

**18– 08 – 2024**

**News:** Central Consumer Protection Authority (CCPA)

- Recently, the Central Consumer Protection Authority (CCPA) imposed a penalty of Rs. 3 lakh on an advertisement by an Edtech platform that was found to be "false and misleading" under Section 21 of the Consumer Protection Act.

## **Section 21 of Consumer Protection Act, 2019**

- Section 21 of CPA, 2019 grants the CCPA the power to issue directions and penalties against false or misleading advertisements. It provides definition of Misleading Advertisement, Powers of the CCPA and Penalties (imprisonment of up to 2 years and a fine of up to Rs. 10 lakh).

### **Benefits to Consumers**

- **Informed Consumers:** CCPA empowers informed consumer decisions by deterring deceptive marketing.
- **Transparent Ads:** CCPA interventions promote truthful advertising practices.
- **Trustworthy Claims:** CCPA discourages misleading claims, boosting consumer trust.

- **Fair Competition:** It ensures competition based on product merit, not deceptive claims.

## **Central Consumer Protection Authority (CCPA)**

- Central Consumer Protection Authority draws its statutory powers from Section 10 (1) of Consumer (Protection) Act, 2019.
- CCPA falls under the purview of Ministry of Consumer Affairs, Food and Public Distribution with its headquarters situated in New Delhi.
- The act empowers the CCPA to prevent false or misleading advertisements and ensure consumer rights are protected.

### **Powers of the authority**

- It can inquire all matters relating to consumer rights (including suo-moto rights to lodge a file).
- Recommends central government in consumer protection policies.
- Recall all goods and services that are dangerous and hazardous.
- Pass an order to refund the products if consumers' interest is delegated (maximum 10 lakh or upto 2-year imprisonment).
- Misleading advertisements can be found guilty.
- Unfair trade practices shall be punished.

## Composition

- CCPA includes a Chief Commissioner and 2 other commissioners of one being related to goods and other being related to services.
- CCPA will be having an investigation wing headed by Director General. District authority under CCPA will be headed by District Collector.