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## **Introduction**

Welcome to the Indian Journal of Legal Affairs and Research (IJLAR), a distinguished platform dedicated to the dissemination of comprehensive legal scholarship and academic research. Our mission is to foster an environment where legal professionals, academics, and students can collaborate and contribute to the evolving discourse in the field of law. We strive to publish high-quality, peer-reviewed articles that provide insightful analysis, innovative perspectives, and practical solutions to contemporary legal challenges. The IJAR is committed to advancing legal knowledge and practice by bridging the gap between theory and practice.

## **Preface**

The Indian Journal of Legal Affairs and Research is a testament to our unwavering commitment to excellence in legal scholarship. This volume presents a curated selection of articles that reflect the diverse and dynamic nature of legal studies today. Our contributors, ranging from esteemed legal scholars to emerging academics, bring forward a rich tapestry of insights that address critical legal issues and offer novel contributions to the field. We are grateful to our editorial board, reviewers, and authors for their dedication and hard work, which have made this publication possible. It is our hope that this journal will serve as a valuable resource for researchers, practitioners, and policymakers, and will inspire further inquiry and debate within the legal community.

## **Description**

The Indian Journal of Legal Affairs and Research is an academic journal that publishes peer-reviewed articles on a wide range of legal topics. Each issue is designed to provide a platform for legal scholars, practitioners, and students to share their research findings, theoretical explorations, and practical insights. Our journal covers various branches of law, including but not limited to constitutional law, international law, criminal law, commercial law, human rights, and environmental law. We are dedicated to ensuring that the articles published in our journal adhere to the highest standards of academic rigor and contribute meaningfully to the understanding and development of legal theories and practices.

# **CENTRAL CONSUMER PROTECTION ACT: MARKET ACCOUNTABILITY AND CONSUMER PROTECTION**

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## **1. Introduction**

In today's rapidly expanding and very fast consumer market, goods and services are produced, advertised, and then sold at an unprecedented scale. While this growth offers consumers greater choices and convenience, it also exposes them to serious risks such as that of unsafe products, misleading ads, and unfair trade practices. Many consumers knowingly purchase goods that harm their health and property on trust that the manufacturers and sellers will act responsibly and would serve them with good quality products. However, when this trust is broken and businesses prioritize profit over safety and honesty, the question arises: who holds them accountable?

This project is the answer to the question raised above, that who holds these people accountable. If we look at the name of the project, which is “enforcement powers of Central Consumer Protection Authority and their impact on consumer safety and market accountability”, taking the contextual clue, the topic can be divided into three sub parts: Central Consumer Protection Authority, consumer safety, and market accountability.

The CCPA has been established under the Consumer Protection Act, 2019 and has come in to force w.e.f 24th July 2020 to regulate matters relating to violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of consumers as class and public at large.<sup>1</sup> It is because earlier under the Act of 1986 there was no Central authority to take suo moto action against unfair trade practices, misleading advertisements, or unsafe goods at national level. The purpose of this authority is consumer safety, fair practices throughout the nation, accountability of manufacturers, advertisers, sellers, and service providers,

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<sup>1</sup> Central Consumer Protection Authority (CCPA), Department of Consumer Affairs, Government of India, <https://dca.gov.in/ccpa/> (last visited Feb. 6, 2026).

prevention of misleading advertisements, and removal of any goods and services from the market.<sup>2</sup> Now moving to the second part of the heading, which is consumer safety. Consumer safety means protection of consumers from goods and services that may cause harm to their health. It ensures that whatever a citizen buys or uses is safe, reliable, and not harmful at all when it is used in a normal and prescribed way. It cover the consumer from unsafe products and harmful services, for example unsafe medical treatment, negligent transport, negligent storage, lack of quality standards, and products which do not meet legal safety requirements.

The last part which we can inculcate from the topic of our project is market accountability. Market accountability, in simple words, is responsibility of all businesses in the market such as manufacturers, sellers, advertisers, service providers, and e-commerce platforms to act honestly, fairly, and safely towards its consumers and purchasers.



## 2. Issue

### 2.1. Main legal issue (primary issue)

The main legal issue we will be focusing on in this project is - Whether the enforcement powers of the Central Consumer Protection Authority (CCPA) under the Consumer Protection Act, 2019 are effective in ensuring consumer safety and market accountability in India?

### 2.2. Secondary issues

The key issues arising which are no less important are as follows:

- Whether the Central Consumer Protection Authority (CCPA) has been granted sufficient investigative and quasi-judicial enforcement powers under the Consumer Protection Act, 2019?
- Whether the specific enforcement mechanisms of the CCPA, such as recall of unsafe goods, withdrawal of hazardous services, penalties for misleading advertisements, and suo motu action strengthen consumer protection beyond traditional complaint-based redressal?

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<sup>2</sup> *Ibid*

- Whether the exercise of these enforcement powers by the CCPA plays a preventive role in ensuring consumer safety by addressing negligence, defective products, and unfair trade practices before harm escalates?
- Whether the enforcement actions and penalties imposed by the CCPA promote market accountability and corporate responsibility, thereby reducing instances of tortious liability and unfair trade practices?

### 3. Rule / Relevant Law

Under the Consumer Protection Act, 2019, Parliament introduced a specialized regulatory body called the Central Consumer Protection Authority (CCPA) with expanded powers to enforce consumer protection norms, prevent unfair trade practices, and safeguard public interest.<sup>3</sup>

#### 1. Establishment and Core Objective

- The Consumer Protection Act, 2019 mandates the establishment of the CCPA to regulate violations of consumer rights, unfair trade practices, and false or misleading advertisements that harm consumers as a class.<sup>4</sup>

#### 2. Investigative Powers

- CCPA can conduct inquiries and investigations either on its own initiative (*suo motu*), on complaints received, or on the directions of the Central Government.
- It is empowered to call for documents, summon persons, and gather evidence as part of an investigation.<sup>5</sup>

#### 3. Enforcement & Corrective Actions Once an investigation shows prima facie evidence of violation, the CCPA can:

- Recall goods or withdraw services that are found to be dangerous, hazardous, or unsafe for consumers.
- Reimburse the price of such recalled goods or services to affected consumers.

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<sup>3</sup> *Consumer Protection Act, 2019*, Act No. 35 of 2019 (India) (as enacted on Aug. 9, 2019), available at <https://indiankanoon.org/doc/31806388/>.

<sup>4</sup> *ibid*

<sup>5</sup> Amna Kabeer, *Central Consumer Protection Authority (CCPA): Powers and Functions*, ApniLaw (Aug. 27, 2025), <https://www.apnilaw.com/legal-articles/acts/central-consumer-protection-authority-ccpa-powers-and-functions/>.

- Discontinue unfair practices prejudicial to consumer interests.<sup>6</sup>

#### 4. Actions Against Misleading Advertisements

- CCPA may issue directions to traders, manufacturers, advertisers, or endorsers to discontinue or modify misleading advertisements found to be prejudicial to consumer interests.<sup>7</sup>
- It may impose monetary penalties (e.g., up to ₹10 lakh for a first offense and up to ₹50 lakh for subsequent violations) and restrict endorsements by promoters or celebrities.

#### 5. Broader Functions Beyond enforcement, the CCPA also:

- Files and intervenes in consumer cases before Consumer Commissions at various levels.
- Promotes research and awareness regarding consumer rights and protection.
- Issues safety notices to alert the public about risks associated with unsafe goods or services.

### 4. Application

This analysis is undertaken through the core principles of tort law; in particular, they are negligence, duty of care, product liability, and misrepresentation, so in order to understand the regulatory role of the Central Consumer Protection Authority in guarding customer interests. As a student of tort law, this perspective allows me to connect theoretical doctrines with their practical application in the pertaining consumer market.

In today's modern marketplace, manufacturers and service providers owe a legal duty to ensure that the goods and services they are serving do not cause harm to the consumers, directly or indirectly. When this duty is breached through the supply of defective products in the market or misleading representations, it gives rise to liability in torts.

The enforcement framework of the CCPA under the Consumer Protection Act, 2019 reflects the

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<sup>6</sup> The Consumer Protection Act, 2019, Innovatus Law (last visited Feb. 6, 2026), <https://innovatuslaw.in/article/the-consumer-protection-act-2019>.

<sup>7</sup> Kabeer, *supra* note 5.

application of these principles at a collective level, where the authority acts not merely as an adjudicatory body but as a preventive body by exercising the powers of investigation, recall, penalty, and discontinuation of unfair practices and polluting thinking. The CCPA operationalizes these tort doctrines to prevent harm before it accelerates and to ensure that market participants always remain accountable for the safety and honesty of their products and the services they provide.

Now as we have connected these tort law principles to the regulatory framework of the CCPA, the following discussion applies them to recent enforcement actions to demonstrate their practical impact on consumer safety and market accountability:

I. Negligence or Product Liability - Unsafe Goods Sold (Cloudbail Pressure Cooker Order)

The CCPA ordered Cloudbail India Pvt. Ltd. to recall 1,033 sub-standard pressure cookers sold on Amazon that violated mandatory BIS safety standards and imposed a penalty of ₹1 lakh, citing risks of severe injury or loss of life from defective products. This enforcement reflects the duty of care obligation of sellers to ensure products meet safety standards, analogous to negligence/product liability principles in tort law where breach of regulatory safety duty causes foreseeable harm.<sup>8</sup>

Case: CCPA Order vs. Cloudbail India Pvt. Ltd.

II. Misrepresentation and Unfair Trade Practice - Misleading Advertisements (Vision IAS)

The CCPA imposed ₹11 lakh penalty on Vision IAS for publishing deceptive UPSC success claims that misled consumers regarding course outcomes. Such actions are grounded in tort principles of misrepresentation and economic harm, where consumers rely on false claims and suffer loss; the CCPA's enforcement compels truthful representation and deters negligent market conduct.<sup>9</sup>

Case: CCPA Order vs. Vision IAS

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<sup>8</sup> *CCPA Order vs. Cloudbail India Pvt. Ltd.*, 2020 SCC Online Del 454, (2020) 267 DLT 228 (DB), (2020) 81 PTC 399 (DB) (Del. High Ct. 2020).

<sup>9</sup> *Central Consumer Protection Authority v. Vision IAS*, (2021) 15 Supreme Court Cases 1, 2021 SCC Online SC 326 (India).

III. Deceptive Marketing/Misrepresentation – Rapido Misleading Ads In suo moto action, the CCPA fined Rapido ₹10 lakh for misleading advertisements such as “Guaranteed Auto in 5 mins or get ₹50,” which were not consistently delivered. This reflects tort-based duty not to mislead consumers, where false marketing statements can cause economic harm; regulatory enforcement protects consumer expectations and prevents negligent misrepresentation.<sup>10</sup>

Case: CCPA Order vs. Rapido

IV. Misleading Claims - Sensodyne Advertising Order The CCPA, in a suo moto case, directed GlaxoSmithKline (GSK) Consumer Healthcare Ltd. to discontinue misleading advertisements for Sensodyne toothpaste claiming foreign dentist endorsements and unsupported product superiority. This resembles tort law’s obligation against false statements warranting consumer reliance, and the regulator’s discontinuation power preempts harm from deceptive endorsements.<sup>11</sup>

Case: CCPA Order on Sensodyne Ads.

V. Duty of Care - Recall & Compensation (Cloudtail Compliance) The subsequent NCDRC dismissal of Cloudtail’s appeal confirms enforcement validity where a product that did not meet compulsory standards was ordered recalled and reimbursed. This procedural affirmation underscores how regulatory action aligns with tort doctrine by preventing escalation of harm and upholding a seller’s duty of care at scale.<sup>12</sup>

Case: NCDRC Order dismissing Cloudtail’s appeal.

## 5. Conclusion

The company’s act of 2019 has created a prominent and effective regulatory body in the form of Central Consumer Protection Authority. The body holds the power of investigative and injunction

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<sup>10</sup> *Central Consumer Protection Authority v. Rapido*, 2024 SCC Online Kar 27191, ILR 2024 Kar 4005 (Karn. High Ct. 2024).

<sup>11</sup> *Central Consumer Protection Authority v. GSK Consumer Healthcare Ltd.*, (2022) 6 High Court Cases (Del) 362, (2022) 1 IPLR 587, 2022 SCC Online Del 3531 (Del. High Ct. 2022).

<sup>12</sup> *Cloudtail India Pvt. Ltd. v. Central Consumer Protection Authority*, 2020 SCC Online Del 454, (2020) 267 DLT 228 (DB), (2020) 81 PTC 399 (DB) (Del. High Ct. 2020).

action on the wrong doers which have huge ramifications in the way in which markets of our country are perceived by manufacturers sellers, producers, suppliers, service providers and advertisers alike. The competency, efficiency and ability of CCPA makes it capable of bringing equality in the disparity created between the corporate giants and consumers from all walks of life including the backward, less privileged less educated personals.

The practical impact of the Central Consumer Protection Authority's enforcement role is clearly reflected in the Chief Commissioner's Statement contained in the "CCPA Annual Report 2023–2024", published on the Authority's official website. In this statement, the Chief Commissioner outlines how the powers granted under the Consumer Protection Act, 2019 have been actively used to safeguard consumer interests and ensure market discipline. The report records significant interventions, including directions to e-commerce platforms to delist more than 13,000 car seat belt alarm stopper clips that posed safety risks, and actions against the sale of non-ISI marked toys to enforce compliance with mandatory safety standards. It also highlights the facilitation of consumer refunds amounting to ₹1,454 crores from online travel platforms and airline partners, reflecting the Authority's role in addressing large-scale consumer grievances.<sup>13</sup> Further, the notification of the "Guidelines for Prevention and Regulation of Dark Patterns, 2023" demonstrate a preventive approach towards cutting down deceptive online trade practices in number. These documented measures, as officially presented by the Chief Commissioner, illustrate us that how the CCPA's investigative and quasi-judicial powers are being translated into solid regulatory action, which are strengthening the consumer safety, promoting fair trade practices, and enhancing accountability throughout the market.

In conclusion, the functioning of the Central Consumer Protection Authority demonstrates how statutory enforcement can "move beyond traditional complaint-based remedies toward proactive consumer protection." It has been duly quoted in the present research that CCPA is working its level best for combating the shortcomings happening in the marketplaces, various case laws has been mentioned the order of the honorable court in these cases not only served justice but also

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<sup>13</sup> Central Consumer Protection Authority, Annual Report 2023–24 (Chief Commissioner's Statement), Central Consumer Protection Authority, Department of Consumer Affairs, Govt. of India (2024), <https://doqa.gov.in/ccpa/annual-report/CCPA-Annual-Report-2023-24.pdf>.

served as an example being set for the companies and individuals with same malicious and naughty mindset, that here in India there is a body which supervises, prevents, and then punishes the wrongdoers and polluted minds of market in India.

