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# CONSUMER **UPDATE**

Educating. Empowering.



## Awareness programmes on consumer protection and eco-conscious consumerism

Over January and February 2025, CAG organised a series of consumer awareness various programs in educational institutions. These initiatives focused on critical topics such as the Right to Information, consumer protection, and eco-conscious consumerism. College students are a particularly important subset of consumers. While in their current role they might be dependent on parents, they are soon set to embark on independent purchasing, both themselves and their families.



There is therefore no time like now to influence their young minds to think about these important decisions, and the impact these will have on themselves, their communities and their planet. These sessions were held at Prince Venkateshwara Arts and Science College, Shri Shankarlal Sundarbai Shasun Jain College, Saveetha School of Management, St. Thomas College of Arts and Science, Hindustan College of Arts and Science, MCC School, Quaid-E-Millath Government College for Women, Patrician College of Arts and Science, Asan Memorial College, and DG Vaishnav College, among others.

#### A PUBLICATION BY



Consumer Protection is one of Citizen consumer and civic Action Group's

core areas of work. This newsletter brings you the news on various consumer issues and related happenings, including our own activities.

If you have specific questions on your rights and responsibilities as a consumer, write to us on helpdesk@cag.org.in



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## Empowering Consumers: Insights from the Awareness Programmes on Telecom Services

CAG, in collaboration with the Telecom Regulatory Authority of India (TRAI), and as part of an ongoing series, successfully conducted two consumer awareness programmes on telecom services at Sri Polytechnic Krishna College in Arakkonam Block of Ranipet District and at the Government Arts and Science College in the Thiruvennainallur Block of Villupuram District. The events attracted participation of over 220 consumers, along with representatives from BSNL and Jio. Educating consumers about the effective utilisation of telecom services, introducing them to the latest features and technologies, outlining relevant regulations, and informing them about TRAI's consumer protection initiatives were part of the day's activities.





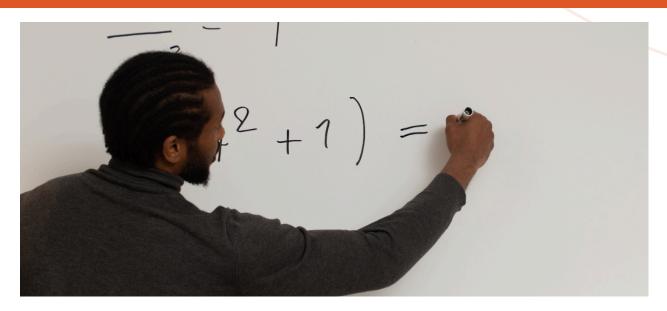
Additionally, attendees gained insights into reporting service deficiencies, grievance redress mechanisms, and safety measures to guard against malicious activities, financial fraud, and online scams.

#### Consumer Secures Rs 54,000 in Damages from Uber India for Flight Miss Due to Poor Service

Due to an Uber driver not turning up to pick up the complainant, and a subsequent lack of support from Uber's customer service, the complainant missed his flight and had to purchase a more expensive ticket. In response, he lodged a formal complaint against Uber India. The District Consumer Commission ruled in his favour, citing Uber's failure to provide adequate service or a sufficient explanation for the driver's absence. Consequently, the Commission mandated that Uber compensate him with Rs 54,000 in damages. Uber then appealed the decision, contending that it operates solely as an aggregator and was not adequately notified of the complaint. However, the Delhi State Consumer Commission upheld the initial ruling, finding Uber guilty of poor service. Source: The Economic Times



## Consumer Commission Orders FIITJEE to Refund Fees for Early Course Discontinuation



The Delhi State Consumer Disputes Redressal Commission upheld the decision of a District Forum, instructing the coaching institute FIITJEE Ltd to reimburse approximately Rs 60,750 to a student who opted to discontinue a one-year course. The Commission determined that FIITJEE had collected advance fees for two years but failed to issue a refund upon the student's request, resulting in a ruling of deficiency in services. Furthermore, the institute was asked to pay a penalty of Rs 20,000. The Commission also cited a Supreme Court ruling mandating that fees collected in advance can only be used as fees up to that particular semester, with the balance deposited in a nationalised bank until due. The appeal submitted by FIITJEE was dismissed.

**Source: The Print** 

#### TRAI Takes Steps to Combat Spam Calls with Digital Innovations and New Regulations

The Telecom Regulatory Authority of India (TRAI) is poised to implement stricter regulations to mitigate spam calls. To this end, the Authority will initiate a pilot program to transition from traditional paper-based customer permissions for receiving commercial communications to a digital system utilising Distributed Ledger Technology (DLT). This initiative seeks to streamline the validation process and empower consumers to opt out of unwanted communications.

In further efforts to combat spam, TRAI intends to allocate a distinct 160-series number specifically for transactional calls and will continue to investigate the imposition of higher tariffs for excessive call and message usage. **Source:** Business Today



#### Justice Served: Accountability and Compensation in a Passport Blunder



The District Consumer Disputes Redressal Commission has levied a penalty of Rs 2 lakh against the Hubballi passport office due to an error that resulted in a cancellation stamp being erroneously placed on a citizen's valid passport. This mistake went unnoticed by the individual until he and his family arrived at Mumbai airport for their scheduled trip to Dubai, at which point they were denied boarding. Although the passport office rectified the error, the customer faced additional costs totaling Rs 11,000 and was forced to postpone their trip. This delay led to added accommodation expenses and financial losses due to a shortened stay in Dubai. While the complainant had sought a compensation of Rs 25 lakh, the Commission concluding that the passport office was indeed at fault, awarded him Rs 2 lakh for the expenses incurred and the inconvenience caused. **Source:** The Times of India

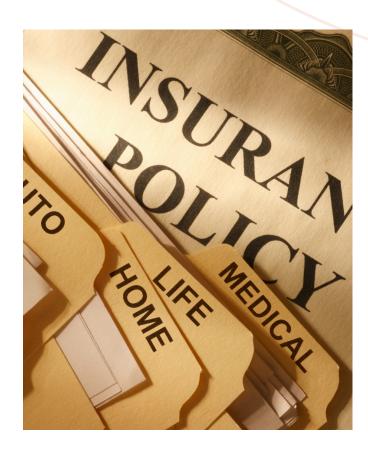
#### RBI Clarifies Cheque Ink Guidelines: No Restrictions on Color

The Reserve Bank of India (RBI) has provided clarification regarding the use of black ink on cheques, dispelling prevalent misinformation circulating on social media platforms. The Press Information Bureau (PIB) has confirmed that there are no established guidelines pertaining to the color of ink permissible for cheque writing. It is recommended that customers utilize permanent and image-compatible ink to avert any potential, unauthorised alterations, even though cheques containing modifications are not accepted under the Cheque Truncation System (CTS). Consequently, any amendments to the payee's name or to the amounts stipulated on the cheque necessitate the issuance of new cheques. **Source: The Economic Times** 



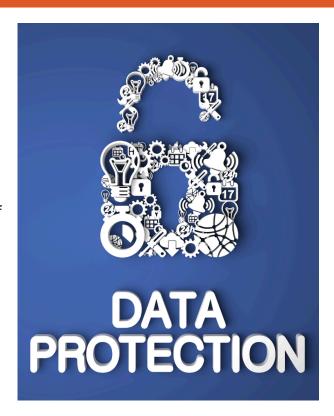
#### Consumer Commission Rules in Favor of Widow and Son; awards Rs.51 Lakhs

The Chennai North District Consumer Disputes Redressal Commission has ruled in favor of a widow and her son, awarding them Rs 51 lakhs plus nine percent interest against Niva Bupa Health Insurance Company and Karur Vysya Bank for deficiencies in service. The complaint arose after the widow's late husband purchased a health insurance policy through the bank, but the insurance company denied their claim after his death from a covered illness, citing a lack of information provided by the family. The Commission found both the bank and insurance company jointly liable, ordering the base sum of Rs 50 Lakhs, Rs 1 lakh for mental distress, and Rs 5,000 for litigation costs. Payments must be made within two months, or the complainants shall be paid the total amount with accumulating interest, the Commission ruled. Source: DT Next



#### Consumer Privacy Upheld: Commission Rules Against Retailers Collecting Mobile Numbers

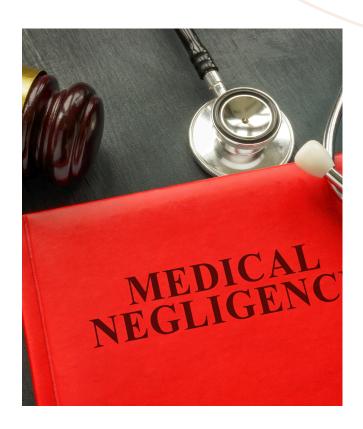
A recent ruling from the State Consumer Disputes Redressal Commission in Chandigarh underscored the importance of data privacy in retail transactions. The Commission determined that retail establishments are prohibited from requesting mobile numbers from consumers. In this particular case, a complainant who purchased footwear from a store alleged that his mobile number was solicited under the guise of issuing a receipt. He argued that this practice constituted a violation of data privacy regulations and posed a risk of exposing personal information to unauthorized individuals. In support of the complainant's position, the Ministry of Consumer Affairs had previously issued a notification indicating that mandating consumers to provide their phone numbers qualifies as an unfair trade practice. The Commission subsequently ordered the store to delete the complainant's personal information and cease such unfair practices immediately. Source: The Tribune



#### Hospital Negligence: Consumer Commission Awards ₹13.27 Lakh for Surgical Error

A Consumer Commission in Chennai has mandated a hospital to compensate a woman to the amount of Rs 13.27 lakh following a serious incident in which a cloth bundle was inadvertently left inside her abdomen after a Cesarean section. The patient, who was seven months pregnant at the time, suffered severe complications that necessitated an additional eight-hour surgical procedure to extract the remaining material. She endured significant health challenges, including ongoing pain and vomiting, which hindered her ability to care for her newborn during her recovery period. The Commission determined that the doctors had acted negligently in this case, resulting in the ruling for compensation and coverage of her medical expenses.

**Source: DT Next** 



#### Consumer Commission Fines PVR Cinemas for Excessive Advertising Delay

The Bengaluru Urban District Consumer Disputes Redressal Commission has imposed a fine of Rs 1 lakh on PVR Cinemas and PVR Inox Limited due to excessive advertisement interruptions that resulted in a delayed film screening. The case, filed by advocate Abhishek MR, stemmed from the film "Sam Bahadur," which was slated to commence at 4:05 PM but was postponed by nearly 30 minutes due to a total of 17 advertisements, of which only one was a public service announcement. The Commission deemed this practice as unfair, emphasizing that audiences should not be subjected to over half an hour of advertisements. In addition to halting the violation of advertising regulations, the Commission awarded the complainant Rs 20,000 for mental distress and Rs 8,000 towards legal expenses. Source: Economic Times



#### CCPA Imposes Penalty on IITPK for Misleading Advertising Practices in IIT-JEE Admissions

The Central Consumer Protection Authority (CCPA) has imposed a fine of Rs 3 lakhs on IIT Prashikshan Kendra Pvt Ltd (IITPK) for misleading regarding IIT-JEE admissions. enforcement action aligns with the provisions of the Consumer Protection Act, 2019, aimed at curbing false advertising practices. In addition, the CCPA has issued 46 notices and levied penalties totaling Rs 77.6 lakh against 24 coaching institutes for similar infractions. advertisements contained terms such as 'IIT Topper' and 'NEET Topper', suggesting that certain students ranked nationally when, in fact, they were only top performers within the institute.



Moreover, IITPK asserted in its marketing materials that over a span of 21 years, it had secured 1,384 IIT ranks, without adequately clarifying that not all of these admissions were exclusively to IITs, ultimately misrepresenting its success rate. The institute also claimed a "success ratio" of 61% but failed to provide any substantiating data or context for this statistic. The CCPA has highlighted that such misleading information could adversely affect students' decision-making processes. This fine serves not only to protect consumers but also to deter unfair trade practices within the education sector. **Source:** Business Standard

# கெட்டுப்போன பீடாவுக்கு இழப்பீடு

சென்னையில் கடந்த ஆண்டு மே மாதம், முத்துராஜா என்பவர் ஆன்லைன் ஆர்டர் செய்த பிரியாணியுடன், கெட்டுப்போன பீடா வந்ததாக நுகர்வோர் நீதிமன்றத்தில் வழக்கு தொடர்ந்தார். இந்த வழக்கில் அவருக்கு ரூ.10,247 இழப்பீடு வழங்க நீதிமன்றம் உத்தரவிட்டது.



#### Consumer Triumph: Bengaluru Resident Secures Justice Against Redkenko Health Tech

A resident of Bengaluru, successfully challenged a denied medical claim amounting to ₹71,000, along with a premium refund of ₹15,972, from Redkenko Health Tech. The city's Consumer Commission ruled in his favor, mandating the insurer to disburse a total of ₹96,972, which encompasses interest and additional compensation for mental anguish and legal expenses. Umesh had acquired a health policy that promised comprehensive coverage, yet his claims were disregarded following his hospitalization. After multiple attempts to resolve the issue through various channels and a lack of response from the insurer, he escalated the matter to the Consumer Commission. The Commission ultimately found Redkenko guilty of misleading customers and failing to deliver the services stipulated in their agreement. Source: Times of India



#### Consumer Commission Orders Compensation for Engine Failure Due to Adulterated Diesel

A Consumer Commission in Chennai has mandated a petroleum dealer to compensate a car owner after his Mercedes Benz experienced engine failure attributed to adulterated diesel. The complainant had purchased 77.77 liters of diesel from an Indian Oil outlet in Salem, but shortly after leaving the station—within 100 meters—the vehicle's engine failed. Following this incident, the owner promptly informed the fuel dealer and provided evidence of the resulting damage. The car required transport over 260 kilometers for repairs, incurring a cost of Rs 25,000, with total repair expenses amounting to Rs 8,19,012. The Commission's ruling obligates the dealer to reimburse the complainant for the repair costs, including applicable interest, along with additional compensation for mental distress and legal expenses. Source: DT Next



## Madras High Court Affirms Strict Action Against Unauthorised Construction



The Madras High Court has rendered a significant ruling regarding unauthorized construction, emphasizing the necessity for removal of such structures and the obligation of authorities to act upon receiving complaints. This decision stemmed from a writ petition filed by a construction company that contested the Chennai Metropolitan Development Authority's (CMDA) directive to demolish unauthorised buildings that extended beyond the approved architectural plans. The Division Bench of the Court underscored that leniency cannot be afforded in cases of regulatory violations, irrespective of the investments made in these unauthorised constructions. The company in question had initially received permission for a building project, but proceeded to construct additional floors without obtaining the necessary approvals. Despite multiple requests for regularisation being turned down, the company continued with its construction activities, culminating in the CMDA's decision to seal and demolish the unauthorised portions. The Court also criticised the collusion among officials that has allowed builders to circumvent regulatory frameworks, thereby stressing the importance of adherence to legal standards. Ultimately, the Court directed the CMDA to carry out the demolition of the unauthorised sections of the structure within eight weeks and dismissed the writ petition. Source: Verdictum.in

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