

## CPA EFFECT: RETROSPECTIVE OR PROSPECTIVE?

The much awaited amendments to the Consumer Protection Act (CPA) were given effect from March 15, 2003 as a gift on the occasion of World Consumer Rights Day. The new Act has made several changes like increasing the monetary jurisdiction, payment of fees for filling appeals, powers to execute orders etc. However; the law makers omitted to specify whether the new amendments will take effect retrospectively or prospectively. This aspect is crucial because a large number of complaints are pending with different forums and commissions throughout the country.

For example, a consumer who has filed a complaint before the state commission claiming a compensation of Rs 20 lakh will now have to revert to the District Forum. For the monetary jurisdiction of the District Forum decided this view as incorrect and unsustainable in law and that the state commission has acted illegally in directing the transfer of the cases to the District Forum.

Fortunately, the National Commission has quickly taken up the issue and clarified that the amendments to CPA are prospective and not retrospective. Delivering its judgment in the case of Babita Aggarwal vs Dr S.K.Goel, the National Commission has said that amendments to the CPA are prospective in nature. Complaints which have already been filed before the State Commission and the National Commission shall continue to be heard and disposed of in accordance with law irrespective of the change in the monetary limits made in the Amendments Act of 2002.

In the above case, there was a claim of Rs 25 lakh. The amendment to the Act has raised the jurisdiction to cover compensation of more than Rs 1 crore.

\*\*\*\*\*