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ALTERNATE DISPUTE RESOLUTION METHODS IN THE REDRESSAL OF CONSUMER DISPUTES: PROSPECTS AND CHALLENGES FOR INDIA

MÉTODOS ALTERNATIVOS DE RESOLUÇÃO DE LITÍGIOS NA RESPOSTA DE LITÍGIOS DE CONSUMO: PERSPECTIVAS E DESAFIOS PARA A ÍNDIA

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Abstract: With the rising number of consumer disputes and the enactment of the Consumer Protection Act of 2019 there has been issues raised with regard to the various methods that can be adopted for the resolution of such disputes. Instead of relying on Consumer Courts, other method of dispute resolution like mediation, arbitration or other out of court settlement methods can be adopted. Mediation is one such method mentioned in the 2019 legislation. But the issue that persist is why arbitration as a method of dispute resolution has not been adopted? Also, whether arbitrability of consumer courts can be a viable option for the resolution of consumer disputes? To answer these questions the paper firstly, discusses the method of mediation as a dispute resolution mechanism. Secondly, it analyses various recent Supreme Court judgments to determine the arbitrability of consumer disputes. Thirdly, for better understanding a comparative approach has been adopted to understand the prospects and challenges for India concerning the issue of arbitrability of consumer disputes.

Keywords: Consumer Protection Act of 2019. Arbitrability. Consumer disputes. Supreme Court.

Resumo: Com o aumento do número de disputas de consumo e a promulgação da Lei de Defesa do Consumidor de 2019, surgiram questões relacionadas aos vários métodos que podem ser adotados para a resolução de tais disputas. Em vez de recorrer aos Tribunais do Consumidor, pode ser adotado outro método de resolução de litígios, como mediação, arbitragem ou outros métodos de resolução extrajudicial. A mediação é um desses métodos mencionados na legislação de 2019. Mas a questão que persiste é por que a arbitragem como método de solução de controvérsias não tem sido adotada? Além disso, a arbitrabilidade dos tribunais de consumo pode ser uma opção viável para a resolução de conflitos de consumo? Para responder a essas questões, o artigo, em primeiro lugar, discute o método de mediação como um mecanismo de resolução de disputas. Em segundo lugar, analisa vários julgamentos recentes da Suprema Corte para determinar a arbitrabilidade de disputas de consumo. Em terceiro lugar, para melhor compreensão, uma abordagem comparativa foi adotada para entender as perspectivas e desafios para a Índia em relação à questão da arbitrabilidade de disputas de consumo.

Palavras-chave: Lei de Defesa do Consumidor de 2019. Arbitrabilidade. Litígios de consumo. Supremo Tribunal Federal.

1. Introduction

Alternate Dispute Resolution, as mentioned under Section 89 of the Civil Procedure Code of 1908, gave courts the power to refer the matter to other mechanisms like arbitration, conciliation, mediation, etc., which would ensure quick and speedy justice to the parties and also reduce the burden of courts. In matters concerning consumer disputes, separate legislation was enacted in 1986, referred to as the Consumer Protection Act, which provided for Consumer Dispute Redressal Agencies in India at the national, state, and district levels. These forums were established to resolve the consumer disputes. However, with the advent of e-commerce and rising offline and online shopping, the number of cases brought before these forums have escalated, creating a need for alternate resolution methods for consumers. Thus, the legislation in 2019 amended and enacted the Consumer Protection Act of 2019, whereby mediation has been introduced as a dispute resolution mechanism for the redressal of consumer disputes. However, the issue that persists is whether arbitration should be included within the ambit of the recent legislation to ensure flexibility to consumers and reduce the burden of these consumer forums.

In determining the issue of arbitration in the resolution of consumer disputes, the Supreme court has discussed the plethora of cases regarding its applicability. Recently, in Emaar MGF v. Aftab Singh, the Supreme Court failed to seize the opportunity of construing the uncertainties in these matters by adopting a narrow view. The Court failed to understand the relationship that can be devised between Arbitration law and Consumer law which would make India meet global standards. Thus, by adopting a comparative approach, this paper highlights the need for India to make arbitration mandatory in resolving consumer disputes under Section 8 of the Arbitration and Conciliation Act of 1996.

To address these existing issues, the first part of the paper discusses the recent legislation, i.e., the Consumer Protection Act of 2019, focusing on the need for mediation as a dispute resolution mechanism. The second part focuses on developing the arbitrability doctrine by analyzing various Supreme Court judgments. The third part deals with a comparative analysis of India with international models. The fourth and final part of the paper seeks to analyze the prospects and challenges for India in referring consumer matters to arbitration.

Statement of the Problem

The nature of consumer disputes is unique, as these focus on the settlement of disputes amicably between the entrepreneurs and the consumers, with the possibility of maintaining future relations between both parties. Contrary to the court proceedings resolving disputes with alternate dispute resolution methods would benefit both parties. *First,* it would be consumer friendly as it avoids long waits for the issuing of judgment, is cost-effective and has fewer formalities than court proceedings. *Second,* it would benefit the entrepreneurs as it would ensure confidentiality and, thus, not cause a negative reputation in the market. ADR methods, therefore, ensure an amicable settlement between the parties. In India, after enacting the Consumer Protection Act of 2019, mediation has been added as a means of dispute resolution to ensure out-of-court settlement. But the issue arises whether the law proves beneficial to the consumers in India or resorting to other methods like arbitration would be considered a better solution. Also, whether India is infrastructurally developed to adopt Online Dispute Resolution. To understand these aspects, a comparative approach will be adopted where developed countries' laws, like the laws of the European Union and the USA, would be taken.

Research objectives and scope of the research

- To identify the relevant provisions added under the recent Consumer law of 2019, introducing the concept of other modes of dispute resolution in resolving consumer disputes.
- To understand the efficiency of other ADR methods like arbitration in ensuring speedy redressal of consumer disputes in India.
- To investigate how extensive consumer protection measures should be to balance the disproportionality between consumers, who are economically weaker in the dispute, and entrepreneurs.
- To critically examine the laws prevalent in the European Union and the USA, which can act as a guiding force for India to include arbitration within its ambit.

Research Questions

1. Is the Consumer Protection Act of 2019, which ensures mediation as a dispute resolution, well-equipped to efficiently resolve consumer disputes in India?

2. Whether encouraging the use of other ADR methods, i.e., Arbitration for consumer disputes, improve the functional proficiency of consumer forums?
3. How may the standard of arbitrability be implemented in the Indian context to create a balance between the Consumer Protectionist statute implemented in India and Arbitration based on the decided Supreme Court cases?
4. How can India learn from the current models, and whether it needs to change its approach in light of current global trends?

2. Literature Review

In ***Mediation and Consumer Protection*** **by Sheetal Kapoor,** the author discusses how the Consumer Protection Act of 2019 dealt with the loopholes in the earlier legislation of 1986. The crux of the article mentioned that mediation in the new law would serve as a game changer in protecting the consumer's rights. The study has focused on the following issues: *firstly,* to understand the shortcomings of the Consumer Protection Act of 1986 in delayed dispute resolution and challenges faced by consumers while buying goods online. *Secondly,* to study innovative methods such as mediation. *Thirdly,* to discuss the recent provisions of Consumer Protection Act on mediation.

In ***Arbitrability of Consumer Disputes: Excavating the Hinterland*** **by Kashish Sinha & Manisha Gupta,** the author mainly discussed and analyzed how arbitrability is to be exercised in the matters of consumer disputes. The paper relied on the Supreme Court judgment of **Emaar MGF V. Aftab Singh,** where the Court gave a regressive view on the interplay between the remedies available under the Consumer Protection Act of 1986 and the Arbitration and Conciliation Act of 1996. Therefore, critiquing the decision mentioned above, the author contends that consumer protection is necessary but should not be implemented in a way that compromises the fundamental principles of arbitration. Thus, there is a need to balance the interests of the protectionist national consumer legislation and the emerging arbitration law concerning the arbitrability of consumer disputes.

In the article titled ***Mediation: Means of Achieving Real Justice in Consumer Disputes*** **by Justice A.K. Sikri,** the author attempted to understand the concept of access to justice in broader terms and how the same can be achieved further through the mediation process. The paper's central argument relies on mediation and access to justice. The article's first section outlines the jurisprudential foundation for justice and conflict settlement. An understanding of how the concept of access to justice evolved is provided in the second section.

The article's third section mainly focuses on justice in the mediation process and the new perspective that mediation brings in granting such justice. The fourth part discusses the significance of mediation in resolving consumer disputes. To constitute justice, the approach that can be adopted is enforcing a strong legal system that enumerates the rights and duties for effectiveness in justice.

The author **Alax Satagopan** seeks to analyze the jurisdictional expansion of Consumer forums and their justiciability in the article titled ***Questioning the Legal Correctness of the SC's Jurisdictional Expansionism of Consumer Forums for Arbitration Agreements: An Analysis of Relevance of Fair Air Engineers to Present Disputes***. The paper's central idea is to understand the relationship between the two legislations, i.e., Section 3 of the Consumer Protection Act of 1986 and Section 8 of the 1996 Arbitration and Conciliation Act. To substantiate the same, the author seeks to elaborate on this with the help of case laws decided by the National Commission Dispute Redressal Agencies and the apex court of India. On analysis of four judgments decided by the highest court in the given article, the author concludes that under present law, a consumer contract's inclusion of an arbitration clause does not preclude consumer forums from hearing claims relating to those contracts for faulty goods or inadequate services.

In ***Arbitration and Consumer's Disputes at a Complicated Crossroad,*** the author **Georgi Ganchev** discusses how the arbitration procedure has developed in resolving consumer disputes in the European Union. The author has discussed the same with the help of case laws wherein the current developments and related problems are associated with the issue of consumer disputes. The European Court of Justice also includes the right referred to as the right to ignore an arbitration clause if the same is null and void, which can be included in Indian law to protect the interest of the consumers.

Amy J. Schmitz, in ***American Exceptionalism in Consumer Arbitration,*** has mainly discussed the US law on arbitration, i.e., Federal Arbitration Act (FAA) and the jurisprudence behind the same. The Court applied this law mainly in resolving B2B and B2C disputes. The USA mandates pre-dispute arbitration agreements to be enforced, unlike other countries, if the same is valid and enforceable. However, the policymakers in the USA have become critical in enforcing FAA while deciding consumer disputes. For the same, renewed efforts have been made, and new legislation referred to as Arbitration Fairness Act would be enacted.

3. Methodology

Researcher has adopted Doctrinal Method, where reference has been made to primary sources, including international conventions, directives, statutes, and national legislations, and secondary sources, such as research articles.

4. Results

Mediation- a means of dispute resolution:

Mediation is considered one of the most effective mechanisms of resolution of disputes owing to certain characteristics, i.e., it ensures party autonomy and the free will of the consumers. In matters involving consumer disputes for the best interest of the consumers, instead of relying on formal legal remedies, the reliance should be placed on reaching a conclusion based on the agreement between the parties, ensuring a win-win solution. During the passing of the 2019 Act, the legislature cited the judgment decided by the Hon'ble Supreme Court in ***Afcons Infrastructure Ltd. and Anr. v. Cherian Varkey Construction Co. Pvt. Ltd. and Ors.*** revealing its intention to institutionalize a mediation framework under the Consumer Protection Act of 2019, stating that mediation can lead to the settlement of claims for aggrieved consumers.

The Consumer Protection Act of 2019, under Chapter V, has introduced the concept of Mediation, which encourages the resolution of consumer complaints if there exists scope for a dispute settlement. The District, State, or National Commission shall have Consumer Mediation Cells attached to it to resolve disputes. The Consumer Mediation Cells are required to be established by the State Government for District and State Commissions and by the Central Government for the National Commission. On the recommendation of the Selection Committee, which consists of the President and a member of the Commission, the respective Commissions would prepare the list of the panel of mediators for the Mediation cell linked to it. The mediators nominated by the respective Commission would carry out the procedure of mediation and, in furtherance of that process, would try to settle with the parties. After the settlement report has been prepared and submitted by the mediator to their respective commissions, these commissions would pass appropriate orders and dispose of the matter accordingly. The qualifications, disqualifications, respective fees to the nominated members and the procedure for empanelment have been mentioned under the Regulations. To ensure the

proper working of these cells and monitor their activities, every Mediation cell must submit a quarterly report to the commissions they are attached to containing the list of important observations made. Also, the regulations mention a certain list of matters that can't be dealt with employing mediation, like matters relating to medical negligence resulting in grievous hurt or death, cases relating to the prosecution of criminal offenses, cases involving allegations of fraud, etc.

Mediation, as incorporated under the Consumer Protection Act of 2019, is a welcome step toward ensuring flexibility for consumers, quick and effective solutions keeping in view the interest and satisfaction of the consumers, and giving parties the right to exercise autonomy for reaching out on appropriate settlement. One of the reasons for implementing other modes of dispute resolution is to ensure that there is less burden on the Consumer Commissions and the quick resolution of disputes. However, certain issues may persist in using mediation as a means to resolve disputes, i.e., *firstly,* the involvement and interference of District, State, and National Commissions at various stages of the mediation process, thereby causing a delay in the proceedings and forfeiting the purpose of its adoption. *Secondly,* the informal negotiation process imposes more limitations on the weaker party, i.e., the consumers, as they are prone to manipulations by the other party and the mediator. *Thirdly,* settling becomes difficult when the parties involved in consumer disputes include the weaker party (consumers) and the stronger party (sellers), leaving no option but to rely on the Consumer Forums at various levels. *Fourthly,* the 2019 legislation obligates establishing Mediation Cells attached to the respective Consumer Forums. However, the act is silent regarding the pecuniary limit within which the case can be sent for mediation. Therefore, apart from mediation, would introducing arbitration as an alternative mode of dispute resolution in the legislation benefit the consumers and ensure functional proficiency in the consumer forums?

Arbitraribilty of consumer disputes- the Indian scenario:

The recently passed Consumer Protection Act of 2019 included mediation as resolution dispute mechanism which is advantageous to both the consumers as well as the consumer forums as it would streamline the dispute resolution process and lessen the workload on them. However, the question that persists is determining the arbitrability of consumer disputes, is deciding as to what matters can be taken under arbitration? The 1996 legislation on arbitration doesn't provide an exhaustive list of the matters that can be dealt with in the adjudication of these arbitration forums. Also, relying on the UNCITRAL Model Law on International

Commercial Arbitration, on which the law of India is based, no guidance has been provided. Therefore, it remains an open-ended question of which judiciary will determine the arbitrability of consumer disputes.

Russel on Arbitration famously stated, "not all matters are capable of being referred to arbitration." He observed that certain matters are reserved for the Courts alone, and any interference by the Tribunals would make those awards unenforceable. Also, the authors from England stated the following:

"In practice, therefore, the question has not been whether a particular dispute is capable of settlement by arbitration, but whether it ought to be referred to arbitration or whether it has given rise to an enforceable award. No doubt, for this reason, English law has never arrived at a general theory for distinguishing those disputes which may be settled by arbitration from those which may not...."

To determine the arbitrability of consumer disputes in India, a conflict existed between Section 8 of the Arbitration and Conciliation Act of 1996 and Section 3 of the Consumer Protection Act of 1986. To resolve this issue, the judiciary has laid down many cases that help determine the relationship between the two legislation and how a harmonious construction of both would prove beneficial for the existing consumer jurisprudence. Starting with the case of Fair Air Engineers Pvt. Ltd. and Anr. v. N.K Modi, the Court diluted the previous rule that a matter should be sent to arbitration if the parties have signed an arbitration agreement. It prioritized the welfare legislation of 1986, stating that if consumer forums are established for resolving consumer disputes, consumers are endowed with a choice to opt for either of the remedies. Also, the Consumer legislation was a special law passed later in time to the Arbitration law therefore, precedence would be given to consumer law. In another case of Thirumugugan Cooperative Agricultural Credit Society v. M. Lalitha, Court held that consumer law had been enacted to ensure the resolution of consumer disputes and mandating arbitration would prove the consumer law to lose its sanctity and the same may become redundant.

Later, the *arbitrability test* in India was propounded in a leading case, i.e., Booz Allen and Hamilton Inc. v. SBI Home Finance Limited & Ors. In the given case, the conceptual framework was given concerning the arbitrability of consumer disputes. The Court clearly stated that the disputes are not characterized as arbitrable or non-arbitrable at the whims and fancies of the legislature. The Court also outlined certain types of disputes outside the ambit of arbitration, such as matrimonial disputes or criminal offenses, and the reason is that these are reserved exclusively for determination by the public forum. The classification has taken into account the

public policy objective. Consequently, for the parties that have agreed to a dispute settlement via arbitration, the Court can exercise its power and refuse to refer for arbitration under Section 8 of the 1996 Act, if the dispute is not arbitrable. Finally, in the case of A. Ayyasamy v. A. Paramasivam, the Supreme Court resolved this conflict of the interplay between two legislations and stated that consumer disputes are completely inarbitrable.

Post these decisions, Section 8 of the 1996 Act underwent an amendment in 2015 that requires reference of the dispute should be made by the judicial authority if there exists an arbitration agreement. Thus, notwithstanding any judgment, decree, or order, the judicial authority must refer the parties to the arbitration. This amendment-imposed restrictions on the power of judicial authority to refuse the matter to be referred for arbitration. Based on this amendment, a contention was raised in the Supreme Court in the case of Aftab Singh v. Emaar MGF Land Ltd. that all the judgments that rendered the consumer disputes to be inarbitrable stand diluted. However, the court followed the earlier judgment. Clearly, it stated that the amendment made in 2015 in the legislation does not oust the jurisdiction of these Consumer Forums. These forums can deny the remedy of arbitration to the parties even if there exists any agreement for the same. Thus, by relying on precedents, the courts dissipate the opportunity to implement the pressing need for arbitration in deciding consumer disputes. Thus, the non-arbitrability of consumer disputes is neither mentioned in the Consumer Protection Act nor the Arbitration Act, and its express inclusion or exclusion depends on the judiciary. This judgment was criticized as the Court failed to explain how an arbitration decision resolving a consumer dispute might continue to be an award which is valid and not contrary to public policy. The Supreme Court concluded that:

"The amendment in Section 8 cannot be given such expansive meaning and intent so as to inundate entire regime of special legislations where such disputes were held to be not arbitrable."

In contrast to the older cases, in the recent case, the Supreme Court has laid down tests to determine the arbitrability of a consumer dispute. The four-fold test, as laid down in Vidya Drolia and Ors. v. Durga Trading Corporation stating that certain matters would not be considered arbitrable, is to be applied. Applying these tests to matters of consumer disputes, it can be elucidated that matters disputes cannot be brought under the gist of non-arbitrability as, *firstly,* it may include matters involving *right in personam* when matters relate to issues brought between individual consumers and sellers. *Secondly,* these matters don't relate to the sovereign functions of the State. *Thirdly,* neither of the statutes expressly bars the remedy of arbitration in

matters pertaining to consumer disputes. It can be clearly stated that excluding all consumer matters from arbitration would not benefit the consumers and burden the consumer forums with the plethora of pending cases, thereby forfeiting the purpose of enacting the welfare legislation.

International perspective- a comparative analysis of the European law, the USA and India:

Contrary to the Indian position, European (EU) Law and the law in the USA have a comprehensive mechanism for resolution of disputes across various legal arenas, including matters involving consumer disputes. With the rising trends of e-commerce and the rise in consumer disputes, there is a need to ensure speedy and effective justice for consumers, which propels a need for ADR methods for dispute resolution. India currently, by the 2019 legislation, has adopted mediation as a method of dispute resolution but to ensure other alternative remedies, can the adoption of arbitration in the legislation ensure effectiveness?

To strengthen the EU market by providing access to justice through ADR, a directive was passed in 2013 by the European legislators. The Preamble indicates that alternative dispute resolution states that settlements between consumers and traders can be resolved easily, quickly, and inexpensively outside of court. The Directive seeks to protect the consumers interests from arbitrary practices of large corporations, the Directive excludes its application to such procedures initiated by the trader against a consumer. The ADR Directive chalks seven principles: expertise, liberty, impartiality, fairness, effectiveness, transparency, and independence that should be incorporated to formulate any legislation. These principles, if included in Indian legislation, would promote a uniform model where consumers can have faith owing to the inadequacy of law on consumer arbitration. In Oceano Crupo Editoal SA v. Rocio Murciano Quintero, the European Court of Justice ruled that the examination of arbitration agreements for fairness by the Court on its motion is needed when the consumer is unaware of the protection provided to them. These measures initiated by the judiciary would act as a precedent for Indian courts to ensure the protectionist regime that the EU provides to its consumers owing to less arbitration practice in such matters. Also, under EU law, all the pre-dispute arbitration agreements are considered null and void, reducing the possibility of arbitrary practices exercised against the consumers' rights. This negative presumption regarding arbitration agreements can be a major step to be adopted under Indian law.

However, in the USA, the *Federal Arbitration Act* renders provision for arbitration in matters of commercial disputes concerning future matters "valid, irrevocable, and enforceable." In *Prudential Lines, Inc. v. Exxon Corp.,* a valid agreement by the Court is mandatory if the arbitration agreement exists, the court must determine whether the contract contained a valid agreement to arbitrate. If a valid arbitration agreement exists, the Court must determine whether the dispute is arbitrable. While determining the arbitrability, the Court must consider the public policy reasons. Thus, more reliance is placed on the autonomy of the party in the USA while determining the choice of the forum in matters of consumer disputes. Due to this limitation, US legislators have enacted the Arbitration Fairness Act (AFA), preventing pre-dispute arbitration agreements from being executed in consumer, employment, and civil rights disputes. Also, The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) created a Consumer Financial Protection Bureau (CFPB), which was give the authority to enforce consumer protection laws. Pre-dispute arbitration agreements were not permitted to be enforced in instances involving contracts for consumer goods and services under its regulations. The regulation under it included prohibitions on enforcement of pre-dispute arbitration agreements in matters concerning consumer products and service contracts. While interpreting arbitration agreements, the USA adopts a "double test" to determine the arbitrability of matters. This "double test" presumes arbitrability in most cases but provides for an important defense of "public policy" to avoid arbitration. India can use this as a general defense in consumer disputes, like the USA.

One lacuna in the 2019 law of India is that after incorporating mediation as a means of resolution, the absence of a pre-determined monetary threshold limit access to these Mediation cells. Thus, adopting the EU directive concerning mediation and arbitration on monetary threshold limits in India would ensure coherence among consumers. One of the prime reasons for enacting 2019 legislation in India was to introduce alternative modes of dispute resolution to reduce the burden of Consumer Commissions due to the piling of cases. Thus, similar to the EU model, the appointment of competent authorities for resolving disputes would serve a dual purpose, i.e., providing the consumers with a single point of contact for resolution. *Secondly,* no involvement of Consumer Commissions would be required where matters about arbitration authorities are raised.

5. Conclusions

Alternate Dispute Resolution methods would be suitable for dealing with certain consumer disputes, thereby providing an extension to the existing remedies in the justice system. The enactment of the recent legislation, i.e., the Consumer Protection Act of 2019, is a stepping stone toward introducing mediation for resolving consumer disputes. However, with the increasing number of cases and awareness about the importance of arbitration as a form of dispute mechanism, adding the same under the 2019 act would ensure flexibility and reduce the burden of cases for the Consumer Dispute Redressal Agencies in India. While analyzing the current situation, India faces certain challenges which withhold it from adopting arbitration as a mode of dispute resolution. *First,* insufficient ADR coverage among consumers. Thus, there is a need for more awareness among consumers regarding this viable option. *Second,* the rigid approach of the courts and policymakers and diverging views on the arbitrability of consumer disputes, like in the Emaar case, withholds the adoption of arbitration as a mode of dispute resolution in consumer cases. *Third,* the issue of pre-dispute arbitration agreements exists among the consumers and sellers where sellers are in a dominant position to make these agreements arbitrarily, compelling consumers to adopt the existing prerequisites. Thus, all these issues forbid India from meeting global standards. Thus, to meet these standards, India must incorporate changes to its existing legislation for which the EU and the USA model would act as guiding forces.

Scope of future research

The EU Model of Consumer Arbitration acts as a perfect model as it seeks to balance the ability of consumers to arbitrate consumer disputes and protect their interests. It has a set of guidelines (referred to as Directives) that can act as an illustration for a country like India to incorporate the same in their existing law on consumer protection. The EU provides two major learnings for India. *First*, an effective and cheaper dispute resolution mechanism should be adopted to meet the rising number of e-commerce consumer cases. For example, Online Dispute Resolution may be a viable option. *Second*, a negative presumption against pre-dispute arbitration agreements can be adopted, as mentioned under the Unfair Terms in Consumer Contracts Directive. Contrary to the EU model, the USA relies more on party autonomy. While deciding any disputes interests of both parties should be taken into consideration. Also, the USA requires that the arbitration agreement in such matters be valid and legal, which can act as a

check against the practices of large MNCs. Like the USA, adopting a defense like *public policy* would ensure effectiveness in deciding consumer disputes.

The USA and EU law guide India in formulating a strong framework for including arbitration in matters concerning consumer disputes, as it would not only ensure fairness to the parties but also avoid the possibility of doubt among the consumers. The need for balancing the interests between protectionist consumer law and mandatory arbitration law is needed due to the exponential rise in consumer disputes and the limited resolution mechanism available, which are unable to provide remedies in the manner they are intended to.

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