



Consumer Protection Act 2019

A new era for consumers in India

History was created in August 2019, empowering Indian consumers further, when the new Consumer Protection Act 2019 was enacted by Parliament. This Act repealed the Consumer Protection Act, 1986 which was amended thrice. The need for a new Act arose as the market scenario has changed a great deal, mainly due to advancements in

technology and the rise of e-commerce. This created new issues for consumers which needed to be addressed.

Grahak Sathi brings to you the major provisions of the new Consumer Protection Act. We also discuss the impact they will have on consumers. Also know what remedies are available and how to seek redress.

Product Liability now in India

The New CP Act defines product liability as *"the responsibility of a product manufacturer or product seller, of any product or service, to compensate for any harm caused to a consumer by such defective product manufactured or sold or by deficiency in services relating thereto."*

A manufacturer or a service provider now has to compensate a consumer if their good/service causes injury or loss to the consumer due to manufacturing defect or poor service. For instance, if a TV's manufacturing defect causes short circuit and harms the consumer, earlier the consumer would be compensated

Nutshell

- Introduction of 'Product liability' provision to deter manufacturers and service providers from delivering defective products or product related deficient services
- E-commerce included within the ambit of Consumer Protection Act
- Establishment of Central Consumer Protection Authority (CCPA)
- Increase in pecuniary jurisdiction
- Penalties for misleading advertisements
- The limitation period for filing a complaint remains 2 years from the date on which cause of action



with the cost of the TV. But now with the provision for product liability, the manufacturer is liable to compensate the consumer even for the injury.

Another important aspect is that not only the manufacturer but the seller also is liable to compensate a consumer. The Act has also defined harm to include damage to any property; personal injury, illness or death; mental agony or emotional distress. Defect means any fault, imperfection or shortcoming in the quality, quantity, potency, purity or standard of a product.

Liability of manufacturer and product service provider:

The product manufacturer and product service provider shall be liable in a product liability action if any harm is caused on account of a defective