

death.

2. Offenses relating to defaults committed, for which applications of compounding of offenses has been filed by one or more parties.
3. Cases involving serious allegations of fraud, fabrication of documents, forgery, impersonation, and coercion.
4. Cases relating to criminal prosecution and of non-compoundable offenses.
5. Cases involving public interest litigation.
6. In any case other than those mentioned under this rule, the Commission before which the suit is *lis pendens* may choose to not refer the dispute for mediation if it appears to the Commission that no scope of a settlement exist which may be acceptable to the parties or else mediation might not be an effective or appropriate tool having regard to the circumstances of each case.

Mediation is the need of the hour for the speedy and efficient disposal of consumer cases and it's commendable looking at the way the government has a clear plan to employ mediators who can solve disputes, thereby, adding less burden on the judiciary.

On the other hand, mediation also creates an alternative source of revenue for people who can also use it as an alternative source of income and is, therefore, a welcome step/move towards the roster of jobs in the recent times of uncertainty.

The new Consumer Protection Act, 2019 enables a consumer to file complaints electronically as well as file complaints in consumer commissions that has jurisdiction over the place of his/her (i.e. Complainant) residence, thereon, nullifying the previous practice adopted under the Act (i.e. *A case can only be filed at the place of purchase or where the seller has its registered office*). However, the time limit permitted under the Act for the purpose of completion of mediation is 30 days^[4].

Expenses & Costs

All expenses incurred in the process of mediation including the fee of the mediator, costs of administrative assistance, and other such expenses that may arise, shall be all borne by the respective States/UT. The fee of the mediator shall not exceed Rs. 2000/- per case under any circumstances but as far as production of witnesses is concerned, each party will have to bear such expenses including experts, or be it for production of documents.

As per the latest Consumer Dispute Redressal Commission Rules, it has been very vividly laid down that there shall be no fee for the filing of cases under Consumer Protection Act, 2019 up to Rs. 5 Lakhs.

Appointment of Mediator

As far as the appointment of the mediator is concerned under the Act, the parties to the dispute will have to mutually decide the same (i.e. sole mediator). In case, the parties are unable to reach a consensus as to who shall act as the sole mediator, the concerned commission shall nominate/appoint the mediator, as it deems fit in its own wisdom.

Manner for Initiation of Mediation Proceedings

At the very outset, a written request has to be made to the concerned authorities (i.e. District/State/National Commission) as the case may be^[5].

The request should contain the following heads:

1. A brief explanation of the nature of the dispute has to be provided, thereafter, the estimated value of any disputed amount and any relief or claim sought by the requesting party needs to be mentioned.

2. The names and address (inclusive of e-mail address) and contact numbers of all the parties (inclusive of any legal or other representative involved) to the dispute has to be mentioned.
3. Thereafter, a proposal for the appointment of a mediator, including suggested qualifications such as: language, skills or mediation experience on the subject matter has to be mentioned.

Notably, the party or parties initiating the proceedings or filing the request shall simultaneously have to send a copy of the request to all other parties, until and unless the request has been made jointly by all the parties. Such a request has to be accompanied by a fee amounting to Rs. 500/-

Role of a Mediator

Looking at the various tangents of how efficacious is the new Act of 2019, it is of utmost importance to note and discuss the role of mediator. The mediator has to try to facilitate a voluntary resolution of the dispute between the parties, and communicate the view of each party to the other, assist them in identifying the issues, reducing the clashes, glorifying the priorities, enunciating on the areas of compromise and lastly, generating options in an attempt to solve the disputes, and constantly pressing on the point that is the duty/responsibility of the parties to make a decision and that he shall not impose any terms of settlement on the parties.

Conclusion - Mediation in Consumer Dispute

As a country, we fight hard against all the odds and segregate the toxic dealings and put forth a healthy competitive environment by reducing the stress of the market as well as of the consumer by protecting and providing equal rights to them. The Act seeks to protect the best of the consumer rights by establishing and recruiting the concerned authorities from time to time by an effective administrative system to settle the consumer disputes with a considerably lesser amount making it flexible to the aggrieved parties.

Further, it is completely dependent upon the consumers how effectively they use the rights given to them in the Act, which have not only improved the dispute resolution mechanism but have also reduced the pressure on consumer commissions, who already have numerous cases pending for adjudication before them.

[1] <http://egazette.nic.in/WriteReadData/2020/220548.pdf>

[2] Section 75 of Consumer Protection Act, 2019.

[3] Notification G.S.R. 450(E), Ministry of Consumer Affairs, Food and Public Distribution, Department of Consumer Affairs, Government of India, New Delhi, published on 15th July, 2020.

[4] Section 79(3) of the Consumer Protection Act, 2019.

[5] Section 79 of The Consumer Protection Act, 2019.

Contributed by - Smita Paliwal & Abhishek Bagga
King Stubb & Kasiva,

Advocates & Attorneys

[Click Here to Get in Touch](#)

[New Delhi](#) | [Mumbai](#) | [Bangalore](#) | [Chennai](#) | [Hyderabad](#) | [Kochi](#)

Tel: [+91 11 41032969](tel:+911141032969) | Email: info@ksandk.com