

GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
DEPARTMENT OF CONSUMER AFFAIRS

RAJYA SABHA
UNSTARRED QUESTION No. 2689

TO BE ANSWERED ON 11.08.2023

EFFECTIVE PROVISIONS UNDER CONSUMER PROTECTION LAWS

2689. SHRI JAWHAR SIRCAR

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether Government consider the existing laws to protect consumers adequate or Government is considering more effective provisions;
- (b) whether Government plans to have a legislation that severely punish those wilfully engaged in the illegal trade practice knowing it to be deceptive, as provided in the American Uniform Deceptive Trade Practices Act;
- (c) keeping in view the provision under the Act that penalises the supply of ineffective products, would Government consider strict regulations for the producers of these products also; and
- (d) whether Governments would consider bringing in new legal provisions under Consumer Acts to provide widespread relief in professional medical services?

ANSWER

THE MINISTER OF STATE, CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(SHRI ASHWINI KUMAR CHOUBEY)

(a) to (d) : To further strengthen the provisions for consumer protection especially in the new era of globalization, online platforms, e-Commerce markets etc., the Consumer Protection Act, 2019 was enacted to replace the Consumer Protection Act 1986.

The Consumer Protection Act, 2019 provides for a three tier quasi-judicial machinery at District, State and Central levels commonly known as “Consumer Commissions” for protection of the rights of consumers and to provide simple and speedy redressal of consumer disputes including those related with unfair trade practices. The Consumer Commissions are empowered to give relief of a specific nature and award, wherever appropriate, compensation to consumers.

Salient features of the Consumer Protection Act, 2019 are establishment of a Central Consumer Protection Authority (CCPA); simplification of the adjudication process in the Consumer Commissions such as enhancing pecuniary jurisdiction of the Consumer Commissions, filing of complaint from the Consumer Commission having jurisdiction over the place of work/residence of the consumer irrespective of the place of transaction, e-filing and e-payment, videoconferencing for hearing, deemed admissibility of complaints if admissibility is not decided within 21 days of filing; court monitored mediation to facilitate early disposal of cases; provision of product liability; penal provisions for manufacture/sale of adulterated products/spurious goods; provision for making rules for prevention of unfair trade practice in e-commerce and direct selling.

Under the provisions of the Consumer Protection Act, 2019, a Central Consumer Protection Authority (CCPA) has been established w.e.f 24.07.2020 to regulate matters relating to violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of public and consumers and to promote, protect and enforce the rights of consumers as a class. The CCPA has issued advisories to, inter-alia, e-commerce companies to desist from manufacturing, selling or listing of products or services which are dangerous to life of the consumers which included selling and listing of car seat belt alarm stopper clips, illegal sale and facilitation of wireless jammers and also advised all marketplace e-commerce platforms to display information provided by sellers as per the E-Commerce Rules, 2020. CCPA has also issued two safety notices cautioning consumers against buying goods that do not hold valid ISI Mark and violate compulsory BIS standards, such as Helmets, Pressure Cookers and Cooking gas cylinders and other household goods including electric immersion water heaters, sewing machines, microwave ovens, domestic gas stoves with LPG etc.

The Consumer Protection Act 2019 explicitly includes e-commerce transactions within its scope, defining e-commerce as the buying or selling of goods or services including digital products over digital or electronic network. To safeguard consumers from unfair trade practices in e-commerce, the Department of Consumer Affairs has already notified the Consumer Protection (E-commerce) Rules, 2020 under the provisions of the Consumer Protection Act. These rules, inter-alia, outline the responsibilities of e-commerce entities and specify the liabilities of marketplace and inventory e-commerce entities, including provisions for customer grievance redressal.

Section 90 and 91 of the Consumer Protection Act, 2019 provide for punishment for manufacturing for sale or for storing or selling or for distributing or importing any product containing an adulterant or spurious goods, which includes imprisonment or fine depending on the extent of injury to the consumer.
