

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

RAJYA SABHA
UNSTARRED QUESTION No. 2751
TO BE ANSWERED ON 25.03.2025

IMPLEMENTATION OF THE CONSUMER PROTECTION ACT, 2019

2751. SHRI KARTIKEYA SHARMA

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

- (a) whether any steps have been taken to ensure effective nationwide implementation of the Consumer Protection Act, 2019, if so, the State-wise details thereof;
- (b) whether the establishment of the Central Consumer Protection Authority (CCPA) improved consumer protection in the country, if so, the details thereof, State-wise; and
- (c) whether the Ministry has taken any steps to address the issue of misleading advertisements, as per the provisions of the 2019 Act, if so, the details thereof?

ANSWER

THE MINISTER OF STATE, CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI B.L VERMA)

(a) to (c) : Department of Consumer Affairs is continuously working for consumer protection and empowerment of consumers by enactment of progressive legislations. With a view to modernize the framework governing the consumer protection in the new era of globalization, technologies, e-commerce markets etc. Consumer Protection Act, 1986 was repealed and Consumer Protection Act, 2019 was enacted.

Salient features of the new 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, online filing of complaint from the Consumer Commission having jurisdiction over the place of work/residence of the consumer irrespective of the place of transaction, videoconferencing for hearing, deemed admissibility of complaints if admissibility is not decided within 21 days of filing; 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.

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 compensation to consumers, wherever appropriate.

The National Consumer Helpline (NCH) administered by the Department of Consumer Affairs has emerged as a single point of access to consumers across the country for their grievance redressal at a pre-litigation stage. Consumers can register their grievances from all over the country in 17 languages including Hindi, English, Kashmiri, Punjabi, Nepali, Gujarati, Marathi, Kannada, Telugu, Tamil, Malayalam, Maithili, Santhali, Bengali, Odia, Assamese and Manipuri through a toll-free number 1915. These grievances can be registered on Integrated Grievance Redressal Mechanism (INGRAM), an omni-channel IT enabled central portal, through various channels- WhatsApp (8800001915), SMS (8800001915), email (nch-ca@gov.in), the NCH app, the web portal (consumerhelpline.gov.in) and the Umang app, as per their convenience. 1049 companies, who have voluntarily partnered with NCH, as part of the 'Convergence' programme directly respond to these grievances according to their redressal process and revert by providing a feedback to the complainant on the portal. Complaints against those companies, who have not partnered with National Consumer Helpline, are forwarded to the company for redressal.

To safeguard the interests of consumers from unfair trade practices in e-commerce, the Department of Consumer Affairs has notified the Consumer Protection (E-commerce) Rules, 2020 under the provisions of the Consumer Protection Act, 2019. 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 consumer grievance redressal.

The Department of Consumer Affairs, in consultation with all the stakeholders, has finalized a "safety Pledge" which is a voluntary public commitment of e-Commerce platforms to ensure the safety of goods sold online and respect the consumer rights. Aligned with global best practices, this initiative strengthens consumer protection in the e-Commerce. On the National Consumer Day 2024, 13 major e-Commerce companies including Reliance Retail group, Tata sons group, Zomato, Ola, Swiggy etc. signed the Safety Pledge for ensuring consumer safety. The support and agreement of major e-Commerce companies to abide by the safety pledge will go a long way in ensuring protection of consumer rights.

Under the provisions of the Consumer Protection Act, 2019, the Central Consumer Protection Authority (CCPA), an executive agency, came into existence on 24.07.2020. It is designed to intervene, to prevent consumer detriment arising from unfair trade practices and to initiate class action(s), including the enforcement of recalls, refunds and return of products. Its core mandate is to prevent and regulate false or misleading advertisements which are prejudicial to the public interest.

Dark patterns involve using design and choice architecture to deceive, coerce, or influence consumers into making choices that are not in their best interest. Dark patterns encompass a wide range of manipulative practices such as drip pricing, disguised advertisement, bait and switch, false urgency etc. Such practices fall under the category of "unfair trade practices" as defined in the Sub-section 47 under Section 2 of the Consumer Protection Act, 2019.

The CCPA, in exercise of the powers conferred by Section 18 of the Consumer Protection Act, 2019, has issued "Guidelines for Prevention and Regulation of Dark Patterns, 2023" on 30th November, 2023 for prevention and regulation of dark patterns listing 13 specified dark patterns identified in e-Commerce sector. These dark patterns include false urgency, Basket Sneaking, Confirm shaming, forced action, Subscription trap, Interface Interference, Bait and switch, Drip Pricing, Disguised Advertisements, Nagging, Trick Wording, Saas Billing and Rogue Malwares.

The CCPA has also notified the Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022 on 9th June, 2022. These guidelines inter-alia provide for; (a) conditions for an advertisement to be non-misleading and valid; (b) certain stipulations in respect of bait advertisements and free claim advertisements; and, (c) duties of manufacturer, service provider, advertiser and advertising agency. These guidelines states that due diligence is required for endorsement of advertisements such that any endorsement in an advertisement must reflect the genuine, reasonably current opinion of the individual, group or organisation making such representation and must be based on adequate information about, or experience with, the identified goods, product or service and must not otherwise be deceptive.

Further to strengthen consumer protection, the CCPA enacted the Guidelines for Prevention and Regulation of Greenwashing and Misleading Environmental Claims, 2024 (effective 15th October 2024), mandating transparency in environmental claims and the Guidelines for Prevention of Misleading Advertisements in the Coaching Sector, 2024 (effective 13th November 2024), addressing false claims, exaggerated success rates and unfair practices in coaching institutes.

The CCPA has imposed a penalty of ₹ 77 lakhs 60 thousands on 24 coaching institutes for misleading advertisements. The Department of Consumer Affairs (DoCA) has successfully secured refunds amounting to ₹1.56 crores for over 600 aspirants and students in the education sector through National Consumer Helpline (NCH). These students, enrolled in coaching centres for Civil Services, Engineering Course and other programmes, were previously denied rightful refunds despite following the terms and conditions set forth by the coaching institutes. The action by the Department has helped students receive compensation for unfulfilled services, late classes, or cancelled courses, ensuring they do not bear the financial burden of unfair business practices.

Action has already been taken by the CCPA against various entities including e-commerce platforms for affecting consumers, as a class, for violation of consumer rights, false and misleading advertisements and unfair trade practices as defined under the Consumer Protection Act, 2019. Action has also been taken against the sale of domestic pressure cookers that do not meet compulsory BIS standards on e-commerce platforms. Additionally, as per CCPA's directions, travel companies have refunded Rs. 1,454 Crores as of 20.03.2024 to consumers for cancelled flights due to the Covid-19 lockdown. CCPA has also mandated that these companies update their websites with clear instructions and status updates on refund claims related to cancelled tickets. Further, 13,118 listings of car seat belt alarm stopper clips have been delisted from major e-commerce platforms based on the Orders passed by CCPA to delist all such products which violates consumer rights and are unfair trade practice under the Consumer Protection Act, 2019 as the sale or marketing of said product compromise with the life and safety of consumer by stopping alarm beep when not wearing seat belts.

The Bureau of Indian Standards (BIS) has notified framework on 'Online Consumer Reviews — Principles and Requirements for their Collection, Moderation and Publication' on 23.11.2022 for safeguarding and protecting consumer interest from fake and deceptive reviews in e-commerce. The standards are voluntary and are applicable to every online platform which publishes consumer reviews. The guiding principles of the standard are integrity, accuracy, privacy, security, transparency, accessibility and responsiveness.

Under CONFONET scheme, VC equipment for conducting hearing through video conferencing mode has been installed and made functional at 10 benches of the National Consumer Disputes Redressal Commission (NCDRC) and 35 benches of State Consumer Disputes Redressal Commissions (SCDRCs).
