



CURRENT AFFAIRS



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CENTRAL CONSUMER PROTECTION AUTHORITY AND CONSUMER PROTECTION

(This article is related to the section ' Indian Constitution and Governance, Important Authorities and Commissions, Government Policies and Interventions' of UPSC Civil Services Mains Exam General Studies Paper- 2 and ' National Consumer Disputes Redressal Commission, Central Consumer Protection Authority (CCPA), Indian Consumer Protection Act, 2019 ' of UPSC Prelims Exam. It also includes suggestions from the PLUTUS IAS Team . This article is related to ' Central Consumer Protection Authority and Consumer Protection' of ' Daily Current Affairs '.)

WHY IN THE NEWS ?

- Recently, the Central Consumer Protection Authority (CCPA) has imposed a fine of Rs 3 lakh on the advertisement of an edtech platform.
- This action of penalty has been taken by the Central Consumer Protection Authority (CCPA) under Section 21 of the Consumer Protection Act, in which the said advertisement was found to be "false and misleading" under the Consumer Protection Act.

CENTRAL CONSUMER PROTECTION AUTHORITY (CCPA) :



- The Central Consumer Protection Authority (CCPA) is a regulatory body established under Section 10 of the Consumer Protection Act (CPA), 2019, to monitor and regulate matters related to violation of consumer rights and unfair trade practices.
- Under this Act, CCPA has the authority to prevent false or misleading advertising and ensure the protection of consumer rights.
- This authority functions under the Ministry of Consumer Affairs, Food and Public Distribution.
- Section 21 of the Consumer Protection Act (CPA), 2019 empowers the CCPA to issue directions and penalties against false or misleading advertisements.
- The definition of misleading advertisement, powers of CCPA and penalties (imprisonment up to 2 years and fine up to Rs 10 lakh) are prescribed under this section.

THE FOLLOWING PROVISIONS HAVE BEEN INCLUDED UNDER THE CONSUMER PROTECTION ACT, 2019 –

- **E-commerce and direct selling** : It includes new rules to protect consumers through online and offline transactions.
- **Establishment of Central Consumer Protection Authority (CCPA)** : This authority has been created to prevent false or misleading advertisements and ensure protection of consumer rights.
- **Strict standards for misleading advertisements** : These new rules bring more strictness to protect consumers from false advertisements.
- **Strict standards for product liability** : These products rules And Also clarifies the responsibility.
- **Unfair Contract** : This new provision is meant to protect consumers against unfair contracts.

DUTIES AND RESPONSIBILITIES OF THE CENTRAL CONSUMER PROTECTION AUTHORITY :

- **Aware and informed consumer** : The Central Consumer Protection Authority in India prevents misleading marketing by making consumers aware and able to make informed decisions about the product in advance.
- **Transparent Advertisement** : The intervention of the Central Consumer Protection Authority helps in promoting truthful and transparent advertising practices to the consumers.
- **Credible Claims** : CCPA prevents and discourages misleading claims, which increases consumer confidence in that item or product in India.
- **fair competition** : The Central Consumer Protection Authority in India ensures that any kind of competition in relation to a product is based on the actual merits of that product and not on the basis of misleading claims or advertisements.

NATIONAL CONSUMER DISPUTES REDRESSAL COMMISSION (CENTRAL CONSUMER PROTECTION AUTHORITY, CCPA) :

- The National Consumer Disputes Redressal Commission (Central Consumer Protection Authority, CCPA) has been established under the Indian Consumer Protection Act, 2019.
- Its objective is to protect, promote and enforce the rights of consumers.
- CCPA takes action against unfair trade practices and misleading advertising to protect the interests of consumers.
- It is working through enforcement of progressive legislation to protect and empower the interests of consumers.

CCPA IN INDIA PERFORMS THE FOLLOWING FUNCTIONS -

- To investigate violations of consumer rights and take action against unfair trade practices.
- Filing a complaint before the Consumer Commission.
- To review matters related to consumer rights.
- Recommend international consumer rights discipline.
- To encourage research in the field of consumer rights.
- To increase awareness about consumer rights.
- To protect the interest of consumers.
- Issuing safety notices against dangerous or unsafe textiles or services.
- Advising Central and State Government Ministries and Departments on consumer welfare measures.
- Preventing unfair trade practices.

TO REDUCE PENDENCY OF CASES IN CONSUMER COURTS THROUGH SUSPENSION OF HOLIDAYS:

INTRODUCTION :

- The National Consumer Disputes Redressal Commission (NCDRC) and State Consumer Commissions have taken an effective step to settle the pending cases by suspending the traditional summer vacation practices. The objective of this initiative is to ensure speedy hearing and disposal of consumer cases.

BACKGROUND :

- Since the establishment of the Central Consumer Protection Authority (CCPA) in July 2020, 415,104 cases have been registered and 440,971 cases have been disposed of, showing a positive

trend. However, 555,000 cases were pending before consumer commissions as of December 2022, which remained a major challenge.

- In the year 2022, NCDRC started the initiative to postpone summer holidays for State Consumer Commissions. The NCDRC cited the provisions of the CCPA, which specify that all commissions must follow the leave schedule prescribed by the state government and there is no provision for summer leave in any state office.

EFFECTS AND CONSEQUENCES :

1. **By the year 2022:** In the year 2022, NCDRC received 3,420 cases and resolved 4,138 cases, while in 2021, 2,449 cases were received and 2,011 cases were resolved.
2. **By the year 2023 :** The year 2023 In NCDRC received 5,276 cases and resolved 6,422 cases, further reducing the pendency of cases.
3. **By May 2024:** Consumer Commissions resolved 70,576 cases while 69,615 cases were filed, showing a positive trend in disposal of pending cases.

Additionally, the introduction of e-Courts has also significantly contributed to increasing the efficiency of the consumer dispute redressal process.

CONCLUSION :



- The move of suspension of summer holidays has proved to be an effective measure to reduce the pendency of cases in consumer courts in India.
- This has not only expedited the disposal of cases but has also strengthened the right of consumers to get justice.
- This initiative of NCDRC and State Consumer Commissions sets an example for other judicial institutions.

- Consumer forums are classified at district, state and national level. As per the Consumer Protection Act, 2019, a complaint can be filed depending on the value of the claim:
- District Consumer Disputes Redressal Commission (DCDRC) for claims up to Rs 50 lakh.
- State Consumer Disputes Redressal Commission (SCDRC) for claims between Rs 50 lakh and Rs 2 crore.
- National Consumer Disputes Redressal Commission (NCDRC) for claims above Rs 2 crore.

IMPORTANT INITIATIVES LAUNCHED FOR CONSUMER PROTECTION IN INDIA:

1. Consumer Welfare Fund
2. Central Consumer Protection Council
3. Consumer Protection Rules, 2021
4. Consumer Protection (E-Commerce) Rules, 2020
5. National Consumer Day (24 December)

Source – The Hindu and PIB.

PRACTICE QUESTIONS FOR PRELIMINARY EXAM :

Q.1. Consider the following statements regarding the Central Consumer Protection Authority in India.

1. This authority functions under the Ministry of Consumer Affairs, Food and Public Distribution.
2. Its powers include imposing imprisonment of up to 2 years and a fine of up to Rs 10 lakh.
3. It helps promote truthful and transparent advertising practices to consumers.
4. Section 21 of the Consumer Protection Act (CPA), 2019 empowers it to issue directions and penalties against false or misleading advertisements.

Which of the above statement / statements is/ are correct?

- A. Only 1, 2 and 3.
- B. Only 2, 3 and 4.
- C. None of these.
- D. All of the above .

Answer – D

PRACTICE QUESTIONS FOR MAIN EXAM :

Q.1. Outlining the functions and responsibilities of the Central Consumer Protection Authority, Discuss how it protects the rights of consumers in India? Give a rational opinion. (UPSC CSE – 2020 Word Limit – 250 Marks – 15)

Dr. Akhilesh Kumar Shrivastava

“EXTENSION OF SMART CITY MISSION BY MARCH 2025”

THIS ARTICLE COVERS “DAILY CURRENT AFFAIRS” AND THE TOPIC DETAILS OF “EXTENSION OF SMART CITY MISSION BY MARCH 2025” THIS TOPIC IS RELEVANT TO THE “POLITY AND GOVERNANCE” SECTION OF THE UPSC—CSE EXAM.

WHY IN THE NEWS?

The Central Government has announced an extension of the Smart Cities Mission (SCM) administered by the Union Urban Development Ministry until March 31, 2025. Launched in June 2015, the SCM selected 100 cities through a competitive process to transform them into smart cities. This initiative aims to develop specific areas within these cities as exemplary zones based on a comprehensive development plan. These developments are anticipated to have a ripple effect, positively impacting other parts of the cities and neighbouring urban areas.

MORE ABOUT THE NEWS:

- The Smart Cities Mission (SCM) has seen significant progress, with more than 8,000 multisectoral projects underway across the 100 selected cities, totalling approximately ₹1.6 lakh crore.
- As of July 3, these cities have successfully completed 7,188 projects, amounting to ₹1,44,237 crore, which constitutes 90% of the total projects planned under the mission.
- According to an official statement released, the remaining 830 projects, valued at ₹19,926 crore, are in advanced stages of completion.
- The mission, which was allocated a budget of ₹48,000 crore for these 100 cities, has already disbursed ₹46,585 crore, equivalent to 97% of the allotted funds.
- Recognising the challenges faced by some states and city governments in completing the final 10% of projects, the Government of India has granted an extension of the mission until March 31, 2025.
- This extension, communicated to the cities, ensures the completion of these remaining projects without any additional financial burden beyond the approved allocations under the mission.

SMART CITY MISSION:

- The Smart Cities Mission (SCM), launched in June 2015, is a Centrally Sponsored Scheme aimed at transforming 100 cities by providing essential core infrastructure and creating a clean and sustainable environment.

- Aims to improve the quality of life for citizens through the implementation of innovative “Smart Solutions.”
- Its objectives include enhancing livability through sustainable and inclusive development, promoting a clean environment, and applying compact, replicable models for urban growth.

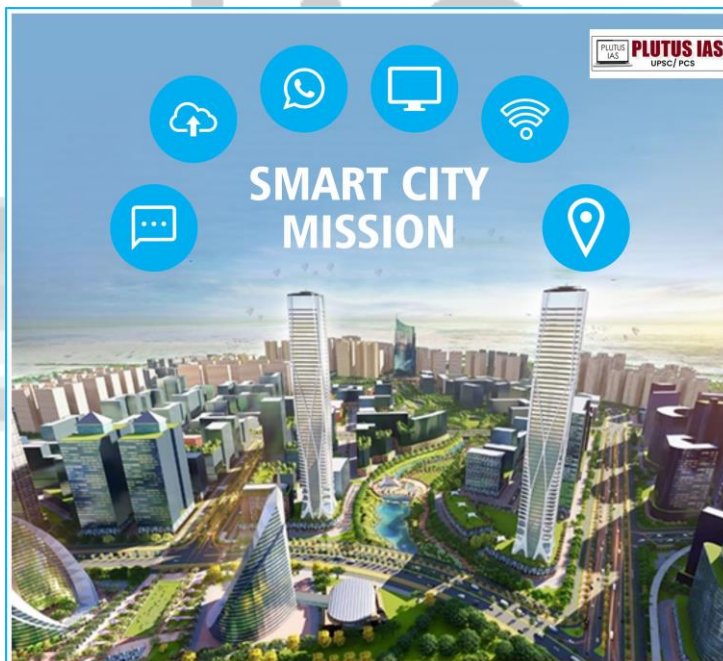
KEY COMPONENTS OF THE SCM INCLUDE:

- **Area-based Development:**

1. **Redevelopment:** Renovation of existing urban areas to enhance infrastructure and amenities, such as Bhendi Bazar in Mumbai.
2. **Retrofitting:** Upgrading infrastructure in current areas to improve efficiency and sustainability, as seen in Local Area Development projects in Ahmedabad.
3. **Greenfield Projects:** Developing new urban areas with a focus on sustainability and smart technologies, for example, New Town in Kolkata and Naya Raipur, as well as GIFT City.

- **Pan-City Solutions:**

1. Implementing Information and Communication Technology (ICT) solutions across sectors like e-governance, waste management, water management, energy management, urban mobility, and skill development.



CHALLENGES FACED BY THE SMART CITY MISSION

- **Lack of Clarity in Definition:** The Smart Cities Mission (SCM) lacks a clear and universally accepted definition of what constitutes a smart city, leading to difficulties in resource allocation and project prioritisation.

- **Top-Down Approach:** The mission has been criticised for its top-down approach, sidelining the role of elected representatives and local councils in decision-making processes, which raises concerns about democratic governance and accountability.
- **Flawed City Selection Process:** Cities were selected competitively, overlooking the diverse urban realities of India and focusing development efforts on less than 1% of a city's area. This has led to the exclusion of many areas from development efforts, such as in Chandigarh's sector-specific investments.
- **Inadequate Funding and Scope:** The funding allocated under SCM (Rs. 1,67,875 crore over nine years) is considered insufficient compared to the estimated USD 1.2 trillion needed to enhance livability in Indian cities by 2030. The mission has also faced multiple extensions, highlighting challenges and complexities in urban development.
- **Governance Structure Issues:** The Special Purpose Vehicle (SPV) model adopted for smart cities has not aligned well with the 74th Constitutional Amendment Act, leading to objections from cities regarding governance structures. Public-private partnerships (PPP) have also not been effectively utilised, with less than 5% of funding coming through this route.
- **Displacement and Social Impact:** Smart city projects have led to social disruptions, including the displacement of vulnerable communities like street vendors. Infrastructure developments have sometimes exacerbated urban flooding issues due to improper water channel management.

STEPS NEEDED TO STRENGTHEN THE SMART CITY MISSION:

- **Governance and Implementation:** Appoint dedicated CEOs with fixed tenures to ensure continuity and expertise in project management. Include Members of Parliament (MPs) in State-Level Advisory Forums to leverage grassroots expertise in project identification and implementation.
- **Project Focus and Priorities:** Shift focus towards pan-city projects for comprehensive urban development, optimising resource allocation and minimising wastage. Establish robust digital infrastructure protection mechanisms to safeguard against cyber threats and ensure data privacy.
- **Capacity Building and Funding:** Strengthen Urban Local Bodies (ULBs) in smaller cities through capacity-building initiatives. Provide central government support for organisational restructuring and capacity-building efforts in states requiring assistance.
- **Project Completion:** Emphasize timely completion of projects. The Ministry's role should extend beyond fund allocation to include active intervention in project execution, providing necessary inputs and expertise to ensure successful completion.

PRELIMS BASED QUESTION:

Q. Smart City Mission comes under:

1. Ministry of Housing and Urban Affairs

2. Ministry of Electronic and Information Technology
3. Ministry of Home Affairs
4. Ministry of Rural Development

Answer: A

MAINS BASED QUESTION:

Q. What challenges does India's Smart Cities Mission encounter? How can challenges be addressed to enhance the mission's effectiveness in fostering sustainable urban development?

Vishal Yadav



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