

# An Analysis of Consumer Rights under Consumer Protection Act 2019: Case Study

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**Abstract:** All the people of the world are consumers. From the child in the mother's womb to the grave, every individual is a consumer. Consumer means a person who consumes something. In the era of globalization and industrialization, the use of information technology has made international trade extremely important. Today's time is the time of information technology, through which consumer goods are present in the national and international market to fulfil their needs to the consumers. A variety of goods and services exist in this consumerist society, which includes various amenities of entertainment including food, housing, clothing, education, health, transport, electricity, financial and banking services. Consumers have been considered supreme in the open and free market policy in the world, especially in India. The term 'caveat emptor' has been used earlier which means 'buyer beware' i.e. consumer has to be careful while buying any kind of goods or availing service. We can say that the consumer has to be alert. Why do they need to be alert when the consumer is called the king? On this basis, this old principle was abolished and now 'Caveat Vendor' was implemented. Which means now the producer; service provider or seller has to be careful. Before bringing the goods into the free market system, they have to decide that it is 100percent beneficial for the consumers; otherwise they should be ready for legal action. Despite this, hundreds of impractical acts like hoarding, false and misleading advertisements, and various types of adulterated goods are being run by the manufacturers and service providers in the market.

**Keywords:** Consumer Protection, Consumer Rights, Consumer Behaviour, Consumer Education.

## 2. Introduction:

Consumer protection is a government control to protect the rights of consumers and protect their interests. Impractical system like preventing hoarding, black marketing and adulteration under consumer protection, ensuring high quality material which is received at reasonable price, preventing measurement error, not providing service even after guarantee in the material But efforts like curbing were made by the consumers only. To curb black marketing or sale of adulterated goods, consumers had to organize which is known as consumer movement or consumerism. Government control was achieved due to consumerism. That is, to provide quality material to the customers at a reasonable price, the government machinery was alerted and consumer protection was given a legal form.<sup>1</sup>

The need for consumer protection is also because the consumer has been the king since ancient times and it is necessary to protect the rights of consumers in business. Consumer protection law is necessary to get rid of all kinds of immoral atrocities committed by the producer and all the agencies associated with them. In order to remove the defect under the Consumer Protection Act in 1986, it has been completely amended in 2019. The main objective of the Consumer Protection Act of 2019 is to completely stop the sale of adulterated goods or substandard goods, to prevent counterfeit and sale at a price higher than the original price, to curb the quality of goods less than the prescribed standard quality, Prohibition on counterfeit goods, in order not to tamper with weights and measures, it was absolutely necessary to stop immoral acts like black marketing and hoarding.<sup>2</sup>

H. K. L. Bhagat, Minister of Parliamentary Affairs and Food and Civil Supplies, while presenting the bill<sup>3</sup>, said that 'Honourable Speaker, in the present economic and social scenario, the issue of consumer is a matter of concern and importance for all of us because we are all in one way or the other. are consumers. Although various scientific and technological developments have brought about direct socioeconomic changes. Control over the consumer market mechanism is gradually reduced. Their dominance in the choice of goods and services has been immense. Monopolistic and decisive business practices are in vogue. Our Government has given high priority to building such a movement in the country under the dynamic thinking of Prime Minister Shri Rajiv Gandhi. 'Concern for the consumer' has been included in the new 20 point programme. We are keen to develop a broad-based and effective consumer movement in the country and several measures have been initiated for this purpose.

The Minister of Consumer Affairs, Food and Public Distribution, Ramvilas Paswan in his address while presenting it in Lok Sabha on 08 July 2019<sup>4</sup> said that Speaker Sir, this bill is a new bill. The earlier bill was made an Act in December 1986. After so many years, this bill has come before the House again. With your permission, I would like to move to consider the Consumer Protection Bill, 2019. Sir, I propose: "That in order to protect the interests of consumers and for the said purpose, on a Bill to provide

<sup>1</sup> <https://ncert.nic.in/textbook/pdf/lhbs204.pdf> / assessed 06-01-2022

<sup>2</sup> Ibid, pp 03

<sup>3</sup> Debate on Lok Sabha, Series Eight, Volume xxiii, No. 26, Dated 09<sup>th</sup> December 1986

<sup>4</sup> 17<sup>th</sup> Lok Sabha Proceeding, Lok Sabha Proceeding, 08<sup>th</sup> July 2019

for the establishment of authorities for the timely and effective administration and settlement of consumer disputes and for matters connected therewith or incidental thereto and be considered."

"Sir Speaker, this bill, the Consumer Protection Bill, was introduced in the Lok Sabha on 10th August, 2015. After that the bill was sent to the Departmental Standing Committee for consideration. The Standing Committee of Parliament gave its 9th report on 26 April 2016, in which 37 major recommendations were made. It included recommendations related to combating misleading advertisements, adulteration and the proposed Central Consumer Protection Authority and safety etc.<sup>5</sup>

"Sir Chairman, these recommendations of the Standing Committee has been accepted in whole or with some modifications. Thereafter these recommendations were considered by the committee of the Group of Ministers. Speaker, Sir, a new amended bill, taking into account the Group of Ministers, Standing Committee and Ministry of Law, Consumer Protection Bill, 2018 was framed and introduced in Lok Sabha on 05.01.2018.

Shri Paswan said that Speaker Sir, to prevent misleading advertisements and adulteration of the products, penalties have been recommended here. Provision for excise liability has also been made to prevent manufacturers and service providers from supplying defective products or defective services. It is our afford to facilitate access to the Consumer Commission and to simplify the process of adjudication. Provision for speedy disposal of cases through arbitration has also been made in this bill. Provision of rules for youth consumer issues, provision for e-commerce and direct selling has also been made in it.<sup>6</sup>

**3. Statement of the Problem:**

In order to ensure that consumers are not adversely affected in the event that the seller fails to deliver the goods or services by reason of negligent conduct by such seller, as may be prescribed by the provisions of the Marketplace e-commerce entity, fail to fulfil the duties and liabilities in the prescribed manner. Back liability has been provided for each marketplace e-commerce entity.

**4. Objectives of the Study:**

1. To study the speedy trial in Consumer Forum and other agencies
2. To Examine the Consumer’s complain and judicial process.

**5. Hypothesis of the Study:**

Under the Consumer Protection Act, the complainants get proper justice. Due to lack of legal awareness, the complaint gets dismissed.

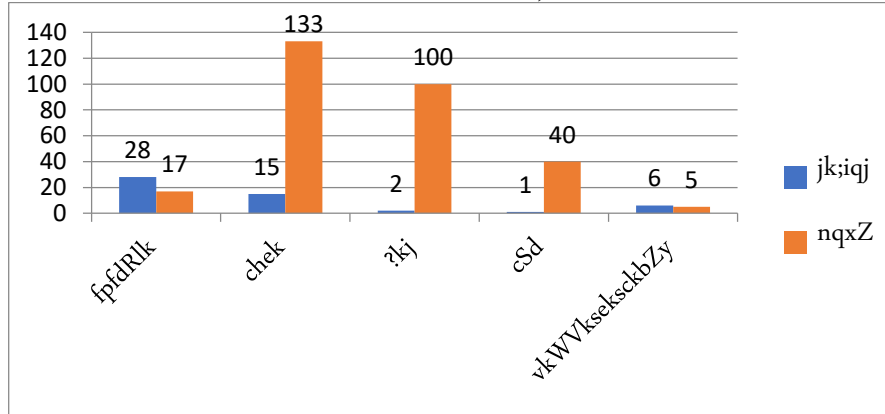
**6. Research Methodology:**

**Data Collection of the Study-**

The study was based on primary data. Researcher observed Consumer Forum and got copy of decisions of forum. Total 500 cases of different sector i.e. Banking, Insurance, Housing etc. are analysed by researcher.

**7. Research Finding and Discussion**

**Graph – 1 (Number of Judgement of different sectors in District Forum)**

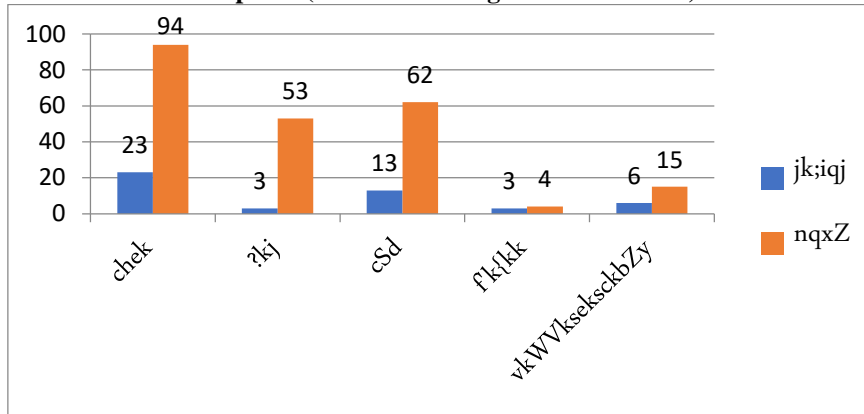


It is shown in the above graph that in the year 2021, in the Raipur District Consumer Forum, a total of 84 cases have been adjudicated in different 32 sectors, whereas in Durg Consumer Forum, the maximum number of 916 cases have been adjudicated. In Raipur Consumer Forum, maximum 28 cases have been heard in the medical sector, while 611 cases have been heard in Durg in other sectors and 166 cases have been heard in the insurance sector in the second order. Forty cases related to the bank have been heard in Durg Consumer Forum. In the year 2021, out of the hearing of cases held in Raipur and Durg Consumer Forum, medical, bank, insurance and other sectors have been selected for research.

<sup>5</sup> Ibid page 38

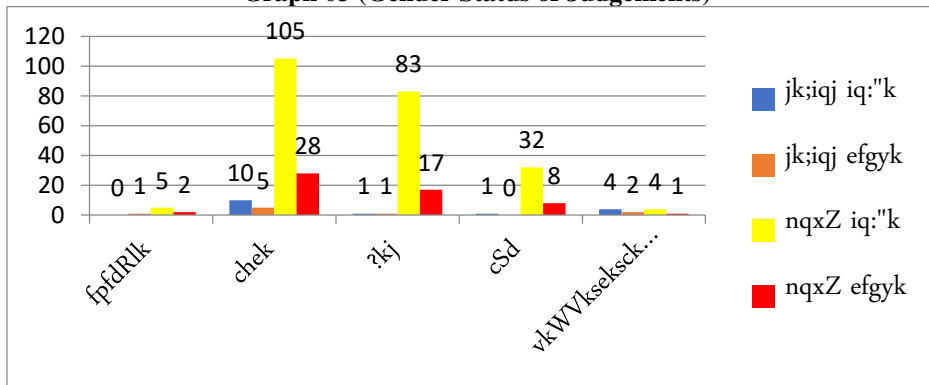
<sup>6</sup> Ibid page 39

**Graph 02 (Number of Judgement in Sectors)**



It is shown in the above graph that in 2020, 106 cases have been heard by Raipur Consumer Forum and 703 cases have been heard by Durg Consumer Forum. In the Raipur Consumer Forum, 23 cases have been heard in Insurance Sector, 13 in Banking Sector, 07 in Telecom, 06 in Automobiles and 30 in other Sectors. Whereas Durg Consumer Forum has heard 453 cases in most other sectors, 94 in insurance sector, 62 in banking sector and 53 in housing sector. Since the year 2020 and 2021 were corona periods, under which the complaints in the consumer forum must have reduced. But Durg Consumer Forum has the highest number of adjudications as compared to Raipur Consumer Forum. Insurance, Banking, Housing, Automobile and Telecom sectors have been selected for research by the researcher in the judicial decision held in Raipur and Consumer Forum in the year 2020.

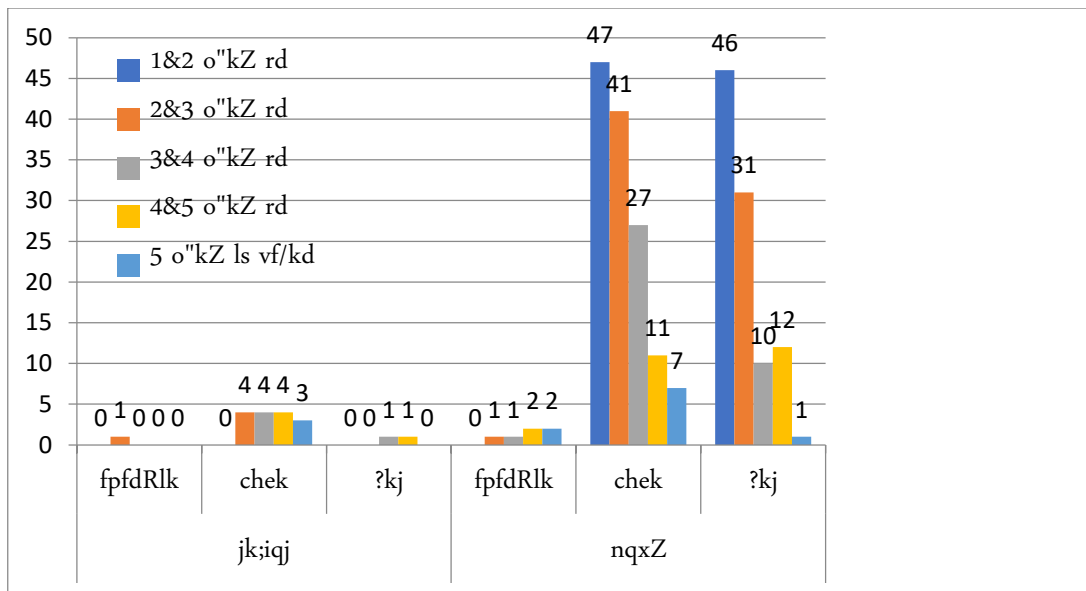
**Graph 03 (Gender Status of Judgements)**



It is seen in the graph that according to the judgment held in the year 2021 in Raipur and Durg Consumer Forum, Durg Consumer Forum has the highest number of women as compared to Raipur Consumer Forum. Anyway, the highest literacy district in the state of Chhattisgarh is of Durg. The hearing of the case has also taken place in the Durg Consumer Forum and at the same time the number of women consumers is also high. Most of the hearings have taken place in the medical, insurance, home, banking and automobiles sectors. That is, the consumers of this area are more aware or it can be said that the violation of the rights of consumers has happened more in this area. In Durg Consumer Forum, the number of males in insurance sector is 105 while the number of females is 28, in housing sector the number of males is 83 and females are 17, in banking sector the number of males is 32 and the number of females is 08. Under other areas, there were 465 males and 146 females in Durg District Consumer Forum. Other areas include goods or services used in daily life such as furniture, cosmetics, stationery, everyday things that we do in daily life.

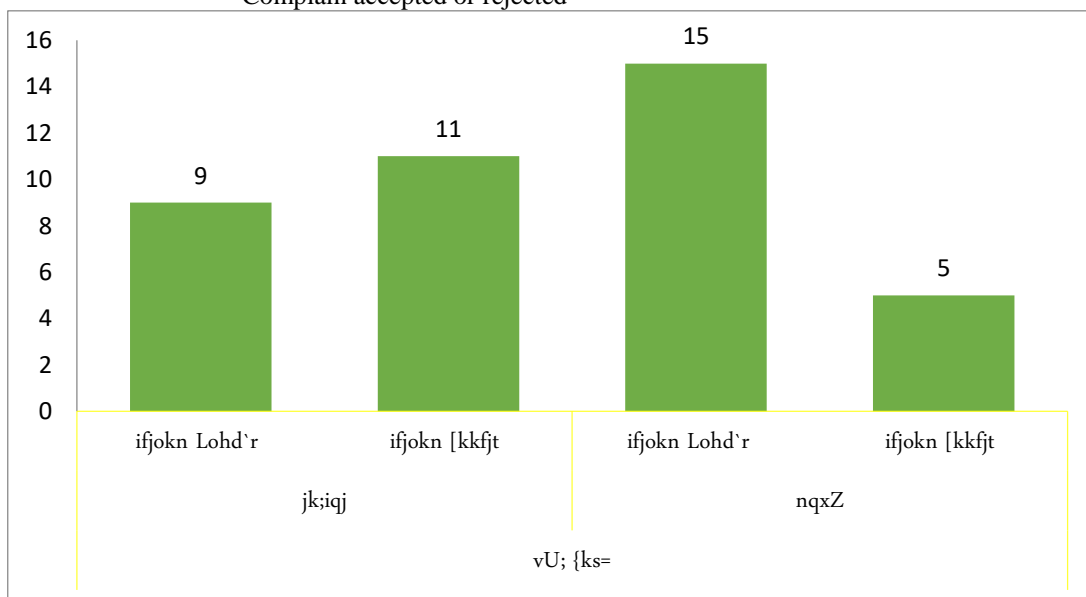
**Analysis 01: Doctrine of Speedy Trial**

**Graph 04**



It is shown in the above graph that by observing the time taken from the date of admission of cases in Raipur and Durg District Consumer Forum till the date of final decision, it is known that in Durg Consumer Forum, 47 cases from 01 to 02 years in the insurance sector, 41 cases up to 3 years, 27 cases from 3 to 4 years, 11 cases from 4 to 5 years and 07 cases more than 5 years. Whereas in the housing sector 46 cases from 01 to 02 years, 31 cases from 2 to 3 years, 10 cases from 3 to 4 years, 12 cases from 4 years to 5 years and 01 case for more than 5 years. If we also look at the status of Raipur Consumer Forum, it is known that it has taken time from 1 year to 05 years in hearing the cases of medical, insurance, housing sector.

Graph 05  
Complain accepted or rejected



The graph shows that in the field of medical, the complainant had filed cases in Raipur and Durg consumer forum on the basis of negligence of doctors, hospital management or staff negligence. In the adjudication given by the court, out of 20 cases of Raipur Consumer Forum, 13 cases were accepted and 07 cases were rejected. Whereas in Durg Consumer Forum, out of total 20 adjudications, only 04 cases have been accepted and 19 cases have been rejected.

**8. Conclusion:**

Delay in justice is tantamount to violation of human rights. Justice delayed is tantamount to denial of justice. When the system becomes dead, it takes time to make it aware. No law permits the infringement of this right. The consumers of the district are deprived of their rights these days. Consumer Forum is dead for consumer protection. The post of the Chairperson and the lady member of the court are lying vacant in number of the District Forum. In many courts, there is only one member working. Hence, the process is not completed due to lack of quorum. As a result, the traders of the district are leaving no stone unturned to take undue advantage of these shortcomings. Goods are being sold at high prices. Complaints of error in service by government and non-government organizations are continuously going on. Some consumers who have already filed complaints in the consumer court are also tired of going to the court. The hope of justice seems far away.

In the research done by the researcher, it was found that there is a shortage of jurists in various district consumer forums of Chhattisgarh i.e. most of the forums are not hearing due to lack of quorum. If we look at the figures of every year, it is known that there has been a lot of delay in the hearing of the complaint, on an average; it takes 2 to 3 years. Speedy Trial means less than average time. The purpose of the Consumer Protection Act is also here that the hearing should be done within 6 months. One reason

behind this is that the complainant is present but the opposition party remains absent. Further, written statement is not produced by the opposition party. Due to the lack of participation of the parties in the court proceedings, there is a natural delay in the hearing of the complaint. Looking at the adjudication, it is known that there is a lack of experience among the members. There is also a deficiency in giving directions to the opposition party like a civil court. From this we can say that the concept of speedy justice is limited only to the legal system only, it has no relation in the implementation.

#### **9. Suggestions:**

The researcher has made the following suggestions-

1. There is no provision in the Consumer Protection Act for speedy Trial, while the time period for hearing should be clearly mentioned. With this arrangement, the state government will appoint a sufficient number of chairman and members in the consumer forum regularly. This can be a good guideline for consumer forum.
2. In the Consumer Protection Act, a consumer forum has been directed to be set up in every district, but still consumer forum has not been formed in some new districts. That lacuna is also affects the consumer protection system.
3. Consumer Forum should also be given powers like civil courts. For example, the jury member of the forum, the opposition party i.e. seller, can be instructed by the forum to give a mandatory concrete receipt, to mention GST in the receipt, to return the goods in case of defective goods, etc..

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