.

The FSSAI has set out the general requirements for labelling of food articles in the **Food and Safety Standards** (**Labelling and Display**) **Regulations 2011**, which mandate the display of the trade name or description of the food contents inside the packaging; the name and address of the manufacturer or the packer; the list of ingredients, nutritional information containing the energy value, amount of protein, carbohydrates, fat; a declaration whether the food product is non vegetarian or vegetarian, or if it contains food additives; the net quantity of the food in the package; the batch number and date of manufacture, and its best before / use by date.<sup>33</sup>

<sup>&</sup>lt;sup>29</sup> Section 26, Food Safety and Standards Act 2006

<sup>&</sup>lt;sup>30</sup> Section 3(f), Food Safety and Standards Act 2006

<sup>&</sup>lt;sup>31</sup> Explanation to Regulation 2.2.2, Food Safety and Standards (Licensing and Registration of Food Business) Amendment Regulations 2018, https://fssai.gov.in/upload/advisories/2020/03/5e5cef15b7fefDirection\_ReOperat ionalization\_FSS\_Licensing\_Registration\_02\_03\_2020.pdf

<sup>&</sup>lt;sup>32</sup> Regulation 2.2.2, Food Safety and Standards (Licensing and Registration of Food Business) Amendment Regulations 2018, https://fssai.gov.in/upload/advisories/2020/03/5e5cef15b7fefDirection\_ReOperationalization\_FSS\_Licensing\_Registration\_02\_03\_2020.pdf

Regulation 2.2, Food and Safety Standards (Labelling and Display) Regulations 2011, https://foodregulatory.fssai.gov.in/All%20Docs/Food%20Standards/compendium/Compendium\_Packaging\_Lab

The Food Safety and Standards (Labelling and Display) Regulations 2020 also mandate that for every pre-packaged food product sold through ecommerce or any other direct selling means, the mandatory requirements of the label as given in the regulations shall be provided to the consumer before sale. Also, food delivery businesses have to ensure that the restaurant whose food they are delivering has complete information related to Nutritional Content, Calorie Value and Allergic Content, on all their platforms.

Apart from these regulations, the FSSAI has also issued **Guidelines for Operations of E-commerce Food Business Operators** in 2017 regarding both cooked and packed foods sold by ecommerce FBOs. An e-commerce FBO has been defined as an FBO which carries out such business through the medium of e-commerce.<sup>34</sup> The guidelines state that it is mandatory to add indicative images of the food on e-commerce websites, to enable the consumers to identify the food that they are ordering and to avoid misinterpretation. E-commerce platforms are obliged to display the FSSAI license and registration number of the concerned entity / seller on their platforms.

An FBO has to ensure that the food items comply with the requirements of the FSSAI rules and regulations at all stages of production, processing, import, distribution and sale within the businesses under his control.<sup>35</sup> The Act imposes a penalty of upto five lakh rupees, on persons selling food not of the nature or substance or quality demanded, to the purchaser's prejudice, not in compliance with the tregulations made thereunder, or of the nature or substance or quality demanded by the purchaser.<sup>36</sup> Manufacturers or sellers shall be liable under the Act for food articles which are sold after the date of expiry; or which were handled or kept in unhygienic conditions; or were misbranded; or were unidentifiable of the manufacturer or the distributors; or were received by them knowing they were unsafe.<sup>37</sup>

# (C) Research Question

Whether ecommerce FBOs in Pune city comply with the FSSAI regulations for display of food items online?

#### (D) Objectives of the Study

i. To study the present FSSAI regulations for display of food items on ecommerce apps which apply to food delivery ecommerce businesses in India.

elling\_Regulations.pdf

<sup>&</sup>lt;sup>34</sup> Guideline 1.3, FSSAI Guidelines for Operations of E-commerce Food Business Operators, https://www.fssai.gov.in/upload/advisories/2018/02/5a968f14cc994189.pdf

<sup>&</sup>lt;sup>35</sup> Section 26, Food Safety and Standards Act 2006

<sup>&</sup>lt;sup>36</sup> Section 50, Food Safety and Standards Act 2006

<sup>&</sup>lt;sup>37</sup> Section 27, Food Safety and Standards Act 2006

- ii. To analyse the legal implications of non compliance of the regulations by the ecommerce businesses.
- iii. To study the consumer perspective of compliance of the regulations by ecommerce businesses in Pune city.

# (E) Research Methodology

The research comprised an interdisciplinary approach towards understanding the interrelation between the two fields of hotel management (involving the preparation of food) and legal regulation. Hotels, restaurants and eateries have been providing food to consumers through online platforms, and are subject to the FSSAI regulations. As an evidence based study, the empirical approach was used to examine the compliance of legalities required for ecommerce FBOs through the perspective of their consumers. This study used the survey method of research by utilizing a structured, close-ended questionnaire as its principal tool of collecting data. Keeping in mind the paucity of time and resources, the authors proposed that the sampling unit would comprise the users of food aggregator services in Pune city, Maharashtra. The study was conducted on a sample of residents of Pune city in the month of June 2023, through convenience sampling. Convenience samples can produce estimates similar to population-based samples in context of direction and significance (Mullinix et al, 2015).<sup>38</sup> The items of the questionnaires were collected from the reading of the literature on requirements for ecommerce FBOs under the FSSAI regulations. Specific questions were asked pertaining to: knowledge regarding the regulation of the businesses by the FSSAI, display of the FSSAI license number of the eatery on the app, display of images of all food items offered on the app, display of the brand name of prepacked food items bought alongside the food order, display of the nutritional content/allergic content for each food item, display of the name and address of the eatery on the delivered food package, discrepancy in the food item delivered from the image, and resolution of any consumer complaint registered with the eatery. By assessing the responses collected through the questionnaire, the authors sought to draw conclusions regarding the efficacy of implementation of the regulations.

## II. DATA INTERPRETATION

The population sampled was residents of Pune city who have experience in ordering food items through food delivery apps. The Google Forms program was used to create the questionnaire, which was distributed online to the participants. The responses were assessed to check the

<sup>&</sup>lt;sup>38</sup> K.J. Mullinix, T.J. Leeper, J.N. Druckman, J. Freese, *The Generalizability of Survey Experiments* 2(2) Journal of Experimental Political Science (2015), http://dx.doi.org/10.1017/XPS.2015.19 last seen 3/3/23

compliance of FSSAI requirements for food preparation and consequent display of food items on ecommerce sites. The findings from the sample were as follows:

- i. Majority of the respondents were users of the food delivery app Zomato. 50% of the respondents had ordered food items from cloud kitchen eateries.
- ii. Majority of the respondents were aware that the businesses involved in food delivery are required to follow regulations prescribed by the FSSAI.
- iii. Majority of the respondents stated that the app did not display the 14 digit FSSAI license / registration number of any eatery.
- iv. Majority of the respondents stated that the app does not display the images of every food item written on the menu. Out of the respondents who stated that the app does show images of food items, the majority stated that the food item which is delivered generally matches the image which is shown on the app.
- v. Majority of respondents who ordered prepacked food along with their food orders stated that the images for such prepacked food items showed their brand name clearly.
- vi. Majority of the respondents stated that the eatery had printed / written the complete name and address of the eatery on the food package delivered.
- vii. More than 50% of the respondents stated that the menu given on the app does not display the nutritional content / allergic content / calorie value for every food item.
- viii. 50% of the respondents had registered a complaint about a food item on the consumer helpline number on the app, out of which the majority stated that their complaints had been resolved. The respondents who did not have their complaints resolved, stated that the complaints had been related to error in delivery, inedible food, inadequate packing, false and misleading information displayed about a food item etc.

#### III. CONCLUSIONS AND IMPLICATIONS

# (A) Conclusions

Ecommerce FBOs in Pune city comply with most of the provisions of the FSSAI regulations. Images of food displayed generally match the items delivered to the consumer. Brand names of prepacked food items are generally displayed clearly. The names and addresses of eateries are provided on the delivered food packages. Consumer grievances are generally resolved by the eateries.

However, ecommerce FBOs have not complied with the following requirements:

- The FSSAI license numbers of all the eateries on the app are not displayed.
- Images of every food item on the menu are not displayed.
- Nutritional information for every food item on the menu is not displayed.
- Most consumers have registered grievances which had not been resolved by the eateries.

# (B) Implications

Under the FSSAI regulations, the eatery, as an ecommerce FBO involved in preparation and sale of food which uploads the menu on the app, is liable for non display of images of the food items which it offers on sale on the app, and for non display of the nutritional information of each food item, as required by the FSSAI. It is also mandatory for the eatery to display its FSSAI license number, a provision which has to be made available by the ecommerce aggregator platform. Last year, the Bathinda Consumer Dispute Redressal Commission awarded compensation of Rs 11,000 to a consumer on a complaint filed against food ecommerce operator Swiggy, for deficiency of service under the Consumer Protection Act 2019, when it failed to deliver the food order within the promotional time frame and for providing only a partial refund once the order was cancelled. Swiggy's claim that it was solely a facilitator, and not a seller or deliverer, of the food was rejected by the commission, which held that Swiggy's contract with the eatery/delivery partner obliges it to provide proper service.<sup>39</sup> The challenges faced in ensuring compliance point to the need to fix liability in respect of different ecommerce aggregator platforms, which offer services of mere facilitating and routing orders, and those which provide delivery services as well.

As a regulator of food safety and consumer rights, the FSSAI works with industry experts, consumer groups and businesses to discuss experiences and concerns with the law. Last year, the National Restaurant Association of India (NRAI) had raised the issue of customer information not being shared by the ecommerce FBOs with the eateries, which affects their ability to serve the consumers better. Delivery charges are also determined and levied by the latter, and they charge a commission of around 20 percent on each order.<sup>40</sup> The FSSAI is presently also evaluating a proposal to enforce the display of front-of-the-pack nutritional labelling on processed products listed on ecommerce sites, so that consumers will be able to

<sup>&</sup>lt;sup>39</sup> Vishal Joshi, *30-minute delivery commitment: Consumer panel slaps ₹11,000 fine on Swiggy* (15 July 2022), The Hindustan Times, https://www.hindustantimes.com/cities/chandigarh-news/30minute-delivery-commitment-consumer-panel-slaps-11-000-fine-on-swiggy-101657828499251.html last seen 2/6/23

<sup>&</sup>lt;sup>40</sup> Improve mechanism to address consumer plaints, transparency in pricing: Centre to food operators (14 June 2022), The Indian Express, https://indianexpress.com/article/india/mechanism-consumer-plaints-transparency-pricing-centre-food-operators-swiggy-zomato-7968087/ last seen 5/5/23

identify and be alerted about their high fat, sugar and salt contents, thus reducing the consumption of unhealthy foods.<sup>41</sup>

# (C) Limitations and Future Research

Ecommerce food businesses are multiple and of different types. This study has considered FBOs (eateries and / or aggregators) which offer delivery services for food orders online, which are involved in preparation of and delivery of prepared and packed food items to consumers who have paid for the same, and has not considered businesses or aggregator services which offer and deliver pre packaged food products for sale on ecommerce platforms.

This study focused on consumers of ecommerce food delivery services in Pune city, and hence the findings may not be generalized to different jurisdictions.

The study has considered the present law in India which regulates FBOs in the offering of, display, and sale of foods on ecommerce sites, and which applies to food articles prepared and sold within the territory of India. Provisions pertaining to food safety, quality of packing, issues in payment for services etc have not been included in the study. The research is limited to understanding the perspective of consumers regarding the compliance of FSSAI requirements for food preparation and consequent display of food items on ecommerce sites.

Future research may be conducted to look into other consumer issues such as the nature of grievances against ecommerce businesses registered by consumers, or the FSSAI requirements for prepackaged food articles sold through ecommerce.

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consumption/articleshow/97704421.cms?from=mdr last seen 30/5/23

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