

SC ON PERMANENT BODY FOR CONSUMER REDRESSAL: POLITY

NEWS: SC urges Centre to set up permanent bodies for timely consumer redressal

WHAT'S IN THE NEWS?

The Supreme Court has directed the Centre to consider setting up permanent consumer dispute forums to ensure consistent justice delivery, better tenure security, and efficiency. This comes amid concerns over delays, temporary appointments, and poor enforcement of consumer rights.

Supreme Court Directive on Consumer Forums

Background

- The Supreme Court responded to a petition pointing out poor implementation of the Consumer Protection Act, 1986.
- It directed the central government to explore the **possibility of establishing a permanent consumer dispute forum** and file a response within 3 months.

Key Observations and Directions

- **Permanent Forum:** Should include both **presiding officers and full-time administrative staff**.
- **Judicial Oversight:** Suggested that **sitting judges** may be appointed to lead such forums.
- **Tribunal Strength:** The Union Government may consider **increasing the number of Consumer Courts and Commissions**.

Appointment Process and Tenure

- **Selection Criteria:**
 - **Non-judicial members:** To undergo a **written exam and viva voce**, coordinated with State Service Commissions.
 - **District Commission Presidents:** Limited to **serving or retired District Judges** only.
- **Selection Committees:**
 - Must have **judicial majority (over 50%)** to ensure impartiality and legal integrity.
- **Tenure:**
 - Currently 4 years, but **Court suggests a fixed 5-year tenure**, to be applied **prospectively** (future appointments).

Rationale for Permanent Consumer Dispute Bodies

Ensure Continuity and Stability

- Temporary posts lead to **frequent disruptions and inefficiency**.
- Permanent institutions can maintain **long-term consistency and judicial quality**.

Address Case Backlogs and Delays

- Present consumer forums suffer from **staff shortages, poor infrastructure, and long pendency**.
- Permanent forums can be **better staffed, trained, and managed**.

Enhance Professionalism

- Full-time appointments attract **qualified judges and officers**.
- Leads to **domain expertise** in complex consumer matters (like e-commerce, digital fraud, data privacy).

Adapt to Modern Consumer Challenges

- Rise of **digital markets and cross-border e-commerce** has made disputes more complex.
- Need **specialized forums** that understand emerging legal-technical issues.

Boost Consumer Confidence

- A robust institutional setup ensures **fair, speedy, and high-quality redressal**.
- Reinforces the **constitutional obligation to protect consumer rights**.

Improve Administrative Efficiency

- Permanent bodies can implement **digital platforms, case-tracking systems, legal databases**, etc.
- Reduces delays, increases transparency, and improves access to justice.

Key Legislations Safeguarding Consumer Rights

1. Consumer Protection Act, 1986

- Established **District, State, and National Commissions** for dispute resolution.
- Recognized **six consumer rights**:
 - Right to Safety
 - Right to be Informed
 - Right to Choose
 - Right to be Heard
 - Right to Seek Redressal

- Right to Consumer Education

2. Consumer Protection Act, 2019

- Replaced the 1986 Act to address **modern consumer challenges**:
 - Covers **e-commerce, misleading ads, product liability, and unfair contracts**.
- Introduced the **Central Consumer Protection Authority (CCPA)**.
- Promotes **alternate dispute resolution, mediation, and digital complaint filing**.

3. Bureau of Indian Standards (BIS) Act, 2016

- Ensures **mandatory quality certification**, product recall mechanisms.
- Enforces **penalties** for non-compliance to safety norms.

4. Legal Metrology Act, 2009

- Regulates **weights, measures, packaging, and label accuracy**.
- Ensures **transparent market practices** for consumers.

5. Additional Government Measures

- **“Jago Grahak Jago”**: Mass campaign to raise consumer awareness.
- **E-Jagriti portal**: Enables **virtual hearings** and **online complaint submission**.
- **Digital Guidelines**: Issued by Department of Consumer Affairs to tackle deceptive online practices like **dark patterns**.

Central Consumer Protection Authority (CCPA)

Establishment

- Formed under **Section 10(1) of the Consumer Protection Act, 2019**.
- Acts as the **regulatory body** for enforcing consumer rights.

Powers and Jurisdiction

- Can take action against:
 - **Unfair trade practices**
 - **False or misleading advertisements**
 - **Harmful or deceptive products/services**

Composition

- Headed by a **Chief Commissioner**.
- Supported by **two Commissioners**:
 - One for goods-related complaints.
 - One for service-related complaints.
- **Director General** heads the **Investigation Wing**.

District Collectors' Role

- Empowered to **investigate complaints** at the local level.
- Can take action against **violators of consumer rights** and **market manipulators**.

Source: https://www.business-standard.com/industry/news/supreme-court-permanent-consumer-dispute-forum-centre-directed-response-125052101966_1.html