DISTRICT CONSUMER DISPUTES REDRESSAL COMMISSION, ERNAKULAM Dated this 20th day of July 2024

Filed on: 27.11.2019

PRESENT

Shri. D.B. Binu

Shri. V. Ramachandran

Smt. Sreevidhia T.N

President Member

Member

C.C.No. 4€1/2019

COMPLAINANT

Abdul Razzak, S/o.A.M.Shahul Hameed, 2/26, ACS Road, Kaloor, Cochin-682 017

(By Adv.S.a.Razzak, 2/26, ACS Road, Kaloor, Kochi-682 017)

Vs.

OPPOSITE PARTIES

- 1. Sony India Pvt. Ltd., Rep. by Branch Manager, Corporate Office, II Floor, Muscat Tower, SA Road, Kadavanthra, Kochi-682 020
- 2. M/s.Madona Electronics, Represented by Mr.Felix Silvester, General Manager, Madona Electronics, Millennium Road, South Chittor, Cochin-682 027.

(op2 rep. by Adv.N.J Ashwin, M/s.Joseph Antony Associates, Advocates & Notary, 1st Floor, Infant Jesus Building, High Court Junction, Banerji Road, Cochin-682 031)

FINAL ORDER

D.B. Binu, President

1. A brief statement of facts of this complaint is as stated below:

This complaint was lodged under Section 12 of the Consumer Protection Act, 1986. On 01-05-2019, the complainant registered a TV malfunction complaint (No. 53900527) online with the Customer Care department of the first opposite party. On 02-05-2019, the 2nd opposite party, acting as the authorized service agent of the 1st opposite party, contacted the complainant from its Edapally service center. Subsequently, a technician and his assistant from the 2nd opposite party inspected the faulty TV at the complainant's house in Kaloor on the same day. They took the TV for service, along with copies of the bill and warranty card, and provided the complainant with a 'Service Job Sheet' noting the defect as "Display Flickering."

On 03-05-2019, the 2nd opposite party demanded ₹33,000/- for the service charge via phone. The complainant rejected this demand and requested official communication via mail or message to Sony Customer Care, with a copy to the complainant. Receiving no response from the 2nd opposite party, the complainant engaged in a live chat with "Sony Live Support" on 04-05-2019 to report the service delay. The customer care officer acknowledged the receipt of the email. On 06-05-2019, the 2nd opposite party sent an estimate. Following a phone call, the complainant emailed copies of the point-of-sale invoice and warranty on 07-05-2019, which were acknowledged. The 1st opposite party's customer care personnel then offered a replacement over the phone on 10-05-2019, citing the unavailability of spare parts listed in the 2nd opposite party's estimate. The complainant sought further details on this replacement offer but received no response.

On 16-05-2019, the complainant emailed to urge avoidance of further service delays, which was acknowledged. On 24-05-2019, the 2nd opposite party emailed prices for three different SONY BRAVIA TV models, asking the complainant to purchase one at a special price. The complainant realized this was an attempt to sell a new unit at a high price rather than repair or replace the defective TV.

Frustrated by the lack of written responses from the 1st opposite party, the complainant notified both parties on 31-05-2019 about the damages incurred due to service delays. This notification was acknowledged the same day, yet the 1st opposite party did not respond for ten days. On 10-06-2019, the complainant met the 1st opposite party's 'Area Service in Charge' at their corporate office in Ernakulam, handed over a copy of the notice dated 31-05-2019, and repeated the request for a replacement. The 1st opposite party replied online on 10-06-2019, suggesting an exchange for a new unit at a special price due to spare part unavailability. The complainant responded on 18-06-2019, reminding the 1st opposite party of their obligation to replace the TV at their risk and cost since the defect was admitted to be a manufacturing issue.

With the need for a TV to follow the ongoing Parliament Election and Cricket World Cup, the complainant, in a letter dated 01-07-2019, requested performance within 15 days. Despite acknowledging this notice, the 1st opposite party failed to provide the service or a reply, and the 2nd opposite party retained the TV. On 16-09-2019, the complainant issued a statutory notice seeking the requested service and compensation for the deficiency. The 1st opposite party repeated their earlier offer for a fresh sale at a special price on 19-09-2019, which the complainant rejected on 23-09-2019.

The complainant purchased the SONY F/HD LED TV (Model No. KDL -42W 650A IN5, Serial No. 430 88 39) on 04-05-2013 from the 1st opposite party's retailer LULU CONNECT for ₹62,000/-. The service provided has been defective and insufficient. With no other remedy due to the 1st opposite party's inaction and their authorized service agent, the complainant is experiencing criminal misappropriation of the TV entrusted to the 2nd opposite party for repair on the 1st opposite party's instructions. The cause of action arose on 19-07-2019 when the opposite parties failed to repair or replace the TV despite legal notice given on 01-07-2019.

This District Consumer Commission has jurisdiction to grant relief, and the claim is within the two-year limitation period. The 1st opposite party, the manufacturer-merchant, and the 2nd opposite party, the service agent, acquired control over the complainant's TV and dishonestly failed to provide the obligatory service or replacement. The opposite parties violated their express and implied legal obligations by misappropriating the TV despite the warranty. The 1st opposite party, having admitted the manufacturing defect, must provide effective service through repair or replacement at their risk and cost.

The complainant seeks:

- Defect-free repair or replacement of the TV by the opposite parties at their risk and cost.
- Compensation equivalent to the TV's value for misappropriation.
- ₹5,000/- per month from 03-06-2019 for loss of amenities and discomfort

- Compensatory interest at 9% on the sale value from the complaint date until liability discharge.
- Any other relief deemed fit and proper, along with the complainant's costs.

2. Notice

The Commission sent a notice to the Opposite Parties. The second Opposite Party filed their version in response, while the first Opposite Party did not submit their version. Consequently, the case against the first Opposite Party is set as ex-parte

3. THE VERSION OF THE SECOND OPPOSITE PARTY

The complaint is not maintainable either in law or on facts. They emphasize that the complaint is flawed as the complainant admitted the TV was purchased on 04-05-2013, and the issue was reported only on 01-05-2019, six years later. This delay, they stated, shows negligence on the complainant's part, making the complaint baseless.

The 2nd opposite party acknowledges their role as an authorized service center for the 1st opposite party but disputes the relevance of the bill and warranty card from 2013 when the TV was handed over for service in 2019. They denied any delay on their part, stating the complainant refused to pay for the service since the TV was out of warranty. They assert that there was no obligation to provide free service for a product not covered by any warranty.

Regarding the claim of unavailability of spare parts, the 2nd opposite party stated that they are merely an authorized agent and not responsible for manufacturing or supplying spare parts. They deny sending any communication about purchasing upgraded models and state that any responsibility for repair or replacement lies with the manufacturer, the 1st opposite party.

The 2nd opposite party denies knowledge of certain paragraphs in the complaint concerning interactions between the complainant and the 1st opposite party. They stated that since they are not the manufacturer.

distributor, or retailer of the TV, the complaint is not maintainable against them.

They outline that the complainant's grievances revolve around service issues, unavailability of spare parts, and alleged criminal misappropriation of the TV. They assert that since the complainant was unwilling to pay the service charges for an out-of-warranty TV, the claims are not valid. They contend that any liability for service deficiencies or spare parts unavailability lies with the manufacturer, not with them as an authorized service agent.

In conclusion, the 2nd opposite party requests the commission to dismiss the complaint, as it is not maintainable against them and lacks merit.

4. EVIDENCE

The complainant submitted a proof affidavit along with 17 documents, marked as Exhibits A1 to A17.

- Exhibit A1: Photocopy of Receipt No.41/6343 dated 04/05/2013 with Warranty.
- Exhibit A2: Photocopy of the Service Job Sheet dated 02-05-2019 by the 2nd opposite party as an authorized agent.
- Exhibit A3: Photocopy of online chat with Sony Live Support.
- Exhibit A4: Photocopy of complainant's online service complaint dated
 04-05-2019 duly acknowledged by the 1st opposite party.
- Exhibit A5: Photocopy of Estimate with Job No. J90824480 & CCD ID 53900527 with CL dated 06-05-2019 by the 2nd opposite party.
- Exhibit A6: Photocopy of complainant's online reply dated 07-05-2019 to the 1st opposite party duly acknowledged.
- Exhibit A7: Photocopy of complainant's online service complaint No. 53900527 dated 10-05-2019 duly acknowledged by the 1st opposite party.
- Exhibit A8: Photocopy of complainant's online service complaint No. 53900527 dated 16-05-2019 duly acknowledged by the 1st opposite party.

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- Exhibit A9: Photocopy of 2nd opposite party's online reply with model
 details dated 24-05-2019.
- Exhibit A10: Photocopy of complainant's online notice dated 31-05-2019 to the opposite parties duly acknowledged.
- Exhibit A11: Photocopy of the 1st opposite party's online reply dated 10-06-2019.
- Exhibit A12: Photocopy of the complainant's response dated 18-06-2019 duly acknowledged.
- Exhibit A13: Photocopy of complainant's letter dated 01-07-2019 to the opposite party duly acknowledged.
- Exhibit A14: Photocopy of complainant's letter dated 08-07-2019 to the
 1st opposite party's corporate office at Kochi duly acknowledged.
- Exhibit A15: Photocopy of complainant's letter dated 16-09-2019 addressed to the 1st opposite party duly acknowledged.
- Exhibit A16: Photocopy of the 1st opposite party's online reply dated 19-09-2019.
- Exhibit A17: Photocopy of complainant's letter dated 23-09-2019 addressed to the 1st opposite party duly acknowledged.

5. Points for Analysis:

- i) Whether the complaint is maintainable or not?
- ii) Whether there is any deficiency in service or unfair trade practice from the side of the opposite party to the complainant?
- iii) If so, whether the complainant is entitled to any relief from the side of the opposite party?
- iv) Costs of the proceedings, if any?

6. The issues mentioned above are considered together and are answered as follows:

- i) Whether the complaint is maintainable or not?
 - a. As per Section 2 (1) (d) of the Consumer Protection Act, 1986, a consumer is a person who buys any goods or hires or avails of any services for a consideration that has been paid or promised or partly paid and partly promised, or under any system of deferred payment. The

Photocopy of Receipt No.41/6343 dated 04/05/2013 with Warranty (Exhibit A1) shows that consideration is paid by the Complainant. Hence, the complainant is a consumer as defined under the Consumer Protection Act. of 1986.

Whether the complaint is maintainable against the second opposite party?

The complaint against the second opposite party is maintainable. The second opposite party, as an authorized service agent of the first opposite party, had a responsibility to provide timely and effective service for the complainant's TV. Despite being aware of the defect and taking possession of the TV for repair, the second opposite party failed to repair the TV or communicate effectively with the complainant regarding the service delays and the unavailability of spare parts. Furthermore, the TV has not been returned to the complainant by the second opposite party so far, adding to the deficiency in service. This failure constitutes a deficiency in service under the Consumer Protection Act, 1986. Additionally, the second opposite party's role in demanding an unjustified service charge without providing the necessary repair or replacement further substantiates their liability. Therefore, the complaint is maintainable against the second opposite party, and they are accountable for their actions as part of the service chain.

The complainant filed the above case seeking compensation due to the deficiency in service and unfair trade practices caused by the opposite parties' failure to refund the cost of the defective T.V. The opposite parties did not fulfil their obligation to return the money, which resulted in in a deficiency in the service provided to the complainant.

7. Argument Notes Filed by the Complainant

The complainant filed a proof affidavit as contemplated in Section 13 (2) of the Consumer Protection Act. Deficiency in service is the cause of action and so the complaint is maintainable. The TV purchased as per Exhibit A1 from the 1st Opposite Party's dealer started to malfunction due to a manufacturing defect that was promptly reported when it occurred on 01-05-2019. Stating the defect "Display Flickering," the 2nd opposite party, being the authorized service agent of the manufacturer, took away the TV for service on 02-05-2019 along with copies of the Bill and Warranty Card, providing the complainant with a customer copy of the 'Service Job Sheet' as per Exhibit A2. In Exhibit A10 dated 31-05-2019, the complainant was constrained to notify the opposite parties of the damage being suffered for each day of delay in providing the obligatory service. The 1st opposite party again failed to respond for ten days. Thereafter, the 1st opposite party, in their Exhibit A11 reply dated 10-06-2019, denied the service required for the TV, stating the non-availability of the LCD Panel. The cause of action thus arose on 19-07-2019, and the complaint is within the time allowed by law.

The defective product possessed by the 2nd opposite party under Exhibit A2 has so far not been returned after repair. At no point in time did the complainant insist on free service. The 1st opposite party, who is admittedly the manufacturer-merchant, did not file their version and preferred to remain ex-parte. Therefore, the complainant is entitled to the relief sought against the 1st opposite party. At any rate, the obligation to provide spare parts is an implied warranty. The manufacturer's offer in Exhibit A11 to sell another product for a higher value cannot be a service solution to rectify manufacturing defects.

The attempt of the manufacturer-trader and their service agent was only to sell another unit at a heavy price instead of providing the obligatory repair or replacement of the defective TV entrusted to them. The 1st opposite party, though duly acknowledged receipt of Exhibit A13 notice, failed to provide any reply, and the 2nd opposite party continued to possess the TV taken for service. On 16-09-2019, the complainant issued a statutory notice (Exhibit A15) to the opposite parties seeking the requested service and compensation for deficiency in service. The 1st opposite party, in their message dated 19-09-2019, could only repeat the earlier offer for a fresh sale at a special price. The complainant had no option but to reject the offer for a sale afresh at a special price, and the response was communicated online on 23-09-2019.

The complainant purchased the said SONY F/HD LED Smt.TV with Model No. KDL -42W 650A IN5 with Serial No. 430 88 39 on 04-05-2013 from

ne 1st opposite party's retailer LULU CONNECT under PoS Receipt No.41/6343 for a hefty price of ₹62,000/-. The 1st opposite party, being the manufacturer-merchant, and the 2nd opposite party, as the service agent of the former, acquired control over the complainant's TV set in their respective capacities and thereafter dishonestly failed to provide the obligatory service or replacement at their risk and cost. The opposite parties, in violation of express and implied legal obligations, dishonestly misappropriated the TV entrusted to them by the complainant for repair despite the implied warranty.

The 1st opposite party, after having admitted the manufacturing defect of the TV and taking control of the same, has the obligation to provide effective service by way of defect-free repair or replacement at their risk and cost as the trader and their agent alone are at fault. The complainant, as a consumer, is eligible to claim compensation equivalent to the value of the TV misappropriated on the 1st opposite party's failure to replace the TV upon receipt of notice of this complaint. The complainant suffered loss of amenities and discomfort due to the deficiency in providing service by the 1st opposite party and their agent and is entitled to compensation of ₹5,000/- for every month on that count.

The complainant claims compensatory interest at 9% on the sale value in Exhibit A1 from the date of this complaint till the date of discharge of liabilities claimed. Based on the above-stated deficiency in service substantiated by the documents produced, it is most respectfully prayed that the claims in the Consumer application may be allowed.

8. ARGUMENT NOTE FILED BY SRI. BASIL SIMON, COUNSEL FOR THE 2ND OPPOSITE PARTY.

The complainant purchased a Sony FHD Smart TV on 04.05.2013 with a one-year warranty and used it without any issues for six years. On 01.05.2019, the display began flickering, and the complainant contacted the customer care support of the 1st opposite party. On 02.05.2019, a technician from the 2nd opposite party visited the complainant's residence, took the TV for further examination, and provided a service job sheet. On 03.05.2019, the

2nd opposite party informed the complainant of the required service charge, explaining that the warranty had expired and a service fee was necessary. The complainant refused to pay and contacted the 1st opposite party, who provided an estimate matching the service charge and later offered a discounted replacement due to the unavailability of spare parts. The complainant declined and approached this Commission.

The 2nd opposite party argues that the TV being idle for six years undermines the complainant's case. They assert that the bill and warranty card were irrelevant when the TV was handed over for service on 02.05.2019 and are included only to mislead the Commission. The 2nd opposite party is unaware of communications between the complainant and the 1st opposite party and emphasizes that there was no obligation to provide free service for a TV, not under warranty. As an authorized service agent, the 2nd opposite party followed the 1st opposite party's directions and had no authority to provide free repairs. The complainant's refusal to pay for the service negates any claim of delay in service.

The 2nd opposite party also states that they are neither the manufacturer nor distributor of the TV and are not responsible for spare parts availability. They reiterate that they are only an authorized service agent for the 1st opposite party and cannot be held liable for the complainant's claims. The 2nd opposite party requests that the Commission dismiss the complaint with costs to the 2nd opposite party.

The evidence presented included an ex-parte proof affidavit filed by the complainant, and it was unchallenged by the first opposite party. Therefore, the complainant's claims were considered credible and supported by the evidence, the first opposite party's conscious failure to file their written version despite having received the Commission's notice amounts to an admission of the allegations levelled against them. The case of the complainant stands unchallenged by the first opposite party. The Hon'ble National Commission held a similar stance in its order dated 2017 (4) CPR page 590 (NC).

Photocopy of the 1st opposite party's online reply dated 10-06-2019 (Exhibit A11), extracted from the email communication:

"Your service request was received at the Authorized Service Centre - Madonna Electronics-Edapally, dated 3rd May 2019 Vide Job no. J90824480 for the symptom "Display Issue - Led Is Flickering Using STB." Upon inspection and analysis of the product, it was determined that the panel needs to be replaced for satisfactory operation of your set. We are having difficulty in obtaining the necessary part, and even if we do, the service may not be reliable.

As an alternative service solution, we offer to exchange your TV with a new BRAVIA at a special price, depending on the model selected. As this price varies for each model, we request you to confirm your selected model so that we can communicate the special price to you. This price is offered to you as our valued customer. The new product comes with a standard warranty, which can be extended for an additional two years by paying an extra amount.

We request you to please consider our proposal and let us know at your earliest convenience. We apologize for being unable to service your product."

- A. Prompt Reporting and Initial Action: The consumer promptly reported the TV malfunction on 01-05-2019, demonstrating diligence in seeking a resolution for the defect. The issue was reported within a reasonable timeframe after it occurred, showing the consumer's proactive approach.
- B. Service Delay and Inadequate Response: Despite the timely reporting, the consumer faced significant delays and inadequate responses from

the opposite parties. The service technician from the 2nd opposite party took the TV for examination on 02-05-2019 and provided a service job sheet (Exhibit A2). However, the subsequent communication from the 1st opposite party on 10-06-2019 (Exhibit A11) indicated difficulties in obtaining necessary parts and offered an alternative solution, acknowledging their inability to service the product reliably.

- C. Reasonable Expectation of Service: The consumer had a reasonable expectation of receiving service or a replacement, given the acknowledgement of the manufacturing defect by the opposite parties. The 1st opposite party's offer to exchange the TV for a new BRAVIA at a special price (Exhibit A11) implicitly acknowledges the manufacturing defect and the obligation to rectify it.
- D. Consumer Rights and Legal Obligations: The consumer's insistence on proper service or a replacement aligns with the legal obligations of the manufacturer and service provider. The 1st opposite party, the manufacturer, must provide effective service, repair, or replacement for defects acknowledged as manufacturing faults. The 2nd opposite party, as the authorized service agent, is responsible for facilitating this process under the manufacturer's directives.
- E. Impact on the Consumer: The delay and inadequate response caused significant inconvenience and discomfort to the consumer, who relied on the TV for essential information. The prolonged period without a functioning TV, despite the consumer's proactive efforts, underscores the deficiency in service provided by the opposite parties.
- F. Compensation and Accountability: Given the circumstances, the consumer is entitled to compensation for the deficiency in service and the inconvenience suffered. The request for compensation, including monthly compensation for loss of amenities and compensatory interest, is justified considering the failure of the opposite parties to fulfil their obligations.

The consumer's actions demonstrate a legitimate and reasonable pursuit of their rights against deficient service and unfair trade practices. The acknowledgement of the defect by the opposite parties and the subsequent delays in providing a satisfactory resolution highlight the validity of the consumer's claims. Therefore, the consumer is entitled to the relief sought, including proper service or replacement of the defective product and compensation for the inconvenience and deficiencies experienced.

In the absence of a dedicated 'Right to Repair' law in India, instances exist where the judiciary has intervened to address related concerns. In the case of Shri Shamsher Kataria v. Honda Siel Cars Limited & Ors., the Competition Commission of India (CCI) emphatically affirmed that any anticompetitive actions taken by the automobile industry under the pretext of Intellectual Property Rights (IPRs) would be terminated and declared void. This specific case revolved around the issue of restricting consumers from purchasing goods or services exclusively from authorized car dealers. Another noteworthy case, Sanjeev Nirwani v. HCL, established the obligation for companies to provide spare parts beyond the warranty period. Failure to do so was deemed an unfair trade practice.

The complainant contended that the opposite parties bear the responsibility of ensuring the availability of components in the market for a minimum period from the introduction of their products.

We are inclined to accept the aforementioned argument put forth by the complainant. In light of the circumstances, the first opposite party failed to provide the necessary spare parts for the product to address the defects, thereby exhibiting a deficiency in service and engaging in unfair trade practices. Under the Consumer Section of the Consumer Protection Act, 2(1) (nnn) defines a "restricted trade practice" as any trade behaviour that is seen as restrictive, unfair, or deceptive and is clearly outlined in that section. In the given situation, the complainant claims that the manufacturer used specific tactics to pressure the consumer into purchasing an additional product from them, which is essentially a "restricted trade practice".

We have meticulously considered the detailed submissions of both parties, as well as thoroughly reviewed the entire record of evidence, including the argument notes.

In the case of Kailash Kumari versus Narendra Electronics (Revision Petition No. 40 of 1990), the NCDRC held that the State Commission acted illegally by interfering with the District Commission's decision to award compensation for the inconvenience and mental suffering caused by the failure of the opposite party to repair a defective TV, emphasizing that in such cases it is the duty of the Redressal Commission to determine fair compensation based on the available evidence (LAWS(NCD) 1990 11 60).

Manufacturers frequently employ enticing advertising strategies to persuade consumers to purchase their products. However, a recurring problem arises when these companies fail in their duty to provide necessary spare and consumable parts required for the product's proper functioning throughout its anticipated lifespan. This widespread issue affects consumers across various product categories. When manufacturers decline to furnish these vital components, it effectively compels consumers to discard still-functional products. Such conduct constitutes an unfair trade practice, as it coerces consumers into procuring replacements, thereby artificially inflating the manufacturer's sales and profits.

Intentional withholding of essential spare and consumable parts by manufacturers leaves consumers with limited options, compelling them to abandon functional products and acquire replacements. This not only imposes financial burdens on consumers but also contributes to environmental degradation through an increase in electronic waste, which is the essence of Right to Repair Principle.

We find that issues (i) to (iv) also favour the complainant, as they are a result of the serious deficiency in service on the part of the first Opposite Parties. Naturally, the complainant has experienced a significant amount of

inconvenience, mental distress, hardships, financial losses, etc., due to the deficiency of service and unfair trade practices by the Opposite Parties.

The Commission expresses its appreciation for the complainant, who is a senior citizen and a busy lawyer at the bar. He has gone to great lengths to approach this Commission seeking justice for his legitimate rights against a multinational company. This is a commendable act, as he is creating a model for other suffering consumers to stand against deficiency in service and unfair trade practices committed by traders.

In view of the above facts and circumstances of the case, we are of the opinion that the Opposite Parties are liable to compensate the complainant.

Hence the prayer is partly allowed as follows:

- I. The first Opposite Party shall refund ₹43,400/- (Rupees Forty three thousand four hundred only) to the complainant, taking into account the depreciation of the TV set due to its age from the date of purchase in 2013 to the year 2019 when the TV set began experiencing malfunction issues. This depreciation is calculated at a rate of 30%.
- II. The Opposite Parties shall pay ₹30,000/- (Thirty Thousand Rupees) to the Complainant as compensation. This amount is awarded for the deficiency in service and unfair trade practices, as well as for the mental agony and physical hardships endured by the Complainant.
- III. The Opposite Parties shall also pay the complainant ₹10,000/- (Ten Thousand Rupees) towards the cost of the proceedings.
- IV. The first Opposite Party shall ensure that spare parts and repair services for their manufactured products are made available to consumers, enabling them to enjoy hassle-free use of such products for a reasonably long period in the future.

The opposite parties are jointly and severally mandated to comply with directives II and III mentioned above within 30 days from the date of receipt of this order. Failure to comply with the payment orders will result in interest at the rate of

9% per annum from the date of filing the complaint (27-11-2019) until the date of full payment realization. The first Opposite Party is specifically mandated to comply with directive I within 30 days from the date of receipt of this order, with failure resulting in the same interest rate of 9% per annum from the date of filing the complaint until full payment is realized.

Pronounced in the Open Commission on this 20th day of July 2024.

D.B.Binu, President

V.Ramachandren Member

Srewidhia, N. Member