CONSUMER PROTECTION ACT
2019
CONSUMER PROTECTION ACT

• CP Act 1986
  ➢ provided for a three-tier consumer dispute redressal machinery at the National (NCDRC), State (State Commissions) and District levels (District Fora)

SALIENT FEATURES OF CP ACT 2019

• Consumer Protection Councils
• Central Consumer Protection Authority (CCPA)
• Simplified Dispute Resolution Process
• Mediation
• Product Liability
• Rules on e-commerce and direct selling
• Penalty for adulteration of products/spurious goods
CENTRAL CONSUMER PROTECTION AUTHORITY (CCPA)

• To provide relief to a class of consumers

• Empowered to -
  ➢ Conduct investigations into violations of consumer rights and institute Complaints / Prosecution
  ➢ Order recall of unsafe goods and services
  ➢ Order discontinuance of unfair trade practices and misleading advertisements
  ➢ Impose penalties on Manufacturers/Endorsers/Publishers of Misleading Advertisements

• Gazette Notification for establishment of CCPA under publication
SIMPLIFIED DISPUTE RESOLUTION PROCESS

- Deemed admissibility after 21 days of filing
- Empowerment of Consumer Commissions to enforce their orders
- State Commission & District Commission can now review their own orders
- Appeals only on question of law after second stage
- Ease of approaching Consumer Commissions
  - Filing from place of residence/work
  - E-filing
  - Videoconferencing for hearing
MEDIATION

• An Alternate Dispute Resolution (ADR) mechanism
• Reference to mediation by Consumer Commissions wherever scope for early settlement exists and parties agree for it.
• Mediation Cells to be attached to Consumer Commissions
• Panel of mediators to be selected by selection committee consisting of the President and a member of Consumer Commission.
• Mediation to be held in consumer mediation cell
• No appeal against settlement through mediation
PRODUCT LIABILITY

• A manufacturer or product service provider or product seller to be responsible to compensate for injury or damage caused by defective product or deficiency in services

• Basis for product liability action -
  ➢ Manufacturing defect
  ➢ Design defect
  ➢ Deviation from manufacturing specifications
  ➢ Not conforming to express warranty
  ➢ Failing to contain adequate instructions for correct use
  ➢ Service provided-faulty, imperfect or deficient
BENEFITS TO CONSUMERS

• The CP Act 1986- single point of access to justice, which is time consuming. Additional swift executive remedies provided through CCPA

• Deterrent punishment to check misleading advertisements and adulteration of products

• **Product liability** provision to deter manufacturers and service providers from delivering defective products or deficient services

• **Ease of approaching Consumer Commissions and Simplification of adjudication process**

• Scope for early disposal of cases through **mediation**

• Provision for rules for new age consumer issues: e-commerce & Direct selling
RULES & REGULATIONS

Rules
• General Rules
• Central Consumer Protection Council Rules
• Consumer Disputes Redressal Commissions Rules
• Appointment of President & Member in State/District Commission Rules
• Mediation Rules
• Model Rules for States
• E-Commerce Rules

Regulations
• Consumer Commission Procedure Regulations
• Mediation Regulations
• Administrative control over State Commission & District Commission Regulations
Thank you