



NEW AGE CHALLENGES IN CONSUMER PROTECTION IN INDIA

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ABSTRACT

With the business scene experiencing huge changes in the most recent decade, requirement for an advanced customer security system is being felt crosswise over areas and countries. This is to a great extent because of rise of computerized economy, mechanical progressions identifying with how exchanges are done and developing unpredictability of merchandise and enterprises.

Customer security systems should be in accordance with these adjustments in business condition. This paper ponders the developing patterns which have a direction on the premiums of shoppers in the commercial center.

The paper further investigates the new difficulties being looked in the Indian market with an exceptional spotlight on security of the shoppers in monetary administrations, internet business and of powerless gatherings. It should be guaranteed that customers are not expose to unjustifiable and tricky practices, approach significant and practically identical data, have plan of action systems accessible to determine debate, and protection of their own data is kept up.

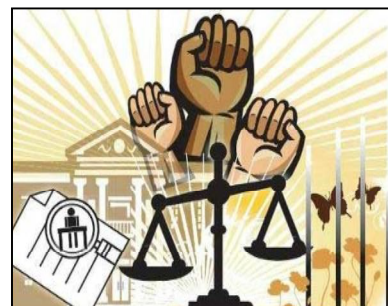
The paper looks to investigate conceivable answers for difficulties related with buyer assurance and recommends some approach activities which can reinforce purchaser security routine.

KEY WORD: Consumer Protection, UNGCP, Consumer Affairs, Financial Services.

INTRODUCTION

With quick paced improvements occurring in the commercial center, the components of purchaser assurance are quickly evolving. Complex items, inventive administrations, innovative progressions, forceful moving practices describe the current showcasing age. At the point when the market scene is so unique, the customer insurance systems in that can't stand to stay static. They need to continue advancing, adjusting and enhancing constantly. What's more, the globalization of the commercial center likewise presents difficulties of its own.

Difficulties identifying with insurance of shoppers in commercial center incorporate guaranteeing buyers approach sufficient data, are not exposed to uncalled for and misleading practices and guaranteeing accessibility of plan of action systems if there should arise an occurrence of question. These difficulties are more appropriate in connection to money related administrations, internet business exchanges and for defenseless gatherings. Budgetary administrations and E-business need part explicit enactment to secure buyers while



'hazy areas' which are not adequately directed keep on existing. With the progression in innovation and expanding unpredictability of items and administrations on one hand and nonappearance of sufficient direction on the other, there are openings for corrupt components to abuse the shoppers.

Purchaser insurance concerns are shared universally and are not explicit to any nation or segment. Universal standards, models, and between government participation in such manner can go far to serve purchasers' interests.

OBJECTIVES & METHODOLOGY

The aims and objectives of this paper are as follows:

1. To discuss existing consumer protection framework in India
2. To explore challenges to consumer protection in today's time
3. To suggest measures to strengthen consumer protection in India

This paper is basically founded on writing survey. Existing purchaser insurance system in India was surveyed to feature zones which require focal point of our future strategy activities.

The paper is partitioned into three principle segments. In the principal area, the paper quickly records down existing purchaser insurance system in India. In the second area, the holes in existing arrangements are distinguished and developing difficulties to shopper insurance are contemplated. In the third and last area, conceivable arrangements and measures to enable the buyers are recommended.

3. Existing Consumer Protection Frameworks in India

3.1 Legal and Institutional framework: This framework includes the existing laws, regulations and institutions in place to protect the interests of consumers in India and can be divided into two categories:-

1. General legislations & institutions
2. Sector specific legislations & institutions

The Consumer Protection Act, 1986 (COPRA) in India gives a three-level, semi legal apparatus, at the National, State and District levels, for the security of purchasers. The goal of the Act is to accommodate better assurance of the interests of purchasers and to make arrangement for the foundation of buyer committees and different experts for the settlement of shoppers' question. By and by, there are 629 District Forums and 35 State Commissions set up with the National Consumer Disputes Redressal Commission (NCDRC) being at the peak to give reasonable, rapid and outline redressal of purchaser debate.

Some other real broad enactments in India are Indian Contract Act, 1872; Sale of Goods Act, 1930; Standards of Weights and Measures Act, 1976; Bureau of Indian Standards Act, 1986; Competition Act, 2002. Some sector specific legislations are:-

- Insurance Regulation and Development Act, 1999
- Reserve Bank of India Act, 1934
- Telecom Regulatory Authority of India, 1997

Part explicit controllers exist to guarantee that shopper assurance arrangements and directions are set up inside their sectoral jurisdictions. The detailing and selection of autonomous administrative systems in the zone of power, broadcast communications, protection and so on has as of late being attempted in India. A portion of these controllers are:

- Reserve Bank of India (RBI) for Banking Sector
- Insurance Regulatory and Development Authority (IRDA) for Insurance Sector
- Securities and Exchange Board of India (SEBI) for Securities Sector
- Telecom Regulatory Authority of India (TRAI) for Telecom sector

4. CHALLENGES IN CONSUMER PROTECTION

4.1 Information Asymmetry

Data asymmetry in a commercial center happens when one gathering to the exchange have more data on the items/administrations. In a normal buyer showcase, the maker or merchant have more data

when contrasted with the client. When settling on buy choices, customers might want to know three snippets of data (London Economics, 1997): the cost of the item, the nature of the item, and, the terms of exchange.

4.2 Redress Mechanism

Redressal Mechanisms give response to customers who have had disagreeable involvement in the market. Consumer Protection Act, 1986 accommodates semi legal framework comprising of the Consumer Fora, State Commissions and National Commission. Some explicit difficulties identifying with change systems are: Long, cumbersome, time-consuming legal process

- Onus is on the consumer to take action
- Lack of understanding about legal intricacies
- Lack of Alternate Dispute Redressal Mechanisms

5. Possible Solutions to Challenges

5.1 Making Information comparable

Data asymmetry as examined in the past segment can be a colossal obstacle in the basic leadership procedure of the buyer and she/he can be effortlessly swindled by retention basic data about the item or administration. This issue can be tended to by the accompanying practices (Borooah, n.d.):

1. Quality affirmation by able outsiders,
2. Uniform quality guidelines,
3. Warranties and ensures offered by makers,
4. Informative publicizing by makers,
5. Recommendations by purchaser reports created by VCOs,
6. Standard wording to be utilized in contracts, terms and conditions,
7. Non-oppressive institutionalized contract statements. Information asymmetry can also be greatly reduced by widespread access to internet. Internet can be a great facilitator for information exchange from producers to consumers and also from consumers to consumers.

5.2 Effective Dispute Resolution & Multilateral Redress Mechanism

Companies need to set-up effective complaint handling systems, which can resolve problems in the early stages. International best practices can be adopted by companies to ensure that the complaint handling systems are efficient and effective (Hodges, 2013). Corporations might adopt ISO 10000 suite for effective complaints handling which will go a long way in reducing the consumer detriment which may arise when complaints are not solved.

6. CONCLUSION

Because of changing nature of items and administrations and mechanical headways in the business condition, new dangers to customer welfare have developed. These require updation of our current buyer assurance hardware. While Consumer Protection Act is under a procedure of modification and a portion of the holes distinguished are being tended to, a considerable measure still should be finished.

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