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# **CHAPTER - 3**

## **CONSUMER PROTECTION ACT, 1986 TO 2019: MILESTONES AND MECHANISMS**

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### **3.1 INTRODUCTION**

The protection of consumer rights has become an essential aspect of modern governance, particularly in the context of the rapid economic development, market expansion, and technological advancements that characterize today's globalized economies. In India, the legal framework for consumer protection has evolved significantly, with the enactment of the Consumer Protection Act, 1986, followed by the comprehensive overhaul introduced by the Consumer Protection Act, 2019. This evolution reflects a growing recognition of the need to address emerging challenges such as the rise of e-commerce, the increasing complexity of product markets, and the need for stronger mechanisms to curb unfair trade practices and safeguard consumer interests. The Consumer Protection Act, 1986 was the first significant step in establishing a legal framework to protect the interests of consumers, providing a broad-based approach to consumer rights, remedies, and dispute resolution. However, with changing economic landscapes and the increasing complexity of consumer interactions, the Act was amended and further strengthened in 2019 (Rao, 2023). The Consumer Protection Act, 2019 seeks to address emerging concerns, including consumer grievances arising from online transactions, product liability, and misleading advertisements, while expanding the scope of consumer rights and remedies (Sharma and Verma, 2024.). This chapter aims to critically examine the Consumer Protection Act, 1986, and the Consumer Protection Act, 2019, highlighting their key features, amendments, and the evolution of consumer rights and legal remedies in response to societal needs. It will provide a detailed analysis of the definitions, provisions, and dispute resolution mechanisms that form the backbone of consumer protection laws in India. Through this exploration, the chapter seeks to provide a nuanced understanding of how legal structures can evolve to protect consumers while maintaining a balanced and fair marketplace.

### **3.2 INTRODUCTION TO CONSUMER PROTECTION ACT, 1986: OBJECTIVES AND IMPORTANCE**

The Consumer Protection Act, 1986 was a landmark legislation enacted in India to provide comprehensive protection to consumers against exploitation and unfair trade practices. It established a framework for the resolution of

consumer disputes and aimed to safeguard consumer rights in an increasingly market-driven economy (Consumer Protection Act, 1986).

### 3.2.1 Objectives of the act

1. **Consumer Welfare:** To protect consumers from exploitation by businesses and ensure fair practices.
2. **Consumer Empowerment:** To promote awareness about consumer rights and responsibilities.

### 3.2.2 Key features of the act

1. **Definition of Consumer:** A **Consumer** is defined as any individual who buys goods or avails of services for a consideration (not for resale or commercial purposes). It excludes individuals engaged in resale or business-related purchases.
2. **Consumer Rights:** The Act outlines six basic rights of consumers (CCPA, 2024):
  - i. **Right to Safety:** Protection against hazardous goods and services.
  - ii. **Right to Information:** Access to complete and accurate information about products and services.
  - iii. **Right to Choose:** Freedom to select from a variety of goods and services.
  - iv. **Right to be Heard:** Assurance that consumer interests will receive due consideration.
  - v. **Right to Redressal:** Legal recourse for grievances, including compensation and refunds.
  - vi. **Right to Consumer Education:** Awareness of rights and responsibilities.
3. **Unfair Trade Practices and Defects:** The Consumer Protection Act, 1986 explicitly addresses unfair trade practices and defects in goods and services to protect consumers from exploitation and malpractices (NCDRC, 2024). Below are the key provisions related to these aspects:
  - i. False or Misleading Advertisements
  - ii. Misrepresentation of Goods or Services
  - iii. False Pricing Information
  - iv. Hoarding and Black Marketing
  - v. Defective or Substandard Products
  - vi. Deceptive Practices Related to Services
  - vii. Non-Disclosure of Hazardous Nature
4. **Consumer Dispute Redressal System**

The Consumer Dispute Redressal System under the Consumer Protection Act, 1986 establishes a three-tier quasi-judicial mechanism to address consumer grievances efficiently and cost-effectively. This framework ensures that consumers can seek redress for grievances related to defective goods, deficient services, unfair trade practices, or exploitation. (Ministry of Consumer Affairs- Food and Public Distribution, 2021):

  - i. **National Consumer Disputes Redressal Commission (NCDRC):** The apex consumer court in India, based in New Delhi. It is chaired by a retired or sitting judge of the Supreme Court. NCDRC Complaints involve claims beyond ₹2 Crores.

- ii. **State Consumer Disputes Redressal Commission (SCDRC):** A quasi-judicial body functioning at the state and union territory level. The president of the SCDRC is appointed by the respective state government. It includes Complaints involving claims between ₹50 lakhs and ₹2 crore.
  - iii. **District Consumer Disputes Redressal Forum (DCDRF):** This forum addresses consumer grievances at the district level, ensuring localized access to justice. It addresses complaints involving claims up to ₹20 lakhs.
5. **Complaint Mechanism:**
- A consumer can file a complaint related to defective goods, deficient services, overcharging, unfair trade practices, or hazardous goods/services.
  - Complaints can be lodged with the relevant forum without the need for legal representation.
6. **Time-Bound Resolution:** It emphasizes speedy and efficient dispute resolution to minimize delays and litigation costs.

### 3.3 AMENDMENTS TO THE CPA 1986

1. **Consumer Protection (Amendment) Act, 2002:** The Consumer Protection (Amendment) Act, 2002 was introduced to address the growing need for a more robust and efficient consumer protection system. The amendments aimed to strengthen the Consumer Protection Act, 1986, by enhancing the effectiveness of dispute redressal forums and expanding the scope of consumer protection (Ministry of Consumer Affairs, Food & Public Distribution, 2003).
  - **Improved Dispute Redressal Mechanism:** The amendment introduced changes that made the dispute redressal process more efficient. It streamlined the functioning of consumer forums, reducing delays and improving the accessibility of justice for consumers.
  - **Enforcement Powers:** The amendment empowered the consumer forums to not only pass decisions but also to enforce them. This included the authority to impose penalties and compensation orders on businesses that were found guilty of unfair trade practices or providing defective goods and services.
  - **Expansion of Jurisdiction:** The amendment expanded the jurisdiction of consumer forums to include larger claims and more varied consumer issues, allowing for a more comprehensive approach to resolving disputes.
2. **Consumer Protection (Amendment) Act, 2003**
  - **Jurisdiction for Filing Complaints:** The 2003 amendment made certain adjustments to the jurisdiction of the Consumer Dispute Redressal Forums, ensuring that complaints could be filed in forums based on the location where the cause of action occurred (Sundar, 2017).
  - **Increased Limit for State Commission:** The amendment increased the financial jurisdiction for complaints filed with the State Commission, empowering it to deal with cases involving claims up to ₹1 crore.
  - **Other Amendments and Key Provisions Over the Years**
    - **Amendment of 2006:** The 2006 changes further increased the **jurisdictional limits** for the various forums and enhanced their ability to deal with larger cases.

- **Powers to Impose Penalties for False Advertisements:** In later amendments, penalties for deceptive advertisements and misleading claims were increased to deter businesses from exploiting consumers through false advertising.
3. **Limitations of the 1986 Act:** While the Consumer Protection Act, 1986 was a significant step forward in consumer rights, it had several limitations that became more evident over time (Sahoo and Chatterjee, 2009).
- Key Limitations:**
- **Emerging Consumer Issues:** The 1986 Act lacked provisions to address new consumer concerns that arose with technological advancements and evolving market practices. Key issues such as **e-commerce**, **misleading advertisements**, and **product liability** were not adequately covered, making it difficult to address modern-day challenges in the marketplace.
  - **Limited Consumer Awareness:** The Act did not do enough to ensure widespread awareness among consumers about their rights and the mechanisms available for redressal. This led to a lack of empowerment among consumers, which in turn limited the effectiveness of the Act.
  - **Absence of Regulations for Online Transactions:** The rise of e-commerce and digital transactions created a need for specific regulations to protect online consumers, an area not addressed by the original 1986 Act.
4. **Replaced by the Consumer Protection Act, 2019:** To address the shortcomings of the 1986 Act and keep up with changing consumer dynamics, the **Consumer Protection Act, 2019** was introduced, which brought comprehensive reforms and introduced new mechanisms for consumer protection.

### 3.4 TRANSITION TO CONSUMER PROTECTION ACT, 2019: NEED FOR REFORM

The transition from the Consumer Protection Act of 1986 to the Consumer Protection Act, 2019 was necessitated by several factors (Ministry of Consumer Affairs, Food & Public Distribution, 2023):

1. **Evolving Market Dynamics:** With rapid technological advancements and the rise of e-commerce, there was a need for updated provisions addressing online transactions and digital consumer rights.
2. **Increased Consumer Awareness:** As consumers became more informed about their rights, there was a demand for stronger protections against unfair trade practices.
3. **Need for Swift Redressal Mechanisms:** The earlier framework required enhancements for quicker resolution of disputes. The new Act introduced provisions for mediation and streamlined complaint processes.

#### 3.4.1 Key Provisions of Consumer Protection Act, 2019

1. **New Definition of Consumer:** The Consumer Protection Act, 2019 has expanded the definition of 'consumer' to encompass a broader range of transactions, including both offline and online interactions such as teleshopping, direct selling, and multi-level marketing. A person is considered a consumer if they purchase goods or avail services for personal use, excluding those who buy for resale or commercial purposes (Singh, P. and Gupta, M. 2022).
2. **Central Consumer Protection Authority (CCPA):** The Act establishes the Central Consumer Protection Authority (CCPA), a regulatory body tasked with safeguarding and enforcing consumer rights. The CCPA holds significant powers, including (the Central Consumer Protection Authority (CCPA), 2024):
  - Taking suo-motu actions against unfair trade practices.

- Ordering product recalls, and reimbursement of payments for faulty goods/services.
  - Canceling licenses and imposing penalties.
  - Filing class-action lawsuits on behalf of consumers.
  - The CCPA also features an investigation wing to carry out inquiries into consumer law violations.
3. **Consumer Disputes Redressal Commissions (CDRCs):** The Act mandates the creation of Consumer Disputes Redressal Commissions (CDRCs) at the national, state, and district levels to address consumer complaints (The Ministry of Consumer Affairs-GOI, 2002.). Key features include:
- No filing fee for cases up to ₹5 lakh.
  - Redressal for complaints related to:
    - Overcharging or deceptive pricing.
    - Unfair trade practices.
    - Sale of hazardous or defective goods/services.
  - The **State Commissions** are required to provide quarterly updates to the Central Government regarding vacancies, case disposal, and pending matters.
4. **E-Filing of Complaints:** The new Act introduces flexibility by allowing consumers to file complaints with forums based on their residence or workplace location, rather than the place of purchase or the seller's registered office. Additionally, the Act allows electronic filing and video conferencing for hearings, reducing the need for legal representation.
5. **Product Liability and Penalties:** The Act introduces product liability, making manufacturers, service providers, and sellers accountable for injury or damage caused by defective products or deficient services. This provision applies to both traditional sellers and e-commerce platforms. The Act also mandates penalties for misleading advertisements, which may include imprisonment for manufacturers or endorsers responsible for false or deceptive claims.
6. **Alternative Dispute Resolution (ADR):** Mediation is included as an Alternative Dispute Resolution (ADR) mechanism. Consumer Commissions may refer complaints to mediation cells for settlement when both parties agree. Mediation outcomes are final, with no appeals permitted against settlement agreements (Rajasthan State Legal Services Authority, 2024).
7. **Unfair Trade Practices:** The Act provides robust measures against unfair trade practices, including the misuse of personal consumer information. The definition of unfair practices now extends to the unauthorized disclosure of personal data, unless required by law.
8. **Central Consumer Protection Council:** The Act empowers the Central Government to form a Central Consumer Protection Council to advise on consumer issues. Key details:
- The Council will be headed by the Union Minister of Consumer Affairs and will include members from various sectors.
  - The Council has a three-year tenure and will consist of Ministers-in-charge of consumer affairs from different states across the country.
9. **Applicability:** The Consumer Protection Act, 2019 applies to all products and services unless specifically excluded by the Central Government. This ensures broad applicability while allowing for exceptions as needed.

### 3.5 EMPOWERING CONSUMERS

The Consumer Protection Act, 2019 is designed to empower consumers by safeguarding their rights through a range of rules and provisions. The Act aims to ensure consumer interests are protected, requiring consumer-driven businesses such as retail and e-commerce to adopt strong consumer redressal policies. It also encourages businesses to take extra precautions to prevent unfair trade practices and unethical behaviors.

- ❖ **Inclusion of the E-Commerce Sector:** The previous version of the Act did not specifically address e-commerce transactions, a gap that the new legislation has now filled. Given the rapid growth of the Indian e-commerce market, projected to reach \$200 billion by 2026, the Act introduces regulations for e-commerce and direct selling, focusing on consumer protection (Sharma and Kumar, 2023). Key provisions include:
  - E-commerce platforms must provide clear information regarding returns, refunds, exchanges, warranties, delivery, and payment security.
  - They must acknowledge complaints within 48 hours and resolve them within one month.
  - Non-compliance will result in penal actions against e-commerce entities, ensuring they are held accountable through a formal consumer redressal mechanism.
- ❖ **Time-Bound Redressal:** The Consumer Protection Act, 2019 streamlines the complaint resolution process, aiming to address the backlog of consumer cases in courts. With a focus on quick dispute resolution, cases will be resolved within a defined time frame, offering consumers faster and more efficient redress.
- ❖ **Responsible Endorsement:** The Act places liability on endorsers, addressing issues where consumers have been misled by celebrities or influencers promoting products through false claims. Under the new law, endorsers are required to verify the accuracy of the claims they make, ensuring accountability and deterring unethical advertising practices.
- ❖ **Upholding Consumer Interests:** For the first time, the Act includes a Product Liability provision, holding manufacturers and service providers accountable for defective products or services. It also allows the National Consumer Dispute Redressal Commission (NCDRC) and State Commissions to nullify unfair contract terms that favor sellers, providing consumers with greater protection against exploitation.
- ❖ **Alternate Dispute Resolution (ADR) Mechanism:** The inclusion of mediation as an alternate dispute resolution mechanism simplifies and accelerates the process of settling consumer complaints. This provision aims to reduce the number of pending cases in consumer courts and provides a quicker, more efficient route to dispute resolution.
- ❖ **Simplified Process for Grievance Redressal:** The new Act streamlines the process for filing complaints, making it easier for consumers to access grievance redressal systems. Provisions such as enhanced pecuniary jurisdiction, the ability to file complaints from any location, and video-conferencing hearings increase accessibility to judicial forums, particularly as international e-commerce giants expand their presence in India.

#### 3.5.1 Remedies Available Under The Consumer Protection Act 2019

The Consumer Protection Act provides various remedies to consumers who experience deficiencies in goods or services. These remedies ensure that consumers can seek justice and compensation for any harm suffered due to unfair trade practices. Here's an overview of the key remedies available:

## 1. Compensation for Deficiencies and Defects

Consumers have the right to seek compensation for any loss, injury, or damage suffered due to defects in goods or deficiencies in services. The consumer courts can award compensation based on the extent of the damage incurred. This includes:

- ❖ **Monetary Compensation:** The amount awarded is determined by the court based on the evidence presented regarding the loss suffered.
- ❖ **Punitive Damages:** In cases of negligence or willful misconduct by the seller or service provider, additional punitive damages may be awarded to deter similar future conduct.

## 2. Replacement or Repair of Goods

**If a product is found to be defective, consumers can request:**

- ❖ **Replacement of Goods:** The Act mandates that sellers replace defective goods with new ones that are free from defects. This ensures that consumers receive a product that meets their expectations.
- ❖ **Repair of Goods:** If replacement is not feasible, consumers can opt for repairs to rectify any defects in the product.

## 3. Refunds and Penalties on Sellers

**In situations where replacement or repair is not possible, consumers are entitled to:**

- ❖ **Refunds:** Consumers can request a full refund of the purchase price paid for defective goods. This remedy ensures that consumers are not financially burdened by faulty products.
- ❖ **Penalties on Sellers:** The Consumer Protection Act allows for penalties against sellers who engage in unfair trade practices. This includes fines and other sanctions aimed at discouraging such behavior.

### 3.5.2 Additional Remedies

**Beyond these primary remedies, the Consumer Protection Act also provides for:**

- ❖ **Discontinuation of Unfair Practices:** Courts can order sellers to cease engaging in unfair trade practices, ensuring that consumers are not subjected to exploitation.
- ❖ **Corrective Advertisements:** In cases of misleading advertisements, sellers may be required to issue corrective advertisements to inform consumers accurately about their products.

The remedies available under the Consumer Protection Act empower consumers by providing them with multiple avenues for redressal in case of grievances related to defective goods or services. By ensuring compensation, replacement, refunds, and imposing penalties on errant sellers, the Act aims to create a fair marketplace where consumer rights are respected and upheld. These mechanisms are vital for fostering trust between consumers and businesses while promoting ethical trading practices.

### 3.5.3 Dispute Resolution Mechanism Under The Consumer Protection Act

The **Consumer Protection Act, 2019**, provides a robust legal framework to address consumer grievances effectively. It incorporates multiple features, such as a three-tier adjudication structure, e-filing capabilities, mediation for alternate dispute resolution, and strict timelines for case resolution. These mechanisms aim to empower consumers while ensuring a fair, speedy, and transparent process.

1. **Three-Tier Grievance Redressal System** : The Act establishes **Consumer Disputes Redressal Commissions (CDRCs)** at three levels: district, state, and national. Each level has jurisdiction based on the pecuniary value of claims, ensuring decentralization and accessibility for consumers.

- **Special Powers:**

- Empowered to declare null and void any terms of a contract that are prejudicial to consumer rights.
- Handles cross-jurisdictional cases and ensures uniform application of consumer laws.

2. **E-Filing and Virtual Hearings:** To enhance accessibility and efficiency, the Act introduces provisions for **e-filing** of complaints and virtual hearings:

- **Filing Flexibility:** Complaints can be filed electronically from any location, such as the complainant's residence or workplace. This eliminates the need to file complaints at the seller's location, which was mandatory under the earlier Act.
- **Virtual Hearings:** Parties can present their cases through video conferencing, reducing logistical challenges and costs.
- **Digital Accessibility:** Especially beneficial for addressing grievances arising from e-commerce transactions.
- **No Lawyer Requirement:** Consumers can represent themselves, which simplifies the process and minimizes legal expenses.

3. **Mediation as an Alternate Dispute Resolution Mechanism**

The Act introduces **mediation** to facilitate quick and amicable resolutions without the need for prolonged litigation.

- **Mediation Cells:**

- Established under the jurisdiction of Consumer Commissions at all levels.
- Composed of neutral and trained mediators.

- **Voluntary Participation:**

- Both parties must agree to mediation, making it a consensual process.

- **Time-Bound Process:**

- Mediation must adhere to a strict timeline to ensure expediency.

- **Binding Settlements:**

- The outcome of mediation is binding, and there is no provision for appeal, ensuring finality and reducing further disputes.

- **Advantages of Mediation:**

- Reduces court workload.
- Provides a cost-effective and quicker alternative to litigation.

4. **Product Liability Provisions**

The Act introduces the concept of **product liability**, holding manufacturers, sellers, and service providers accountable for defective goods and deficient services.

- **Compensation:** Consumers can seek compensation for harm or injury caused by defective products or services.

- **Scope:** Includes not only manufacturers and service providers but also product sellers, including e-commerce platforms.
- **Impact:** Encourages businesses to ensure high-quality products and services to avoid legal liability.

## 5. Class Action Suits

For the first time, the Act empowers consumers to file **class action suits**:

- **Group Complaints:** Consumers with similar grievances can collectively file a complaint, enhancing efficiency and impact.
- **Role of CCPA:** The Central Consumer Protection Authority (CCPA) can initiate class-action lawsuits on behalf of consumers.

## 6. Role of the Central Consumer Protection Authority (CCPA)

The Act establishes the **CCPA** to oversee consumer rights and take suo-moto actions against unfair trade practices.

- **Key Functions:**
  - Investigate complaints.
  - Recall defective goods or hazardous products.
  - Order refunds or compensation.
  - Penalize entities for misleading advertisements.
- **Powers:**
  - Conduct inquiries through its investigative wing.
  - Impose penalties and cancel licenses.
  - Address systemic issues affecting large groups of consumers.

## 7. Time-Bound Resolution

The Act sets specific timelines for resolving consumer disputes:

- Cases must be adjudicated within a defined period, ensuring faster resolution.
- This reduces the backlog and delays commonly associated with consumer courts.

## 8. Simplified Grievance Filing Process

The Act eliminates procedural complexities:

- Consumers can file complaints without legal representation.
- Simplified documentation and complaint registration.

## 9. Enhanced Penalties for Non-Compliance

To deter violations, the Act imposes strict penalties for non-compliance:

- Heavy fines and imprisonment for misleading advertisements or unfair trade practices.
- E-commerce platforms failing to address grievances within one month face penal action.

## 10. Unfair Trade Practices

The Act broadens the definition of **unfair trade practices**:

- Includes unauthorized sharing of consumer data.
- Covers deceptive advertisements and coercive business practices.

The dispute resolution mechanism under the **Consumer Protection Act, 2019** is a significant improvement over the previous law. It incorporates modern technology, encourages alternate dispute resolution, and emphasizes consumer empowerment. By ensuring time-bound resolutions, enhancing accessibility, and introducing robust measures for accountability, the Act strengthens consumer protection in India. This comprehensive framework addresses the complexities of a growing digital economy while safeguarding consumer rights in traditional and emerging marketplaces.

### 3.5.4 Procedure For Filing Consumer Complaints Under CPA 2019

The **Consumer Protection Act, 2019**, provides a streamlined and user-friendly procedure for filing consumer complaints. Below is a step-by-step explanation of the process, ensuring clarity on the legal and procedural aspects involved (Delhi State Commission, 2024):

- **Step 1: Identifying the Cause of Action:** The consumer must first ascertain whether the grievance falls within the scope of consumer protection laws. Common causes include unfair trade practices, defective goods, deficient services, overcharging, misleading advertisements, and hazardous products or services. Collecting supporting evidence, such as invoices, receipts, warranties, or communication records, is crucial at this stage.
- **Step 2: Sending a Legal Notice:** Before filing a complaint, the consumer is advised to notify the opposite party (e.g., seller, manufacturer, or service provider) about the issue through a legal notice. The notice should clearly describe the grievance, demand a remedy (such as refund, replacement, or compensation), and set a reasonable time frame for response. While this step is not mandatory under the Act, it is recommended as it may lead to an amicable settlement without litigation.
- **Step 3: Determining Jurisdiction:** Consumers must file the complaint with the appropriate **Consumer Disputes Redressal Commission** based on the pecuniary value and geographical location of the dispute:
  - ❖ **District Commission:** For claims up to ₹50 Lakh.
  - ❖ **State Commission:** For claims exceeding ₹ 50 lakh but up to ₹2 crore.
  - ❖ **National Commission:** For claims above ₹2 crore.
  - ❖ The geographical jurisdiction is determined by the consumer's place of residence or work or the location where the cause of action arose.
- **Step 4: Preparing the Complaint:** The complaint must be drafted with precision and include the following details:
  - ❖ **Complainant Details:** Name, address, and contact information.
  - ❖ **Opposite Party Details:** Name and address of the seller, manufacturer, or service provider.
  - ❖ **Description of the Issue:** Details of the grievance, including facts, timelines, and supporting evidence.
  - ❖ **Relief Sought:** The specific remedy demanded, such as a refund, replacement, compensation, or penalty for the opposite party.
  - ❖ **Verification Statement:** A declaration verifying the truth of the complaint's contents.
- **Step 5: Filing the Complaint:** The complaint can be filed either physically or electronically:
  - ❖ **Physical Filing:** Submit the complaint to the appropriate Consumer Commission along with the required documentation.

- ❖ **E-Filing:** Consumers can file complaints online through the government's consumer grievance redressal portals, where available. This option is especially useful for e-commerce-related disputes.
- **Step 6: Payment of Fees:** A nominal filing fee, based on the value of the claim, must be paid. Complaints with a value of up to ₹5 lakh are exempt from filing fees, making it accessible for small claims. Payment can usually be made through demand drafts, online transfers, or other accepted methods.
- **Step 7: Acknowledgement and Admission:** Once the complaint is filed, the Commission will review its admissibility. If found in order, the Commission will admit the complaint and issue a notice to the opposite party, requiring their response within the prescribed time (typically 30 days, extendable by an additional 15 days).
- **Step 8: Proceedings:** Both parties are allowed to present their case. The process may involve:
  - ❖ Submission of evidence by both parties.
  - ❖ Examination of witnesses, if necessary.
  - ❖ Cross-examinations and arguments.
  - ❖ Consumers can represent themselves or choose to engage a lawyer. The Commission may also refer the matter to a **mediation cell** if both parties consent to resolve the issue amicably.
- **Step 9: Decision:** The Commission will issue an order after evaluating the evidence and arguments. The decision will specify the remedy, which could include:
  - ❖ Compensation for damages or losses.
  - ❖ Refund of the price paid.
  - ❖ Replacement of defective goods or rectification of services.
  - ❖ Penalty or punitive damages against the opposite party.
  - ❖ The order is legally binding on both parties.
- **Step 10: Appeal (If Necessary):** If either party is dissatisfied with the Commission's decision, they may file an appeal to the next higher forum:
  - ❖ From **District Commission** to **State Commission**.
  - ❖ From **State Commission** to **National Commission**.
  - ❖ From the **National Commission** to the **Supreme Court of India**.
  - ❖ Appeals must be filed within the specified time frame, usually 30 days from the date of the order.

The procedure for filing consumer complaints under the **Consumer Protection Act, 2019**, emphasizes accessibility, efficiency, and fairness. By incorporating provisions for e-filing, mediation, and simplified documentation, the Act has significantly reduced the procedural hurdles for consumers, enabling them to seek justice effectively.

### 3.5.5 Timelines For Redressal Under CPA 2019

The Consumer Protection Act emphasizes the timely resolution of complaints:

- ❖ Complaints should ideally be disposed of within 3 months from the date of receipt by the forum if no analysis or testing is required.
- ❖ If testing is needed, resolution should occur within 5 months.

The three-tier dispute resolution mechanism under the Consumer Protection Act provides consumers with structured avenues for the redressal of goods and services grievances. With specific jurisdictions for each tier and defined procedures for filing complaints, this system aims to ensure that consumer rights are protected effectively and efficiently while promoting transparency and accountability among service providers and manufacturers.

### **3.6 RELEVANCE OF CENTRAL CONSUMER PROTECTION AUTHORITY**

Establishing the Central Consumer Protection Authority (CCPA) under the Consumer Protection Act, 2019, has significantly impacted the regulation of market practices in India. The CCPA serves as a regulatory body with the authority to enforce consumer rights and ensure fair trade practices (Bhattacharya, 2023). Here are some key impacts:

- ❖ **Enhanced Oversight:** The CCPA has the power to conduct inquiries into unfair trade practices and misleading advertisements, allowing for systematic oversight of market activities. This proactive approach helps deter businesses from engaging in deceptive practices.
- ❖ **Consumer Empowerment:** By promoting awareness of consumer rights and providing mechanisms for redressal, the CCPA empowers consumers to assert their rights more effectively. The authority can initiate actions against violators, ensuring that consumers feel supported in their transactions.
- ❖ **Regulatory Guidelines:** The CCPA has introduced guidelines, such as the Dark Pattern Guidelines, which address deceptive design practices in digital platforms. This regulation aims to protect consumers from manipulative tactics that exploit their decision-making processes.
- ❖ **Product Liability:** The CCPA has introduced provisions for product liability, holding manufacturers accountable for defects in goods. This shift encourages businesses to maintain higher standards of quality and safety.

Overall, the CCPA's regulatory framework is crucial in maintaining consumer trust and ensuring ethical business practices in an increasingly complex marketplace.

### **3.7 CHALLENGES AND FUTURE PROSPECTS IN CONSUMER PROTECTION**

While the CCPA has made significant strides in consumer protection, several challenges remain:

- ❖ **Implementation Gaps:** Despite the robust framework established by the CCPA, there may be gaps in implementation at local levels. Ensuring that all stakeholders adhere to regulations is crucial for effective enforcement.
- ❖ **Digital Marketplace Risks:** As e-commerce continues to grow rapidly, new challenges arise related to online fraud, data privacy issues, and misleading advertisements. The CCPA must continuously adapt its strategies to address these evolving risks.
- ❖ **Consumer Education:** While awareness campaigns are essential, reaching diverse populations across urban and rural areas remains a challenge. Tailoring educational initiatives to different demographics is necessary for effective outreach.

The future of consumer protection in India looks promising with ongoing efforts by the CCPA:

- ❖ **Strengthening Regulations:** Continuous updates to regulations will be necessary to keep pace with technological advancements and changing market dynamics.

- ❖ **Collaborative Efforts:** Partnerships with other regulatory bodies, such as the Advertising Standards Council of India (ASCI), can enhance enforcement against misleading advertisements.
- ❖ **Focus on Digital Literacy:** Increasing emphasis on digital literacy will empower consumers navigating online marketplaces, enabling them to recognize their rights effectively.

The establishment of the CCPA (Central Consumer Protection Authority (CCPA)) has transformed consumer protection in India by enhancing regulatory oversight, empowering consumers, and promoting ethical market practices. Ongoing consumer awareness campaigns are vital for educating individuals about their rights. While challenges persist, proactive measures and adaptive strategies will be essential for ensuring robust consumer protection in an ever-evolving marketplace.

### End of Chapter Questions:

1. Discuss the major differences between the Consumer Protection Act, 1986, and the Consumer Protection Act, 2019. Highlight the reasons for the introduction of the 2019 Act.
2. Explain the role and powers of the Central Consumer Protection Authority (CCPA) as outlined in the Consumer Protection Act, 2019. How does it contribute to the protection of consumer rights?
3. Describe the three-tier dispute resolution mechanism under the Consumer Protection Act, 2019. How does it ensure accessibility and efficiency in resolving consumer grievances?
4. Analyze the concept of product liability introduced in the Consumer Protection Act, 2019. Discuss its significance for both consumers and businesses.
5. Examine the relevance of e-commerce regulations under the Consumer Protection Act, 2019. How do these provisions address the unique challenges of the digital marketplace?

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### Important Abbreviations in Consumer Education

- **CPA** - Consumer Protection Act
- **CCPA** - Central Consumer Protection Authority
- **NCDRC** - National Consumer Disputes Redressal Commission
- **SCDRC** - State Consumer Disputes Redressal Commission
- **DCDRF** - District Consumer Disputes Redressal Forum
- **ADR** - Alternative Dispute Resolution
- **E-commerce** - Electronic Commerce
- **FSSAI** - Food Safety and Standards Authority of India
- **BIS** - Bureau of Indian Standards
- **ISO** - International Organization for Standardization
- **CPC** - Civil Procedure Code
- **RERA** - Real Estate Regulation and Development Act
- **NABARD** - National Bank for Agriculture and Rural Development
- **SEBI** - Securities and Exchange Board of India
- **IRDAI** - Insurance Regulatory and Development Authority of India