



Emerging Issues of Consumer Rights over Services

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Abstract:

India is one of the fastest growing economies in the world and the Indian market today is dominated by consumerism and is gradually shifting from a primarily seller's market to a buyer's market where consumer choice depends on their awareness. The Consumer Protection Act of 2019, strengthens the legal framework of consumer rights and ensures the welfare of consumers, which is the responsibility of the state because every citizen of the country is a consumer in one way or another. The consumer can only be protected in this competitive economy if the right standards are ensured for the goods and services paid for through the development of a network of agencies and a law enforcement system. "The changes give consumers more power when they are informed and you have a better defined law for complaints." This paper attempts to critically and synthetically examine the topic of 'Consumers to Services in India'.

Keywords: Consumer Rights, Consumer protection. Consumer Choice, Consumer Complaints

Introduction:

This paper proposes to discuss the issues of consumer rights over services in our Country. UN equal situation prevails in the market and enforcement of rules and regulations is in a very bad shape. However the learners role is very essential and their participation in the consumer movement is very much needed. This paper throw light on the cases where consumers are exploited in day to day basis and subsequently the consumers are shielded by the legal institutions in getting the compensation and upholding their legal rights. In the present scenario the consumer is a victim of many unfair and unethical tactics adopted in the market place. The untrained consumer is no match for the businessman newly adopted technics of marketing goods and services in a organized manner by the trained professionals. A greater public concern over the consumer protection issues is adopted in recent years. In India the consumer protection Act,2019 to be treated as a milestone in the history of socio-economic legislation to protect the interests of the consumers. In order to serve better the interest of the consumers and settle their dispute, consumer council and other authoritative mechanism are also being established. Protection of consumers is the main objective of the consumer protection Act, unlike existing laws which are punitive or preventive in nature, compensatory in nature is the provision of this Act. By this Act simple, speedy and in-expensive redressal to the consumer's grievances is actioned. The progress of a country is identified by the level of consumer awareness of their rights.

Concept of Consumer Rights:

Consumer right is the right of a consumer to possess the information about the quality, quantity, purity, price, potency and standard of the commodity they are using, the consumers are shielded against any type of malpractice by the market.

Fundamental rights of Consumer as follows:-

- Right to Safety
- Right to be informed
- Right to choose
- Right to be heard / right to representation
- Right to seek redressal
- Right to Consumer education.

Right to Safety

The Consumer right to be protected from dumping hazardous goods in the market that are harmful to life and health.

For example, regulations on food products, pharmaceuticals, and medical devices help to ensure that they meet minimum safety standards

The following is the Case pertaining to dumping hazardous goods in market, A resident of Ahmedabad Mr.Rajesh Rajan bought a bottle of Pepsi from a neighborhood store and found a packet of gutka floating in it, he approached the local shop and he promptly complained against the corporation with a legal notice and contacted a Consumer Dispute Redressal Forum. Furthermore, he alleged that there was a service flaw that could have put his health at risk. He requested Rs. 5 lakh in compensation for the incident.

Court Decision

The consumer forum passed an order in favour of Rajesh Rajan and directed the company to pay a total of Rs. 4008 to him (Rs.4000 for compensation and Rs.8 for the Pepsi he purchased).

Rajesh moved to the State Consumer Dispute Redressal Commission, claiming that the compensation as Rs.4008 was too low and that he had spent Rs,500 on sample testing itself. The State Commission passed an order asking the company to pay Rs.20,000 as compensation and Rs.2000 towards costs as it found Rajesh's argument reasonable.

The Key Takeaway

Not all freebies are acceptable! If you uncover something in your food (packaged or not) that isn't supposed to be there or could be damaging to your health, the supplier has failed to offer adequate service. Take them to one of the Consumer Court.

Right to be informed

It is essential of product seller to update the consumers about the quantity, quality, standard, purity and price of the products, goods or services. However to protect the consumers against unfair trade practices.

An Case of the False Claims Made by Skin and Hair Care Products Yet

A 67-year-old man from Kerala's remotest areas was tired of these consistent lies and how companies got away with them. In 2015, K Chaathu complained against Indulekha (beauty product manufacturers) and Mammooty (an actor who was the brand ambassador of the company) for putting up misleading ads. The tagline of the soap was 'soundaryam ningale thedi varum' which meant 'beauty will come in search of you. The ads also claimed that people using the soap will become 'fair' and 'beautiful' but the 67-year-old didn't become fair or beautiful.

Compensation Paid:

Indulekha paid him Rs.30,000 in an out of the court settlement while the initial claim of Chaathu was Rs.50,000. When he was asked about this, he said that this case was never about the money but about how these companies put up advertisements every day with false claims. And it is not okay to let these people get away with it.

Key Takeaways

Advertisements are made to sell the products, so exaggeration of results is too common. But this doesn't make it okay to make false claims just for the sake of selling the products. Making false claims in violation of the CTA.

Right to Choose

It is the right of the consumer to have access to a variety of products and services at very fair and competitive prices.

Paying more than the Maximum retail price:

In places like theatres, Railway stations, Exhibitions or Trade shows etc we notice that the stalls charge more than the maximum retail price (MRP) for packed goods. we see this happening and donot take it seriously and ignore the happening. Among the prominent consumer case as follows:-

Mr. Chindipothu Kondaiah from Andhra Pradesh, on the other hand did not ignore it when he noticed that Sarvi Food Court charged him Rs.40 for a Kinley water bottle where the maximum retail price was Rs.20 only. Mr.C. Kondaiah filed a case against them in the District Consumer cases Disputes Redressal Forum for unfair trade practice. His case was supported by producing the bill.

Court Decision:

The Court decided in favour of Mr.C.Kondaiah and said that a practice is not justified just because it is widely common, Mr.C. Kondaiah was awarded a compensation of to pay Rs.20 which is collected in excess from the Complainant, pay Rs.20,000 towards compensation and pay Rs.5,000 towards costs.

Key Takeaway:

No authority has the power to charge above the maximum retails price for any packed goods. It does not matter where it is sold, you are not required to pay a rupee above the maximum retail price.

Chidhidipothu Kondaiah Vs Sarvi Food Court

Right to be heard / Right to representation

It is the right of the Consumer to be heard if he has been exploited or has a complaint regarding a business, good or services. Then his right to be heard and assured that his interest would be taken into consideration.

According to the "Right to be heard" the grievances of consumers should be heard by the seller. The Consumer protection Act, awarded consumers with the right to be heard, and assured consumers that their matters will receive due attention at appropriate tribunals. For instance, if the consumer charged the value of the original product by selling a local product to the consumer and when the consumer asked him ti change the product he simply denied. In such a situation, the consumer can use his right to be heard, by complaining to the consumer forums and concerned authority.

Right to seek redressal

It is the right of the consumer to be compensated for any kind of mis-representation shoody goods or unsatisfactory services. In case if the consumers are cheated and exploited by the producers the consumers has every right to get their claims settled in their favor.

The case of Delhi Development Authority Vs D.C. Sharma on 18february 2014. The Complainant Mr.D.C. Sharma in response to an advertisement published by the Delhi Development

Authority under the name of Expandable Housing Scheme 1996, he applied for allotment of a flat, vide application no. 014269 dated 08.10.1996, As per terms and conditions of the scheme, Mr.D.C. Sharma deposited Rs.15,000 as earnest money alongwith application. In the draw of lots held on 21.3.1997, Mr.D.C. Sharma was allotted a flat bearing No.440, Type-A, Sector B-4, Pocket-6, Group -2, Narela, Delhi as communicated by the Delhi Development Authority vide its letter dated 12.1.2000. As per allotment letter, cost of the allotted flat was shown as Rs.5,16,300 and he was told to deposit initial amount of Rs.37,946.09 by 18.07.2000. Mr.D.C. Sharma deposited a sum of Rs.15,000 as confirmation money with the Delhi Development Board vide challan no. 088115 dated 10.02.2000. Mr.D.C. Sharma was a Government servant, he wanted to avail the loan facility from his office for the purpose of securing necessary balance payment in respect of the above mentioned flat. Meanwhile, he realized that the plot allotted to him through a draw of lots has already been allotted to another person two years ago. Due to this negligence of the Delhi Development Authority, he approached the District forum that dismissed this case. Subsequently, the state Consumer forum was approached that passed an order in favor of the Mr.D.C. Sharma

Consumer forum directed to give allotment of an alternative flat to Mr.D.C. Sharma at the premium price prevalent in the year 1997-98, as indicated in the allotment letter along with interest of 18% per annum. He was paid a sum of Rs.1,00,000 towards compensation for causing unnecessary physical and mental hardships and agony to the complainant and another sum of Rs.10,000 towards expenses incurred.

Right to Consumer education

It is right which informs the customers of those brands that are conscious of various health and environmental standards, fostering loyalty among them on the way other it involves sharing the information about brand, industry, specification, market place and pricing. Being educated consumers are protected from malicious acts by large multinational companies. Educated consumers are protected and make right decision when shopping and select only those goods which are harmless to them.

National Consumer Disputes Redressal Delhi Development Authority, vs D.C. Sharma on 18 February, 2014

Emerging Trends An Over view

Emerging trends are patterns, behaviors, or preferences that are gaining popularity or influence in a specific industry. They can be driven by various factors, such as technology, culture, social media, events or customers feedback.

Today's consumer is interested in both remote and in-person shopping experiences.

In India the new Consumer Protection Act,2019 came into force on 20th July,2020 replacing the previous enactment of 1986, As per the law punishment with imprisonment for advertisements which misleads the consumers.As per the new Act e-commerce companies disclose all relevant product information and within the given time frame the consumers grievance are responded. Settlement of consumer disputes through mediation and disputes outside the consumer court is also encouraged under this new law.

Emerging Trends of Consumer rights over services

In India e-commerce portals have changed the entire consumer community to opt all the consumer needs through their portals. All online shopping cash on delivery is the priority option and e-business can work successfully only if a secure and reliable system is followed.

To Boost India's E-commerce growth the new regulations are strong enough to protect and safeguard online consumer's rights. Customer's trust can be influenced only by laws governing consumer rights protection in e-commerce is protected. Protection of a consumer rights is a burning issue in e-commerce throughout the country, selling goods and services through electronic exchange refers to e-commerce mechanism that mediates transactions. The three essential dimensions of consumer protection in e-commerce are:

All Consumers need to have access to e-commerce, To build consumer trust in e-commerce effective consumer protection mechanism is required to protect consumers from fraudulent, misleading and unfair practices in online transactions.

Challenges and Issues of various emerging trends

1. Faulty and unsafe products
2. Poor quality or incomplete work
3. Refund, replacement repair
4. Misleading prices or advertising
5. Delivery issues

Faulty and unsafe products

Whenever the products served to the customers are found faulty the customers are unhappy, especially when the said purchased product is sold to the customers with more assurance from the customer sales representatives or by eye catching advertisements. If the product found faulty the sales representative wash their hands and forward their responsibility to the customer service representative by and large the customers are badly effected, it is the duty of the government to establish and enforce strict quality standards for products and services to protect consumers from substandard and hazardous products.

Poor quality or incomplete work:

The term poor quality defines a product which does not meet the specifications as specified by its representatives or fails to perform as stated by the product sellers. Poor quality is caused by lack of motivation by the production departments, and shortage of workers deployed by the production team for the said product, lack of training to the workers and recruiting un qualified workers for the said work. However the management problems and environmental conditions along with usage of low-grade materials and lack of coordination among suppliers is also one of the main reasons for poor quality or in complete work.

Refund, replacement repair

Consumer guarantees comes into picture when a product or service that does not meet basic rights, Refund or replacement of a product arises when the product has a major problems. The product does not have to be in its original packaging, but a business is entitled to ask consumers to provide some form of proof of purchase such as a receipt to refund or replacement repair the product.

Misleading prices or advertising

As per the Fair Trading Act you have the right to clear and accurate prices for products and services and factual advertising. The business houses mostly mislead the customers by promoting their product in an unclear way, that causes the customer to be mislead about the true cost of the product. It also understood by the customers that incorrect pricing is when an advertised price is different from the actual price the seller intends to sell the product to the customer.

Delivery issues

Most commonly spoken by the customers regarding delivery issues are late deliveries, Lost or missing packages, Damaged goods and Incomplete orders.

Concept and amendments of Consumer Protection Act:

The Consumer protection Act,2019 is an act which is purely in the interest of protecting consumers and for the said purpose, to establish authorities for timely and effective administration and settlement of consumer's disputes and for matter connected there with or incidental there to.

Concept:

Protecting consumers from deceptive activities by sellers and safe guarding their rights is

the main concept of consumer protection act, 2019. Consumers are allowed to raise their voices against the products sellers and services providers.

1. Following are various types of malpractices that can be done by a sellers:-
2. Selling duplicate or copy goods
3. Supplying defective goods
4. Advertising the product which is not up to the mark
5. Selling the product to the customer more than the maximum retail price of a product
6. Selling fake goods.

Amendments:

The said Act has been enacted to overcome the short comings and the gaping inadequacies of the consumer protection code of 1986. I have made my submission to deliberate on the necessity of reforming the pre-existing legislation and re-affirm upon the need for statutory amendments in the automated consumer protection act. The main Aim of the consumer protection act is to promote welfare of the society and to encourage the consumers to participate directly in the market economy. The current scenario of digitization era, the emergence of global supply chains, evolving e-commerce and a multi-level marketing are supplanting the traditional market system. The customers of our nationwide attracted by this online marketing for its availability of wide range of products, making convenient payment mechanism with easy access and improved services.

Perception Analytics and Discussion:

The socio-economic conditions play a very imperative role in consumer purchase decision in day-to-day life. The consumers purchase decision and shopping behaviour is generally related to their personal characteristics and other aspects. The primary survey was conducted among 186 online shoppers on their perception towards various risks associated with online shopping.

At the outset, socio economic conditions of the respondent's shows that majority of the respondents are males, unmarried, hailing from nuclear families. The sizeable portion of the respondents is under-graduates and works as a private company employee in the study area. The following risks perception were measured in ranking variable and results are presented in Table 1.

Table.1**Results of Reverse Weighted Average Mean Ranking on Types of Risk in Online Shopping**

Particulars	Reverse Weighted Average Mean Score	Standard Deviation	Rank
Social Risk	2.45	0.968	1
Time Risk	2.18	0.765	2
Physical Risk	1.96	0.888	3

Table 1 indicates that the risks such as, social risk (Mean = 2.45; Rank – 1), time risk (Mean = 2.18; Rank – 2) and physical risk (Mean = 1.96; Rank – 3) are the major risk factors considered by the online shoppers in the study area. The e-commerce service providers should ensure prompt delivery of appropriate goods to shoppers to eliminate the risk factors associated with online shopping.

Conclusion:

Consumers have the right to be free of potentially dangerous goods and services that endanger their lives and property. Customers have the right to be informed about the quantity, consistency, purity, strength, and quality of goods and services. In addition, consumers must pay reasonable prices for the goods they buy. The right to safety, the right to be informed, the right to choose, and the right to be heard are all examples of consumer rights. These rights were intended to ensure that consumers were treated fairly and that they had access to the information they needed to make informed decisions about the products and services they purchased.

It is possible to conclude from this paper that, despite several laws intended to protect consumers from such unfair trade practices, false and misleading advertisements continue to exploit consumers. If the hour is better laws that are up to date, better enforcement, corrective advertisements, and better self-regulation by industry independent regulators to regulate health and children-related advertisements, then the hour is now. Some of the gaps in advertising control are outdated laws and poor enforcement.

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