



Consumer protection law 2019: New challenges for consumer rights

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Abstract

Modern modes of trade like telemarketing, coordinate offering, multilevel promoting and e-commerce—which were not conceived three decades back—have made buyers more defenseless to unjustifiable exchange hones. The existing legitimate framework—the 1986 Act, rules, rules and circulars issued by the Buyer Ministry—had fizzled to address these developing issues. Prior, coordinate offering and multilevel marketin Read more at: <https://www.bloomberquint.com/law-and-policy/will-the-new-consumer-protection-act-make-consumers-king> The 2019 Act has also broadened the definition of Out of line Exchange Hones as compared to the 1986 Act that right now incorporates interior its compass on-line tricky notices; the watch of not issue bill/memo for {the stock the items} and administrations; falling flat to require back flawed merchandise or deactivate inadequate administrations and discount the amount interior the stipulated time said inside the charge or notice or inside thirty days inside the nonattendance of such stipulation; and uncovering individual information of a client unless such discourse act is in agreement with law.

Keywords: consumer redressed forums, protection to the shoppers, skilled negligence, client protection, business cycles

Introduction: The Consumer Protection Act, 2019: An Overview

The 2019 Act has additionally introduced the conception of 'unfair contract' which incorporates those contracts, that favour the makers or service suppliers and ar against the interest of {the client the buyer the patron}s like contracts requiring plain excessive security deposits to incline by a client for the performance of written agreement obligations; imposing any penalty on the consumer for a breach of the contract, that is entirely disproportionate to the loss occurred thanks to such breach to the opposite party to the contract; refusing to just accept early reimbursement of debts on payment of applicable penalty; claim of a celebration to the contract to terminate such contract unilaterally, while not affordable cause; allowing or has the result of allowing one party to assign the contract to the damage of the opposite party WHO may be a client, while not his consent; and imposing on the patron any unreasonable charge, obligation or condition that puts such a client to any disadvantage. Such unfair client contracts are currently lined beneath the 2019 Act and a grievance during this regard will currently be filed by a client. The CCPA has been given large powers to inquire, investigate and take action against violations of the 2019 Act. Another important power the CCPA has been showered with, is that the power to require action and impose penalty against deceptive and false promotional material in addition as against any endorser of such promotional material, which implies the CCPA can currently initiate action against the celebrities WHO have supported such deceptive and false promotional material provided such celebrities did not perform any due diligence before taking part in such advertisements. The CCPA might impose a penalty of up to Rs.10 Latkhs for initial violation and up to Rs.50 Lakhs on each consequent violation on a manufacturer or AN endorser, for a false or deceptive promotional material. additionally, to the current, such manufacturer or

endorser is also sentenced to imprisonment for upto 2 years.

Legal Perspective

The CCPA has additionally been granted the authority to initiate suo-moto proceedings against violators; pass directions to recall product or discontinue services and supply refund to shoppers; and file class-action suit suits on behalf of multiple clients that makes it an efficient tool to curb mass violation of consumer interest. Another major introduction within the 2019 Act is that the conception of Product Liability that covers inside its ompass the merchandise manufacturer, product service supplier and merchandise marketer, for any claim for compensation. The term 'product liability' is outlined by the 2019 Act because the responsibility of a product manufacturer or product marketer, of any product or service, associated with the merchandise to complete any damage caused to a client by such defective product factory-made or sold-out or by deficiency in services with reference to the merchandise. Also, since the merchandise marketer has currently been outlined to incorporate an individual WHO is concerned in putting the merchandise for an advert purpose and per se would come with e-commerce platforms in addition. Therefore, the bottom normally taken by E-commerce websites that they simply act as 'platforms' or 'aggregators' can no longer be well-founded before the court any longer. There ar redoubled liability risks for makers as compared to product service suppliers and merchandise sellers, considering that beneath the 2019 Act, makers are liable in product liability action even wherever they with success prove that they weren't negligent or deceitful in creating the specific warrant of a product. However, sure exceptions are provided beneath the 2019 Act from liability claims, such as, that the merchandise marketer can As way because the client Redressal Forums ar involved, sure key changes are brought by the 2019 Act such as:-

1. Territorial Jurisdiction

The 2019 Act currently provides one more advantage to the shoppers by providing for filing of grievances wherever the plaintiff resides or in person works for gain as against the 1986 Act that solely provides for filing of complaint wherever the alternative party resides or stick with it business. this is able to facilitate in removing the difficulties faced by the shoppers in seeking redressed of their grievances against businesses WHO might not have AN workplace or branch in their state.

2. Monetary system Jurisdiction

The 2019 Act additionally modified the monetary system jurisdiction for the District, State and National Commissions, severally. The monetary system limit for the District Commission has been redoubled to up to Rs.1 large integer from up to Rs.20 Lakhs; for State Commission it's been redoubled to up to Rs.10 Crores from up to Rs.1 Crore; and for National Commission the monetary system jurisdiction has been redoubled to over and on top of Rs.10 Crores as against Rs.1 large integer within the one986 Act. additionally, to the current, the 2019 Act has additionally modified the way for decisive the monetary system jurisdiction for filing the grievance. currently the monetary system jurisdiction are determined on the premise of the worth of products or services paid as thought as against the 1986 Act whereby, the monetary system jurisdiction make up my mind as per the worth of products and services in addition as compensation claimed.

3. Alternate Dispute Resolution

Another provision introduced by the 2019 Act to make sure speedy resolution of disputes is to produce for referring the disputes to mediation. As per the 2019 Act, the patron Forum shall refer the refer mediation on written consent of each the parties. For this purpose, the 2019 Act additionally provides for institution of a client mediation cell by the various State Governments in every District Commission and State Commission in addition as at the National Commission by the Central Government. (iv) E-Complaints - The 2019 Act additionally provides for filing of Complaints before the District Forums electronically in accordance with the principles that ar nevertheless to be prescribed by the govt. once and for all, the patron Protection Act, 2019 compared with the 1986 Act shows that it provides for larger protection of client interests taking into thought the present age of digitisation. The 2019 Act additionally deals with the technological advancements within the business, provides for easier filing of complaints and additionally imposes strict liability on businesses together with endorsers for violating the interest of the shoppers. However, the take a look at of your time can prove the fate of the 2019 Act as and once it's notified by the Central Government, which, prima-facie, seems to be way more consumer-friendly than the 1986 Act and additionally includes the present business trends of e-commerce.

Here's how consumers will benefit under the new Consumer Protection Act

Consumers will cheer because the client Protection Act, 2019 has recently replaced the 3-decade previous client Protection Act, 1986.

The new Act proposes a slew of measures and tightens the present rules to any safeguard client rights. Introduction of a central regulator, strict penalties for deceptive advertisements and pointers for e-commerce and electronic service supplier's Number of the key highlights.

Challenges for the Future

The unused enactment has made a Central Consumer Protection Authority (Authority) to associate alia "regulate things relating to infringement of rights of shoppers, out of line exchange hones and untrue or deceiving promotions which are biased to the interface of open and customers and to advance, secure and implement the rights of customers as a class." To uphold this arrangement, the Specialist is engaged to ask and explore, which it does through a committed investigative wing set-up headed by a Director-General, practically equivalent to to the Competition Commission. Furthermore, the Specialist can too record complaints and mediate in things some time recently the Customer Commissions.

Whereas a praiseworthy activity, it is hazy on how the Specialist will for all intents and purposes work, particularly since existing Locale Collectors have been entrusted to attempt certain capacities relating to request and examinations. There's moreover impressive cover between the investigative wing and the look and seizure capacities of the Area Collector, which are likely to lead to a potential strife of interest. Interestingly, the Specialist is enabled to arrange for review of products, repay cost paid for products and administrations, as well as issue bearings and penalize producers and endorsers for deluding promotions. Requests against such orders can as it were be favoured some time recently the National Commission. The calculate on which the National Commission may listen such requests is hazy and one as it were trusts it doesn't lead to the opening of a Pandora's Box! At this point, one is additionally vague on whether things right now pending some time recently the Buyer Commissions will proceed or on the off chance that they are

Conclusion

As is obvious, certified public accountant 2019 has created many changes to the erstwhile certified public accountant 1986. certified public accountant 2019 has widened the reach of client protection regime in Asian nation. The changes created vide certified public accountant 2019 appear to any empower shoppers by invest ment responsibilities not solely on their counterparts, i.e., the sellers, makers, service suppliers, however additionally the endorsers of such product. It additionally tries to deal with the problems that weren't comprehensively touched upon by certified public accountant 1986, such interests of shoppers as a category, etc. CPA 2019 has additionally tried to ease and fasten the method of client disputes resolution by increasing the monetary system jurisdiction of the commissions, attaching mediation cells, increasing the members of the commissions, imposing higher penalties etc. The ramifications of certified public accountant 2019 can not be exactly gauged beforehand, as several new ideas are introduced. However, what will undoubtedly be aforesaid is that everybody concerned in a very dealing, aside from the patron, can need to be a lot of careful, and cautious than ever before. The new client Protection Act proposes a slew

of measures and tightens the present rules to any safeguard client rights.

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