

THREE TIER CONSUMER GRIEVANCES MACHINERY UNDER THE CONSUMER PROTECTION ACT

1. District Forum:

District forum consists of a president and two other members. The president can be a retired or working judge of District Court. They are appointed by state government. The complaints for goods or services worth Rs 20 lakhs or less can be filed in this agency.

The agency sends the goods for testing in laboratory if required and gives decisions on the basis of facts and laboratory report. If the aggrieved party is not satisfied by the jurisdiction of the district forum then they can file an appeal against the judgment in State Commission within 30 days by depositing Rs 25000 or 50% of the penalty amount whichever is less.

2. State Commission:

It consists of a president and two other members. The president must be a retired or working judge of high court. They all are appointed by state government. The complaints for the goods worth more than Rs 20 lakhs and less than Rs 1 crore can be filed in State Commission on receiving complaint the State commission contacts the party against whom the complaint is filed and sends the goods for testing in laboratory if required.

In case the aggrieved party is not satisfied with the judgment then they can file an appeal in National Commission within 30 days by depositing Rs 3500 or 50% of penalty amount whichever is less.

3. National Commission:

The national commission consists of a president and four members one of whom shall be a woman. They are appointed by Central Government. The complaint can be filed in National Commission if the value of goods exceeds Rs 1 crore. On receiving the complaint the National Commission informs the party against whom complaint is filed and sends the goods for testing if required and gives judgment?

If aggrieved party is not satisfied with the judgment then they can file a complaint in Supreme Court within 30 days.

Basis	District	State Commission	National Commission
Composition	It consists of a president and two other members.	It consists of a president and two other members.	It consists of a president and four other members.
Who can be a President	A working or retired judge of District Court.	A working or retired judge of High Court.	A working or retired judge of Supreme Court.
Appointment of President	The president is appointed by the state government on the recommendation of the selection committee.	The president is appointed by the state government after consultation with the chief justice of the High Court.	The president is appointed by the central government after consultation with the chief justice of India,
Jurisdiction	In 1986, it had jurisdiction to entertain complaints where the value of goods or services does not exceed Rs 5,00,000 but now the limit is raised to 20 lakhs.	In 1986, it had jurisdiction to entertain complaints when the value of goods or services exceeds Rs 5,00,000 and does not exceed Rs 20,00,000 but now it is raised to more than Rs 20,00,000 and up to Rs1 crore.	In 1986, it had jurisdiction to entertain complaints where the value of goods or services exceeds Rs 20 lakhs but now the limit is raised and it entertains the complaints of goods or services where the value exceeds Rs 1 crore.
Appeal against orders	Any person who is aggrieved by the order of District Forum can appeal against such order to State	Any person who is aggrieved by the order of State Commission can appeal against such order to	Any person who is aggrieved by the order of the National Commission can appeal against

	Commission within 30 days and by depositing Rs 25000 or 50% of the penalty amount whichever is less.	National Commission within 30 days and by depositing Rs 35000 or 50% of penalty amount whichever is less.	such order to Supreme Court within 30 days and by depositing 50% of penalty amount but only cases where value of goods or services exceeds Rs 1 crore can file appeal in Supreme Court.
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HERE'S HOW CONSUMERS WILL BENEFIT UNDER THE NEW CONSUMER PROTECTION ACT, 2019

The new Consumer Protection Act proposes a slew of measures and tightens the existing rules to further safeguard consumer rights.

Consumers can cheer as the Consumer Protection Act, 2019 has recently replaced the three decade old Consumer Protection Act, 1986.

The new Act proposes a slew of measures and tightens the existing rules to further safeguard consumer rights. Introduction of a central regulator, strict penalties for misleading advertisements and guidelines for e-commerce and electronic service providers are some of the key highlights.

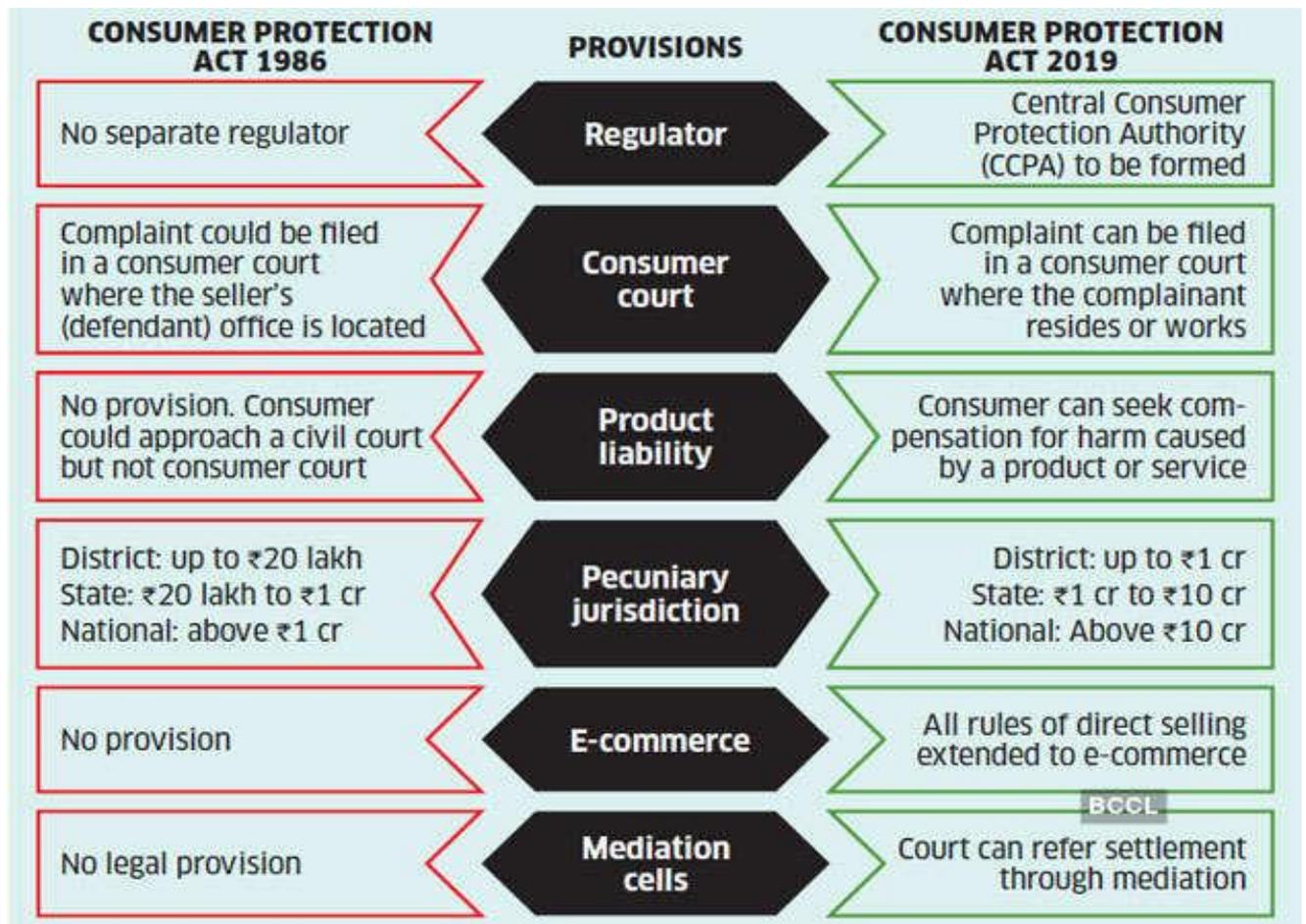
Consumer courts

Consumer redressal commissions, aka consumer courts, are present at the district, state and national levels to address consumer complaints. The Act has increased the pecuniary jurisdiction, which means ability of courts to take up cases depending on the value of the case, of the consumer courts. "Since access to district courts is better compared to state and national commissions, the increase in limit to Rs 1 crore of district courts will be a convenience point," says M.R. Madhavan, Co-Founder and President, PRS Legislative Research.

Another crucial change says that now the money spent on buying the product till that time will determine the value of the case as opposed to the previous parameter of total value of the purchased goods/service. "Say something is bought on discount, it's only fair that the amount the consumer has paid is the determiner in place of the MRP," says Madhavan.

In another move, the Act allows consumers to file their complaint with the court from anywhere. This comes as a big relief as earlier they were required to file complaint in the area where the seller or service provider was located. This is a fitting move considering the rise in e-commerce purchases, where the seller could be located anywhere. In addition, the Act also enables the consumer to seek a hearing through video conferencing, saving him both money and time.

What has changed in the new Act?



Product liability

The Act has proposed provisions for product liability under which a manufacturer or a service provider has to compensate a consumer if their good/service cause injury or loss to the consumer due to manufacturing defect or poor service. For instance, if a pressure cooker explodes due to a manufacturing defect and harms the consumer, the manufacturer is liable to compensate the consumer for the injury. Earlier, the consumer would only be compensated with the cooker's cost. The consumer could ask for compensation, but through a civil court,

which usually takes years to resolve a case, and not consumer forum.

The most significant impact of this provision will be on e-commerce platforms as it also includes service providers under its ambit. “Product liability is now extended to service providers and sellers along with manufacturers. This means e-commerce sites cannot escape as aggregators anymore,” says Mukesh Jain, Founder, Mukesh Jain & Associates.

E-commerce under the radar

E-commerce will now be governed by all the laws that apply to direct selling. The guidelines propose that platforms like Amazon, Flipkart, Snapdeal etc will have to disclose sellers’ details, such as their address, website, email, etc and other conditions related to refund, exchange, terms of contract and warranty on their website to increase transparency.

The onus of ensuring that no counterfeit products are sold on these platforms will also most likely lie with the companies. If any such product is reported or recognised, the company could be penalised. This move is fitting since cases of fake products sold through e-commerce platforms is rampant. A survey by a social community platform LocalCircles conducted in December last year showed that 38% respondents out of 6,923 were sold counterfeit products from an ecommerce site in one year. These guidelines are open for public comment until 15 September.

Separate regulator

The Act proposes establishment of a central regulator, Central Consumer Protection Authority (CCPA), to address issues related to consumer rights, unfair trade practices, misleading advertisements and impose penalties for selling faulty and fake products. Broadly, regulatory moves of CCPA will be directed towards the manufacturers, sellers and service providers and will not address customers’ grievances and disputes directly. Nevertheless, the overall purpose of CCPA is to strengthen the existing consumer rights. <https://economictimes.indiatimes.com/wealth/spend/heres-how-consumers-will-benefit-under-the-new-consumer-protection-act/articleshow/70711304.cms>