

### SC Calls For Permanent Consumer Redressal Bodies

For Prelims: National Consumer Disputes Redressal Commission, e-commerce, Directive Principles of State Policy, Central Consumer Protection Authority, Dark Patterns

**For Mains:** Constitutional and Legal Framework of Consumer Protection in India, Consumer Rights Enforcement, Impact of Digital Economy and E-commerce on Consumer Rights

#### Source:BS

### Why in News?

The <u>Supreme Court (SC) of India</u> urged the Centre to set up permanent adjudicatory bodies for consumer disputes, emphasizing that consumer rights are **constitutionally protected** and need a stable framework due to gaps in implementing the <u>Consumer Protection Act</u>, (CPA) 1986.

# What is the Need for a Permanent Consumer Dispute Resolution Body?

- **Judicial Endorsement of Permanency:** The SC noted that temporary appointments in consumer forums lead to delays and inefficiency.
  - It recommended setting up permanent bodies with full-time presiding officers and staff, possibly headed by sitting judges. This would ensure continuity, professionalism, and better justice delivery.
- Systemic Pendency and Delays: As per the <u>National Consumer Disputes Redressal</u> <u>Commission (NCDRC)</u>, over 5.5 lakh cases were pending across forums as of 2023.
  - Consumer Councils suffer from vacant posts, and poor digital infrastructure, resulting in delays in cases. Adequate staffing and infrastructure are essential for timely consumer redressal.
- Rise in Digital and Cross-Border Consumer Disputes: India's e-commerce sector is projected to reach USD 200 billion by 2026, and quick commerce is expected to grow to USD 9.9 billion by 2029, with a corresponding surge in complaints related to online fraud, data privacy, service deficiencies, and cross-border consumer disputes.
  - Existing consumer forums often lack technical expertise and jurisdictional clarity to tackle new challenges. A redressal body with judges and experts in modern and digital laws is essential for better consumer protection.

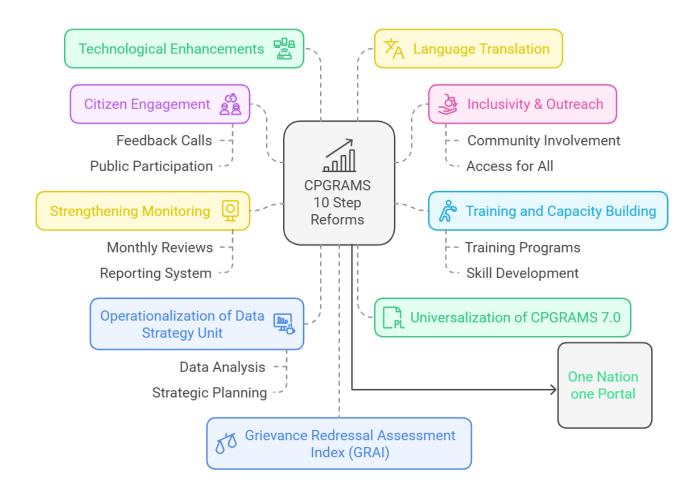
## What are the Constitutional and Legal Foundations of Consumer Protection in India?

• Consumer's Right: It is the right to receive accurate information about the quality, quantity, potency, purity, price, and standards of goods or services and to be protected from unfair practices.

- Constitutional Backing for Consumer Protection: Consumer protection in India is rooted in the <u>Directive Principles of State Policy (DPSP)</u> under Part IV of the Constitution, which provides a moral and constitutional foundation for welfare-oriented legislation.
  - **Article 37:** It states that while DPSP are not legally enforceable, they are fundamental to governance and must guide the State in lawmaking.
    - The <u>Consumer Protection Act, 2019</u>, and earlier versions are rooted in these principles.
  - **Article 47:** The State shall endeavour to improve nutrition, living standards, and public health, and prohibit the consumption of harmful intoxicants except for medicinal purposes.
- Legislations for Protection of Consumer Rights:
  - Consumer Protection Act (CPA), 1986: It was enacted to protect consumers in India and resolve disputes through Consumer Councils at national, state, and district levels. It addressed issues like adulterated products, and misleading advertisements.
    - The Consumer Protection Act, 1986, grants six key rights to consumers: the **Right** to Safety, Right to be Informed, Right to Choose, Right to be Heard, Right to Seek Redressal, and Right to Consumer Education.
    - The 1986 Act had limitations, lacking provisions for online transactions, product liability, unfair contracts, and alternative dispute resolution.
  - Consumer Protection Act, 2019: It replaced the 1986 Act to address modern consumer challenges. It expanded coverage to all merchandise and enterprise transactions, added new unfair trade practices, included product liability, and regulated unfair contracts.
    - The Act introduced rules for direct selling and e-commerce, mandated mediation cells at all levels, and established the <u>Central Consumer Protection</u> <u>Authority (CCPA)</u> to enforce consumer rights.
  - Bureau of Indian Standards (BIS) Act, 2016: <u>Bureau of Indian Standards (BIS)</u>, India's national standards body, ensures product safety and quality.
    - The Act mandates certification for critical products and allows product recalls and penalties for non-compliance.
  - Legal Metrology Act, 2009: Ensures accuracy in weights and measurements used in commercial transactions. It promotes fair trade practices, protects consumers, and improves market transparency.

#### Other Initiatives:

- DoCA: The Department of Consumer Affairs (DoCA) issued <u>2023 Guidelines on Dark</u> <u>Patterns</u> to curb deceptive online tactics like drip pricing and false urgency.
  - DoCA runs the "Jago Grahak Jago" campaign nationwide and introduced the mascot "Jagriti" to empower consumers.
  - The <u>E-Jagriti</u> portal, launched by DoCA, is an integrated Al-powered platform streamlining consumer case filing, monitoring, and virtual hearings across all consumer commissions.
  - <u>E-Dakhil Portal</u> allows online consumer complaint filing.
- National Consumer Helpline (NCH): Handles consumer complaints in 17 languages via toll-free number 1915.
- National Consumer Day: India celebrates <u>National Consumer Day</u> on 24th December, commemorating the CPA, 1986.
- GRAI: The <u>Grievance Redressal Assessment Index (GRAI)</u>, evaluates central ministries based on efficiency, feedback, domain, and commitment using <u>Centralized Public Grievance Redressal and Management System (CPGRAMS)</u> data for standardized grievance handling analysis.



## **Consumer Rights Under CPA, 1986**

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Consumer Right	Meaning
Right to Safety	It ensures protection against hazardous goods and
	services.
Right to be Informed	Consumers must get accurate product details to
	avoid unfair trade and pressure selling.
Right to Choose	It ensures access to quality goods at fair prices,
	especially in competitive markets with diverse
	choices.
Right to be Heard	It ensures that consumer interests are considered in
	appropriate forums.
Right to Seek Redressal	It ensures the consumers to report issues and get
	help from consumer bodies.
Right to Consumer Education	It is the right to lifelong consumer education, crucial
	to reduce exploitation, especially in rural areas.

# What are the Challenges and Suggested Measures for Consumer Protection in India?

Challenge	Suggested Measures

India has <b>low consumer awareness of rights and redressal mechanisms</b> , limiting consumers' ability to seek justice and effectively exercise their rights.	Implement widespread consumer education campaigns like <b>Jago Grahak Jago</b> and integrate consumer rights into school curricula.  Simplify complaint filing by reducing paperwork and formalities to boost <b>consumer activism.</b>
Inconsistent <b>enforcement of product liability provisions</b> leads to difficulty in holding manufacturers accountable for defective products.	Train judicial officers to establish clear enforcement guidelines and build the capacity of prosecuting officers under the Mission Karmayogi.
Multiplicity of grievance redressal platforms (e.g., public distribution systems, consumer rights) across states, combined with uneven implementation of consumer laws in urban and rural areas, leaves rural consumers with less access to redressal and greater vulnerability.	Expand services to rural areas by integrating Online Dispute Resolution (ODR) for e-commerce and fintech grievances, and establish grievance cells in panchayat offices to support illiterate populations.
Limited resources for consumer protection agencies hinders effective law enforcement and creates protection gaps.	Increase funding, hire staff, and improve infrastructure by establishing a permanent, independent consumer grievance redressal body as recommended by the 2nd Administrative Reforms Commission.
Lack of effective consumer redressal mechanisms, including alternative dispute resolution (ADR) options, overburdens courts and delays justice delivery.	Promote ADR before litigation; the <b>Dr. T.K. Viswanathan Committee (2024)</b> recommends strengthening arbitration with reduced court intervention and a cost-effective, time-bound framework.

### Conclusion

A robust and permanent consumer redressal mechanism is vital to uphold constitutionally backed consumer rights. It will address systemic delays, digital-era challenges, and ensure timely, expert-led justice. Strengthening infrastructure, awareness, and enforcement is key to real consumer empowerment.

### **Drishti Mains Question:**

Discuss the constitutional foundations of consumer protection in India and analyze the significance of the Supreme Court's recommendation for permanent consumer dispute resolution bodies.

### **UPSC Civil Services Examination Previous Year Question**

#### **Prelims**

Q.1 With reference to 'consumers' rights/privileges under the provisions of law in India, which of the following statements is/are correct ? (2012)

- 1. Consumers are empowered to take samples for food testing.
- 2. When a consumer files a complaint in any consumer forum, no fee is required to be paid.

3. In case of death of consumer, his/her legal heir can file a complaint in the consumer forum on his/her behalf.

### Select the correct answer using the codes given below:

- (a) 1 only
- (b) 2 and 3 only
- (c) 1 and 3 only
- (d) 1, 2 and 3

Ans: c

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