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Applicability of Consumer Protection Laws in Education Sector a Critical Analysis.

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Abstract.

The Framework of Indian fellowship is hegemonize in this time by Globalization, Liberalization, as well as Privatization. India is spotlight to the enormous group of potential patron of education services in the globe. Flexible modulation and a enervated government structure of education in India. The Institutions that makes mendacious about recognition, affiliation as well as other parallel education support services and demand excessive fees are not interested to share authorities of a service provider. They are avail oneself of confusing and differing verdicts exhibit by consumer fora & higher judiciary. The students are the endmost consumptive of poor freight of services. The justification of this study is to analysis the question that education is a complex service midst admission to examination stage carry out by both public & private organizations. Thence, the issue regardless any component is a service can't be delinked from the comprehensive issue i.e. education is a service beneath the Consumer Protection Laws and further more that these comprehensive issues shall be scrutinize in an amalgamated way. These are some of the basic questions that are thrash out in light of the contradictory commitment of consumer fora, High Courts as well as the Supreme Court.

Key words - Education Service, Students as Consumer, Consumer Forum, Consumer Protection Laws, Central University Act, 2009.

Introduction.

Innumerable schools & colleges are come to light gradually. There are numerous dummy Universities or aver of false affiliation with popular universities in India as well as overseas. UGC on April 2018 produce a state wise list of 24 dummy Universities. In the last decades set forth education has flatter just another business in lieu of service to the society. Depending on the cause of action accounted for cases where the Educational institutions has been filed under Consumer Protection Laws. A substantial no. of commitments carry out by State and National level consumer forum are accessible as of now that shelter the right of students in respect to fees, wrong allotment of roll number, slow down in declaration of results, admission in superfluity of the allotted quota, exaggeration about affiliation by the educational institutes to abundant universities etc. The verdicts allied to the above mentioned cases

evidently imply that students is a consumer as according to laws and the universities or educational institutes comes under with in the head of service providers.¹

Who is Consumer.

In obedience to section -2(7) of the Consumer Protection Act 2019, Consumer means "any person who purchase goods or utilize any service for a consideration and comprises any user other than for the person who has assist such services or goods for the reason of resale or commercial use". The explanation to the definition particularly affirms that the word 'buys any goods' and 'hires' or 'avails any services' incorporate all online transaction manage through electronic mode or direct selling or teleshopping or multi-level marketing. Online transaction is an exclusive feature of the said act and added think about the growing e-commerce business as well as advancement in technology.²

Services.

A service of any description that is made accessible to potential users and includes, however not restricted to the provision of facilities in relation with banking, financing, insurance, transport, processing, supply of electrical or other energy, board or lodging or both, housing construction, leisure, amusement or the furnish of news or other information, however doesn't involve the rendering of charge less service or beneath a contract of personal service.

The expression "Service" has heterogeneity of meanings. The conception of service thus is very extensive. The expression 'any' and 'potential' are consequential. Both are of vast amplitude. The expression 'any' means 'one or some or all'. The manoeuvre of expression 'any' in the context it has been used in the clause (o) stipulate that it has been manoeuvre in spacious sense elongate from one to all. The other expression 'potential' is anew very wide. Service that is not only elongate to actual users however those who are proficient of using it is enfold in the definition.³

Complaints and its Essentials.

According to Section – 2(1)(c) of the act - A complaint might accommodate any of the following allegations:-

- An unfair trade practices or a restrictive trade practices has been arrogate by any merchant.
- The goods snap up by him or concur to be snap up by him suffer from one or more faults.
- The service hired or assist of or concur to be hired or assist of by him suffer from deficit in any esteem.
- A trader has demanded for the goods commend in the Complaint a price in overabundance of the cost decided by or beneath any law for the time being in force or exhibit on the goods or any package accommodate such goods.
- Soods that would be grievous to life & safety if used, are being put forward for sale to the public in dereliction of the provisions of any law for the time being in force recommending merchant to exhibit information in contemplate to the contents, manner & consequences of manoeuvre of such goods.

Important Terms.

Deficiency.

In obedience to section -2(g) of the act "Deficiency" means any fault, imperfection, short coming or inadequacy in the standard, nature as well as manner of performance that is necessary to be sustain by or beneath any law for the time being enforced or has been shoulder to carry out by a person in pursuance of a contract or else in kindred to any service.

https://www.mondag.com/India/dodd-frank-consumer-proctection-act/1020458/consumer-proctection-act-2019-key-takeaways

¹ Pratiksha 499, Education with in ambit of services, legal service India, URL = https://www.legalserviceindia.com/legal/article-329-education-within-ambit-of-services.html

² Yashika Survaria, Consumer Protection act, 2019: key takeaways, mondaq, (28 Dec 2020) URL =

³ Apurva Gawande, Education: whether a service under the Consumer Protection act, 1986?, E-Justice India, URL = https://www.ejusticeindia.com/education-whether-aservice-under-the-consumer-protection-act-1986/

• Deficiency of services.

In obedience to section -2(11) of the act 2019, deficiency of services means "any fault, imperfection, short coming or inadequacy in the standard, nature as well as manner of performance that is required to be sustained by or beneath any law for the time being in force or has been shoulder to be carry out by a person in pursuance of contact or else in kindred to any service and involves:-

- Any act of laxity or omission or commission by cognate person to the user.
- ➤ Deliberate with holding of relevant facts & figures by cognate person to the user.⁴

• Students.

According to Chambers 20th Century Dictionary 'Student' means one who studies or one who dedicated to book or any learning or registered for a course of study in any school, institutions, college, or university.

• Education.

According to Advanced law lexicon 'Education' is elucidate in very spacious appellation it is affirm that Education is the bringing up; the procedure of developing & training the power as well as abilities of human beings. In its wider sense the term comprehends not merely the directives received at school, or college however the entire course of training, moral intellectual as well as physical; is not restricted to the ordinary directives of the child in the pursuit of literature. It also apprehend a proper concentration to the moral as well as religious sensibility of the child. And it is occasionally used as synonymous with 'learning'.⁵

<u>Misleading Advertisement.</u>

In obedience to section –2(28) Misleading Advertisement in association to any product or service means an advertisement, that:-

- Falsely delineate akin products or services.
- Accord a fallacious guarantee to, or is probable to mislead the user as to the standard, substance, quantity or quality of alike product or service.
- Conveys an express or insinuate delineation that, if made by the maker or seller or service provider hereof, would inaugurate an unfair trade practices.
- ➤ Intentionally obscure important information.

Product.

In obedience to section -2(33) of the said act Product means that any article or goods or stuff or raw material or any elongated cycle of alike product that might be in gaseous, liquid or solid shape possessing intrinsic value that is competent of delivery either an wholly congregate or as a component part & is fabricated for introduction to trade or commerce, however doesn't include human tissues, blood, blood products as well as organs.

• Product Liability.

According to section -2(34) of the said act Product liability means that the burden of a product constructor or product vendor any product or service, to reimburse for any injury give mutiny to a user by alike defective product fabricated or get rid of or by insufficiency in services relating there to.

• Restrictive Trade Practices.

According to section - 2(41) of the said act states that a trade practice that trends to cause falsification of price or its conditions of transportation or to influence the flow of supplies in the market concern to goods or services in alike manner as to inflict on the user unjustified price or diminution and should covers:-

- ➤ Delay far off the period concur to by a merchant in supply of alike goods or in lay out the service that has led or is likely to escort to increase in the cost.
- Any merchant practices that needed a user to purchase, hire or assist of any goods or as the case might be services as condition exemplar for purchasing, hiring or assisting of more goods or services.

⁴ Akansha Bhattarai, Deficiency in service under consumer protection act, 2019, latest law.com, (25 February 2021) URL = https://www.latestlaws.com/articles/deficiency-in-services-under-consumer-protection-act-2019/

⁵ P. Ramanatha Aiyar, 3rd edition, 2005, vol.2.

• Trader.

In obedience to section-2(45) of the said act trader in association to any goods means a person who vend or distributes any goods for sale & comprises the manufacturer hereof, and where alike goods are sold or scatter in package form, covers the packer hereof.

• Unfair Contract.

The act of Consumer Protection Act, 2019, has also instigate the conception of unfair Contract defined beneath section -2(46) it refers to any contract betwixt a user and a producer or service provider or merchant whose terms cause a consequential change in the user rights beneath the act:-

- > Requirements of imprudent security deposits by the user in for facilitating the performance of responsibility beneath the contract.
- > Striking penalty for breach of contract on the user that is not in segment with the loss endure due to alike breach.
- Not accepting premature debt reimbursement along with the appropriate penalty.
- Authorizing one of the parties to terminate the contract beyond any suitable cause or unilaterally.
- Authorizing one party to allocate the contract to the detriment of the user as well as without his assent.
- > Striking obstructive conditions, obligation or levy on the user which puts him in a inauspicious position.

• Unfair Trade Practices.

In obedience to section -2(47) of the said act 2019 the definition of unfair trade practices has been deepen to involve practices like as:-

- Manufacturing or offering specious goods for vending or adopting illusory practice for providing services.
- Not emanate genuine cash memo or bill for the service rendered as well as the goods sold.
- Deny to withdraw, evoke or discontinue defective goods & services and payback the consideration taken there of with in the duration stipulated in the bill or with in 30 days whether there is no alike provision in the Bill.
- Disclosing personal details of the user to any other person not in obedience to with prevailing laws.

International Scenario.

The Consumer Protection laws in territory like USA, UK as well as South Africa is generally felicitous to the relationship betwixt Universities and undergraduate students studying for the purpose that are outside their trade, business or profession. The consumer rights provide students to get the information in deciding which University and course to choose to get fair and balanced terms and condition from university and help students to progress any complaints if they are dissatisfied with an aspect of the educational services⁸

"Education as service under act is open to more than one interpretation. Under twelfth report on Consumer Protection (Amendment) bill 2001 chapter II Report clause 2.3 proposes the committee considered the amendment proposed by the Government in detail and felt services alike education as well as matters incidental there to must be annexed".

⁶ Akansha Bhattarai, Deficiency in service under consumer protection act, 2019, latest law.com, (25 February 2021) URL = https://www.latestlaws.com/articles/deficiency-in-services-under-consumer-protection-act-2019/

⁷ Akansha Bhattarai, Deficiency in service under consumer protection act, 2019, latest law.com, (25 February 2021) URL = https://www.latestlaws.com/articles/deficiency-in-services-under-consumer-protection-act-2019/

⁸ Apurva Gawande, Education: whether a service under the Consumer Protection act, 1986?, E-Justice India, URL = https://www.ejusticeindia.com/education-whether-aservice-under-the-consumer-protection-act-1986/

Research Objectives.

This manuscript highlights the possible areas of academic research that are likely to be analysis the dynamic nature of the consumer protection laws. The main objective of this paper is to critically analysis whether Education is service or Students as a Consumer falls under the ambit of consumer protection laws. It may help in developing the knowledge and provide awareness for protecting themselves from the exploitation by the University/educational institutes.

Research Question & Hypothesis.

There are two big questions were arises in this research are as follows:-

Question-1 Students – Whether a Consumer?

Education has gigantic importance in our community hence important question come to light whether a student is Consumer or not? There are two contrasting perspective in this regard – According to first perspective, there is no justification to shepherd, educational institutions as well as students with in the preview of consumer protection laws. According to second perspective education has been acknowledged as a fundamental right. Education is analogous to future of the students. A heavy fee is demanded from the students for imparting education. Therefore, educational institutions as well as students should be with in the amplitude of the act. The perspective of the distinct commission have not been harmonious in this regard. From time to time, the relief are accord where as occasionally relief is denied. A few rights (non-exhaustive) of the students that are very crucial to safeguard the interest of every student in meadow of education are mentioned below:-

- Right to receive good standard of education.
- Right to safety.
- Right to get receive all benefits alike as library, auditorium, Study material etc.
- Right to be informed.
- Right to be heard.
- Right to consumer education.
- Right to seek Redressal.

Question-2 Education – Whether a Service?

There are some aspects are as follows:-

Explanatory and Expandary Definition.

The initial part of definition of service beneath act involves any description of service and not restricted to the provision that makes definition comprehensive as well as not conclusive in nature. The secondary part of definition affirms that service is available to potential as well as actual consumer that are capable of using it. The students are probable users in sight that education as service is as such created for benefit of students and they are competent of using it. The last part of definition stipulate service shall not be chargeless or beneath a personal service. Education is not complimentary service or contract of personal service as students reimburse heavy fees as consideration for receiving education.

• Influence of Advertisement.

Nowadays with modern practices of advertisement in media, each and every institution is affecting the minds of guardians through various practices of advertisement including print, social along with digital media. The purpose of imparting education by institution is getting abandoned and student as user is getting affected with infrastructure and other promotional activities by reimbursing heavy fees as consideration and in spite of the manufacturing inadequacy or deformity in the quality, a consumer is persuade to purchase the goods.

Relationship of Student and Educational Institutions & University.

A university is a fabrication of law made by the Central or State legislature beneath entry 66 of list I union list as well as entry 32 of list II state list respectively. Education imparted by University and Institutions can be distinguished into two fragments:-

- ➤ Core Services It comprises the objects of the University beneath section-5 of Central University Act. 2009:-
 - 1. To Promulgate and advance apprehension by providing instructional as well as research facilities in alike branches of learning as it might deem fit.
 - 2. To take suitable course of action for promoting innovations in teaching, learning process as well as inter disciplinary studies & research.
 - 3. To construct special provisions in integrated courses in its educational modules.
 - 4. To pay special attention to the improvement of the social & economic circumstances and welfare of the mankind as well as their enlargement.
- ➤ Ancillary Services These are prop up Services that provided to students to ameliorate the learning experience and advance scholastic outcomes. These days ancillary services are crucial and valuable as each and every parent looks education as investment to get standard education for their children. Services comprises transportation services, hostel or accommodation facilities, library, auditorium, laboratory, gymnasium, canteen, internet service, supplying study material, books electronic material etc.

Above mentioned services are allocated by institution to students as students is direct inheritor of all this services by reimbursing fees as consideration. The relationship betwixt student & university/educational institutions should be of user and service provider meanwhile a student only after complying the requirements specified by the University interns of its rules & guidelines can claim his annuity as a user of service and if the institution/University fails to obey with this requirement subsequently it should be deficiency in service beneath the laws.

Research Methodology.

This research will rely absolutely on secondary data sources and would not comprises a primary data collection ingredients. 12 indicators have been selected 9 from different data sets, which will be analyzes during the final week of September for information which the secondary data sources collected their data. We collected data using an online research platform (Google, YouTube, News app, Journals, blogs, articles, social media etc.) As per the Indian Government recommendation to minimizes face to face or physical contacts as citizens carry on with to isolate themselves at home. The current study investigated the applicability of Consumer Protection laws is justified in case of educational activity or services rendered by University/educational institutions.

Judicial Approach.

There are the following judicature verdicts have been quoted to vindicate the argument that students as consumer as well as university as the service provider:-

Case:-1 Bangalore Water Supply VS R. Rajappa & others.9

In this case the Apex judicature among its many other pronouncements recognized educational institutions as an industry. It was held that educational institutions are industry as per the expression of section -2(i)of the Industrial Disputes Act, 1947. In the manner industrial as well as consumer disputes are redressed beneath Consumer Protection laws. The Consumer Protection Act is undoubtedly satisfactory frontier to harmonize the business actions of University/Educational Institutes as well as fabricate this sector more answerable for assisting the curiosity of students as well as country at large. It doesn't make sight to force user to resort to the highly protracted & tedious, and not to bring up, costly conventional litigation for a matter such as fees payment or corrections of mistakes in alike case cost of litigation would exceed the claim itself. In alike cases consumer laws

⁹ 21 February 1978 AIR 548, 1978 SCR (3) 207.

can adequately provide immediate remedy on individual level and could make institutions responsible for inadequacy in their services.

Case:-2 Taneja VS Calcutta District Forum.¹⁰

In this case it was observed by the Calcutta High Court that the relationship betwixt teachers & students in an educational institute is not one of service provider as well as user.

Case:-3 Oza Nirav Kanubhai VS Centre Head Apple Industries Ltd. 11

In that case the National Commission observed that private educational institutes to be assort as service providers as well as students registered therein, or their sponsor, as consumer. Consequently, the student – university relationship even though not equivalent to a relation of consumer & service-provider in the strict sense however complaints against the university/educational institutes are justifiable in consumer fora on the ground that students is nothing even so a consumer as long as the Complaint is authentic. The student is a direct beneficiary or in simple words, user of the service furnish by University is brace by the fact that provision for students engagement in the academic activities of University involving evaluation of teacher is accessible in Central University Act, 2009 that implies the student is nothing but a undeviating user of educational service.

Case:-4 Secretary Board of School Education Haryana, Bhiwani VS Mukesh Chand of Palwal.¹²

In this case, the respondent proclaim the result later a period of one year and eight months of the scheduled time. The Haryana State Commission Observed that there was erratic functioning on the part of the opposite party as well as it had a heartless attitude with regards to its students, that is the deficiency in service on its part. Hence, the Court decision mentioned above clearly accepts that students is a consumer of the service provided by the University. Even though, many judgements are also accessible where the consumer & service provider relation is vehemently repulse.

Case:-5 Central Academy Educational Society VS Gorav Kumar. 13

In that case where it was observed by the Court that teaching is not competent of marketization as inimical to the vending of books or provision of accommodation is marketable and can be contemplate as service as per the consumer protection laws.

Case:-6 Sonal Matapurkar VS Niglingappa Institute.14

In the case, the court observed that admission were made by the dental institute over & above the authorize seats as a consequence of that the students were not authorized to appear in the examination by the University. After all the students had reimburse huge gratuity as well as had also made an expenditure of time & energy the National Commission observed that there was the insufficiency in services and the Complaints were entitled to pay back of the donation and damages with interest along with the cost of the proceedings.

Case:-7 Bhupesh khurana & ors... VS Vishwa Budha Parishad & ors... 15.

While enlarging the ambit of Consumer Protection laws, National Commission open new doors which imparting education folks with in the purview of service as defined beneath Consumer Protection laws fees are reimburse for services to be rendered by method of imparting education through educational institutions. While there is no rendering of service, question of payment of fee will not come to light. The Complaints had recruit the services of the respondent for deliberation so they are consumer as defined in the consumer protection laws.

¹⁰ (1991) SCC online Cal 241: AIR 1992 Cal 95.

¹¹ (1992) 1 CPR 736.

^{12 1994 (1)} CPR 269 (Har)

¹³ (1996) 3 CPJ 230.

¹⁴ 1997 (2) CPJ 5 (NC).

¹⁵ 29 September 2000, 2 CPJ 74 (NC).

An educational institutions additionally held responsible beneath the consumer protection laws. Holding of exams, declaration of result are all services beneath the act & can be scrutinize into by the Consumer Courts. Consumer Courts have also observed that it is not with in their jurisdiction to examine into whether particular rules in an institution prospectus are illegal or not. Educational institution are envelope by the provisions of the Consumer Protection act, 1986 and whether there is any insufficiency in the service rendered by the educational institutions, then they are responsible for deficiency in the services beneath the act. In this case, court observed that there was deficiency in service on the side of the institute as well as students are enable to claim the consolation in the form of monetary reimbursement.

Case:-8 Jai Kumar Mittal VS Brilliant Tutorials.¹⁶

In that case it was observed that the supply of defective Study materials by an institutes can assist a valid claim against it for inadequacy of services.

Case:-9 Bihar School Examination Board VS Suresh Prasad Sinha. 17

In the case the Apex Institution held that the Education Board & Universities are not 'Service providers' as well as the Complaints against them are not sustainable.

Case:-10 Maharshi Dayanand University VS Surjeet Kaur.¹⁸

In that case the Apex judicature depends upon all earlier precedents and observe that education is not a commodity. Educational institutions are not conferring any type of service, hence, in the matter of admission fees etc., There can't be a question of deficiency of service. Alike matters can not entertained by the consumer fora beneath the Consumer Protection laws.

Case:-11 .T. Koshy & Anr. VS Ellen Charitable Trust & Ors. 19

In that case the Hon'ble Apex Institution in its latest pronouncement has changed the perspective and observe that:-

"Accordingly, at the moment the situation is complicated as well as cryptic. At this juncture, it is of crucial significance to examine the various functions of University/Educational Institutes to dictate that whether the actions of University/Educational Institutes are categorize beneath the ordinary definition of services in obedience section -2(1)(0) of the consumer protection act, 1986. On the other part, it is also obligatory to assess the definition of the consumer beneath section -2(1)(d) of the act so as to check that the relationship betwixt University & students fit with the ordinary relationship of trader/service provider and user? Whether these two measures are assuages then it could be utter that Universities/Educational Institutes occur with in the amplitude of Consumer Protection Laws.

Reference of expression such as - service, business, profit and industry-partnership is accessible with in the Central University Act, 2009, itself that evidently proves that University is not a non profit body preferably it has some business elements inherent in the statutes as well as acts that administer the function of the university.

Case:-12 Birla Institute of Technology & Science VS Abhishek Mengi.²⁰

In that case the National Commission observed that forfeiture of fees by the University/Educational Institute with out disseminate education amount to Unfair Trade Practices.

Case:-13 Anand Institute of International Studies VS Sanni Jaggi & others.²¹

¹⁶ 2005 SCC Online NCDRC 23 (2005) 4 CPJ 156 (NC): (2006) 1 UC 43.

^{17 (2009) 8} SCC 483

¹⁸ (2010) AIR 11 SCC 159.

¹⁹ (2012) 3 CPC 615.

²⁰ (2013) SCC online NCDRC 394: (2013) 2 CPJ 681 (NC).

²¹ 1 July, 2019.

In that case the students were indignant by an institution cause of lack of basic educational resources as well as false advertisement fallacious them to undertake admission in alike institutions. Additionally establish that the institution also lacked required affiliation and was resume working with out come into the same. The NCDRC validate the pronouncement of the District forum and State Commission and ruled in all for of students observing that, insufficient facilities amount to in short supply in services and fallacious advertisement farther encourage unfair trade practices.

Case:-14 Manu Solanki & ors VS Vinayaka Mission Society.²²

The case formerly so-called as Vinayaka Mission Research Foundation Deemed University case – the Vinayaka Mission Society had indulged in insufficiency of service as well as unfair trade practices by influencing students with fallacious assurance to admit in the offshore program embrace of two year learning in Thailand and two & half year learning in their University to avoid finishing degree of MBBS. It was assertive that the university was validate by the Indian Government as well as Medical Council of India. The NCDRC depend upon the ratio of previous case i.e. Maharshi Dayanand University VS Surjeet Kaur case and come to an end that, Institutions rendering education, involving vocational courses as well as actions undertaking in the course of the process of pre-admission as well as post admission and also imparting expedition tours, picnic, extra co-curricular activities, swimming, sports etc. Excluding of coaching institutions, would not be enfold beneath the provisions of the consumer protection laws.

Major Findings.

There are ample arguments in case law to indicate that 'Students is a User/Consumer' and 'Education is Service' beneath the Consumer Protection laws:

- A applicant who reimburse fees to a University/Educational Institution for appearing in examination is a user/consumer. Examination as well as printing of result is a service.
- Failure to issue roll number in time is a Deficiency in administrative side concerning to education services.
- The university is responsible for dereliction of duty as well as deficiency of service because the students were deprived of their right to present in examination.
- Imparting of education by the state evidently comes with in the aspect of service as defined beneath clause (o) sub-section (1) of section-2 of the said act.
- A student is specifically a consumer/user of services in an educational institutions. Consequently at the same time there is no service, there is no right with the college to apt fees. If it demand to college fees with out conferring education it would amount to deficiency.

Conclusion.

India has one of the youthful residents in an aging globe. Education sector has become deep ineradicable connected network of employment. In country alike India where privatization of educational sector as well as unemployment is on mutiny. There is no check & balance framework for institutions/universities. In sight of above mentioned justification, it is legally & logically prop up that education is service beneath the Consumer Protection laws. Students are straight forward a consumer or beneficiary of the service or amenity offered by University/educational institutes. All sort of action performed by University/Educational Institutes might not be classifiable as marketable services cause of the character of those particular services however it does not support the absolute exclusion of the university/educational institutes from the amplitude of Consumer Protection laws. Hence come to an end, that education shall be added in the definition of service beneath the Act as well as University/Institutions shall be with in the amplitude of consumer protection laws, as to shelter & encourage the interests and welfare of students as consumer/user.

²² 15 October, 2020