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Date: 26 - June 2023

NATIONAL CONSUMER DISPUTES REDRESSAL COMMISSION (NCDRC)

This article covers "Daily Current Affairs" and the topic details "NCDRC". The topic "NCDRC" has relevance in the Governance section of the UPSC CSE exam.

Relevance:

For Prelims:

What is NCDRC?

For Mains:

GS 2:Governance

Mandate of NCDRC?

Consumer Protection Act of 1986?

Consumer Protection Act of 2019?

Why in the news?

The National Consumer Disputes Redressal Commission (NCDRC) has dismissed a complaint filed by the family of former Chief Justice Of India J S Verma claiming damages from doctors and medical institutions for the alleged negligence during his treatment.

What is NCDRC?

The National Consumer Disputes Redressal Commission (NCDRC) is a quasi-judicial body in India that handles consumer disputes at the national level. It was established under the Consumer Protection Act of 1986, which aims to protect the rights and interests of consumers in India.

Mandate of NCDRC?

- **Adjudication of Consumer Disputes:** The NCDRC has the authority to adjudicate consumer disputes at the national level. It hears and decides cases involving claims worth 1 crore rupees (10 million rupees) or more. The commission ensures fair and efficient resolution of consumer complaints and disputes.
- **Appellate Authority:** The NCDRC serves as an appellate authority for appeals against the decisions of State Consumer Disputes Redressal Commissions and District Consumer Disputes Redressal Commissions. Consumers who are dissatisfied with the rulings of lower consumer courts can approach the NCDRC for further redressal.
- **Remedies and Relief:** The commission has the power to provide remedies and relief to consumers who have suffered due to unfair practices, deficiency in services, or defective

products. It can order compensation, refund of money, replacement of goods, or other appropriate relief as deemed necessary in each case.

- **Consumer Protection Jurisprudence:** The NCDRC plays a crucial role in shaping consumer protection jurisprudence in India. Its decisions and judgments set precedents and provide guidance to lower consumer courts. The commission's rulings contribute to the development of legal principles and interpretation of consumer rights.
- **Consumer Awareness and Education:** In addition to its adjudicatory functions, the NCDRC also promotes consumer awareness and education. It endeavors to educate consumers about their rights, responsibilities, and available legal remedies. The commission may undertake initiatives to raise awareness about consumer protection laws and ensure that consumers are empowered to make informed choices.
- **Enforcement of Consumer Protection Laws:** The NCDRC is responsible for enforcing the provisions of the Consumer Protection Act of 1986. It ensures that businesses and service providers comply with consumer protection laws and regulations. The commission may impose penalties on errant businesses found to be in violation of consumer rights.

Consumer Protection Act of 1986:

The Consumer Protection Act (CPA) of 1986 is a legislation enacted in India with the objective of safeguarding consumer rights and promoting consumer welfare. It aimed to provide a legal framework for the protection of consumer interests and the resolution of consumer disputes. Here are some key features and provisions of the Consumer Protection Act of 1986:

- **Definition of Consumer:** The act defines a consumer as any person who buys goods or avails services for personal use, including those who use goods or services with the consent of the buyer.
- **Consumer Rights:** The CPA of 1986 recognizes several fundamental rights of consumers, including the right to be protected against unfair trade practices, the right to information about the quality, quantity, and price of goods or services, the right to choose, and the right to seek redressal.
- **Consumer Disputes Redressal Commissions:** The act establishes a three-tiered consumer dispute redressal mechanism, comprising the District Consumer Disputes Redressal Forum (at the district level), the State Consumer Disputes Redressal Commission (at the state level), and the National Consumer Disputes Redressal Commission (at the national level). Consumers can file complaints with these commissions based on the value of the goods or services involved.
- **Jurisdiction and Remedies:** The CPA of 1986 grants the consumer commissions the authority to hear and decide consumer complaints, provide appropriate remedies, and award compensation to aggrieved consumers. The commissions have the power to summon witnesses, receive evidence, and pass orders to protect consumer rights.
- **Unfair Trade Practices:** The act prohibits unfair trade practices, such as making false or misleading representations, misleading advertisements, and offering goods or services that are hazardous to life and safety.
- **Consumer Protection Councils:** The CPA of 1986 establishes Consumer Protection Councils at the district, state, and national levels to promote consumer rights, create awareness, and facilitate consumer education.

Consumer Protection Act of 2019:

The Consumer Protection Act (CPA) of 2019 is a comprehensive legislation enacted in India to strengthen consumer protection, address emerging challenges in the marketplace, and promote fair and transparent practices. Here are some key features and provisions of the Consumer Protection Act of 2019:

- **Definition of Consumer:** The act expands the definition of a consumer to include individuals who purchase goods or services online, through tele-shopping, direct selling, and more. It recognizes consumers engaging in e-commerce transactions and those who buy products or services through electronic means.
- **Central Consumer Protection Authority (CCPA):** The CPA of 2019 establishes the CCPA as a regulatory body with powers to protect, promote, and enforce consumer rights. The CCPA has the authority to investigate violations, order recalls, initiate class-action suits, and take action against unfair trade practices, false advertising, and misleading claims.
- **Consumer Rights:** The act enshrines certain rights for consumers, including the right to be protected against marketing of goods and services that are hazardous, the right to information, the right to seek redressal, the right to consumer education, and the right to a healthy and sustainable environment.
- **Product Liability:** The CPA of 2019 introduces the concept of product liability, holding manufacturers, product sellers, and service providers accountable for any harm caused by defective products or deficient services. It provides consumers with the right to seek compensation for injury or damage caused by such products or services.
- **Mediation and Simplified Dispute Resolution:** The act emphasizes the importance of mediation and alternative dispute resolution mechanisms to expedite the resolution of consumer disputes. It encourages settlement through mediation before approaching consumer courts and establishes mediation cells to facilitate the resolution process.
- **Consumer Dispute Redressal Commissions:** The CPA of 2019 retains the existing structure of consumer dispute redressal commissions at the district, state, and national levels. It introduces provisions for e-filing of complaints, videoconferencing for hearings, and stricter timelines for disposal of cases.
- **Enhanced Penalties:** The act increases the penalties for various offenses, such as manufacturing or selling adulterated or spurious goods, engaging in unfair trade practices, and providing false information. It provides for stricter penalties and imprisonment for repeat offenses.
- **Consumer Protection Councils:** The CPA of 2019 strengthens the role of Consumer Protection Councils at the district, state, and national levels in promoting consumer rights and creating awareness. These councils work towards consumer education, research, and advocacy.
- **E-Commerce and Consumer Protection:** The act specifically addresses e-commerce transactions and introduces provisions to safeguard consumer interests in online transactions. It covers issues like misleading advertisements, unfair contract terms, protection of personal data, and liability of e-commerce platforms.
- **Product Recall:** The CPA of 2019 empowers the government to order the recall of unsafe goods from the market if they pose a risk to consumer health or safety.

Source:

<https://www.hindustantimes.com/india-news/ncdrc-dismisses-claim-medical-negligence-as-cause-of-death-of-former-cji-101686748864097.html>

Q.1 Which of the following statements regarding the National Consumer Disputes Redressal Commission (NCDRC) is correct?

1. The NCDRC is a constitutional body established under the Consumer Protection Act of 1986.
2. The NCDRC has jurisdiction over consumer disputes involving claims worth less than 1 crore rupees.

Select the correct option:

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) None of the above

Answer: (d)

Q.2 Which of the following is a key feature introduced by the Consumer Protection Act (CPA) of 2019 in India?

- (a) Establishment of Consumer Protection Councils
- (b) Definition of a consumer limited to physical purchases only
- (c) Provision for e-filing of complaints
- (d) Three-tiered consumer dispute redressal mechanism

Answer: (c)

Q.3 The National Consumer Disputes Redressal Commission (NCDRC) plays a vital role in protecting consumer rights and resolving consumer disputes in India. Discuss the significance of NCDRC in the consumer protection framework and its contributions to the development of consumer jurisprudence.

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