

Consumer Protection Act 2019

May 16, 2020

What are the features of the Act?

- A consumer is defined as a person who buys any good or avails a service for a consideration. It **does not include** a person who obtains a good for **resale** or a good or service for **commercial purpose**. It covers transactions through all modes including offline, and online through electronic means, teleshopping, multi-level marketing or direct selling.
- The central government will set up a **Central Consumer Protection Authority (CCPA)** to promote, protect and enforce the rights of consumers. It will also have an investigation wing.
- The CCPA may impose a penalty on a manufacturer or an endorser of up to Rs **10 lakh and imprisonment for up to two years for a false or misleading advertisement**. In case of a subsequent offence, the fine may extend to Rs 50 lakh and imprisonment of up to five years.
- Consumer rights defined:- right to (i) be protected against marketing of goods and services which are hazardous to life and property; (ii) be informed of the quality, quantity, potency, purity, standard and price of goods or services; (iii) be assured of access to a variety of goods or services at competitive prices; and (iv) seek redressal against unfair or restrictive trade practices.
- The **District** Consumer Dispute Redressal Commission (CDRC) will entertain complaints where value of goods and services does not exceed **Rs one crore**. The **State** CDRC will entertain complaints when the value is more than Rs one crore but does not exceed **Rs 10 crore**. Complaints with value of goods and services **over Rs 10 crore** will be entertained by the **National**

