

MAY - JUNE 2025. Volume X, Issue 3

# CONSUMER UPDATE

Educating. Empowering.

## Enhancing Consumer Protection in Real Estate: Insights from CAG at Southern States Workshop



Citizen consumer and civic Action Group (CAG) recently participated in a workshop focused on Consumer Protection in the Southern States and Union Territories, organised by the Department of Consumer Affairs within the Ministry of Consumer Affairs, Food, and Public Distribution of the Government of India, in collaboration with the Department of Civil Supplies and Consumer Protection, Tamil Nadu. This event included a panel discussion titled "Enhancing Real Estate Grievance Redressal: Technical Dialogue on Best Practices." CAG's Executive Director, Saroja S., was a panelist, sharing valuable insights drawn from the organisation's extensive work in consumer rights and grievance redressal mechanisms within the real estate sector. The discourse emphasised the critical need for enhancing transparency, accountability, and efficiency in resolving consumer complaints concerning housing and property, particularly in light of the implementation of the Real Estate (Regulation and Development) Act (RERA). CAG's involvement underscored the perspectives of homebuyers, emphasising the necessity of fortifying institutional frameworks and increasing consumer awareness to facilitate more effective grievance redressal in the real estate domain.

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# CAG

Citizen consumer and civic Action Group

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](mailto:helpdesk@cag.org.in)



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## Strengthening Construction Standards: GCC Introduces Clean and Safe Guidelines

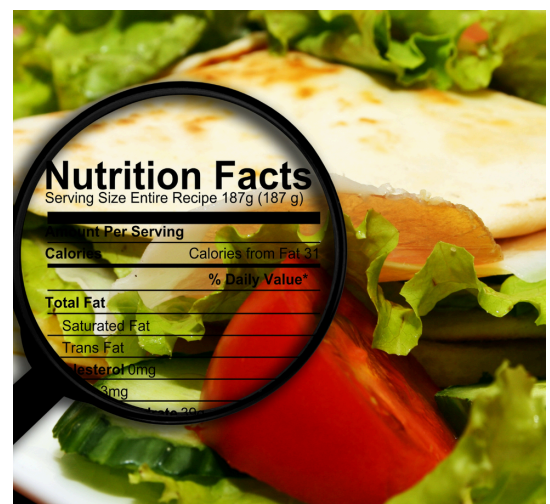
The Greater Chennai Corporation (GCC) has announced the implementation of new "Clean and Safe Construction Guidelines" effective May 21, 2025. These guidelines are designed to mitigate air pollution around construction sites, enhance worker safety, and foster environmentally sustainable development practices. Key provisions of the guidelines include: the installation of barriers ranging from 6 to 10 meters in height at construction sites to contain dust and debris; the use of netting to cover structures, further minimizing dust emissions; and the enforcement of dust control measures during construction operations to ensure a safer environment. For high-rise projects, the guidelines mandate the installation of CCTV cameras and air pollution monitoring systems to ensure compliance with air quality standards. Failure to adhere to these regulations will result in penalties varying from ₹1,000 to ₹5 lakhs, depending on the severity of the violation. Continued non-compliance may lead to additional fines and the suspension of construction activities. For further information, residents and contractors are encouraged to visit the GCC website or contact the helpline at 1913.

Source: [DT Next](#)



## Empowering Consumers: FSSAI Launches Digital Tool for Reporting Misleading Food Label Claims

The Food Safety and Standards Authority of India (FSSAI) has launched an innovative digital tool designed to empower consumers to report misleading claims found on food labels using their smartphones. This initiative seeks to enhance transparency, safeguard consumer rights, and strengthen the enforcement of food safety regulations. By utilising the Food Safety Connect app or the Food Safety Compliance System (FoSCoS) portal, users can conveniently submit detailed information and images to support their complaints. Source: [The Print](#)





## Consumer Commission Orders Compensation for Poor Experience at Kongu Wedding Food Festival



The District Consumer Disputes Redressal Commission in Tiruppur has ruled that the organizers of the Kongu Wedding Food Festival, held in Coimbatore, must compensate a consumer from Tiruppur, with ₹1 lakh. Additionally, the Commission ordered the organisers to refund the ticket price of ₹2,484 and to cover ₹3,000 in litigation expenses. The total compensation of ₹1,05,484 is to be paid within a period of two months.

The consumer filed her petition due to inadequate management during the festival, which was promoted as showcasing a variety of caterers and food options. However, attendees faced various challenges, including overcrowding, excessive wait times for food, insufficient seating and sanitation facilities, and missing menu items. Dhanalakshmi asserted that these issues resulted in considerable distress and hardship for her during the event. **Source:** [The Hindu](#)

## Thoothukudi Commission Orders Private Bank to Compensate Consumer for Lack of service

In a significant ruling, the Thoothukudi District Consumer Disputes Redressal Commission in Tamil Nadu has mandated a private bank to provide substantial compensation of nearly Rs 37 lakh to a consumer due to inadequate services. The case stems from a loan taken by her late husband, and a life and health insurance policy which he had purchased. However, the bank never issued policy documents for the insurance plan. Upon his death, the consumer sought the promised insurance benefits, only to encounter refusal from the bank. After exhausting other avenues for redress, she pursued legal action. The Commission ordered the bank to waive the outstanding loan, pay Rs 35.85 lakh as insurance benefits, Rs 1 lakh for mental distress, and an additional Rs 10,000 for legal expenses, all to be settled within a two-month timeframe. **Source:** [DT Next](#)



## India Launches e-Zero FIR System to Combat Cyber Fraud Efficiently

India has recently implemented the e-Zero FIR system, a pilot initiative introduced by the Ministry of Home Affairs in Delhi. This innovative system allows victims of cyber fraud involving amounts exceeding ₹10 lakh to file First Information Reports (FIRs) online, facilitating immediate action without the necessity of physically visiting police stations. By addressing jurisdictional delays, the e-Zero FIR system automatically converts complaints submitted through the National Cybercrime Reporting Portal (NCRP) or via the helpline number 1930 into Zero FIRs. Victims are required to visit the relevant police station within three days to convert their Zero FIRs into regular FIRs. This initiative aims to accelerate the investigation of high-value cybercrimes in response to the increasing prevalence of online scams, such as fraudulent UPI payment links and phishing attacks. Through the integration of various digital platforms, the system enhances the efficiency of crime reporting and investigation, enabling swifter action against offenders. Initially starting with Delhi, there are plans for a nationwide rollout to bolster efforts in deterring cybercrime across India. **Source:** [The logical Indian](#)



## Consumer Commission Fines Bhopal Restaurant for Overcharging on Water Bottle

A restaurant in Bhopal has been subjected to a penalty of Rs 8,000 by the Bhopal Consumer Disputes Redressal Commission for overcharging customers for a water bottle. The establishment charged Rs 29 for a bottle that should have been priced at Rs 20, which included an erroneous Rs 1 charge for GST. This case was brought forward by a complainant named Aishwarya, who raised the issue in 2021 after disputing the bill. Following nearly four years of proceedings, the Commission concluded that GST is factored into the MRP, thereby deeming the additional charge as deficiency in service. As a result, the restaurant was mandated to refund the Rs 1 overcharge, in addition to compensating Rs 5,000 for mental distress and Rs 3,000 for legal expenses.

**Source:** [India Today](#)





ரயிலில் இட்லி பார்சலுக்கு கூடுதல் கட்டணம்: கேட்டரிங் நிறுவனத்திற்கு நுகர்வோர் நீதிமன்றம் கடும் அபராதம்

விழுப்புரத்தைச் சேர்ந்த திரு.ஆரோக்கியசாமி, ரயிலில் பயணத்தின் போது திருச்சி ரயில் நிலையத்தில் வசந்தம் கேட்டரிங் நிறுவனம் இட்லி பார்சலுக்கு எம்.ஆர்.பி விலையான ரூ.26-ஐ விட கூடுதலாக ரூ.4 என இரண்டு இட்லி பார்சலுக்கு ரூ.8 வசூலித்ததை எதிர்த்து புகார் செய்தார். ரசீது வழங்க மறுத்ததும், சட்னி இல்லாமலும், அளவு குறைவாக இருந்த உணவும் அவருக்கு மன உளைச்சலை ஏற்படுத்தியது. இதனால் , திரு. ஆரோக்கியசாமி விழுப்புரம் நுகர்வோர் நீதிமன்றத்தில் வழக்கு தொடர்ந்தார். வழக்கை விசாரித்த குறைதீர் ஆணையத் தலைவர், "கூடுதலாக பெற்ற தொகை 8 ரூபாயால் மன உளைச்சலுக்கு ஆளாக்கியமைக்கு, புகார்தாரருக்கு ரூ.20,000 நஷ்ட ஈடாகவும், வழக்கு செலவுக்காக ரூபாய் 10,000 மற்றும் கூடுதலாக பெற்ற தொகை 8 ரூபாயும் வழங்க வேண்டும்.



தீர்ப்பு வழங்கிய 45 நாட்களுக்குள் கேட்டரிங் உரிமையாளர் இந்த பணத்தை செலுத்த வேண்டும். தவறும்பட்சத்தில் மாதம் 9 சதவிகிதம் வட்டியுடன் செலுத்த வேண்டும்" என்று உத்தரவிட்டுள்ளார். **Source:** [Vikatan](https://www.vikatan.com)

## CCPA to Enforce Policy Revisions for Zomato and Swiggy Amid Rising Consumer Complaints

The Central Consumer Protection Authority (CCPA) is expected to direct food delivery platforms Zomato and Swiggy to amend their cancellation and refund policies in light of ongoing investigations concerning unfair trade practices. These investigations, which commenced in October 2024, were triggered by a notable increase in consumer complaints with Zomato receiving 7,938 complaints and Swiggy facing 10,590, a considerable portion of which pertained to refunds. Both claim that it is difficult to refund an order which has already been prepared by the restaurant. Delays in delivery are another frequent complaint. The CCPA is expected to implement measures that will enforce timely refunds and curb excessive charges, potentially establishing new standards for the food delivery sector. **Source:** [Business Standard](https://www.business-standard.com)



## Allergic Reaction Leads to Consumer Redressal: Zomato and Restaurant Found Liable

A resident of Madipakkam experienced severe anaphylactic allergic reactions after consuming a poor quality meal ordered through Zomato from Arjun Mummy Daddy Andhra Mess in Velachery, requiring hospitalization for two days. The medical expenses from this amounted to Rs 18,129. Following his complaint to the Food Safety Department, an inspection revealed that the restaurant had been engaging in unhygienic practices, leading to a fine of Rs 2,000.

The Chennai North District Consumer Redressal Commission determined that both Zomato and the restaurant were jointly liable for the incident. As a result, they were ordered to pay compensation totaling Rs 25,000, in addition to Rs 5,000 to cover litigation costs. Jagrabu expressed his concerns regarding Zomato's insufficient measures to ensure the standards of the restaurants they promote.

**Source:** [DT Next](#)



## NCDRC Upholds Builders' Liability for Service Deficiencies, Affirms Interest on Refunds as Compensation

The National Consumer Disputes Redressal Commission (NCDRC) has reaffirmed the accountability of builders for deficiencies in service, emphasising that interest on refunds constitutes a form of compensation for consumers. This decision arose from a builder's appeal concerning a State Commission's directive to refund Rs 34,27,747, along with 12% interest, Rs 1 lakh for compensation, and Rs 11,000 in litigation costs. On June 16, the NCDRC revised the ruling by eliminating the compensation component, while increasing the litigation costs to Rs 40,000. The complainants, who faced arbitrary service tax demands and only received a paper possession letter despite their significant payment exceeding Rs 34 lakh, initially filed their complaint in 2014. The NCDRC maintained that interest on refunds is indeed a valid compensation mechanism in such contexts.

**Source:** [MSN](#)





## Rs. 10 Lakh Compensation Awarded in Medical Negligence Case Involving Forceps Delivery

The National Consumer Disputes Redressal Commission has upheld a ruling by a State Consumer Commission that found a physician liable for medical negligence, awarding a compensation of ₹10 lakh. This amount reflects a reduction from the original compensation of ₹30 lakh.

The case arose from a complaint filed by the mother of a patient whose infant sustained severe injuries during a forceps delivery on April 17, 2011, ultimately resulting in brain damage and mental disability. The Commission determined that the doctor failed to obtain informed consent prior to the procedure and confirmed the presence of injuries to the baby's scalp. However, it noted a lack of sufficient evidence directly linking these injuries to the child's subsequent mental condition.

In addition to the compensation for mental anguish, the Commission mandated the reimbursement of ₹72,530 for medical treatment expenses and ₹50,000 to cover litigation costs. **Source:** [Hindustan Times](#)



## SpiceJet Ordered to Compensate Passenger for Ticketing Error

SpiceJet has been mandated to pay ₹25,000 in compensation to a senior citizen passenger following the issuance of an incorrect ticket. The complainant had booked a round trip from Mumbai to Darbhanga in December 2020; however, the return flight was canceled due to adverse weather conditions. Although SpiceJet provided an alternative itinerary that involved travel from Patna to Kolkata and then to Mumbai, the issued tickets were incorrect, which resulted in the passenger missing a critical PhD examination.

The airline acknowledged that the flight cancellation was beyond its control but failed to rectify the ticketing error, leading to significant hardships for the passenger. As a result, the consumer panel concluded that the airline exhibited negligence in handling the situation and awarded compensation for mental distress and legal expenses, totaling ₹30,000.

**Source:** [Business Standard](#)





In the event that you receive a bounced cheque, it is advisable to obtain a bank memo, send a legal notice within 30 days, and wait for 15 days for payment. Should payment not be received, you should file a legal case within the subsequent 30 days. To mitigate the risk of bouncing your own cheques, ensure that you maintain adequate funds, match your signature with the bank's records, verify all details on the cheque, and avoid making corrections. The overarching objective of these new rules is to cultivate trust and reliability in financial transactions involving cheques.

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