

LLB (Hons) Semester IV
LAW OF TORTS
UNIT 4
CONSUMER PROTECTION ACT 2019

QUESTION 1. Examine the concepts of 'Consumer' and 'Consumer dispute under the Consumer Protection Act.

QUESTION 1 (A). Define consumer of goods under Consumer Protection Act.

i). According to Sec. 2(7)(i) 'consumer of goods' means any person who buys any goods for a consideration. As the expression 'buys' is used, the transaction becomes 'sale', and the consideration means 'price'.

ii). The consideration, i.e., price may have been paid or promised or partly paid and partly promised, or under any system of deferred payment.

iii). Any user of such goods other than the person who buys such goods is also a consumer for the purpose of the Act, if such use is made with the approval of the buyer of those goods.

iv). However, a person who obtains such goods for resale or for any commercial purpose is not a consumer.

QUESTION 1(B). Define consumer of services under Consumer Protection Act.

i). According to sec. 2(7)(ii) 'consumer of service' means any person who hires or avails of any service for a consideration. The consideration may have been paid or promised or partly paid and partly promised, or under any system of deferred payment.

ii). Any beneficiary of such service other than the person who hires or avails of the services is also a consumer for the purpose of the Act, if such use is made with the approval of the person who has hired or availed of such service.

iii). However, a person who hires or avails of such service for any commercial purpose is not a consumer.

QUESTION 1(C). Explain consumer dispute.

i). As per sec. 2(8) of the Consumer Protection Act, 2019, 'consumer dispute' means a dispute where the person against whom a complaint has been made, denies or disputes the allegations contained in the complaint.

QUESTION 1(D). Discuss the grounds for consumer dispute.

A reading of sec. 2(6) of the Consumer Protection Act, 2019 which defines 'complaint' reveals that consumer disputes may arise due to the following reasons:

1. (a) unfair contact, (b) unfair trade practice, or (c) restrictive trade practice on the part of the trader;

2. goods being defective;

3. services being deficient;

4. excessive price being charged;

5. failure to inform about risk in case of hazardous goods, etc.

6. providing hazardous services; and

7. a claim of product liability action in favour of the consumer.

The unfair contracts and product liability are the two new grounds added under the Consumer Protection Act, 2019.

In addition to the above providing spurious goods or service may also be ground for a consumer dispute.

QUESTION 2 . Discuss the changes in consumer redressal forum brought the Consumer Protection Act, 2019.

QUESTION 2 (A). What is the role of the Central Consumer Protection Authority (CCPA) under the Consumer Protection Act, 2019? ?

The Central Consumer Protection Authority (CCPA) plays a crucial role in enforcing consumer rights and ensuring consumer protection under the Consumer Protection Act, 2019. Here are some key aspects of its role:

- i).Promotion of Consumer Rights: The CCPA is tasked with promoting, protecting, and enforcing the rights of consumers across India.
- ii). Investigation of Consumer Complaints: The CCPA has the authority to investigate consumer complaints related to unfair trade practices, misleading advertisements, and violations of consumer rights.
- iii). Recall of Unsafe Goods and Services: In cases where goods or services pose a risk to consumer health or safety, the CCPA has the power to order their recall from the market to prevent harm to consumers.
- iv).Imposition of Penalties: The CCPA is empowered to impose penalties on businesses found guilty of engaging in unfair trade practices, issuing misleading advertisements, or violating consumer rights.

QUESTION 2(B) How does the hierarchy of Consumer Dispute Redressal Commissions (CDRCs) change under the new Act?

- i). District Commission: At the lowest level, the District Commission handles consumer complaints with a value of up to ₹50 lakhs. It serves as the primary forum for resolving consumer disputes at the district level.
- ii).State Commission: The State Commission hears appeals against the decisions of the District Commissions and handles consumer complaints involving a value of more than ₹50 lakhs but less than ₹2crores.
- iii).National Commission: At the highest level, the National Commission adjudicates appeals against the decisions of the State Commissions and deals with consumer complaints exceeding ₹2 crores in value. It also has jurisdiction over matters of significant importance or those involving questions of law.

QUESTION 2(C) . How does the Act promote mediation as an alternative dispute resolution mechanism?

The Consumer Protection Act, 2019 promotes mediation as an alternative dispute resolution mechanism by:

- i). Mandatory Mediation Attempt: Before a complaint is admitted, the parties are required to attempt mediation, encouraging them to resolve the dispute amicably.
- ii).Mediation Cells: Consumer Dispute Redressal Commissions (CDRCs) are mandated to establish mediation cells to facilitate mediation proceedings between parties.
- iii).Mediator Appointment: The CDRCs appoint qualified mediators to assist parties in reaching a settlement, ensuring neutral and impartial mediation.
- iv). Confidentiality: Mediation proceedings are confidential, allowing parties to discuss their concerns freely and explore mutually acceptable solutions without fear of disclosure.
- v).Expedited Resolution: Mediation aims for a quicker resolution compared to traditional legal proceedings, reducing the time and costs associated with litigation.

QUESTION 2(D). What are the specific rights granted to consumers under the new consumer protection Act 2019?

- i).Right to be protected against marketing of goods and services which are hazardous to life and property.
- ii).Right to be informed about the quality, quantity, potency, purity, standard and price of goods or services.
- iii).Right to be assured of access to a variety of goods or services at competitive prices.
- iv).Right to seek redressal against unfair or restrictive trade practices.
- v).Right to seek compensation for any injury or damage caused by defective goods or deficient services

