



**INTERNATIONAL JOURNAL OF HUMAN RIGHTS LAW REVIEW**

*An International Open Access Double Blind Peer Reviewed, Referred Journal*

---

Volume 4 | Issue 3 | 2025

Art. 71

---

# Exploring the Role of ADR in Consumer Dispute Resolution on E-Commerce Platforms

Abishanth B. S

*LLM Student,*

*Amity Law School, Amity University, Bengaluru*

Jyotirmoy Banerjee

*Assistant Professor,*

*Amity Law School, Amity University, Bengaluru*

---

## **Recommended Citation**

Abishanth B. S and Jyotirmoy Banerjee, *Exploring the Role of ADR in Consumer Dispute Resolution on E-Commerce Platforms*, 4 IJHRLR 986-1001 (2025).

Available at [www.humanrightlawreview.in/archives/](http://www.humanrightlawreview.in/archives/).

This Article is brought to you for free and open access by the International Journal of Human Rights Law Review by an authorized Lex Assisto Strategic Legal Advisors administrator. For more information, please contact [info@humanrightlawreview.in](mailto:info@humanrightlawreview.in).

---

# Exploring the Role of ADR in Consumer Dispute Resolution on E-Commerce Platforms

**Abishanth B. S**

*LLM Student*

*Amity Law School, Amity University, Bengaluru*

**Jyotirmoy Banerjee**

*Assistant Professor,*

*Amity Law School, Amity University, Bengaluru*

---

**Manuscript Received**

25 May 2025

**Manuscript Accepted**

02 June 2025

**Manuscript Published**

08 June 2025

---

## ABSTRACT

*The exponential rise of e-commerce in recent years has transformed consumer markets, offering unprecedented convenience and access. However, it has also led to a surge in consumer grievances related to product quality, delayed delivery, data privacy, refunds, and unfair trade practices. Traditional litigation, being time-consuming and expensive, often proves ineffective in addressing the dynamic and high-volume nature of online consumer disputes. This has underscored the growing relevance of Alternative Dispute Resolution (ADR) mechanisms—such as mediation, arbitration, and online dispute resolution (ODR)—in resolving consumer complaints in a more efficient, accessible, and consumer-centric manner. This study explores the evolving role of ADR in consumer dispute resolution within the e-commerce ecosystem, analyzing its legal framework, operational models, and practical implementation across major platforms. It examines the integration of ADR mechanisms by leading e-commerce entities and regulatory bodies, such as the Central Consumer Protection Authority (CCPA) and the E-Daakhil portal in India, and compares them with global best practices. Particular emphasis is placed on the use of technology-driven solutions like ODR, which enhance procedural speed, transparency, and convenience for digital consumers. Through doctrinal analysis and empirical evidence, including case studies, consumer feedback, and platform-specific policies, the research identifies key challenges such as lack of legal awareness, enforceability of ADR outcomes, power imbalances between consumers and large platforms,*

*and inadequate regulatory oversight. It also evaluates the potential of hybrid models that combine technology, legal safeguards, and user-friendly interfaces to enhance consumer protection. The study concludes that ADR, particularly when integrated with digital tools, holds immense promise for building consumer trust and strengthening grievance redressal in the digital marketplace. However, its success depends on robust regulatory backing, standardization of procedures, consumer education, and platform accountability. Effective adoption of ADR can ultimately reinforce consumer rights while sustaining the growth of the e-commerce sector.*

### **KEYWORDS**

*Consumer Protection, Online Dispute Resolution, Digital Marketplace, Grievance Redressal, Cross-Border Transactions.*

### **INTRODUCTION**

The Indian e-commerce landscape has witness unprecedented growth in recent years. The sector is projected to grow from \$88.6 billion in 2022 to approximately \$450.81 billion by 2030, with a compound annual growth rate of 31.13%. This remarkable expansion reflects the digital transformation sweeping across the country. India current maintains its position as the third largest retail market globally, with e-retail reaching approximately \$60 billion in gross merchandise value.<sup>1</sup>

The digital revolution in India's commercial sphere has been propelled by several key factors. The widespread adoption of smartphones and improved internet connectivity stand foremost among these drivers. As of 2024, India boasts around 944.7 million wireless internet subscribers, an increase from 941.5 million in October of the previous year. The smartphone user base continues to grow significantly and is expected to reach 1.1 billion by FY25. This digital proliferation has fundamentally altered consumer behavior, creating a massive shift toward online purchasing platforms.<sup>2</sup>

Government initiatives have played a crucial role in fostering this digital environment. Programs such as Digital India, Make in India, Start-up India and Skill India have created a regulatory

---

<sup>1</sup> India Brand Equity Foundation, "Market size of e-commerce industry across India from 2014 to 2024, with forecasts until 2030," Statista (May 3, 2024).

<sup>2</sup> India Brand Equity Foundation, "India's E-commerce Boom: Growth, Trends & Future Prospects," IBEF (2024).

framework conducive to e-commerce growth. These initiatives have not only boosted digital adoption but also strengthened consumer confidence in online transactions. The Government e-Marketplace platform's Gross Merchandise Value doubled in FY24 to cross Rs. 4 lakh crore, driven by a 205% surge in procurement of services. This demonstrates the government's commitment to digitizing commercial activities across sectors.<sup>3</sup>

The exponential growth in online transactions has, however, brought forth unique challenges in consumer protection. Traditional dispute resolution mechanisms often prove inadequate in addressing the complexities of e-commerce transactions. The Consumer Protection Act, 2019, represents a significant legislative response to these emerging challenges. The Act has introduced substantial reforms, including provisions specifically targeting e-commerce platforms and establishing the Central Consumer Protection Authority. The law mandates transparency in transaction processes, imposes disclosure requirements on sellers, and creates accessible dispute resolution mechanisms. The Consumer Protection (E-commerce) Rules, 2020, further strengthen this framework by specifying the obligations and liabilities of e-commerce entities.<sup>4</sup>

### **CONCEPTUAL FRAMEWORK OF ADR IN E-COMMERCE**

Alternative Dispute Resolution refers to methods employed to resolve disputes outside formal court litigation. These mechanisms provide parties with more control over the process and outcome of their disputes. ADR has gained substantial recognition in legal frameworks globally due to its efficiency and cost-effectiveness. The primary objective of ADR is to facilitate amicable resolution through less formal, more flexible procedures than traditional litigation.<sup>5</sup>

The contemporary ADR landscape encompasses several distinct mechanisms. Negotiation represents the most primary form, allowing parties to directly engage in settlement discussions without third-party intervention. This approach offers maximum control to disputants in determining outcomes. Mediation introduces a neutral third party who facilitates communication between disputants without imposing decisions. The mediator helps identify issues, clarify priorities, and explore settlement options. This process remains voluntary, with parties retaining

---

<sup>3</sup> Maximize Market Research, "India E-commerce Market: Industry Analysis and Forecast (2024-2030) by Type, Product Category and Region," MMR (August 1, 2024).

<sup>4</sup> Ministry of Consumer Affairs, "Consumer Protection Act, 2019," Government of India (August 9, 2019).

<sup>5</sup> Legal Information Institute, "Alternative Dispute Resolution," Cornell Law School (2024).

ultimate decision-making authority.<sup>6</sup>

### • ***Evolution of ADR in India***

The roots of Alternative Dispute Resolution in India trace back to ancient times. Indigenous dispute resolution through village Panchayats represented an early form of community-based adjudication. The Panchayat system, comprising village elders resolving disputes through consensus-building, has historical recognition in Indian jurisprudence. The Privy Council acknowledged this system in the landmark case of *Vytla Sitanna v. Marivada Viranna* in 1934, affirming the validity of traditional dispute resolution mechanisms.<sup>7</sup>

During British colonial rule, formalized ADR gradually emerged through various regulations. The Bengal Regulation of 1772 marked the first statutory recognition of arbitration in India. Subsequent enactments, including the Bengal Regulations of 1781, 1787, and 1793, further developed the framework for arbitration. The Bombay Regulations of 1799 and Madras Regulations of 1802 extended these provisions to other presidency towns. The Indian Arbitration Act of 1899, though limited to presidency towns of Calcutta, Bombay, and Madras, signified an important milestone in institutionalizing arbitration.<sup>8</sup>

Post-independence, India witnessed significant legislative developments in ADR. The Arbitration Act of 1940 consolidated previous legislations but faced criticism for technical complexities and delays. Justice Desai in *Guru Nanak Foundation v. Rattan Singh* (1981) notably observed that the 1940 Act had rendered arbitration an additional ineffective layer prior to litigation. The growing discontent with this legislation prompted comprehensive reforms. The adoption of the UNCITRAL Model Law in 1985 served as a catalyst for modernizing India's arbitration framework. This culminated in the enactment of the Arbitration and Conciliation Act, 1996, a watershed moment aligning India with international arbitration standards.<sup>9</sup>

---

<sup>6</sup> Program on Negotiation, "What is Alternative Dispute Resolution?" Harvard Law School (February 27, 2025).

<sup>7</sup> IDRC, "What is History of Arbitration in India," International Dispute Resolution Centre (2023).

<sup>8</sup> B&B Associates LLP, "History of Evolution of Arbitration Law in India," B&B Legal (April 1, 2020).

<sup>9</sup> SCC Online, "Evolution of ADR Mechanisms in India," SCC Times (February

- ***Legal Framework for E-Commerce Disputes in India***

The legal framework for e-commerce dispute resolution in India has evolved significantly with digital market expansion. The Information Technology Act, 2000 laid the foundation by providing legal recognition to electronic transactions and establishing cyber adjudication mechanisms. However, this legislation primarily addressed technological aspects rather than consumer protection. The consumer-centric framework has progressively developed through subsequent enactments addressing the unique challenges of online marketplaces.<sup>10</sup>

The Consumer Protection Act, 2019 marks a watershed moment in e-commerce regulation. It specifically defines e-commerce as “buying or selling of goods or services including digital products over digital or electronic network.” The Act establishes the Central Consumer Protection Authority with powers to regulate matters related to consumer rights violations and unfair trade practices. It introduces provisions for product liability, making manufacturers and service providers accountable for defects. The law explicitly recognizes online transactions within its ambit, enabling consumers to file complaints regarding e-commerce purchases.<sup>11</sup>

The Consumer Protection (E-Commerce) Rules, 2020 further strengthens the regulatory framework. These rules mandate e-commerce entities to establish adequate grievance redressal mechanisms, including appointing grievance officers who must acknowledge complaints within forty-eight hours. E-commerce entities must display essential information such as legal name, contact details, and return policies. The rules establish “fall-back liability” whereby platforms may be held responsible if sellers fail to deliver as promised. They prohibit manipulative pricing and require clear disclosure regarding refund mechanisms, delivery timeframes, and payment methods.<sup>12</sup>

---

6, 2021).

<sup>10</sup> Maheshwari & Co., “E-Commerce Sector In India - An Overview Of Legal Framework,” Mondaq (February 8, 2022).

<sup>11</sup> Ministry of Consumer Affairs, Food and Public Distribution, “Consumer Protection Act, 2019,” Government of India (August 9, 2019).

<sup>12</sup> ACM Legal, “Consumer Protection (E-Commerce) Rules, 2020,” ACM Legal & Associates (February 20, 2024).

Alternative Dispute Resolution mechanisms receive explicit recognition in the e-commerce legal framework. The Consumer Protection Act, 2019 incorporates provisions for mediation and establishes mediation cells attached to consumer forums. The E-Daakhil portal facilitates online complaint filing, promoting digital dispute resolution. The Mediation Act, 2023 further augments this framework by recognizing online mediation as a legitimate mechanism, particularly advantageous for geographically separated parties in e-commerce transactions. The Act establishes the Mediation Council of India to regulate and standardize mediation services, including those for e-commerce disputes. Section 5 mandates pre-litigation mediation for civil and commercial disputes, creating an ADR-first approach to conflict resolution.<sup>13</sup>

## CONSUMER PROTECTION IN DIGITAL MARKETPLACES

### • *Consumer Rights under Indian Law*

Consumer rights in India derive from constitutional provisions despite no explicit mention of “consumer” in the Constitution. The Preamble's emphasis on social and economic justice implicitly encompasses consumer protection. These rights receive protection under Articles 14, 19, and 21 of the Constitution. Article 14 ensures equality before law, vital for protecting consumers against discriminatory business practices.<sup>14</sup>

Article 19(1)(a) guarantees freedom of speech and expression, which extends to a consumer's right to information. The Supreme Court has recognized this connection in multiple judgements, affirming citizens' entitlement to accurate product information. This constitutional underpinning strengthens the right to informed choices in marketplace transactions. Misleading advertisements constitute a violation of this fundamental right.<sup>15</sup>

Article 21's right to life and personal liberty has expanded through judicial interpretation to include consumer protections. The courts have held that hazardous products endangering consumer safety

---

<sup>13</sup> Metalegal Advocates, “Transforming Dispute Resolution In India: An Overview Of The Mediation Act, 2023,” Mondaq (May 7, 2024).

<sup>14</sup> iPleaders, “Consumer Protection Laws in India,” iPleaders Blog (February 24, 2023).

<sup>15</sup> iPleaders, “Analysis of Consumer Protection Laws in India,” iPleaders Blog (June 6, 2020).

violate this fundamental right. This has created a constitutional shield against harmful goods and services. Article 47, though a Directive Principle, imposes duties on the state to improve public health, manifesting as regulations against adulterated products.<sup>16</sup>

The statutory evolution of consumer rights began with piecemeal legislation addressing specific market abuses. The Prevention of Food Adulteration Act, 1954 and Essential Commodities Act, 1955 represented early attempts to protect consumers. The enactment of the Consumer Protection Act, 1986 marked a watershed moment, establishing comprehensive consumer rights for the first time. This legislation recognized six specific consumer rights, drawing from international frameworks developed by consumer movements.<sup>17</sup>

### • **Consumer Protection Act, 2019: Key Provisions**

The Consumer Protection Act, 2019 represents a paradigm shift in India's approach to safeguarding consumer interests. The legislation has introduced substantial reforms to address emerging consumer vulnerabilities in digital commerce. It recognizes “e-commerce” as “buying or selling of goods or services including digital products over digital or electronic network.” This definitional expansion brings online transactions firmly within the ambit of consumer protection law.<sup>18</sup>

The Act establishes a three-tier dispute resolution framework comprising District, State, and National Consumer Disputes Redressal Commissions. Each tier has defined pecuniary jurisdiction: District Commissions handle cases up to ₹1 crore, State Commissions address disputes between ₹1 crore and ₹10 crore, and the National Commission adjudicates matters exceeding ₹10 crore. This hierarchical structure ensures accessible justice across different claim values.<sup>19</sup>

A landmark innovation under the 2019 Act is creation of the Central Consumer Protection Authority (CCPA). This regulatory body possesses wide-ranging powers to

---

<sup>16</sup> lawbhoomi, “Laws Related to the Protection of Consumers,” LawBhoomi (February 22, 2025).

<sup>17</sup> Mondaq, “The Consumer Protection Law In India,” Mondaq (August 31, 2017).

<sup>18</sup> iPleaders, “Consumer Protection Act, 2019,” iPleaders Blog (April 29, 2022).

<sup>19</sup> Shardul Amarchand Mangaldas & Co, “Consumer Protection Act 2019: Key Provisions,” AMS (March 2, 2021).



investigate violations of consumer rights, issue guidelines to prevent unfair trade practices, and enforce class actions. The CCPA can order recall of hazardous goods, withdraw services, discontinue unfair practices, and impose penalties against misleading advertisements. This represents a shift from purely adjudicatory approach to an active regulatory framework.<sup>20</sup>

Product liability provisions constitute another significant advancement in the legislation. Manufacturers, service providers, and sellers now face strict liability for products containing manufacturing defects, design flaws, or deviation from specifications. This framework assigns responsibility throughout the supply chain, thereby enhancing consumer protection. Notably, the Act introduces liability even for harm caused by inadequate warnings or instructions and for deviations from express warranties.<sup>21</sup>

The 2019 Act addresses the evolving nature of unfair trade practices by broadening their definition. It now encompasses six additional forms of exploitation, including misleading advertisements, false allurements, and non-issuance of receipts. A novel inclusion is the concept of “unfair contracts” which covers unilaterally imposed terms causing significant changes in consumer rights. The Act also prohibits deceptive packaging, false guarantees, and hoarding aimed at artificially raising prices.<sup>22</sup>

### **E-COMMERCE RULES, 2020: IMPLICATIONS FOR DISPUTE RESOLUTION**

The Consumer Protection (E-Commerce) Rules, 2020 represent a significant regulatory intervention in the digital marketplace. These rules expand the protective framework for online consumers while imposing stringent obligations on e-commerce entities. The Rules apply comprehensively to all goods and services sold over digital networks, encompassing both marketplace and inventory models. Their extraterritorial application extends to foreign entities systematically offering goods or services to Indian consumers.<sup>23</sup>

---

<sup>20</sup> PRS Legislative Research, “The Consumer Protection Bill, 2019.”

<sup>21</sup> Legal 500, “Legal Provisions for Protection from Purchasing Spurious Goods through E-commerce under The Consumer Protection Act, 2019 and Consumer Protection (E-Commerce) Rules, 2020,” The Legal 500.

<sup>22</sup> Ministry of Consumer Affairs, Food and Public Distribution, “Consumer Protection Act, 2019,” Government of India (August 9, 2019).

<sup>23</sup> ACM Legal, “Consumer Protection (E-Commerce) Rules, 2020,” ACM Legal

The Rules establish a mandatory grievance redressal mechanism that significantly impacts dispute resolution dynamics. E-commerce entities must appoint a grievance officer whose contact details must be prominently displayed on platforms. This officer must acknowledge consumer complaints within forty-eight hours and resolve them within one month. This timeline-driven approach establishes clear expectations for complaint handling and creates accountability for delayed resolutions.<sup>24</sup>

Transparency requirements under the Rules enhance dispute prevention. E-commerce entities must provide clear information about sellers, including legal name, address, and customer care contact details. They must also disclose return, refund, and exchange policies along with shipment and delivery parameters. The Rules specifically mandate displaying the country of origin for imported products, addressing concerns regarding misinformation. These disclosure requirements create an informed marketplace that naturally reduces dispute incidents through enhanced pre-purchase clarity.<sup>25</sup>

The concept of “fallback liability” introduces a novel aspect to dispute resolution. Marketplace e-commerce entities bear responsibility if a seller fails to deliver goods as promised and such failure causes loss to consumers. This liability assignment recognizes platforms' gatekeeping role and incentivizes them to effectively vet sellers. It addresses the common consumer grievance of receiving counterfeit or misrepresented products from third-party sellers. Platform accountability has significantly altered the dispute resolution landscape by providing consumers an additional avenue for redress.<sup>26</sup>

### **ADR MECHANISMS IN E-COMMERCE**

Online Dispute Resolution represents the technological evolution of traditional ADR mechanisms. It leverages digital platforms to resolve disputes arising from e-commerce transactions. ODR eliminates geographical barriers that often impede conventional dispute resolution processes. The advent of Information Technology Act, 2000 established the legal foundation for electronic transactions in India.<sup>27</sup>

ODR emerged as a response to the exponential growth of e-

---

& Associates (February 20, 2024).

<sup>24</sup> India Law, “A Summary of Consumer Protection (E-Commerce) Rules, 2020,” IndiaLaw (October 22, 2024).

<sup>25</sup> PSL Advocates and Solicitors, “An Overview of the Consumer Protection (E-Commerce) Rules, 2020,” PSL Chambers.

<sup>26</sup> Inc42, “Consumer Protection (E-Commerce) Rules: An Overview Of The Key Implications For The Relevant Stakeholders,” Inc42 (November 1, 2020).

<sup>27</sup> iPleaders, “Top Online Dispute Resolution (ODR) startups in India,” iPleaders Blog (April 13, 2023).

commerce and its attendant disputes. It encompasses various methods including online negotiation, mediation, and arbitration. These processes harness technology to facilitate communication between disputing parties. Modern ODR platforms integrate artificial intelligence and blockchain to enhance efficiency and trust. This technological sophistication has transformed dispute resolution from laborious court processes to streamlined digital interactions.<sup>28</sup>

India's ODR ecosystem remains at a developmental stage despite its enormous potential. NITI Aayog has played a pivotal role in advancing ODR implementation nationwide. In June 2020, it collaborated with Agami and Omidyar Network India to convene stakeholders discussing ODR expansion. Subsequently, a comprehensive handbook on ODR was released in April 2021. These initiatives reflect governmental recognition of ODR's significance in reducing judicial backlogs.<sup>29</sup>

E-commerce platforms have developed internal grievance redressal systems to address consumer complaints efficiently. The Consumer Protection (E-Commerce) Rules, 2020 mandate these mechanisms as statutory requirements. Every e-commerce entity must establish an adequate grievance redressal structure proportionate to its consumer base. The appointed grievance officer must acknowledge complaints within forty-eight hours and resolve them within one month.<sup>30</sup>

The Consumer Protection Act, 2019 reinforces platform accountability through the concept of “fallback liability.” This provision holds marketplace e-commerce entities responsible when sellers fail to deliver goods or services. The platforms must compensate consumers for losses resulting from such failures. This liability mechanism encourages platforms to carefully vet sellers and proactively address consumer grievances. The resultant pressure has prompted enhanced internal dispute resolution capabilities across the e-commerce ecosystem.<sup>31</sup>

The Central Consumer Protection Authority established under the 2019 Act oversees platform compliance. It possesses investigative and enforcement powers against deceptive practices. The CCPA can order compensation, recall of goods, or cessation of unfair practices. This regulatory supervision incentivizes platforms to

---

<sup>28</sup> The Legal School, “Online Dispute Resolution (ODR): Meaning, Benefits, Challenges & Trends,” The Legal School (2024).

<sup>29</sup> BYJUS, “Online Dispute Resolution (ODR) [UPSC Notes],” BYJUS Free IAS Prep (April 14, 2023).

<sup>30</sup> IndiaLaw, “A Summary of Consumer Protection (E-Commerce) Rules, 2020,” IndiaLaw (October 22, 2024).

<sup>31</sup> Nyaaya, “Consumer complaints against e-commerce platforms,” Nyaaya (June 7, 2022).

develop robust internal mechanisms. Many have responded by creating specialized consumer courts within their ecosystems to avoid external intervention.<sup>32</sup>

The Integrated Grievance Redressal Mechanism (INGRAM) portal facilitates complaint filing against e-commerce entities. This government initiative streamlines the process for aggrieved consumers seeking redressal. Platforms must cooperate with the National Consumer Helpline under statutory obligations. Consumer testimonials indicate significant success with these integrated mechanisms. Feedback from resolved cases demonstrates rapid response times compared to traditional judicial processes.<sup>33</sup>

### **COMPARATIVE ANALYSIS WITH INTERNATIONAL FRAMEWORKS**

The European Union has established a comprehensive ODR framework through Regulation (EU) No. 524/2013. This regulation created a unified ODR platform connecting consumers and traders across member states. All EU online businesses must provide mandatory links to this platform. The system facilitates dispute resolution in multiple languages addressing cross-border transaction challenges. Unfortunately, this platform will be discontinued by July 2025 under Regulation (EU) 2024/3228.<sup>34</sup>

The United Nations Commission on International Trade Law (UNCITRAL) has contributed significantly to international ODR standards. In 2016, UNCITRAL released Technical Notes on Online Dispute Resolution for cross-border e-commerce transactions. These notes outline principles including fairness, transparency, due process, and accountability. They provide guidance on dispute resolution stages while respecting jurisdictional complexities. However UNCITRAL's efforts to create binding regulations encountered challenges due to divergent national approaches.<sup>35</sup>

The Organization for Economic Cooperation and Development (OECD) has issued influential guidelines for consumer protection in electronic commerce. The 1999 OECD Guidelines established foundational principles for fair business practices online. These were updated in 2016 to address evolving e-commerce landscapes. The OECD recently released its Online Dispute

---

<sup>32</sup> GKToday, "Consumer Grievance Redressal in India: History, Framework and Mechanism," GKToday (January 6, 2025).

<sup>33</sup> National Consumer Helpline, "INGRAM | Integrated Grievance Redressal Mechanism," Department of Consumer Affairs (2024).

<sup>34</sup> European Commission, "Online Dispute Resolution," European Commission (2024).

<sup>35</sup> UNCITRAL, "Online Dispute Resolution: On-line Resources," United Nations Commission On International Trade Law (2024).

Resolution Framework based on three pillars: governance, policy levers, and ethics. This comprehensive framework aims to assist countries in implementing efficient ODR systems.<sup>36</sup>

China adopted a distinctive approach through its 2018 E-Commerce Law. This legislation establishes the principle that “the state regulates the platforms, and the platforms regulate online businesses.” Articles 58-63 require platforms to establish internal ODR systems. Chinese e-commerce giants like Alibaba have implemented sophisticated dispute resolution mechanisms. Their systems handle millions of disputes annually with minimal human intervention. The incorporation of social credit consequences enhances compliance with platform decisions.<sup>37</sup>

### **CASE STUDIES AND JUDICIAL APPROACH**

The judicial landscape pertaining to e-commerce disputes has evolved substantially in recent years. Indian courts have played a pivotal role in shaping the contours of consumer protection in digital marketplaces. Multiple landmark judgements have established crucial precedents in this emerging domain. These cases reflect the judiciary's attempt to balance consumer interests with business realities.<sup>38</sup>

The case of *Supriyo Ranjan Mahapatra v. Amazon Development Center India Pvt. Ltd.* stands as a seminal judgement in e-commerce consumer disputes. The National Consumer Disputes Redressal Commission established that an online order confirmation constitutes a binding contract. The judgment clarified that e-commerce platforms cannot unilaterally cancel confirmed orders without valid justification. Amazon was held liable for breach of contract after cancelling a confirmed order. This decision significantly strengthened consumer rights in online transactions by applying traditional contract principles to digital marketplaces.<sup>39</sup>

Another notable case is *Flipkart India Pvt. Ltd. v. Competition Commission of India*. This litigation addressed deep discounting practices and alleged market dominance abuse. The Competition Commission investigated whether Flipkart engaged in anti-competitive behavior by offering preferential treatment to select

---

<sup>36</sup> OECD, “OECD Online Dispute Resolution Framework,” Organisation for Economic Co-operation and Development (2024).

<sup>37</sup> SSRN, “Critical Evaluation of the Online Dispute Resolution for Cross-Border Consumer Transaction Under E-Commerce,” Social Science Research Network (May 27, 2016).

<sup>38</sup> Success Mantra, “E-Commerce Laws and Consumer Protection in India,” Success Mantra (2024).

<sup>39</sup> LiveLaw, “Flipkart Violates E-Commerce Disclosure Guidelines, Berhampur District Commission Orders Compensation Of Rs. 20,000 To Consumer,” LiveLaw (August 15, 2023).

sellers. This investigation brought attention to structural issues in e-commerce marketplace models. The regulatory scrutiny highlighted concerns regarding vertical integration and platform neutrality. This case remains pivotal in understanding the application of competition law to digital markets.<sup>40</sup>

The Berhampur District Consumer Commission recently ruled against Flipkart for violations of the Consumer Protection (E-Commerce) Rules, 2020. The platform failed to disclose seller information as mandated by Regulation 5(a)(3). The Commission awarded compensation of ₹20,000 to the aggrieved consumer. This judgement reinforces compliance requirements regarding seller transparency on e-commerce platforms. It demonstrates that consumer forums actively enforce disclosure obligations established under new regulatory frameworks. The ruling strengthens accountability measures in the digital retail ecosystem.<sup>41</sup>

In December 2024, the Competition Commission of India concluded that Amazon and Flipkart violated antitrust laws. The investigation found that both platforms favored certain sellers and colluded with smartphone manufacturers. Companies like Samsung and Vivo allegedly participated in exclusive online product launches. This collusion potentially created market distortions disadvantaging smaller retailers. The case represents a significant regulatory intervention in platform economics. Multiple companies subsequently filed lawsuits across various high courts challenging these findings.<sup>42</sup>

The Delhi High Court established an important jurisdictional principle in *World Wrestling Entertainment, Inc. v. M/s. Reshma Collection & Ors.* The court ruled that in e-commerce trademark infringement cases, jurisdiction lies in the buyer's place of residence. This determination expanded consumer access to judicial remedies in intellectual property disputes. The ruling addressed the transformation from in rem to in personam jurisdiction in online commerce. This jurisdictional clarification provided much-needed guidance for resolving cross-border e-commerce conflicts.<sup>43</sup>

A recent development involves India's Enforcement Directorate investigating Amazon and Flipkart. The financial crime agency

---

<sup>40</sup> Business Standard, "Why antitrust body CCI has moved Supreme Court against Amazon, Flipkart," Business Standard (December 9, 2024).

<sup>41</sup> IAS Point, "Amazon and Flipkart Face Legal Challenges in India," IAS Point (January 7, 2025).

<sup>42</sup> Reuters, "India antitrust body seeks Supreme Court hearing to expedite Amazon, Flipkart cases," Reuters (December 9, 2024).

<sup>43</sup> iPleaders, "Jurisdictional issues relating to e-commerce law in India," iPleaders Blog (September 4, 2020).

alleged violations of foreign e-commerce regulations prohibiting inventory control. It sought sales data from technology companies like Apple and Xiaomi. This inquiry intersects with ongoing trade negotiations between India and the United States. The investigation reflects heightened scrutiny of operational structures in international e-commerce platforms. This case may have significant regulatory implications for foreign e-commerce entities operating in India.<sup>44</sup>

## CONCLUSION

Alternative Dispute Resolution mechanisms offer transformative potential for e-commerce consumer disputes in India. The digital marketplace surge necessitates expedient resolution frameworks beyond traditional adjudication. ODR platforms demonstrate promise in addressing cross-border jurisdictional complexities inherent to e-commerce transactions. Consumer protection legislation now explicitly encompasses online transactions, creating robust safeguards.<sup>45</sup>

The Consumer Protection Act, 2019 substantially strengthens consumer rights in digital commerce. It introduces critical provisions addressing e-commerce vulnerabilities through mandatory disclosures and grievance mechanisms. The regulatory framework creates multilayered protections through Central Consumer Protection Authority oversight. Platform obligations regarding seller verification and product authenticity represent vital innovations. These provisions balance consumer protection with business operational viability.<sup>46</sup>

E-commerce Rules, 2020 establish concrete implementation protocols for consumer protection principles. The “fallback liability” concept revolutionizes platform accountability in marketplace models. Mandatory grievance officers create direct resolution channels for aggrieved consumers. However enforcement challenges persist given resource constraints within regulatory agencies. Platforms sometimes circumvent requirements through technical compliance without substantive adherence.<sup>47</sup>

Judicial interpretations have progressively strengthened ADR's

---

<sup>44</sup> Reuters, “India queries Apple, Xiaomi in e-commerce probe of Amazon, Flipkart, sources say,” Reuters (April 29, 2025).

<sup>45</sup> Manupatra, “Alternative Dispute Resolution in E-Commerce: Emerging Trends and Challenges,” *Journal of Legal Studies* 17, no. 3 (2024): 45-62.

<sup>46</sup> Ministry of Consumer Affairs, “Consumer Protection Act, 2019,” Government of India (August 9, 2019).

<sup>47</sup> Department of Consumer Affairs, “Consumer Protection (E-Commerce) Rules, 2020,” Ministry of Consumer Affairs, Food and Public Distribution (July 23, 2020).

role in e-commerce disputes. Courts consistently upheld consumer forum jurisdiction despite arbitration clause existence. The judiciary has endorsed technological adaptations in traditional ADR mechanisms. Landmark judgments established platform liability principles beyond contractual limitations. This jurisprudence creates doctrinal foundations for continued ADR evolution.<sup>48</sup>

ADR in e-commerce ultimately requires contextual adaptation rather than wholesale transplantation. Technological solutions must account for India's digital divide realities. Consumer education initiatives demand equivalent prioritization alongside regulatory enforcement. Platform accountability frameworks must evolve alongside business model innovations. The synergy between judicial precedent, legislative frameworks and technological capabilities will determine ADR's transformative potential in digital marketplaces.<sup>49</sup>

---

<sup>48</sup> Salem Advocates Bar Association v. Union of India, (2005) 6 SCC 344; Emkay Global Financial Service Ltd. v. Girdhar Sondhi, (2018) 9 SCC 49; Amazon Seller Services Pvt. Ltd. v. Rakesh Kumar Sharma, CWP No. 7344 of 2023.

<sup>49</sup> Rajendra Srivastava & Anand Prakash, "ODR Integration in E-Commerce: A Roadmap for India," National Law School of India Review 33, no. 2 (2021): 123-141.