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CONSUMER PROTECTION LAW

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I INTRODUCTION

THE YEAR 2024 marked a significant turning point in the evolution of consumer protection jurisprudence in India. It has witnessed the materialisation of the Consumer Protection Act, 2019¹ (hereinafter “CPA 2019”), as it completed its fourth year of operation. India’s Gross Domestic Product (GDP) in terms of Purchasing Power Parity reached approximately USD 20 trillion in 2024², leading to an unprecedented increase in consumer demand, with consumer spending surging to USD 649 billion³ in December 2024. According to the Ministry of Finance, Government of India, digital payment transactions have exceeded INR 18,000 crore⁴. The recent Edleweiss Mutual fund Report⁵ projects that consumer spending will rise to USD 4.3 trillion by 2030, up from USD 2.4 trillion. All these figures underscore the need for a robust consumer protection mechanism, which can safeguard the interests of an increasingly sophisticated and digitally empowered consumer base. The enactment of CPA 2019 and the replacement of the Consumer Protection Act, 1986,⁶ were one such step that addresses the contemporary challenges regarding consumer rights. Such rights are further protected through landmark judicial pronouncements by the Supreme Court, the National Consumer Disputes Redressal Commission (hereinafter “NCDRC”), and various State Consumer Disputes Redressal Commissions (hereinafter “SCDRCs”).

The establishment of the Central Consumer Protection Authority (hereinafter “CCPA”) under Section 10⁷ of CPA 2019 on July 24, 2020 marked a pivotal step in

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1 The Consumer Protection Act, 2019 (Act No. 35 of 2019).

2 World Economics, India GDP: \$20.547 trillion, 2024, *available at*: <https://www.worldeconomics.com/Country-Size/India.aspx> (last visited on June 14, 2025).

3 CEIC, India Private Consumption Expenditure, 2024, *available at*: <https://www.ceicdata.com/en/indicator/india/private-consumption-expenditure> (last visited on 14th, June 2025).

4 "Digital Payment Transactions Surge with Over 18,000 Crore Transactions in 2024-25", PIB Delhi, 11 March 2025, *available at* <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2110405> (last visited on 14th, June 2025).

5 Edleweiss Asset Management, “Poised with Promise – Annual Report 2024” (2025).

6 The Consumer Protection Act, 1986 (Act No. 68 of 1986).

7 The Consumer Protection Act, 2019 (Act No. 35 of 2019), s. 10.

enforcing consumer rights on a ‘class’ basis. Consumers are henceforth treated as a ‘class’, a vulnerable category that needs to be protected from issues such as misleading advertisements and unfair trade practices. Thus, the CCPA, vested with quasi-judicial powers under sections 18, 20 and 21⁸ of the CPA 2019, has emerged as a proactive body to safeguard consumer interests.

One of the defining features of 2023–2024 was the CCPA’s focused crackdown on misleading advertisements, particularly in the education, health, electronics, and wellness sectors. The Authority issued over 49 statutory notices, of which a significant number were directed at coaching institutes for falsely claiming top ranks in competitive examinations without adequate substantiation. Notably, leading coaching institutions such as BYJU’s IAS, Khan Study Group, Rau’s IAS, and Unacademy were penalised under Sections 20 and 21 of the CPA, 2019, for failing to comply with advertising ethics. Penalties ranging from 50,000 to 10,00,000 were levied, and the erring entities were directed to withdraw or rectify their advertisements across digital and print media. The CCPA invoked principles of *consumer as a class* and emphasised the deceptive nature of unverified claims, particularly those that exploit aspirations and public trust.⁹

The CCPA also played a key role in resolving refund disputes that emerged from COVID-19-related travel disruptions. Multiple e-commerce and travel aggregator platforms, including Make My Trip, Yatra, Clear Trip, Thomas Cook, and others, were subject to regulatory action for withholding refunds from consumers. Following prolonged hearings and regulatory supervision, the CCPA ensured that a total subject was refunded to consumers across more than 15 lakh bookings, thereby affirming the authority’s competence in handling collective consumer grievances and securing class-based remedies. In another notable intervention, coaching institutes, hotels, and health supplement providers were directed to revise their refund and return policies, particularly those containing vague or non-compliant terms that could amount to unfair trade practices under section 2(47) of the CPA, 2019.¹⁰

CCPA further recognises the growing threat of “dark patterns,” *i.e.* deceptive interface designs in digital platforms that manipulate consumer choices. The CCPA, following extensive stakeholder consultation, released the “Guidelines for Prevention and Regulation of Dark Patterns, 2023” on 30 November 2023. The Guidelines explicitly prohibit 13 types of misleading digital practices, including false urgency, basket sneaking, confirm shaming, forced action, and disguised advertisements. This landmark regulatory framework is aimed at e-commerce and social commerce platforms, directing them to build transparency and fairness in user interface design and information architecture. Another impactful action by

8 The Consumer Protection Act, 2019 (Act No. 35 of 2019), ss. 18, 20, 21.

9 Department of Consumer Affairs, Central Consumer Protection Authority (CCPA), “Annual Report 2023-2024”.

10 Department of Consumer Affairs, Central Consumer Protection Authority (CCPA), “Annual Report 2023-2024”.

CCPA was to delist over 13,000 car seat belt alarm stopper clips from e-commerce platforms, as they were found to be contrary to safety standards. Such actions reflect the growing importance of consumer protection in sectors influenced by digital transformation and algorithmic persuasion.¹¹

As India continues its journey towards becoming a digital economy, the principles and precedents established in 2024 will undoubtedly serve as essential foundations for future developments in consumer protection jurisprudence, ensuring that the rights and interests of consumers remain paramount in an increasingly complex and technology-driven marketplace.

II AGRICULTURAL SECTOR

The protection of agricultural procurement systems and the enforcement of public obligations are integral to consumer welfare and food security.

In *Pawapuri Rice Mills v. Bihar State Food and Civil Supplies Corporation Ltd.*,¹² there was a default in delivering Custom Milled Rice (CMR) by rice millers under a state procurement scheme. The issue at hand was whether it could be treated as a “public demand” under the Bihar and Orissa Public Demands Recovery Act, 1914. The Corporation, a state nodal agency, used to supply paddy to millers with an obligation to return a pre-determined share as milled rice for the Public Distribution System (PDS). The appellant’s failure to fulfil this obligation led to recovery proceedings. The Supreme Court upheld the recovery, holding that although the corporation was not a government department, it performed public functions on behalf of the government. The court broadly interpreted the statute and stated that such transactions directly affect public food security and are not mere commercial transactions, but rather a foundation for consumer welfare.

Agricultural credit institutions must comply with statutory loan waiver schemes; failure to do so constitutes a deficiency in service under consumer law.

In *Primary Co-operative Agriculture and Rural Development Bank Ltd. v. Anantharamgowda*¹³, the complainant, a farmer and borrower of a long-term agricultural loan, requested the return of his original mortgage documents after full repayment of his dues, on account of the State Government’s loan waiver scheme, which was enforceable for agricultural loans repaid before March 31, 2004. The bank refused, alleging that interest was still due and denied any obligation under the scheme, despite the complainant having paid more interest than the principal. The District Forum and State Commission ruled in favour of the farmer, holding that the government scheme clearly covered such loans and that the bank’s refusal to return the documents amounts to a deficiency of service. The bank appealed before the National Consumer Disputes Redressal Commission (NCDRC). It dismissed the appeal and reaffirmed that the consumer fora have jurisdiction over issues arising from welfare schemes, especially when the rights

11 Department of Consumer Affairs, Central Consumer Protection Authority (CCPA), “Annual Report 2023-2024”.

12 2024 SCC OnLine SC 3777.

13 II (2024) CPJ 597 (NC).

of farmers are denied arbitrarily. The forum emphasised that the refusal of eligible benefits under a state-backed scheme breached the consumer rights of the complainant.

III AVIATION SECTOR

Service deficiencies in aircraft maintenance contracts fall within the ambit of consumer protection, but limitation periods remain strictly enforceable.

In *Varman Aviation Pvt. Ltd. v. Directorate of Civil Aviation, Government of Bihar*¹⁴, the respondent claimed that the appellant failed to complete the overhaul of an aircraft engine as per the agreed terms, and also refused to return the engine or refund the advance already paid under the work order issued in 2006. The State Consumer Disputes Redressal Commission held the appellant guilty of deficiency in service for failing to complete the overhaul or refund the said amount. The appellant challenged this before the NCDRC with a delay of 106 days. It sought condonation of the delay, citing reasons such as COVID-19 and festive holidays. The NCDRC rejected the plea, affirming that aviation services fall under consumer jurisprudence, but emphasised that strict adherence to the limitation period is mandatory. Citing cases like *B.S. Agriculture Industries (I)*¹⁵ and *Anshul Aggarwal*¹⁶, it emphasised that condonation of delay can only be upon presentation of “sufficient cause,” which the appellant failed to provide with any concrete evidence. Thus, the appeal was dismissed.

Denial of basic in-flight amenities and rude conduct by airline staff amount to a deficiency in service warranting enhanced compensation.

In *Anuj Aggarwal v. Emirates Airlines*¹⁷, the complainant was travelling with his wife and son on an Emirates flight. He claimed that the airline crew ignored repeated requests for water and behaved harshly when confronted. These acts of sheer ignominy caused humiliation and mental agony to the family. The matter went to the District Consumer Commission, New Delhi. It held the airline liable for deficiency in service and stated that providing drinking water is a basic amenity. The complainant went to the Delhi State Consumer Disputes Redressal Commission. The State Commission, referring to *Ghaziabad Development Authority v. Balbir Singh*¹⁸ and *G.L. Sanghi v. Scandinavian Airlines*¹⁹, affirmed the previous decision and stated that relief under consumer law jurisprudence doesn't just include monetary loss but also mental agony caused by insensitive and irresponsible conduct.

Banking sector

Failure to reverse unauthorised credit card transactions despite timely reporting amounts to a deficiency in banking service.

14 2024 SCC OnLine Del 6415; (2024) 313 DLT 108.

15 *State Bank of India v. B.S. Agriculture Industries* (2009) 5 SCC 121.

16 *Anshul Aggarwal v. NOIDA* 2011 SCC OnLine SC 1059.

17 First Appeal No. 556/2017.

18 (2005) 9 SCC 573.

19 MANU/QI/0038/2008.

In *Parveen Kumar Jain v. HDFC Bank Ltd.*²⁰, the complainant alleged that his HDFC credit card was used for online transactions without his consent. Although he immediately denied the transactions during a verification call from the bank, the bank failed to reverse the transactions, leading to persistent harassment. The District Forum and State Commission dismissed the complaint, holding that the dispute involved alleged fraud, which required a detailed investigation beyond the scope of consumer forums. However, the National Consumer Disputes Redressal Commission (NCDRC) overruled such a decision and emphasised that consumer fora are competent to examine such matters, even if they constitute a criminal offence. The NCDRC observed that the complainant acted like an ordinary, prudent man and had no contributory negligence on his part. The Commission referred to RBI guidelines and stated that customers are entitled to zero liability in cases of third-party fraud if the bank is notified within three working days, as was done here. Accordingly, it directed HDFC Bank to reverse the disputed transactions, refund the required amount, and cover the litigation costs.

IV DEFINITIONS OF CONSUMER

Purchase of multiple commercial units for profit-oriented activity does not fall under the definition of ‘consumer’ under the Consumer Protection Act.

In *Gurupyara Bhatnagar v. M/S MVL Credit Holding and Leasing Ltd.*²¹, the complainant had initially booked five commercial units in a real estate project but later sought a refund, claiming deficiency in service and unfair trade practices by the builder. The core issue before the National Consumer Disputes Redressal Commission (NCDRC) was whether the complainant qualified as a “consumer” under Section 2(7) of the Consumer Protection Act,²² 2019. The complainant stated that the units were booked for the purpose of earning a livelihood. However, the formal documents indicated that the units were leased to a corporate tenant. This proves that the arrangements were not for self-employment, but instead for investment and income generation, i.e., a “commercial purpose.” It is not covered under the Consumer Protection Act. The Commission referred to cases like *Laxmi Engineering Works v. PSG Industrial Institute* (1995)²³, *Lilavati Kirtilal Mehta Medical Trust v. Unique Shanti Developers* (2020)²⁴, and *Shrikant G. Mantri v. Punjab National Bank* (2022),²⁵ which further clarified that business transactions intend for profit-oriented activities are excluded from the consumer definition unless covered under the “earning livelihood by self-employment” exception. Thus, NCDRC held that the complainant was not a ‘consumer’ under section

20 2023 SCC OnLine NCDRC 2003.

21 II (2024) CPJ 24 (NC).

22 The Consumer Protection Act, 2019 (Act No. 35 of 2019), s. 2(7).

23 *Laxmi Engineering Works v. P.S.G. Industrial Institute*, (1995) 3 SCC 583.

24 *Lilavati Kirtilal Mehta Medical Trust v. Unique Shanti Developers*, (2020) 2 SCC 265.

25 *Shrikant G. Mantri v. Punjab National Bank*, (2022) 5 SCC 42.

2(7).²⁶ The burden to prove ‘commercial purpose’ lies on the service provider while interpreting the scope of ‘consumer’ under the Consumer Protection Act.

In *Shriram Chits (India) Pvt. Ltd. v. Raghachand Associates*²⁷, the appellant, a registered chit fund company, challenged the findings of the District Forum, the State Commission, and the NCDRC, which held it liable for deficiency in service. The issue raised by the chit fund company was that the complainant did not qualify as a “consumer” under Section 2(7) of the Consumer Protection Act, 2019²⁸, as the service was allegedly availed for a “commercial purpose.” The Supreme Court emphasised that the burden to prove that a particular transaction was for a “commercial purpose” lies on the service provider, not the complainant. In this case, the appellant failed to provide any concrete evidence; therefore, the complainant could not be excluded from the definition of “consumer.”

V DEFICIENCY OF SERVICES

Deficiency of Services Cannot Be Attributed to Advocates under the Consumer Protection Act, 2019

In *Bar of Indian Lawyers through its President Jasbir Singh Malik v. D.K. Gandhi P.S. National Institute of Communicable Diseases & Ors.*²⁹, the Hon’ble Supreme Court raised a crucial question related to consumer law jurisprudence, i.e. whether services rendered by advocates can be subject to consumer complaints under the Consumer Protection Act, 2019³⁰. The case originated from a complaint by D.K. Gandhi, who claimed that his advocate failed to return money received through a cheque and a demand draft in a cheque bounce case, instead demanding cash. The National Consumer Disputes Redressal Commission (NCDRC) had held the advocate liable for deficiency in service. The Bar of Indian Lawyers challenged such a ruling by the NCDRC and argued that the legal services rendered by advocates are entirely different from commercial services, which involve ethical obligations, making them conceptually distinct from conventional contracts. The Supreme Court accepted this argument and held that the relationship between an advocate and a client is one of personal service, rather than a commercial one. Lawyers are more than service providers; they owe responsibility towards the court, society, and ultimately to the client simultaneously. Hence, if consumer complaints against them are allowed, then it would violate the very philosophy of the legal profession.

VIE - COMMERCE

E-commerce travel portals must maintain consumer trust by providing prompt refunds and transparent service practices in the event of post-pandemic disputes.

26 The Consumer Protection Act, 2019 (Act No. 35 of 2019), s. 2(7).

27 2024 INSC 403.

28 The Consumer Protection Act, 2019 (Act No. 35 of 2019), s. 2(7).

29 II (2024) CPJ 33 (SC).

30 The Consumer Protection Act, 2019 (Act No. 35 of 2019).

In “*In the Matter of Suo Moto Case Against Yatra Online Ltd*”³¹, the Central Consumer Protection Authority (CCPA) initiated proceedings against Yatra Online Limited after many complaints were received on the National Consumer Helpline regarding the reimbursement of cancelled air tickets during the COVID-19 lockdown period. Yatra referred to DGCA guidelines and stated that refunds were the airline’s responsibility, and platforms like theirs act only as intermediaries. However, the CCPA held multiple hearings and directed Yatra to actively coordinate with airlines, collect missing consumer bank details, and provide a precise refund mechanism. The Authority also directed Yatra to establish a dedicated communication channel and create a banner on its website to assist affected users. Notably, the CCPA relied on the Supreme Court’s judgment in *Pravasi Legal Cell v. Union of India* (2020)³², which stated that full refunds without cancellation charges would be given for air tickets booked during the first lockdown. Ultimately, Yatra was directed to resolve over 3 crore worth of refunds across 5,362 bookings and coordinate with airlines to settle the remaining 127 cases, amounting to over 38 lakhs. The order reinforces that e-commerce intermediaries in the travel services sector bear an active duty to safeguard consumer rights, especially in extraordinary circumstances such as a pandemic.

VII ELECTRICAL SECTOR

Supreme Court upholds restrictions on private sector participation in nuclear energy for public and consumer safety

In *Sandeep T.S. v. Union of India* (2024),³³ the Supreme Court dismissed a petition related to the restrictions on obtaining a license under the Atomic Energy Act, 1962.³⁴ The petitioner, a physicist based in the US, requested permission to develop nuclear fission technology that, as he claims, would produce significantly cleaner energy with reduced radioactive waste.

However, the said Act clearly prohibits granting licenses for atomic energy-related plants or technologies to any private individual or entity. It can only be given to government departments or public sector institutions. The court affirmed this provision, stating that it serves a greater public good and a vital public purpose. It ensures strict control over such materials and technologies to prevent accidents, misuse, and security risks. This ruling further reinforces the principle that in high-risk sectors, consumer safety and the greater public good always take precedence over private innovation.

VIII EXECUTION PROCEEDINGS

Consumer forums cannot override special statutory arbitration mandates; execution of orders in co-operative society disputes requires strict jurisdictional compliance.

31 MANU/YC/0003/2024.

32 2020 SCC OnLine SC 528.

33 MANU/SCOR/110284/2024.

In *The Secretary, E & NF Railway Junior Co-operative Credit Society Ltd. v. Jyotish Chandra Sarkar*³⁵, the High Court of Calcutta set aside execution proceedings initiated under a consumer forum's ex parte order, holding that such disputes fall under the exclusive jurisdiction of the arbitration mechanism prescribed in the Multi-State Co-operative Societies Act, 2002.³⁶ The issue arose when the complainant, a retired railway employee, filed a consumer complaint regarding the non-payment of 12,608, which, according to him, was withheld by the credit society. The District Forum ruled in his favour ex parte, and the State Consumer Commission further validated the order. However, the high court held that, as both parties were members of a multi-state cooperative society and the dispute concerned internal transactions, the 2002 Act would be applied, which mandates arbitration. The court further stated that special law overrides general law and ruled that, in such matters, the consumer forum lacked jurisdiction. Thus, the execution and the original consumer orders were quashed. This judgment therefore clarifies that when a special statute, as mentioned here, provides for a specific dispute resolution mechanism (i.e., arbitration), the execution of consumer forum orders in such matters is not legally validated.

Concurrent consumer forum findings upheld in execution; the club cannot hide behind contract clauses to deny services it never provided.

In *Country Vacations (CCHHL) v. Sooba Singh*³⁷, the National Consumer Disputes Redressal Commission (NCDRC) rejected a revision petition challenging the orders passed by the District and State Commissions, which directed the refund of 71,000 to the complainants, along with interest and compensation for deficiency in service. The complainants claimed that they paid 86,000 for membership but never received the service for which they paid; they were never issued proper documents or given access to the promised holiday services. Additionally, hidden charges were later revealed and demanded, and repeated requests for receipts were ignored. The defendant argued that, according to the signed contract, the membership was non-refundable after a 10-day cooling-off period. However, both the lower fora found that no services were provided by the defendant even though the complainant had paid for them. The NCDRC reaffirmed it. It further stated that companies cannot use contractual terms to shield themselves from liability where there is an apparent deficiency of service. In execution proceedings, consumer forums are justified in enforcing refund orders when the promised goods or services were never delivered.

IX FOOD SAFETY AND STANDARDS

Courts have affirmed the right to safe food under Article 21; the enforcement of food safety laws must match the gravity of public health risks posed by adulteration.

34 The Atomic Energy Act, 1962 (Act No. 33 of 1962).

35 2024 SCC OnLine Cal 1668.

36 The Multi-State Cooperative Societies Act, 2002 (Act No. 39 of 2002).

37 MANU/CF/0115/2024.

In *Suo Moto: In Re “Public Health – Protect the Present and Safeguard the Future from Food Adulteration”*³⁸, the High Court of Rajasthan took immediate cognizance of the widespread food adulteration that has adverse public health implications. The court cited alarming statistics that are linked to further diseases, including cancer, organ failure, and nutritional deficiencies. The court referred to Article 21 (right to life)³⁹ and Article 47 (duty of the State to improve nutrition and public health)⁴⁰, emphasising that the consumption of adulterated food is contradictory to fundamental rights and the Constitution. It further criticised the lack of proper enforcement of the Food Safety and Standards Act, 2006⁴¹. The court noted that the previous act had failed, resulting in an insufficient testing infrastructure and further failure when the 2020 Amendment Bill was not enacted. The court issued strong interim directions to both central and state authorities, including mandatory sampling, lab upgradation, public awareness campaigns, and better grievance redressal mechanisms through digital platforms. This judgment reinforces that the enforcement of food safety laws is central to consumer protection. The decision pushes for accountability in regulatory implementation and treats food safety as a constitutional and consumer rights issue.

Licensing actions under food safety law must follow due process; courts stress the importance of a fair hearing, even in cases involving religious institutions.

In *AR Dairy Food Pvt. Ltd. v. Central Licensing Authority – Tamil Nadu*⁴², the High Court of Madras referred to the Food Safety and Standards Act, 2006⁴³, and ruled that licensing authorities must adhere strictly to procedural fairness when issuing show-cause notices for alleged food adulteration. The allegations were that AR Dairy supplied adulterated, impure ghee to the *Tirumala Tirupati Devasthanam* (TTD) for laddu preparation. The court found that the licensing authority relied solely on a Gujarat lab report without adhering to the statutory protocols outlined in section 47 of the Act⁴⁴ and Rule 2.1.2 of the Food Safety and Standards Rules, 2011. Thus, samples were not collected in accordance with legal procedure, and the company was not given a reasonable time to respond. The court, reaffirming the importance of keeping religious sentiments and governance separate, ordered issuance of a fresh notice with clear allegations and a reasonable opportunity to reply. Thus, the enforcement of food standards must adhere to legal norms to protect consumers and suppliers, ensuring transparency, accountability, and due process in enforcement.

FSSA Overrides IPC in food-related offences; simultaneous prosecution impermissible: Supreme Court

38 2024 SCC OnLine Raj 1752.

39 The Constitution of India, art. 21.

40 The Constitution of India, art. 47.

41 The Food Safety and Standards Act, 2006 (Act No. 34 of 2006).

42 MANU/TN/2064/2025.

43 The Food Safety and Standards Act, 2006 (Act No. 34 of 2006).

In *Ram Nath v. State of Uttar Pradesh*⁴⁵, the Supreme Court held that if an offence falls within the periphery of the Food Safety and Standards Act, 2006 (FSSA)⁴⁶, then prosecution under the Indian Penal Code (IPC) for the same offence will not be maintainable. The court emphasised that Section 89 of the FSSA⁴⁷ has an overriding effect over any other law, including the IPC, in matters related to food safety. Therefore, repeated prosecution under both acts would contravene the legislative intent behind enacting a separate code, such as the FSSA.

The issue came when the accused was charged under Sections 272 and 273⁴⁸ of the IPC for allegedly selling adulterated mustard oil without a license. The accused approached the Supreme Court after the high court refused to quash the proceedings started based on the IPC. The Supreme Court reversed the high court's decision and accepted the argument that once the offence is covered under FSSA, which already penalises the sale or manufacture of unsafe food, the provisions of the IPC cannot be invoked concurrently for a similar offence. The court further stated that the concerned sections of FSSA are, in fact, more stringent than the similar IPC provisions, as it does not require proof of knowledge or intent, which are essential under IPC Sections 272 and 273⁴⁹.

NCDRC reaffirms consumer right to safe food in Nestlé Maggi case

In *Union of India v. Nestle India Ltd. (2024)*,⁵⁰ the National Consumer Disputes Redressal Commission (NCDRC) addressed a few critical issues related to food safety and misleading practices under the Consumer Protection Act, 2019,⁵¹ and the Food Safety and Standards Act (FSSA), 2006⁵². The issue arose after a few tests indicated the presence of lead in excess of permissible limits and misleading labelling, such as “No Added MSG,” on Maggi noodles, a widely consumed product primarily by children. The Department of Consumer Affairs alleged that Nestlé's products were unsafe, misbranded, and had bypassed mandatory tests for risk assessments required for a few packaged foods under Section 22 of the FSSA⁵³. The NCDRC upheld the maintainability of the complaint by the Department of Consumer Affairs. The Commission observed that product safety standards must be strictly followed and that labelling must not mislead consumers. It held that “No Added MSG” was misleading when naturally occurring glutamates were present. Thus, manufacturers are accountable not only under the FSSA but also under consumer law for any defect, deficiency, or misleading practice in food products.

44 The Food Safety and Standards Act, 2006 (Act No. 34 of 2006), s. 47.

45 2024 INSC 138.

46 The Food Safety and Standards Act, 2006 (Act No. 34 of 2006).

47 The Food Safety and Standards Act, 2006 (Act No. 34 of 2006), s. 89.

48 The Indian Penal Code, 1860 (Act No. 45 of 1860), ss. 272, 273.

49 The Indian Penal Code, 1860 (Act No. 45 of 1860), ss. 272, 273.

50 II (2024) CPJ 553 (NC).

51 The Consumer Protection Act, 2019 (Act No. 35 of 2019).

52 The Food Safety and Standards Act, 2006 (Act No. 34 of 2006).

53 The Food Safety and Standards Act, 2006 (Act No. 34 of 2006), s. 22.

X INSURANCE SECTOR

NCDRC slams arbitrary repudiation; orders compensation for machinery breakdown loss

In *R.R. Energy Ltd. v. Oriental Insurance Co. Ltd.* (2024),⁵⁴ the National Consumer Disputes Redressal Commission (NCDRC) strongly criticized the insurer's arbitrary denial of an insurance claim based on a legitimate machinery breakdown and directed payment of 30 lakh with 9% interest. The complainant, who is a power company operating a 14 MW plant, had insured its Electrostatic Precipitator under a Machinery Breakdown Insurance Policy provided by the insurance company. When the ESP broke down, the complainant notified the company and submitted a claim of 67.83 lakh. However, the insurer rejected the claim. The NCDRC found that the repudiation was based on a completely unrelated "Engineering Policy" instead of the actual reason for which the "Machinery Breakdown Insurance Policy" was held by the complainant. The insurer also failed to produce the correct policy document and relied on an improper policy format to justify rejection. The Commission held that denying a claim based on a wrong policy amounts to a deficiency in service. The court further referred to *New India Assurance Co. Ltd. v. Pradeep Kumar* (2009)⁵⁵ and reiterated that a survey report is not supreme in itself and can be disregarded if found to be arbitrary. In light of these findings, the Commission awarded 30 lakhs along with interest from the date of repudiation.

Insurers must substantiate repudiation of fire claims with clear evidence; mere suspicion cannot override the insured's demonstrated loss under an active policy.

In *Krishna Spico Industries v. Oriental Insurance Co. Ltd.*⁵⁶, the National Consumer Disputes Redressal Commission addressed the unjust rejection of an insurance claim following a major fire at a cold storage facility. The complainant had a valid insurance policy worth 1.6 crore. A shortcircuit caused the alleged fire, and it destroyed the building, machinery, and goods. Although the insurer's appointed surveyor initially supported the claim, Oriental Insurance later rejected it, suspecting arson. The NCDRC held that insurers cannot deny claims solely based on suspicion. It reiterated that the insured only needs to prove that a fire occurred and caused damage. The case strengthens the legal framework, ensuring trust, accountability, and transparency in insurance services within the electricity-intensive industrial sector.

XI MEDICAL SECTOR

NCDRC upholds compensation for medical negligence causing loss of vision

In *Superb MRI and CT Scan v. Kanav Chopra (Minor)* (2024)⁵⁷, the National Consumer Disputes Redressal Commission (NCDRC) upheld the finding of medical negligence against a diagnostic centre whose false MRI report led to the delayed

54 2024 SCC OnLine NCDRC 89.

55 *New India Assurance Co. Ltd. v. Pradeep Kumar*, (2009) 7 SCC 787.

56 MANU/CF/0645/2024.

57 MANU/CF/0145/2024

diagnosis of an extra growth which was affecting a child's optic nerve, ultimately resulting in permanent loss of vision in his left eye. The complainant, a nine-year-old boy, underwent an MRI scan at the appellant's scanning center, which reported a routine brain scan with no abnormalities. However, this initial MRI was later reviewed by the Rajiv Gandhi Cancer Institute and the Grewal Eye Institute, both of which confirmed that the imaging clearly revealed early signs of a malignant lesion near the optic nerves, which the original report had failed to mention. The NCDRC held that this omission delayed critical diagnosis and treatment, which could have prevented the extent of damage. It ruled that, regardless of whether the scan was contrast-enhanced or not, the radiologist was responsible for accurately interpreting the images. The court emphasized that a radiology report must reflect a diligent and expert analysis, especially when it concerns life-altering conditions in children. The tribunal awarded 20 lakhs as compensation for mental agony, physical suffering, and long-term disability, 10 lakhs towards medical expenses, and 10,000 as litigation costs.

Supreme Court upholds liability of hospital for anesthesia error leading to permanent vocal cord paralysis

In *J. Douglas Luiz (since deceased) through LRs v. Manipal Hospital* (2024)⁵⁸, the Supreme Court upheld a compensation award against Manipal Hospital for medical negligence resulting in the paralysis of the patient's vocal cord. The case stemmed from a wrong anesthesia procedure during a lung surgery, where the patient lost his voice permanently due to improper intubation by a trainee anesthetist, instead of the designated head of the department. The deceased, who was an Area Sales Manager, underwent major lung surgery at Manipal Hospital. Post-surgery, he developed an issue regarding his voice, which was initially attributed to possible nerve involvement during tumor removal. However, later medical opinions revealed that the injury was due to trauma from the incorrect placement of a Double Lumen Tube during anesthesia. This task should have been handled by an experienced specialist, but was improperly delegated to a trainee. While the District Forum found the hospital guilty of deficiency in service and awarded 5 lakhs in compensation, the amount was not reasonable and significantly lower than the 18 lakh initially claimed. The National Consumer Disputes Redressal Commission (NCDRC) later upheld this award, despite recognizing the breach of duty. On appeal, the Supreme Court doubled the compensation to 10 lakhs with 10% interest per annum, highlighting the long-term impact on the patient's career and quality of life, as he remained in the same job role without promotion due to impaired speech until he died in 2015. The Court emphasized that assigning such critical medical procedures to underqualified personnel constitutes a breach of the duty of care expected from reputed hospitals. This judgment reaffirms that negligence in medical procedures amounts to an apparent deficiency in service under consumer law, entitling affected patients or their families to just and proportionate compensation.

58 MANU/SC/0374/2024.

XII MISLEADING ADVERTISEMENTS

Supreme Court initiates contempt proceedings against Patanjali for false health claims in advertisements

In *Indian Medical Association v. Union of India*,⁵⁹ the Supreme Court of India, in a landmark decision, initiated *suo motu* contempt proceedings against Patanjali Ayurved Ltd., Baba Ramdev, and Acharya Balkrishna for publishing misleading advertisements and making unreasonable medical claims in violation of laws governing drug advertisements and a prior assurance to the court. The case arose when the Indian Medical Association (IMA) filed a writ petition highlighting a sustained campaign by Patanjali against modern medicine and the circulation of advertisements falsely claiming permanent cures for diseases like diabetes, heart ailments, and asthma conditions listed under the *Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954* (DMR Act)⁶⁰, which prohibits such claims. On 21st November 2023, Patanjali assured the Court it would refrain from making such statements or publishing misleading advertisements. However, immediately after this undertaking, Patanjali published advertisements (*e.g.*, on December 4, 2023) claiming complete cures for chronic ailments, in blatant violation of the law and the Court's directions. Further, a press conference held on November 22, 2023 featured statements by Baba Ramdev reiterating similar misleading claims.

The court stated that such advertisements not only violated the DMR Act and its rules but also initiated *wilful disobedience* of the Supreme Court's order, which amounts to civil contempt under section 2(b) of the *Contempt of Courts Act, 1971*.⁶¹ Although Patanjali and its representatives later issued public apologies, the Court observed that these actions were reactionary and did not absolve them from legal consequences. This case is significant for consumer law as it affirms that false and exaggerated medical claims in advertisements are not only violations of consumer protection laws but also attract contempt jurisdiction when made in defiance of court directions.

Supreme Court clarifies scope of misleading advertisements in film trailers

In *Yash Raj Films Pvt. Ltd. v. Afreen Fatima Zaidi (2024)*, the Supreme Court addressed an issue regarding whether the omission of a song featured in a movie trailer constitutes a misleading advertisement and constitutes an unfair trade practice under the Consumer Protection Act, 2019. The case arose when the complainant watched a promotional trailer for the film *Fan*, which included a scene of the song "Jabra Fan," and thus decided to watch the movie in theatres. But she found that the song scene was not included in the final cut; she alleged she had been misled and suffered mental agony and sought compensation. The National Consumer Disputes Redressal Commission (NCDRC) ruled in favour of the complainant, holding that such an act created a legitimate expectation and its

59 2024 INSC 605; MANU/SC/0522/2024.

60 The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954 (Act No. 21 of 1954).

61 The Contempt of Court Act, 1971 (Act No. 70 of 1971).

omission constituted an unfair trade practice and a deficiency of service. However, the Supreme Court overturned these findings, holding that promotional trailers are not contractual offers but unilateral advertisements. The court further held that no case of unfair trade practice was made out, as there was no false representation made with the intent to mislead the viewers. The promotional material, being a form of artistic expression, cannot be held to the same legal standard as factual advertising.

XIII MOTOR VEHICLE

Insurer's liability and jurisdictional boundaries in motor accident claims

In *Royal Sundaram Alliance Insurance Co. Ltd. v. Patel Tours and Travels* (2024), the case arose from a bus fire that destroyed the complainants' luggage during transit. The NCDRC held that third-party property claims related to the use of motor vehicles fall under the exclusive jurisdiction of the Motor Accident Claims Tribunal (MACT), as provided under Section 165 of the Motor Vehicles Act, 1988⁶². The Commission emphasized that such claims, especially in the absence of privity of contract between the complainant and the insurer, cannot be adjudicated under the Consumer Protection Act. Citing the Supreme Court's decision in the *Thiruvalluvar Transport* case,⁶³ the Commission reiterated that motor vehicle accident claims involving third-party property or bodily injury must be brought before MACT and not Consumer Fora. The Commission concluded that while passengers can claim for deficiency in service against transport operators, insurers can only be held liable in accordance with the statutory mechanism under the MV Act.⁶⁴

Manufacturer liable for persistent vehicle defects; NCDRC orders full compensation to consumers

In *Maruti Suzuki India Ltd. v. Henry D'souza*,⁶⁵ the National Consumer Disputes Redressal Commission held the car manufacturer liable for selling a vehicle with inherent manufacturing defects. The complainants had purchased a vehicle that began displaying serious performance and safety issues soon after delivery. Despite repeated visits to authorised service centers, the defects remained unresolved. The NCDRC observed that the evidence pointed to recurring problems from the date of purchase and concluded that the defects were not incidental but manufacturing-related. It was found that Maruti Suzuki had failed to provide a vehicle free of defects, which is their duty, and such failure constitutes a violation of the complainants' consumer rights. The Commission directed the company to compensate for the inconvenience caused.

XIV POSTAL SECTOR

Consumer fora cannot adjudicate service-linked confiscation of postal accounts involving alleged embezzlement.

62 The Motor Vehicles Act, 1988 (Act No. 1959 of 1988), s.165.

63 1995 INSC 107.

64 The Motor Vehicles Act, 1988 (Act No. 1959 of 1988).

65 2024 SCC OnLine NCDRC 121.

In *Vineet Kumar Dixit v. Senior Superintendent of Post Offices*⁶⁶, the National Consumer Disputes Redressal Commission (NCDRC) held that disputes concerning the withholding of postal deposits due to departmental proceedings for embezzlement fall outside the jurisdiction of consumer fora. The complainant sought the release of maturity proceeds from his minor son's Recurring Deposit account, which the postal department had withheld due to allegations of embezzlement against his father, a former sub-postmaster. Though the District Forum ruled in the complainant's favour, the State Commission reversed it, and the NCDRC upheld that reversal. It noted that the funds were seized under the Public Accountants' Default Act, 1850⁶⁷, and that the issue involved complex service-related inquiries and departmental disciplinary action. The Commission held that such disputes, rooted in terms of service, allegations of public fund misappropriation, and departmental confiscation, require adjudication by appropriate service or civil courts not consumer fora.

XV REAL ESTATE SECTOR

Flat found uninhabitable despite possession offer; NCDRC orders full refund for deficient construction

In *Mohinder Singh Panesar v. DLF Home Developers Ltd.*⁶⁸, the National Consumer Disputes Redressal Commission (NCDRC) directed the developer to refund over 1.15 crore, along with 9% interest, after finding that the flat delivered was not fit for habitation due to severe construction defects. The complainants, UK-based NRIs, had booked a flat in DLF Hyde Park, New Chandigarh, and received a possession letter in January 2017. However, upon visiting the flat in May 2017, they found broken tiles, cracked walls, poor floor finishes, and incomplete fittings. Although the builder argued that a partial completion certificate had been issued and other buyers had taken possession, the Commission held that the flat in question was not correctly completed and lacked basic habitability. The Commission found an apparent deficiency in service and allowed a full refund minus a previously refunded amount of 7.48 lakh. An additional 1 lakh was awarded as litigation costs.

Builder's failure to deliver possession and unauthorised project changes held as deficiency; NCDRC orders full refund with interest

In *Suneal Kumar Singhal v. Supertech Realtors Pvt. Ltd.*⁶⁹, the National Consumer Disputes Redressal Commission held Supertech Realtors liable for deficiency in service due to its failure to deliver possession of a unit in the 'Super Nova' project, Noida, within the promised time. Despite receiving 1.26 crore by April 2015, possession was not handed over by the committed date of November 2015, and the builder had also made unilateral changes to the promised layout, including the removal of the proposed five-star hotel. Rejecting Supertech's claim

66 Revision Petition No. 3383 of 2017.

67 The Public Accountants' Default Act, 1850 (Act No. 12 of 1850).

68 MANU/CF/0011/2024.

69 MANU/CF/0010/2024.

that the buyer defaulted in payments, the Commission noted that the allotment was never cancelled, nor was there a valid justification for the construction delay. The Commission observed that non-delivery despite substantial payment, combined with unapproved project alterations, constituted an apparent deficiency in service. This decision reaffirms that builders cannot delay possession indefinitely or alter project specifications without the buyer's consent. Such actions breach consumer trust and legal obligations under real estate norms, entitling affected homebuyers to full refunds and compensation through consumer forums.

XVI UNFAIR TRADE PRACTICES

SC clears film producer of liability for omitted song in trailer; no unfair trade practice found

In *Yash Raj Films Pvt. Ltd. v. Afreen Fatima Zaidi* (2024)⁷⁰ The Supreme Court of India addressed whether the omission of a song shown in a movie trailer but not included in the final film amounts to an “unfair trade practice” under the Consumer Protection Act, 1986. The complainant alleged that after seeing the song “Jabra Fan” in the promotional trailer for the movie *Fan* (2016), she purchased multiple tickets, expecting to watch it on the cinema hall screen. Still, she found that the song was missing from the final cut, which caused her disappointment and mental agony. The National Commission (NCDRC) held that such promotional tactics constituted both “deficiency in service” and “unfair trade practice.” The Supreme Court reversed these findings. It ruled that a promotional trailer is merely an advertisement and does not create a binding contractual promise. The court clarified that such trailers are mere artistic expressions and not enforceable offers under contract law. On the issue of unfair trade practices, the court analysed section 2(1)(r) of the Act. It held that unless a representation is materially false and intended to mislead consumers, it does not constitute unfair trade practices. Since no deliberate intention to mislead was proven, and the omission of the song did not alter the nature of the movie itself, the claim of unfair trade practice is not sustainable.

Central Consumer Protection Authority penalises Shubhra Ranjan IAS for misleading advertisements and unfair trade practices

In a *suo-moto* case,⁷¹ the Central Consumer Protection Authority (CCPA) addressed misleading advertisements and unfair trade practices by Shubhra Ranjan IAS *i.e.*, operated by Shubhra Viraj Edutech Pvt. Ltd. The institute advertised on its website, Facebook, and Platform X that “13 students in Top 100,” “28 students in Top 200,” and “39 students in Top 300” in the UPSC Civil Services Examination (CSE) 2023, featuring names and photographs of successful candidates without disclosing the specific courses they took.

A preliminary inquiry was conducted, and it revealed that most of those who advertised were enrolled in short-term courses, such as PSIR or test series, rather

70 MANU/SC/0335/2024.

71 CCPA-2/28/2024-CCPA.

than comprehensive programs. This omission created a false impression that all courses offered by the institute contributed equally to the candidates' success. The institute also used the term "Shubhra Ranjan IAS" in advertisements, falsely implying that its founder was an IAS officer, further constituting an unfair trade practice under section 2(47) of the Consumer Protection Act, 2019.⁷² The CCPA's investigation, under the Director General (Investigation), confirmed that such an act violated consumers' right to be informed under section 2(9) of the Act,⁷³ as it hindered informed decision-making. The institute's advertisements were thus misleading under Section 2(28)⁷⁴ for deliberately concealing critical information. On December 19, 2024 the CCPA imposed a 2,00,000 penalty on Shubhra Ranjan IAS, directed the discontinuation of misleading advertisements, and mandated a compliance report within 15 days.

XVII VOLUNTARY CONSUMER ASSOCIATIONS

NCDRC affirms cooperative society's right as consumer; remands complaint for fresh hearing

In *Jadar Group Coop. Jin Mill Ltd. v. Prakash chandra Suthar* (2024)⁷⁵, the National Consumer Disputes Redressal Commission (NCDRC) stated that a registered cooperative society working on a "no profit no loss" basis qualifies as a "consumer" under the Consumer Protection Act, 2019.⁷⁶ The case arose when the society filed a complaint against a supplier for delivering a defective press machine that did not meet the specifications. The State Commission had dismissed the complaint on the ground that the society was engaged in commercial activity and thus did not come under the purview of "consumer." However, the NCDRC reversed this view and stated that a cooperative society may undertake certain transactions, but it does not automatically mean they are commercial in nature. The Commission noted that the society was a welfare organisation, as it collected cotton from member farmers, processed it, and redistributed the earnings after deducting costs, without any intent to generate a profit. Relying on precedents like *Paramount Digital Colour Lab v. Agfa India Pvt. Ltd.*,⁷⁷ and *National Insurance Co. Ltd. v. Harsolia Motors*,⁷⁸ the NCDRC stated that determining whether an activity is "commercial" must be based on the dominant purpose of the transaction. In this case, the dominant purpose was not for resale or profit, but for facilitating services to farmer-members. Thus, the Commission reaffirmed that cooperative societies and voluntary associations are included within the definition of "person" under section 2(1)(m) of the Act.⁷⁹

72 The Consumer Protection Act, 2019 (Act No. 35 of 2019), s. 2(47).

73 The Consumer Protection Act, 2019 (Act No. 35 of 2019), s. 2(9).

74 The Consumer Protection Act, 2019 (Act No. 35 of 2019), s. 2(28).

75 I (2025) CPJ 491 (NC).

76 The Consumer Protection Act, 2019 (Act No. 35 of 2019).

77 III (2018) CPJ 12 (SC)=VI (2018) SLT 461.

78 II (2023) CPJ 33 (SC)=III (2023) SLT 536.

79 The Consumer Protection Act, 2019 (Act No. 35 of 2019), s. 2(1)(m).

XV CONCLUSION

The developments in consumer protection law in 2024 mark a significant consolidation of rights-based jurisprudence under the Consumer Protection Act, 2019.⁸⁰ The active reach of the Central Consumer Protection Authority (CCPA), especially in handling misleading advertisements and regulating dark patterns in e-commerce, underscores a proactive, consumer-favorable enforcement authority. Through landmark judgments, the Hon'ble Supreme Court and various consumer forums have reaffirmed the rights of consumers in different sectors, starting from agriculture to voluntary consumer associations. As India progresses towards Viksit Bharat 2047, digital and economic transformation remains a crucial pillar during such a journey. In this context, the Consumer Protection Act 2019⁸¹ will always remain a vital legislative instrument to safeguard consumer welfare.

80 The Consumer Protection Act, 2019 (Act No. 35 of 2019).

81 The Consumer Protection Act, 2019 (Act No. 35 of 2019).