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## CONSUMER PROTECTION IN THE DIGITAL AGE: USING THE CONSUMER PROTECTION ACT OF 2019 TO ADDRESS NEW E-COMMERCE CHALLENGES

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### ABSTRACT

E-commerce has drastically changed consumer markets, bringing new opportunities and special difficulties for consumer protection. This article's analysis of the changing digital consumer landscape highlights key issues like information asymmetry, data privacy concerns, the spread of counterfeit goods, and complex jurisdictional barriers in grievance resolution. The Consumer Protection Act, 2019 (CPA, 2019) is then critically examined, highlighting the proactive approach taken by the Central Consumer Protection Authority (CCPA) and the specific Consumer Protection (E-commerce) Rules, 2020. The article examines the CPA 2019's present advantages, fundamental drawbacks, and implementation challenges, focusing on foreign entity enforcement and technological adaptation, while acknowledging it as a significant legislative development for India's digital consumers. It ends with specific recommendations for strengthening enforcement, increasing consumer awareness, promoting regulatory agility, and utilising technology to create a digital marketplace that is safer, more transparent, and more equitable.

**KEYWORDS:** Consumer Protection Act, E-commerce, Right to Choose, legal system, Central Consumer Protection Authority.

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## INTRODUCTION

Thanks to the development of digital technology, everyone is now more connected than ever, which has also changed practically every aspect of our lives, particularly how we purchase and sell goods. This shift is driven by e-commerce, or online shopping, which is changing how we obtain goods and services. Nowadays, people all over the world can easily find a wide variety of products, whether they are found in small specialty shops or massive online stores. These frequently have affordable costs and prompt delivery. This significant change in our purchasing habits has significantly improved the economy by giving us more options and making shopping more convenient. The traditional boundaries of physical stores have been superseded by a 24/7, worldwide shopping environment you can access from your phone.

However, this great convenience also creates new issues for customer safety. How the internet operates—you don't meet sellers in person, goods are delivered via intricate networks, some sellers are anonymous, and a lot of your data is shared—has led to vulnerabilities that our previous laws weren't designed to address.<sup>3</sup> Essential problems have emerged, such as deceptive advertisements, compromised personal information, and challenging disputes with foreign vendors. Because of all these new digital issues, we need strong, adaptable laws to protect consumers in this increasingly complex online environment.

India passed the Consumer Protection Act of 2019 (CPA 2019) in response to these new issues. Given how drastically the online market has evolved, this law is essential. To bridge the gap between the new challenges of online shopping and our more traditional methods of protecting consumers, the CPA 2019 has specific regulations for e-commerce. Although this Act introduces beneficial changes to strengthen consumer rights and expedite dispute resolution, its effectiveness hinges on how well it is implemented and can adapt to the rapidly evolving digital landscape. Since

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<sup>3</sup> Wulandari S, L. et al. (2025) 'Legal protection for consumers in e-commerce transactions: Challenges and solutions in the digital era', Journal of Mujaddid Nusantara.

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technology and internet companies are constantly changing, we require a legal framework responding to issues and attempts to foresee potential future difficulties.

This article will explore the important ways we protect consumers online. We'll start by seeing why India needed to update its old consumer law (from 1986) to the new one (from 2019). Then, we'll point out the major new problems online shopping brings for consumer rights and safety. A big part of the article will explain the specific rules in the 2019 law that deal with online businesses and keep digital shoppers safe. Finally, we'll talk about what the current law does well and where it falls short, and then suggest ways to improve consumer protection in India's growing online market.

## EVOLVING CONSUMER BEHAVIOR

Traditional commerce terms refer to those business transactions or exchange of information between the persons by buying and selling of products or services, in offline mode, physically or without using internet, but due to in offline mode consumer sometime facing violation of there right due defective product or services or due to the misleading advertisement or any other way, for solving these problems and protecting the right of consumer who facing the problem or violation of their right due to purchase of goods or taking any services, Ministry of Consumer Affairs, Food and Public Distribution introduced Consumer Protection Act 1986.

The Consumer Protection Act, 1986, focuses on protecting the six rights of consumers<sup>4</sup>, 'Right to Safety', to ensure that the products or services consumers purchase from sellers or manufacturers do not harm their lives. 'Right to be informed' to ensure that the product or services consumers want to buy for use should properly provide all information, like manufacturing date, expiry date,

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<sup>4</sup> Home: Department of consumer affaris: Central consumer protection authority: GOI (no date) Home | Department of Consumer Affaris | Central Consumer Protection Authority | GoI. Available at: <https://share.google/fZq5xrPj9pXRexuji> (Accessed: 30 July 2025).

price, terms and conditions, how to use, etc. 'Right to Choose' because earlier sometime consumer forced to purchase particular product or services in bundle or at unfair price for protecting them from these monopoly and unfair bundling and Consumer Protection Act 1986 insure that consumers have full right to choose from variety of available product without any force or necessary bundling purchase at competitive price without any forced or manipulation by the by the seller or manufacturer. Sometime customer facing the problem during taking the benefit of the service or get defective product or overcharge for product purchase and the after complaint by consumer company not responding or listening the complaint for protecting there right under CPA 1986 come with 'Right to Heard' under which ensure that there right should be protected, they should have full right to rise there voice complaint against product or services which are not according to their expectation as well as government or company should have the responsibility to listen and respond to their raised complain. Whereas under 'Right to Set Redressal'<sup>5</sup> ensure that consumers have not only the right to raise their complaint against the unexpected product, also they have the right to get a solution or compensation for facing cheating or harm by the company through consumer courts or redressal form, so, under it a customer or consumer can claim against the company's cheating or harm in the form of replacement or refund or repair or compensation for loss or injury. For protecting the right or to take action against violation of their right, the consumer must know their rights and duties to protect themselves from any exploitation, and so under this CPA 1986, 'Right to Consumer Education' through programs or school education, introducing consumers in textbooks or through advertisement or public campaigns.

But with the development in the world as well as in India, people start shifting toward e-commerce, where people start trusting more in online shopping in place of purchasing from local market because of 24/7 availability, discounts, having multiple payment options, providing varieties of product to choose from according to their requirement, not need to go any where. Due to this,

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<sup>5</sup> Home: Department of consumer affaris: Central consumer protection authority: GOI (no date) Home | Department of Consumer Affaris | Central Consumer Protection Authority | GoI. Available at: <https://share.google/fZq5xrPj9pXRexuji> (Accessed: 30 July 2025).

many e-commerce companies are in the market, and companies like Amazon, Myntra, and Flipkart are leading companies. Still, under CPA 1986, no law was present to regulate this e-commerce company, which caused consumers to start facing problems. Many startup e-commerce companies like Naaptol and Snapdeal were introduced in an unorganised form.

So, the Consumer Protection Act 1986 was amended to the Consumer Protection Act 2019, which established rules for protecting consumers' rights. Under the CPA 2019, consumers' rights are protected from local and global e-commerce companies.

## NEW CHALLENGES TO CONSUMER PROTECTION IN THE DIGITAL AGE

In the 21st century, with consumers shifting toward e-commerce companies from offline purchases or local markets for purchasing goods and services, many issues consumers face are due to the lack of proper laws for e-commerce companies. The CPA 1986 had no adequate law for these e-commerce companies.<sup>6</sup>

Before CPA 2019, many e-commerce company start their company in unorganised form without any rules and regulation with misleading advertisements through like fake promise or fake information or fake reviews or overhyped claims or false rating, for attracting the customer toward their product by using the influencer or their brand name or by fake promise as well as rising the consequences where customer facing the issue fake product delivery, loss of amount which they pay for product or service due to fraud by e commerce company or no any rule or regulation or time bond for delivery service due to which customer face the problem of late delivery or due to lackness of proper customer service, consumer not able to contact with company for solving their problem as well as there was no return or exchange or guarantee or warranty option available for the product due to which customer face problem in expensive product or service purchase and due

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<sup>6</sup> The consumer protection act, 2019 no. 35 of ... Available at: [https://ncdr.nic.in/bare\\_acts/CPA2019.pdf](https://ncdr.nic.in/bare_acts/CPA2019.pdf) (Accessed: 30 July 2025).

to not available of grievance redressal form against e commerce company consumer face problem or not able to rise question against those e-commerce company .

To solve this problem, the central government amended the Consumer Protection Act 1986 and replaced it with the Consumer Protection Act 2019. Under this act, the proper definition of advertisement, consumers, and manufacturers is provided, as well as laws to protect the rights of consumers in this digital age.

Under it, action against misleading advertisement by the CCPA (Central Consumer Protection Authority) under section 2 (47) of CPA 2019<sup>7</sup> for misleading advertisement, e-commerce companies have to pay penalties, as well as the influencer or celebrities who advertise the product, who will also be held liable for misleading advertisement. For these misleading advertisements, the CCPA can ban and fine the company.

For protecting consumers from fraud or getting wrong goods from e-commerce company under CPA 2020 establish the rule that e-commerce company like Amazon, Flipkart, Myntra or any other e-commerce company mandate to mention the detail of seller who sell there product through using e-commerce platform, need to say return or refund policy of every good or services which present on website, also mandate to establish proper grievance office by e-commerce company for solving or processing the complains of consumer who purchase the product from that e-commerce company, also company can't show the fake reviews of the product or ask for hidden charge during purchasing of product otherwise government can take action. It can send a notice to the e-commerce platform for violating the rules and give an order to remove the fake or manipulated reviews they show on their product to attract customers.

Consumers can also claim compensation for harm caused by consuming or using the particular goods or services, such as a defect in the product we purchased online or any service we purchased.

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<sup>7</sup>India code: Section details. Available at: [https://www.indiacode.nic.in/show-data?actid=AC\\_CEN\\_21\\_44\\_00007\\_201935\\_1596441164903&sectionId=50027&sectionno=2&orderno=2](https://www.indiacode.nic.in/show-data?actid=AC_CEN_21_44_00007_201935_1596441164903&sectionId=50027&sectionno=2&orderno=2) (Accessed: 30 July 2025).

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It not given in proper form or deficiency in service performed by service provider or doing wrong advertisement about the product, under this government can take action against seller or manufacturer if question or issue rise against particular eatable product by consumer then government have power that to solving the problem or taking the action against that product by sent that product in an appropriate laboratory which is recognised by central and state government. As well as taking action against the death of consumers due to using any product, the government can take action against unfair trade practices by e-commerce companies, defective goods or services, or excessive price charges more than mentioned for particular goods or services, or against goods that are hazardous to life and safety when used but sold publicly.

## **CPA, 2019: A RESPONSE TO DIGITAL CHALLENGES**

The CPA 2019, which became law on August 9, 2019, and was enacted on July 20, 2020, was a vast change for protecting customers who buy things. <sup>8</sup>This new law replaced the old one from 1986, which was almost 30 years old and couldn't handle how complicated shopping has become with global trade, latest technology, and especially the massive growth of online shopping.

The main goal of the CPA 2019 is to create a stronger and more responsive legal system that fits today's economy. This law understands and deals with new ways people buy things, like direct sales, phone sales, and online shopping. It aims to give shoppers more power, make it easier to fix problems, and hold businesses more responsible in the digital world.

A significant change in the CPA 2019 is how it expands the definition of a "consumer." It includes people who buy things using "electronic means" (like online), through digital shopping, direct sales, or multi-level marketing. This means the law now covers all sorts of online buying and

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<sup>8</sup> Ash (2025) Recalibrating consumer rights in the Digital Marketplace, IJLSSS. Available at: <https://ijlssss.com/recalibrating-consumer-rights-in-the-digital-marketplace/> (Accessed: 30 July 2025).

selling. It defines "e-commerce" simply as "buying or selling goods and services, including digital products, over a digital or electronic network."<sup>9</sup>

A standout feature of this new law is the creation of the Central Consumer Protection Authority (CCPA). This isn't just another group that waits for complaints; it's a proactive watchdog. The CCPA can look into problems on its own, investigate when consumer rights are violated, order dangerous products to be removed, fine companies for misleading ads, and even file consumer complaints. This means the CCPA plays a much more active role in protecting everyone from widespread online scams and unfair tricks.

The new law also introduces "product liability," which means that companies that make products, provide services, or sell items are now responsible if their faulty products or bad services cause harm.<sup>10</sup> This is important for online shopping because you often only deal with the website, not the original maker of the product. This rule makes it simpler for you to get paid back if something goes wrong without proving the company was careless.

On top of that, special rules for online businesses, called the Consumer Protection (E-Commerce) Rules, 2020, were put in place under the CPA 2019. These rules tell online companies what they must do. For example, they have to clearly show all essential details like who the seller is, their terms and conditions, and contact information for someone who handles complaints. This helps you get all the information you need. The rules also ban unfair practices, like secretly changing prices, refusing to take back broken items, or charging unfair fees if you cancel. They even directly deal with the problem of fake customer reviews. Finally, online companies must clearly show their

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<sup>9</sup> India code: Section details. Available at: [https://www.indiacode.nic.in/show-data?actid=AC\\_CEN\\_21\\_44\\_00007\\_201935\\_1596441164903&sectionId=50027&sectionno=2&orderno=2](https://www.indiacode.nic.in/show-data?actid=AC_CEN_21_44_00007_201935_1596441164903&sectionId=50027&sectionno=2&orderno=2) (Accessed: 30 July 2025).

<sup>10</sup> Surabhi Khattar, A.S. (2023) Product liability under the Consumer Protection Act, 2019: An overview, India Corporate Law. Available at: <https://corporate.cyrilamarchandblogs.com/2022/01/product-liability-under-the-consumer-protection-act-2019-an-overview/> (Accessed: 30 July 2025).



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policies for returns, refunds, exchanges, and warranties, and they have to have a grievance Officer who must confirm your complaint within 48 hours and fix it within one month.

The CPA 2019 also makes it much easier and faster for you to get your complaints resolved. You can now file complaints online (called e-filing) right from your home or office, making seeking justice a lot less hassle. The law also encourages using Online Dispute Resolution (ODR)<sup>11</sup>, a quicker and friendlier way to sort out online arguments. In addition to the government courts, Consumer Dispute Redressal Commissions can now handle complaints involving much larger amounts of money, making it more straightforward to pursue bigger claims in the right place.

Recognizing the common misleading advertisements online, the Act now has much harsher punishments for companies, service providers, and even celebrities who promote these advertisements. They may have to pay huge fines of up to fifty lakhs, and might even be banned from endorsing goods. The CPA has made the definition of "unfair trade practice" much broader. It now covers more tricky online tactics, like false product quality information, misleading prices, or not providing a bill. This gives the CCPA and other consumer bodies more power to act against manipulative practices often seen in online shopping.

## **ANALYZING THE CPA, 2019**

The Consumer Protection Act of 2019 (CPA 2019) significantly boosts the ability to protect consumers in the increasingly digital world. A significant improvement is how it recognizes online shopping (e-commerce) as its unique type of business. The law removes any confusion from older rules by defining "e-commerce" and including online transactions. This means your consumer rights now apply just as strongly when you shop online as in a physical store, giving a clear legal

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<sup>11</sup> Online dispute resolution (ODR): Meaning, benefits, Challenges & Trends (no date) Online Dispute Resolution (ODR): Meaning, Benefits, Challenges & Trends. Available at: <https://thelegalschool.in/blog/online-dispute-resolution> (Accessed: 30 July 2025).

foundation for all internet-based buying and selling. A transformative aspect of the new law is the establishment of the Central Consumer Protection Authority (CCPA). The CCPA has the authority to look into and intervene independently, unlike the 1986 Act, which frequently only took action in response to a complaint. This implies that it can take proactive measures to address pervasive unfair business practices, mandate the removal of hazardous products, and penalize businesses for misleading advertising. This makes it possible for the CCPA to better safeguard sizable consumer groups, particularly from emerging and rapidly evolving online fraud.

Resolving your complaints has also been made much simpler by the CPA 2019. The process is now more accessible because you can file complaints online (e-filing) from the comfort of your home or place of business. Furthermore, given the prevalence of online disputes, the Act promotes Online Dispute Resolution (ODR),<sup>12</sup> which provides a quicker and easier alternative to going to court for resolving disputes. The Act makes online companies much more responsible due to the new idea of product liability and the Consumer Protection (E-Commerce) Rules, 2020. They must provide explicit return and refund policies, be transparent with required disclosures, and even designate a specific Grievance Officer. Because of all these measures, online platforms and sellers will be held more accountable and transparent, increasing your trust when you shop online.

Despite all of its advantages, the CPA 2019 still has many issues when it comes to implementation, particularly given how quickly the online world is evolving. Dealing with international e-commerce sites is a significant challenge. Because different countries have different laws and there aren't always good ways for governments to cooperate, it can be difficult to make laws apply to companies based outside India. This may make resolving issues or acting against these multinational corporations difficult.

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<sup>12</sup> Online dispute resolution (ODR): Meaning, benefits, Challenges & Trends (no date) Online Dispute Resolution (ODR): Meaning, Benefits, Challenges & Trends. Available at: <https://thelegalschool.in/blog/online-dispute-resolution> (Accessed: 30 July 2025).

Determining who is at fault is another challenging aspect. When something goes wrong, it's frequently tricky to determine who is at fault—the direct seller on the platform or the e-commerce platform itself, such as a large online marketplace. Although e-commerce regulations provide some assistance, new online business models continue to emerge, and platforms' authority over their sellers constantly evolves. It becomes difficult to determine who is responsible when a customer is hurt because of the legal ambiguities this creates.

Although the CPA 2019's rules regarding unfair business practices mention consumer data, they don't provide a comprehensive data privacy and security strategy. The Act's regulations must be closely tied to particular data protection laws, such as the soon-to-be Digital Personal Data Protection Act, because online businesses gather much of your personal information. Without a strong and reliable data protection system, customers are still vulnerable to privacy violations and information misuse. Another fundamental challenge is consumer awareness. Many Indian customers, particularly those in smaller cities and villages, are unaware of their online shopping rights and how to utilise the available complaint channels. These customers are frequently vulnerable to being taken advantage of and unable to effectively defend themselves due to the perplexing language of online terms and conditions and a lack of digital literacy.

The ability of our consumer complaint centres to manage the growing number of online issues is a significant concern. These current offices are stressed from handling complex digital evidence and the sheer volume of cases. Better facilities, employees specifically trained to handle digital complaints, and enough personnel to handle the workload are all necessary for prompt and efficient problem solving. It's never easy to keep up with rapidly evolving technology. The online community constantly develops new business strategies, uses artificial intelligence, and creates new online fraud. Despite being a modern law, the CPA 2019 must be adaptable enough to address these constantly changing issues. This implies that to maintain the law's strength and functionality, we must review it frequently, make revisions, and interpret the rules in novel ways.

## **SUGGESTION**

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In today's digitalised era, online shopping and e-commerce have become everyday things between people because they give comfort to customers, by providing a large number of choices and by saving their time, but with the development of technology and evolution of digital age bring new risks like fraud, fake products hidden charges and misuse or lack of personal data. So, it's essential that to protect consumers' rights, they should take strong steps by establishing a strong law, better awareness, and innovative use of technology.<sup>13</sup>

To protect the rights of consumers from online shopping of goods and services or e-commerce companies, different government bodies must work together. These three government bodies include the Ministry of Electronics and Information Technology to handle digital laws and policies of e-commerce companies, the Reserve Bank of India (RBI) for protecting the customers from fraud by protecting their online payment methods and consumers' bank safety, and the CCPA (Central Consumer Protection Authority) for protecting the consumers' rights. So, the teamwork of these departments protects the consumers' rights by coordinating shared information and taking fast action against fraud, as well as protecting them from cheating by e-commerce companies.

This development of technology not only increase the online shopping under boundary of India as well as also global trade start across border of India where consumer purchase goods or service through website of other country, but same as question rise how to protect there right from outside India shopping for tackling this problem in future must be an agreement between the countries where countries can decide that how can solve that problem and which country's law will applicable on particular situation or case.<sup>14</sup>

Also, e-commerce companies should establish special digital police units to fight against online fraud. This digital forensic unit or special team would find fake products, track online fraud companies, and find counterfeit reviews or unfair computer algorithms that companies use to

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<sup>13</sup> Homobono, N. (2017) 'Protecting digital consumers', OECD Observer [Preprint]. doi:10.1787/ecfacd66-en.

<sup>14</sup> 'Protecting and empowering consumers in the purchase of Digital Content Products' (2013) OECD Digital Economy Papers [Preprint]. doi:10.1787/5k49czlc7wd3-en.

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attract customers. The main objective of this exceptional team unit is to help customers and provide an honest and reliable online platform.

But for these thing it's also crucial that consumer should aware with digital era with education otherwise they face the problem of online fraud, especially in rural areas who are non-technology savvy, are not aware of their right or online practices or how to file complaints for fraud which they face due to online purchase of goods or services, for this government and business should run awareness campaigns through tv, newspapers and radio advertisement programs for taking the critical decisions during purchase of goods and services like how identify fake or misleading ads, how to use safe payment methods and how to complain if something goes wrong with them.

Not only this also need to give knowledge about the digital purchase through promoting digital literacy by which people will understand how to use the internet safely for this it's vital that teach how to read privacy policy during purchasing any goods or services or login to any online purchasing website also necessary to know that how and which one is secure website for payment as well as should teach to understand that which one is fake links or scam message they receive from this awareness or knowledge people get more confident and safe while shopping online.

Also, Indian law must be updated with the latest technology because, as technology changes fast, new problems arise. After all, old laws do not cover new issues. The difficulties like AI generated content by e-commerce company use to create fake content description or fake reviews or any fake show off for attract customer or virtual influencers producing product or new payments methods like digital wallets and UPI this comes with new problems for this need to update the CPA 2020, e-commerce rules where need to clearly define the responsibilities of sellers, platforms like Amazon and delivery agents as well as also it's too necessary to link all digital laws like CPA 2019, IT Act and Data Protection Act, so there will be new confusion or problems.

It's necessary to protect the consumer's rights. Still, it's not only the duty of the government, but also the responsibility of e-commerce companies to take steps towards it by removing fake reviews and scams from their website, must make a strong return and refund policy, and should automatically block misleading advertisements. For this, they can follow codes of conduct that are

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voluntary rules under which companies promise fair practices, which help to build customer trust, reduce the burden on the government, and encourage fair competition.<sup>15</sup>

Technology is not the only cause of problems in this digital era. Technology also helps to solve digital problems. For example, AI can help detect fake reviews, identify suspicious sellers, and spot dark patterns that trick and mislead users.

The Blockchain method can track product delivery, verify product origin, and ensure returned goods are not resold without proper product checks. This can solve problems related to online shopping and prevent issues before they happen.

## CONCLUSION

So, with the changing preference of customers from purchasing goods and services from the local market or offline mode to online mode in the 21st century, due to the evolution of technology and the internet. However, this digitalised era comes with new complicated problems whose solution was not in CPA 1986, such as misleading advertisements, fake goods, data privacy issues, and cross-border complexities. For tackling this problem, CPA 2019 supported with CPA 2020 rules (rules of e-commerce), which present some productive elements, like the creation of the Central Consumer Protection Authority (CCPA), the requirement that e-commerce companies make disclosures, and the clause about product liability, represent a significant advertisement over its predecessor. The real effect of an act depends on how smoothly it is put into action or how it changes according to the time or situation, because with the development of technology, several problems arise, like unfairness, algorithms, online trickery, and taking advantage of consumers. So, it's essential that any law or act that establishes the Consumer Act, which establishes a solution for solving the consumer's problem, should be flexible and able to handle current and future issues.

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<sup>15</sup> Wulandari S, L. et al. (2025) 'Legal protection for consumers in e-commerce transactions: Challenges and solutions in the digital era', Journal of Mujaddid Nusantara.

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But it's also essential that people should be aware of their legal right to take action against those problems, especially those problems, especially those customers who are less familiar with technology and more vulnerable.

So, to make the online market safer and fair for customers, strong rules, better consumer awareness, transparent government and company roles, and innovative technology use are necessary. Consumers, businesses, and the government must cooperate to protect customers' rights in today's digital world. Only this teamwork can build trustworthy and open online shopping, which helps keep consumers safe in this digital and modern age.

