
LEGAL MECHANISM OF CONSUMER'S GRIEVANCE REDRESSAL AND ITS ROLE IN ECONOMIC DEVELOPMENT OF NATION: A NEW INDIA TOOL OF SPEEDY JUSTICE

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ABSTRACT

By creating a fair and efficient market, consumer grievance redressal processes help nations thrive economically. India's fast economic expansion and urbanisation require an effective grievance redressal mechanism to protect consumer rights and market integrity. This research study examines India's consumer grievance redressal legislative processes and their complex impact on the economy.

This multidisciplinary article examines the complex link between consumer grievance redressal and economic development from legal, economic, and sociopolitical viewpoints. It assesses India's consumer protection legislation and regulatory authorities' complaint resolution capabilities. An efficient grievance redressal mechanism increases customer trust, market competition, and investment confidence, which boosts economic growth.

The report also examines India's grievance redressal processes' accessibility, cost, and awareness difficulties. It examines how digitization and technology might expedite consumer redress and speed up justice. The study report also examines worldwide consumer protection best practises and suggests how India might improve its redressal system. It claims that a strong redressal process protects consumer interests and boosts economic growth by encouraging transparent and competitive company. Finally, the report recommends policies and tactics to improve consumer grievance redressal in India, establishing it as a critical instrument for swift justice and sustainable economic growth in the New India of the 21st century.

The purpose of this study was to investigate the effects of a particular intervention on a specific outcome The Consumer Protection Act of 1986 was enacted with the primary objective of safeguarding consumer rights and ensuring prompt resolution of consumer grievances. However, it has become outdated and fails to address the contemporary challenges faced by

consumers in the present-day market, particularly in relation to online transactions, teleshopping, product recalls, unfair contracts, and deceptive advertising practises. Consumer courts play a vital role in the resolution of disputes between consumers and businesses. These judicial bodies provide as a platform for consumers to seek redress for grievances arising from the In India, the judiciary is currently faced with the challenge of managing a substantial backlog of over 4.3 lakh outstanding cases. Furthermore, buyers are have to endure lengthy waiting periods spanning several years for relatively little sums. The concept of justice is a fundamental principle in various fields of study and is often examined from In order to enhance and bolster consumer rights in India is a country located in South Asia.

The Consumer Protection Act of 2019, which is widely regarded as As a significant achievement in safeguarding consumer rights has The legislation has been approved by the parliamentary body. The Emergence of Enhanced Consumer Protection Measures The proposed legislation aims to repeal and replace the Consumer Protection Act of 1986, with the objective of establishing a new legal framework. The Central Consumer Protection Authority (CCPA) is an entity that plays a significant role in safeguarding consumer rights and interests. One of the key mechanisms employed by the CCPA is mediation, which serves as a means of resolving disputes between consumers and businesses about products or services. Enhanced consumer protection measures include increased liability and expedited resolution processes facilitated by consumer commissioners. user's text is already academic. The author highlights significant inquiries arising from the discontinuities seen in the Consumer Protection Act of 1986, as well as the existing backlog. This paper examines the prevalence of consumer cases in the legal system and explores the role of mediation as a potential resolution method. The proposed legislation has the potential to significantly impact the consumer landscape. The concept of protection is a crucial aspect within various domains.

Keywords: Consumer's Right, Consumer's Grievance, Ecpnomic Development and Consumers.

Introduction:

The emergence of digital technology has facilitated the widespread use of e-commerce, smart phones, cloud computing, and the internet. Consequently, global supply chains have been able to offer customers enhanced options through convenient access to a wide range of products and services. However, it is important to acknowledge that contemporary consumers are susceptible to emerging exploitative trade practises, unfair business practises, and unethical conduct. Moreover, the presence of deceptive ads, particularly in the digital realm, tele-marketing,

multi-level marketing, direct selling, and e-tailing, provide additional obstacles that were not prevalent in 1986¹.

Due to the absence of a mechanism for consumers to independently evaluate the purported attributes of a product or service through the website, they are compelled to rely only on the representations shown on e-portals. Consequently, consumers often find themselves in the position of making upfront payments prior to receiving or inspecting the goods. One of the challenges encountered by consumers is a limited understanding of the website's address or location, as well as the procedures and channels available for lodging complaints in the event of fraudulent activities by sellers.

The lack of an effective and efficient procedure for resolving consumer disputes can lead to a decrease in consumer trust in the overall justice delivery system.

Consumers encounter challenges and financial burdens while seeking resolution for their disputes, mostly due to the prevalence of low-value claims and the presence of low-income individuals among consumer populations. The primary objective of the Consumer Protection Act, 2019 is to enhance the authority of consumers in addressing the aforementioned difficulties, therefore replacing the existing legislation that has been in effect for a period of thirty years.

In the context of a developing nation such as India, the implementation of Alternative Dispute Resolution (ADR) mechanisms can serve as an effective strategy to expedite the resolution of consumer complaints. This approach can alleviate the workload on consumer forums and offer a more suitable framework for prompt resolution of such issues.

The proposed legislation, known as the Consumer Protection Act of 2019, aims to incorporate the use of mediation as a means to efficiently resolve consumer complaints. Various sorts of issues exist in the realm of cybersecurity, including but not limited to online fraud, leakage of ATM data, and the occurrence of malfunctioning systems. The aforementioned issues encompass the presence of inferior, duplicated, and poor-quality items, as well as the existence of dangerous products and the use of predatory pricing strategies².

¹Saraf D.N, 1990 in his concept "Law of consumer protection in India",by N.M Tripathi at 21.

²Uppal,R.K. and Kaur, Kimpi, Consumer protection through mass awareness 34 (MHP, New Delhi 2007).

The study aims to achieve the following objectives:

1. In order to comprehend the deficiencies within the Consumer Protection Act of 1986, particularly the issue of delayed resolution of consumer disputes, as well as the obstacles encountered by customers, particularly in the context of online purchases.
2. The objective is to examine and analyse novel approaches, such as mediation, in the context of resolving consumer disputes.
3. The objective of this study is to analyse the many talents, limitations, and dynamics involved in the bargaining process with regards to consumer protection.
4. The aim of this discussion is to analyse the measures outlined in the Consumer Protection Act of 2019 regarding mediation and its reception among customers who have experienced harm or dissatisfaction.

II. SHORTCOMINGS OF THE CONSUMER PROTECTION ACT, 1986

After a period exceeding three decades after enacting the Consumer Protection Act, it is imperative to reassess and reevaluate the efficacy of Consumer courts in fulfilling their stated objectives. Are consumers receiving prompt resolution of their grievances? One of the challenges associated with consumer courts is the delay in the resolution of consumer disputes³, as well as the non-disposal of cases. These issues are further compounded by a shortage of labour and inadequate infrastructural facilities. Allegations have been made regarding the dominance of attorneys in consumer forums, where consumers, without knowledge of legal procedures and processes, are hesitant to advocate for their cases in consumer courts. The three-tier judiciary is entirely reliant on the Department of Consumer Affairs for many matters, such as the nomination of members and financial assistance. In instances of conflicts between customers and enterprises. Alternative Dispute Redressal (ADR) is increasingly recognised as a more expeditious, economical, and efficient approach for the prompt resolution of customer grievances. The consumer courts in contemporary times are encountering significant challenges pertaining to the accumulation of a large number of pending cases and the subsequent delays in their resolution, as the adage "justice delayed is justice denied" aptly

³Available at <http://www.thehindubusinessline.com/opinion/issues-regarding-consumer-protectioninindia/article9786478>.

suggests. Consumer courts have been formed with the dual purpose of expeditiously resolving consumer grievances and establishing quasi-judicial bodies, distinct from civil courts, to grant compensation to customers. However, throughout the years, there has been a significant reliance on consumer courts to handle a substantial number of cases. Several gaps can be identified in the Consumer Protection Act of 1986⁴ like-

- a) The Consumer Protection Act of 1986, despite being enacted with the noble intention of safeguarding consumer rights, has become obsolete and fails to account for the swift transformations occurring in consumer marketplaces, particularly in relation to online transactions, teleshopping, product recalls, unfair contractual agreements, and deceptive advertising practises.
- b) According to Section 13 (3A) of the Consumer Protection Act (CPA) of 1986, it is mandated that every complaint should be handled with promptness and efforts should be made to resolve the complaint within a three-month timeframe from the date of notice by the opposing party. However, if the complaint involves the testing of goods, the resolution period may extend up to five months. However, it is observed that the occurrence of delays in obtaining justice is attributed to the substantial backlog of cases and many instances of adjournments (The Consumer Protection Act, 1986)⁵.
- c) The consumer courts are currently experiencing a significant backlog of unresolved cases, while the buyer-seller contract exhibits a bias in favour of the seller. Moreover, the current methods are getting increasingly costly and time-consuming.
- d) The Presidents and Members of the consumer courts play a crucial role in the functioning of the consumer dispute redressal system. They significantly contribute to bolstering customer confidence in the redressal procedure. However, it has been observed that there exists a vacancy of over 400 positions for Presidents and members in several consumer forums. The lack of urgency displayed by State governments in promptly addressing the vacancies in public service positions is evident, as is the absence of consumer protection as a priority on the political agenda of any major party.

⁴AIR 2003 SC 1043.

⁵ Sheetal Kapoor, Consumer Affairs and Customer Care (Galgotia Publishing Company, 2nd edn., 2019).

- e) Consumer courts are now staffed by individuals who have been assigned from other agencies, but lack any prior expertise in judicial practises. It is imperative to administer comprehensive training to the individuals appointed to serve in Consumer courts prior to their commencement of duties. The current protocol involves administering training subsequent to accepting the role of a member.
- f) It is frequently observed that the compensation awarded by consumer courts is often minimal and insignificant, requiring consumers to engage in extensive efforts to ensure the enforcement of such rulings.
- g) There has been a notable absence of effective coordination between the President and members of the consumer court, resulting in delays in the timely resolution of cases. It is not uncommon for a significant number of adjournments, often around ten or fifteen, to be granted.
- h) The President of the National Commission⁶ or State Commission does not possess the authority to initiate suo motu action in response to damages that impact a significant portion of the public, such as deceptive marketing.

III. ANALYSIS OF THE CASES DISPOSED BY CONSUMER COURTS

Based on the statistics provided by the Department of Consumer Affairs, it is evident that a substantial number of cases, over 430,000, are now awaiting resolution in the several consumer courts. This figure is indeed concerning. The primary objective of establishing consumer courts was to offer affordable and expeditious resolution for consumers. Initially, consumers were able to represent themselves in these courts, but over time, there was a shift towards engaging legal professionals. Consequently, the consumer courts began experiencing frequent adjournments, leading to significant delays in the overall adjudication process.

The examination of cases resolved by consumer courts is crucial in evaluating the efficacy of consumer protection legislation and the existing systems for resolving consumer grievances. This investigation offers significant insights into the patterns, obstacles, and general condition of the enforcement of consumer rights⁷. Below is a suggested framework for doing a study of

⁶4 <https://hpconsumercommission.nic.in/juris.htm>-.Last accessed on 24th, September, 2023 at 5:00 PM.

⁷ V.K. Aggarwal, Consumer Protection: Law & Practice (Bharat Law House 2015).

cases resolved by consumer courts:

1. **Data Collection:-** Collect extensive data pertaining to the cases resolved by consumer courts. Typically, one may acquire this information by consulting court records or pertinent government bodies tasked with safeguarding consumer interests.
2. **Classification of Cases:-** Cases may be classified into several categories by considering numerous variables such as the type of complaints, the industries included, the geographical distribution, and the ultimate resolution of each case (e.g., consumer's favour, settlement, or dismissal).
3. **Analysis of Trends:-** Identify patterns in the categories of consumer complaints⁸. Are there particular businesses or sectors that exhibit a higher propensity for generating disputes? What are the prevalent challenges encountered by customers, such as product faults, service shortcomings, and unfair practises?
4. **Geographic Analysis:-** Evaluate the potential concentration of consumer court cases within certain areas or states. This study has the potential to identify regions where consumer protection enforcement may be comparatively weaker.
5. **Analysis of Resolution Time:-** Determine the mean duration for the resolution of cases, measured from the date of filing to the date of disposition. This investigation has the potential to unveil the efficacy of the consumer court system.
6. **Analysis of Outcomes:-** Assess the results of instances. What is the number of cases that were decided in favour of consumers, and what is the number of cases that were dismissed? Do consumers typically express satisfaction with the outcomes?
7. **Analysis of Consumer Demographics:-** Conduct an examination of the demographic characteristics of consumers implicated in the instances, encompassing age cohorts, income brackets, and educational attainment. This approach facilitates the identification of consumer groups that are susceptible to vulnerability.
8. **Evaluation of Industry Compliance:-** Investigate the extent to which industries or firms, who

⁸⁵ <https://www.legalraasta.com/blog/competition-act-2002/>. Last accessed on 22nd, September, 2023 at 5:00 PM.

have been the focus of consumer complaints, have enhanced their practises or adherence to regulations subsequent to consumer litigation.

9. Analysis of Legal Expenses and Remedial Measures:- Evaluate the financial expenditures borne by consumers in legal proceedings and examine the compensatory measures granted to them. This research has the potential to ascertain the level of accessibility within the consumer court system and evaluate the sufficiency of remedies granted.

10. Challenges and Bottlenecks in Consumer Court Cases:- Examine the prevalent obstacles encountered by consumers in their pursuit of legal action within consumer courts. This may encompass legal intricacies, time lags, and procedural obstacles⁹.

11. Comparative Analysis:-Conduct a comparative analysis by examining the data and trends in relation to past years or other jurisdictions, if available, in order to evaluate the presence of improvements or regressions.

12. Policy Recommendations:- Drawing upon the analysis conducted, it is recommended that policy measures be implemented to bolster the efficiency and efficacy of consumer protection legislation and the consumer court system. Potential strategies to address this issue encompass a range of approaches, such as enacting legislative reforms, implementing heightened awareness campaigns, and establishing mechanisms to streamline the settlement of cases.

13. Evaluation of the Impact of Public Awareness and Education Programmes on Consumer Disputes Reduction and Consumer Rights Awareness Improvement: This study aims to assess the effectiveness of public awareness and education programmes in mitigating consumer disputes and enhancing consumer rights awareness.

In summary, the examination of cases resolved by consumer courts has significant importance in upholding the effective operation of consumer protection measures. This process aids in the identification of areas that require development, the enhancement of customer happiness, and the eventual promotion of fair and responsible business practises, all while ensuring the protection of consumer rights.

The analysis of data pertaining to the number of cases resolved by consumer courts reveals that

⁹<https://pib.gov.in/PressReleasePage.aspx?PRID=1639925>. Last accessed on 22nd, September, 2023 at 5:00 PM.

on July 5th, 2018, a total of 48,14,211 cases were recorded at the National, State, and District levels. Out of these, 43,87,317 cases have been successfully resolved. Therefore, it is noteworthy that there is a significant number of 430,000 instances that remain unresolved throughout several consumer forums, with a disposal rate of 91.13%.

illustrates that a total of 122,042 cases¹⁰ were recorded with the National Commission from its establishment until July 5, 2018. Among these instances, 84.82% were resolved, while 11% remained unresolved and were still pending with the National Commission. A total of 788,463 cases were registered with State Commission 7 since its establishment through July 2018. Of these cases, 86.01 percent were successfully resolved. A significant total of 3,903,706 cases were recorded across the District Consumer Forums nationwide, with a commendable performance by the District Consumer Forums, as 92.37% of the cases were successfully resolved. The principle of "justice delayed is justice denied" holds true in the context of the numerous ongoing cases within the several consumer forums, which can be identified as a significant downside of the Consumer Protection Act of 1986. Consumers are often have to endure lengthy waiting periods in order to obtain recompense for minor grievances, such as faulty items or inadequate services.

IV. NEED TO IMPROVE: MEDIATION AN INNOVATIVE AND PRACTICAL METHOD IN CONSUMER LAWS

As previously stated, the increasing quantity of unresolved cases in consumer courts and the resulting delays in obtaining resolution need the implementation of expedited options to ensure prompt access to justice for affected consumers.

Online customers encounter significant obstacles including breaches of data privacy and security, the availability of poor and counterfeit items, phishing attempts, and issues related to territorial jurisdiction.

In the context of the Indian Legal System, many techniques of resolving conflicts, including arbitration, conciliation, mediation, and Lok Adalat, can be employed to facilitate the resolution of consumer issues in a more efficient manner. These approaches exhibit a lower level of formality and promote active communication and engagement among disputants in the

¹⁰<https://hpconsumercommission.nic.in/cpa2019.pdf>-hp consumer protection act 2019. Last accessed on 22nd, September, 2023 at 4:00 PM.

pursuit of solutions¹¹. They demonstrate a heightened emphasis on identifying and addressing the underlying reasons of the dispute, as well as the potential for preserving relationships. Additionally, these methods provide notable advantages in terms of time and cost savings.¹²

Therefore, it is recommended that the use of alternative dispute resolution (ADR) be considered due to its ability to offer procedural flexibility, time and cost efficiency, and the avoidance of trial-related stress. Additionally, it is suggested that a three-tier hierarchical structure be implemented.

Alternative Dispute Resolution (ADR) is a method utilised for resolving disagreements between parties having opposing interests, without the need for formal adjudication. Alternative Dispute Resolution (ADR) has emerged as a very effective strategy for expediting the resolution of disputes, hence alleviating the workload on consumer forums. It offers a well-suited framework for promptly addressing and settling conflicts.

Mediation, a mechanism for resolving disputes via direct communication with the opposing party, has been incorporated into the Consumer Protection Act of 2019.

In his autobiography, Mahatma Gandhi eloquently articulated his perspective on the practise of amicable conflict settlement, highlighting its profound ability to foster unity among parties who were previously divided. This sentiment encapsulates the fundamental principles behind the concept of mediation. Mediation is a negotiating procedure wherein a neutral third party facilitates the resolution of issues between the involved parties. A Mediator employs specialised negotiating and communication strategies to facilitate the parties' attainment of a mutually agreeable resolution. The parties have the option to choose a Mediator via mutual agreement, or alternatively, the Court may appoint a mediator in the context of ongoing litigation. The process of mediation consistently ensures that the authority to make decisions remains in the hands of the involved parties. A Mediator refrains from making determinations on fairness or righteousness, assigning culpability, or expressing any judgements regarding the merits or likelihood of victory in the event of litigation. In contrast, a mediator assumes the role of a catalyst in facilitating the convergence of two conflicting parties by delineating matters of contention and mitigating barriers that impede effective dialogue and resolution. The

¹¹ Omkar Anuroop and Krishnamurthy Kritika, *The Art of Negotiation and Mediation* (LexisNexis 2015).

¹²⁸ <https://prsindia.org/billtrack/the-consumer-protection-Actl-2019>. Last accessed on 12th, March, 2023 at 3:00 PM.

Mediation Process comprises:

1. Structured Process
2. Neutral third party
3. Facilitates resolution of disputes
4. Mutually acceptable to parties
5. Specified negotiation and communication techniques

V. NEED FOR MEDIATION IN CONSUMER CASES

The notion of mediation has a long and historical presence within our nation. In ancient times, conflicts were traditionally handled by the convening of a panchayat, a community-level institution. In the past, Panch was referred to as Panch Parmeshwar, signifying their equivalence to the divine.

The legal system in our country is often regarded as one of the most exceptional globally, commanding significant respect. However, it has faced substantial criticism due to the considerable time taken to resolve issues in civil court and consumer forums. Frequently, consumers exhibit hesitancy in seeking resolution for their disputes by engaging with consumer forums or civil courts.

When comparing mediation to a lawsuit, it is evident that mediation offers advantages in terms of efficiency, confidentiality, equity, and cost-effectiveness. The approach diverges from litigation, since it prioritises the examination of previous events, the determination of fault and responsibility, and the attainment of outcomes that favour one party over another. In the context of mediation, the primary focus lies on fostering future collaboration and facilitating direct communication, with the ultimate goal of achieving durable resolutions that benefit all involved parties. The procedure is characterised by voluntariness and flexibility, allowing the involved parties to actively engage in the decision-making process. Their obligations are solely established upon the execution of a formal agreement.

Mediation is effective in resolving conflicts at several stages, including pre-litigation, ongoing litigation, and post-litigation. The utilisation of this instrument by parties enables the

development of solutions that may be more efficacious than relying just on judicial rulings.

The efficacy of mediation is widely acknowledged in Western countries. Court Annexed Mediation Programmes have been established by courts of law. Law practitioners have discovered that mediation is a novel competency that assists their clientele. Clients have come to recognise that mediation is a method that offers both cost and time efficiency. As a result, they tend to favour lawyers who are capable of proposing mediation as a preliminary step prior to resorting to litigation. ADR has been used in the United States for almost three decades, resulting in a settlement rate of 90% through the utilisation of ADR. Similarly, nations such as the United Kingdom, Australia, and others have also adopted ADR practises for approximately two decades, yielding significant rates of success (Panchu Sriram, 2015)¹³.

In India, the introduction and implementation of mediation in the legal system occurred subsequent to the inclusion of Section 89 in the Code of Civil Procedure, 1908. This development took effect on July 1, 2002. Prior to it, the value and application of mediation in the context of conflict resolution were not well recognised or understood. In the year 2002, mediation emerged as a novel approach within the realm of justice delivery and dispute settlement, offering an alternative to the conventional court system. At the time of the introduction of Section 89, the notion of mediation was not yet recognised, and there was a lack of qualified mediators as well as the absence of established mediation facilities within the judicial districts (Karachiwala Kassam Firdosh, 2010)¹⁴.

In the matter of Afcons Infrastructure Ltd¹⁵, it was contended that if one party consents to engage in mediation, the court has the authority to acknowledge and perhaps endorse this alternative means of conflict resolution.

The adjudication process of consumer disputes is inherently adversarial and is distinguished by a multitude of intricate rules and processes. The act of submitting a consumer complaint involves adherence to several regulations and protocols, including the formal delivery of a legal notice to the opposing party and the subsequent resolution of the dispute through a three-tier system of consumer courts. It is important to note that this process may be rather lengthy and

¹³Panchu Sriram, *Mediation Practice and Law: The Path to Successful Dispute Resolution* (LexisNexis 2015).

¹⁴ Firdosh S. Kassam (Karachiwala), *Conflict Resolution through Mediation* (Snow White Publications Pvt. Ltd. 2010).

¹⁵ Afcons Infrastructure Ltd. v. Cherian Varkey Construction Co. (P) Ltd., (2010) 8 SCC 24.

time-consuming.

Frequently, customers encounter a scenario reminiscent of the biblical tale of David and Goliath, when they find themselves up against formidable opponents such as multinational corporations (MNCs) who possess substantial legal resources and are prepared to engage in protracted litigation.

The mediator use their experience, cognitive abilities, and maturity to facilitate the generation of mutually agreeable solutions for the parties involved in order to resolve disagreements peacefully. A proficient mediator exhibits a range of essential qualities, including active listening, effective communication skills, the ability to generate options, reframing the issue by avoiding the use of harsh language employed by one side, transposing perspectives, doing reality testing, and upholding confidentiality. The Delhi Mediation Project is a distinctive and unparalleled paradigm. The project in question is a pilot initiative that has been operational since 2005, operating under the supervision of the Supreme Court of India. The initial group of Senior Additional District Judges had a 40-hour mediation training. In October 2005, a Mediation Centre was created at the Tis Hazari court complex, specifically located in the Central Hall on the 3rd floor, Room No. 325. Additionally, there are other mediation centres operating at the Karkardooma Court Complex, Rohini, Dwarka, Saket, and Patiala House Courts Complex.

There are further alternative dispute resolution (ADR) techniques that consumers can consider prior to pursuing judicial mediation or resorting to consumer courts. These include the National Consumer Helpline (NCH) and the Online Consumer Mediation Centre at the National Law University (NLU), which have been created by the Government of India. The National Consumer Helpline (NCH) offers assistance, information, and direction to customers through its toll-free numbers 1800-11-4000 or 14404. Its primary objective is to empower consumers and encourage businesses to realign their policies and management systems in order to effectively resolve consumer problems and grievances by following internationally recognised standards. The NCH Project acknowledges the necessity for consumers to have access to a Telephone Helpline in order to address the many issues that arise during their interactions with business and service providers on a daily basis. Consumers have the option to contact NCH in order to obtain information, advice, or assistance pertaining to their inquiries and concerns.

The Online Consumer Mediation Centre, which operates under the Ministry of Consumer

Affairs, Government of India, was established at the National Law School of India University in Bengaluru. Its primary objective is to offer a cutting-edge infrastructure for the resolution of consumer disputes, utilising both physical and online mediation methods on its platform. The centre offers cutting-edge technology to individuals and entities for the purpose of effectively managing and resolving conflicts, with the aim of promoting online mediation as the preferred method for addressing consumer disputes¹⁶.

VI. MEDIATION AS THE NEW TOOL (THE CONSUMER PROTECTION ACT, 2019)

The case of *SpiceJet Ltd. v. Ranju Aery*¹⁷ included a customer who had to pursue legal action at many levels, starting at the district forum and on to the State Commission, National Commission, and ultimately the Supreme Court. The dispute was around a service contract that was entered into through the internet, and the underlying cause of action for the complaint. The acceleration of the adjudication process is a key objective of The Consumer Protection Act, 2019. This legislation proposes the formation of the Central Consumer Protection Authority, mediation services, product liability provisions, and expedited resolution mechanisms through consumer commissions. Due to the sluggish nature of the adjudication process in consumer courts, the establishment of mediation centres at District, State, and National Commissions affiliated with the consumer courts can significantly contribute to the administration of justice.

The New Consumer Protection Act, 2019 incorporates Clause 74-80, which introduces measures pertaining to the use of "Mediation" as an Alternate Dispute Resolution (ADR) process. The primary objective of this initiative is to provide a legal framework for the resolution of consumer disputes through the use of mediation. This approach is intended to streamline the process, making it more efficient and user-friendly.

The term "quicker" refers to a higher rate of speed or a shorter amount of time. The mediation centres would operate under the supervision of the Consumer Commissions, with the makeup of the mediation cell being determined by both the State Government and the Central Government.

Section 74 of the recently enacted Consumer Protection legislation stipulates that the State Government shall institute a consumer mediation cell, which will be affiliated with both the

¹⁶<<https://www.nls.ac.in>> last accessed on 23rd September, 2023 at 5:00 PM.

¹⁷SLP(C) No. 25206 of 2017, decided on 4-8-2017 (SC) available at <https://www.dailypioneer.com/2017/page1/online-buyers-can-sue-sellers-anywhere-sc.html> last accessed on 23rd September, 2023 at 5:00 PM.

consumer courts and the regional benches. Each consumer mediation cell is required to make a quarterly report to the respective District Commission, State Commission, or National Commission to which it is affiliated. Therefore, each consumer mediation cell would uphold:

- (a) a list of empanelled mediators;
- (b) a list of cases handled by the cell;
- (c) record of proceeding; and
- d) any other information as may be specified by regulations.

The duration of the panel of mediators would be deemed valid for a span of five years, and the individuals selected to be part of the panel would be entitled for re-consideration for another term, contingent upon meeting the standards outlined in the rules. The mediation process will take place inside the consumer mediation cell that is affiliated with the several consumer courts, as stated in Clause 75.

Clause 76 stipulates that mediators are obligated to disclose specific information that could potentially raise concerns about their impartiality or independence. On the other hand, Clause 78 outlines the process by which a mediator may be replaced by the consumer courts. This replacement can occur based on information provided by the mediator themselves or information received from any other relevant party, including the complainants. The mediator is given an opportunity to present their case b The subsequent steps of the mediation process are elaborated upon in Clause 79, while Clause 80 addresses the provisions pertaining to resolution through mediation. It also outlines the responsibilities of the mediator in cases where the parties have reached an agreement on all or some of the matters involved in the consumer dispute, as well as in situations where no agreement has been reached.

VII. CONCLUSION

The accumulation of unresolved consumer disputes and the subsequent delays in their resolution have the potential to undermine consumer confidence in the legal system, particularly in cases involving claims of minimal value. Mediation holds significant potential in the resolution of consumer disputes, particularly in instances when cases have remained unresolved for a duration exceeding five years under the consumer court system. When

contrasting the filing of a complaint in a consumer court with the process of mediation, it becomes evident that mediation has several advantages. These advantages include alleviating a significant load from consumer courts, as well as providing a swift, confidential, equitable, and cost-effective resolution. Therefore, the implementation and enhancement of consensual options, such as mediation, can contribute to the reduction of backlog and enhance the likelihood of resolving consumer disputes. This timely provision of justice can significantly impact the economic growth of India.

In conclusion, the study highlights the significant importance of consumer grievance redressal procedures in fostering the economic growth of a country such as India. By safeguarding the rights of consumers, upholding the integrity of the market, and fostering transparency, these mechanisms play a crucial role in advancing the achievement of a more affluent and equitable society within the dynamic context of contemporary India.

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