

Government of India
Ministry of Consumer Affairs, Food and Public Distribution
Department of Consumer Affairs

LOK SABHA
UNSTARRED QUESTION NO. 521
TO BE ANSWERED ON 06.02.2018

CONSUMER PROTECTION ACT

521. ADV. JOICE GEORGE:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) whether the Consumer Protection Act in its present form is an inefficient piece of legislation, not keeping pace with the new market dynamics, multi-layered delivery chains, and innovative and often misleading advertising and marketing machinery;
- (b) if so, the details thereof;
- (c) whether the Government is of the opinion that the Act doesn't grant the authority to proceed against any person guilty of a violation under the Act or take suo motu cognizance of an unfair trade practice or an action undermining the rights of a consumer;
- (d) if so, whether the Government is planning any enactments in this regard to protect and enforce the rights of consumers; and
- (e) if so, the details thereof?

ANSWER

उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण राज्य मंत्री
(श्री सी. आर. चौधरी)

THE MINISTER OF STATE
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)

(a) & (b): The existing Consumer Protection Act was enacted in 1986. Since then, the consumer markets for goods & services have undergone a lot of changes. The modern market place contains a plethora of increasingly complex products and services. The emergence of global supply chains, rise in international trade and the rapid development of e-commerce have led to new delivery systems for goods and services and have provided new opportunities for consumers. Equally, this has rendered the consumer vulnerable to new forms of unfair trade and unethical business practices. Misleading advertisements, tele-marketing, multi-level marketing, direct selling and e-tailing pose new challenges to consumer protection and will require appropriate and swift executive interventions to prevent consumer detriment. There is a need to make interventions when necessary to counter unfair trade practices.

(c) : The three tier Consumer Fora established under the Act are empowered to give relief of a specific nature and to award, wherever appropriate, compensation to consumers. The three tier Consumer Fora set up under the Act are not empowered to take suo-moto cognizance of any unfair trade practice.

(d) & (e): The Government introduced the Consumer Protection Bill, 2018 in the Lok Sabha on 05.01.2018. The Bill provides for establishment of an executive agency, to be called the Central Consumer Protection Authority (CCPA), which will be empowered to investigate, recall, refund and impose penalties, besides working towards promotion of consumer rights including consumer education.
