Consumer Rights – Ensuring Efficient and Speedy Disposal

Mains: *GS-III Economy | Consumer Rights & GS-II Governance*

Why in News?

National Consumer Day is observed in India on 24 December to highlight the significance of consumer rights and the broader framework of consumer protection.

How have consumer laws in India evolved over time?

- **Ancient India –** Dharmasastra and Arthashastra emphasized fair trade, honest weights, and accountability of merchants. Ethical trade was seen as a moral duty.
- **Medieval Period –** Guilds and local regulations ensured quality standards and punished fraudulent practices.
- **British Rule –** The Consumer protection began to take legal shape through laws like:
  - Indian Contract Act (1872) defined rights and obligations in trade.
  - Sale of Goods Act (1930) focused on product quality and buyer rights.
  - Drugs and Cosmetics Act (1940) regulated safety in pharmaceuticals.
- **Post-Independence Foundations** – The Consumer protection initially tied to rationing, subsidies, and price controls.
  - Its focus was on basic needs and preventing exploitation in
  - Essential commodities (Essential Commodities Act (1955),
  - Food adulteration (Prevention of Food Adulteration Act (1954),
  - Controlled monopolistic trade practices, etc.
- **Consumer Protection Act, 1986 –** It recognized consumer rights and marked a shift from welfare dependency to rights recognition.
- It defined consumer rights - safety, information, choice, redressal, and education.
- Introduced ***3-tier redressal system*** –
- District Consumer Disputes Redressal Forum – Involving claims up to Rs. 50 lakhs.
- State Consumer Disputes Redressal Commission – exceeding Rs. 50 lakhs and up to Rs. 2 crore.
- National Consumer Disputes Redressal Commission (NCDRC) – Apex body, involving complaints above Rs. 2 crore.

In July 2025, 10 States, along with the NCDRC recorded ***a disposal rate of more than 100%*** *(more cases were resolved than newly filed during the month).*

- **Judicial Contributions –** The Courts expanded consumer rights through progressive judgments and recognized consumer protection as ***part of Article 21 (Right to Life)***

in some cases.

- **Consumer Protection Act, 2019 –** Modernized framework to address digital economy:
  - Covers e-commerce transactions.
  - Introduced Central Consumer Protection Authority (CCPA).
  - Stricter penalties for misleading ads and unfair trade practices.
  - Product liability provisions holding manufacturers accountable.
- **CCPA Functions –** It is mandated to recall unsafe goods, penalize misleading ads, regulate endorsers and issue guidelines against dark patterns (false urgency, drip pricing, disguised ads).
- **Digital Personal Data Protection Act, 2023 –** It focused on data privacy, consent, and accountability in digital transactions.

National Consumer Day, 2025 *carries the theme "Efficient and Speedy Disposal through Digital Justice", which underscores India's transition from traditional welfare-oriented consumer protection to a digital-first framework, driven by platforms such as e-Jagriti and the upgraded National Consumer Helpline 2.0.*

What are the measures taken by the Government to protect the Consumer rights?

- **e-Jagriti (launched Jan 2025)** – It is a digital platform for consumer grievance redressal, integrates earlier systems, including OCMS, e-Daakhil, NCDRC CMS, CONFONET into a single, streamlined interface.
- Achievements – 1.35 lakh filings, 1.31 lakh disposals, disposal rates >100% in several states.
- **National Consumer Helpline 2.0** – The Department of Consumer Affairs has upgraded the National Consumer Helpline (NCH) with the introduction of AI-enabled NCH 2.0.
- It now resolves over 12 lakh complaints annually, with many being addressed within 21 days; refunds worth Rs.27.61 crore facilitated Apr–Oct 2025.
- **Jago Grahak Jago App & Dashboard –** It is the advanced digital tools to safeguard consumers from deceptive online practices, which detects dark patterns in e-commerce.
- **Consumer Welfare Fund –** It aims to support initiatives that protect consumer interests and strengthen the consumer movement across the nation.
- **Consumer Welfare Corpus Fund** - States/UTs establish a Consumer Welfare Corpus Fund
- Contribution Ratios – 75:25 → Central Government : State Government (general states) & 90:10 → For Special Category States and designated Union Territories.
- During the financial year 2024-25 (as on 31.12.2024), an amount of Rs.38.68 Crore has been released to the States/UTs.
- **Bureau of Indian Standards (BIS)** – It serves as India's national standard body under the BIS Act, 2016.
- Over 22,300 Indian Standards are in force, with 94% aligned with international norms of International Organization for Standardization (ISO) and International

Electrotechnical Commission (IEC).

- **BIS Care App –** It enables consumers to easily verify hallmarked jewellery by simply entering the HUID number to check purity, product type, and details of the jeweller and hallmarking centre.
- **National Test House (NTH) –** It is a trusted laboratory for testing, calibration, evaluation, and quality control of a wide range of engineering materials and finished products.
- The NTH is modernising its operations through the adoption of digital solutions such as Laboratory Data Automation System (LDAS), new mobile application, etc.
- It tested 45,926 samples in 2024–25, revenue up 49.89%.
- **Legal Metrology Amendments (2025)**
    - Packaged Commodities Amendment Rules, 2025 – Medical device packages must comply with Medical Devices Rules, 2017 labeling norms.
    - Government Approved Test Centre Amendment Rules, 2025 – It expanded scope of approved test centres by recognizing regional reference laboratories and national test houses.

What are the key issues associated with consumer rights in India?

- **Low Consumer Awareness –** Many consumers are unaware of their rights to safety, information, choice, and redressal under the law.
- **Delays in Grievance Redressal –** The Consumer courts and grievance portals face case backlogs and procedural hurdles, leading to prolonged delays.
- **Misleading Advertisements & Unfair Trade Practices –** Misleading claims in health, education, and e-commerce trick consumers; enforcement is weak.
- **Digital & Financial Fraud –** With the rise of online shopping and digital banking, consumers face cyber fraud, phishing, and unauthorized transactions.
- **Weak Enforcement & Accountability –** Authorities like CCPA exist but lack strong power; companies often escape liability.
- **Accessibility Issues –** Rural consumers face difficulty accessing consumer forums or online portals due to poor digital access and language barriers.

What lies Ahead?

- National Consumer Day 2025 highlights India’s ongoing commitment to safeguarding consumer rights and promoting trust in the marketplace.
- Various activities like digital launches, collaborations, awareness drives, and innovation awards show a united effort to empower consumers.
- Collectively, these measures demonstrate steady progress towards a fair, transparent, and consumer-centric ecosystem, reinforcing the idea that informed and empowered consumers are vital for a healthy economy.

References

1. PIB | National Consumer Day
2. Law Bhoomi | Evolution Of Consumer Protection Law



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