# PYARIDEVI CHABIRAJ STEELS V. NATIONAL INSURANCE COMPANY LTD: SOLUTION FOR AMBRISH SHUKLA CASE OR IS ITSELF A NEW PROBLEM

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#### I. Introduction

THE CASE at hand, *Pyaridevi Chabiraj Steels* v. *National Insurance Company Ltd*.<sup>1</sup> (hereinafter referred to as *Pyaridevi* case/order) is a landmark order passed by the National Consumer Disputes Redressal Commission (hereinafter referred to as NCDRC), which is unique in its own way. The said order has put an end to a longstanding infirmity that was violating the consumer's right to equality enshrined under Part III of the Constitution of India<sup>2</sup>. Prior to *Pyaridevi* order, the yardstick to decide the pecuniary jurisdiction was – "the value of the goods or services and the compensation" whereas now it is "value of the goods or services paid as consideration". Unarguably, the order provided relief from one problem, but *Pyaridevi* order has also become the genesis of other issues. To discuss the issue at length, the author will elaborate upon the scenario that existed prior to the Pyaridevi order, *i.e.*, The Consumer Protection Act,<sup>3</sup> (hereinafter referred to as 1986 Act), the *Ambrish Shukla* 

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<sup>&</sup>lt;sup>1</sup> MANU/CF/0451/2020.

<sup>&</sup>lt;sup>2</sup> The Constitution of India, art. 14.

<sup>&</sup>lt;sup>3</sup> The Consumer Protection Act, 1986 (Act 68 of 1968).

v. Ferrous Infrastructure Pvt. Ltd.<sup>4</sup> (hereinafter referred to as Ambrish Kumar Shukla case) and the Consumer Protection Act, 2019<sup>5</sup> (hereinafter referred to as the new Act of 2019), in length.

Earlier, as it was on the complainant to add compensation amount as per their convenience, many vicious consumers claimed irrational, illogical and arbitrarily high compensation amount so as to directly reach the NCDRC circumventing the jurisdiction of the District Commission and the State Commission. Further, the new Act of 2019 provides that – any challenge against the order passed by the District Commission may be filed at the State Commission<sup>6</sup>, any challenge against the order passed by State Commission may be filed at the National Commission<sup>7</sup> and any challenge against the order passed by the National Commission can be challenged at the Supreme Court<sup>8</sup>. In the aforesaid context, framing the compensation amount inappropriately and directly approaching the NCDRC is violation of principles of natural justice. It is so because the respondents are deprived of multiple forums for challenging the order.

Further, the *Pyaridevi* order is based on the traditionalist perspective and is not in consonance with the objective of the new Act of 2019, which is for the "protection of the interests of consumers". Such a regressive approach has set a dangerous precedence which may discourage the consumers, thereby, it possesses the threat to impede the economic growth of the country.

## II. Scenario Before Pyaridevi Case

The Parliament recently passed the new Act of 2019 with an objective to meet numerous challenges posed by the modern market place and to fill the existing lacunae in the 1986 Act. The new Act has brought in numerous changes so as to expand the ambit of consumer protection. The new Act of 2019 is different from the 1986 Act on many contours; including

<sup>&</sup>lt;sup>4</sup> I (2017) CPJ 1 (NC).

<sup>&</sup>lt;sup>5</sup> The Consumer Protection Act, 2019 (Act 35 of 2019).

<sup>&</sup>lt;sup>6</sup> Supra note 5, s. 41.

<sup>&</sup>lt;sup>7</sup> *Id.*, s. 51.

<sup>&</sup>lt;sup>8</sup> *Id.*, s. 67.

<sup>&</sup>lt;sup>9</sup> Supra note 4, Statement of Objects and Reasons.

the power vested with the Consumer Disputes Redressal Commissions at all the three levels of the hierarchy *i.e.*, at the District, the State and the National level. <sup>10</sup>

By virtue of the 1986 Act, the District Forum had jurisdiction to entertain a complaint if the value of the goods and services and the compensation & interest, if any, claimed does not exceed twenty lakh rupees.<sup>11</sup> In case of the State Commission, the monetary limit was more than twenty lakhs but less than one crore.<sup>12</sup> The NCDRC could entertain complaint having value of the goods and services and compensation plus interest more than one crore.<sup>13</sup> The new Act has very extensively increased the pecuniary limits of these three forums.<sup>14</sup> Under the old regime, there was a great deal of confusion and divergent views as to the criteria for the determination of the pecuniary jurisdiction.<sup>15</sup>

The landmark case of *Ambrish Kumar Shukla*<sup>16</sup> clarified the stance of consumer courts on the pecuniary jurisdiction, specifically pecuniary jurisdiction of national commission and laid down the criteria for determining pecuniary jurisdictions. The Court has made the following observations:

It's the value of the goods or services and the compensation, if any, claimed which determines the pecuniary jurisdiction of the Consumer Forum.

## III. Legal Infirmities existed prior to Pyaridevi Order

# The criteria set by the NCDRC prior to Pyaridevi case was unreasonable and unfair

The criteria set out by the *Ambrish Kumar Shukla* case<sup>17</sup> created more ambiguity by paving the way for the complainants to escape the hierarchy and approach the NCDRC directly,

<sup>&</sup>lt;sup>10</sup> New Consumer Protection Law In India: Broadening The Horizon, *available at:* https://nishithdesai.com/information/news-storage/news-details/article/new-consumer-protection-law-in-india-broadening-the-horizon.html (last visited on Oct. 29, 2020).

<sup>&</sup>lt;sup>11</sup> *Supra* note 3, s. 11.

<sup>&</sup>lt;sup>12</sup> *Id.*, s.17.

<sup>&</sup>lt;sup>13</sup> *Id.*, s.21.

<sup>&</sup>lt;sup>14</sup> The Consumer Protection Act, 2019 (Act 35 of 2019), ss. 34, 47, 58.

<sup>&</sup>lt;sup>15</sup> Shahbad Cooperative Sugar Mills Ltd. v. National Insurance Co. Ltd., II (2003) CPJ 81.

<sup>&</sup>lt;sup>16</sup> Supra note 4.

<sup>&</sup>lt;sup>17</sup> *Id.*, at para 12.

merely by claiming excessive and unreasonable compensation and interest amount. Essentially, it bestowed the power in the hands of the complainants to manufacture jurisdiction as per their own convenience.

Here a very pertinent question may arise *i.e.*, what would be the position when an order of a *quasi*-judicial body is found bad in law. On this point, the apex court in the landmark case of *Sinha Govindji* v. *The Deputy Chief Controller of Imports & Exports*<sup>18</sup>, has made the following observations:

A quasi-judicial authority is under an obligation to act judicially. Suppose, it does not act so and passes an order in violation of the principles of natural justice. What is the position then? It has been held that an order of a quasi-judicial authority given in violation of the principles of natural justice is really an order without jurisdiction and if the order threatens or violates a fundamental right, an application under article 32 may lie.

It can be argued that whatever the court had decided was in accordance with the provisions of the erstwhile Act<sup>19</sup>. It is settled law that Courts are required to interpret the law in such a way that intention of the legislature can be realised to the fullest sense. Also, the Court must keep in mind the constitutional mandate while interpreting provisions of an act. In view of this, it is pertinent to note the decision of the Supreme Court in the landmark case of *Maneka Gandhi* v. *Union of India*<sup>20</sup> (hereinafter referred to as *Maneka Gandhi* case), wherein the bench of seven judges held as under:

The substantive and procedural laws and action taken under them will have to pass the test under article 14. The test of reason and justice cannot be abstract. They cannot be divorced from the needs of the nation. The tests have to be pragmatic otherwise they would cease to be reasonable. The procedure prescribed must be just, fair and reasonable even though there is no specific provision in a statute or rules made thereunder for showing cause against

<sup>&</sup>lt;sup>18</sup> 1962 (1) SCR 540.

<sup>&</sup>lt;sup>19</sup> Supra note 3.

<sup>&</sup>lt;sup>20</sup> (1978) 2 SCR 621.

action proposed to be taken against an individual, which affects the right of that individual. The duty to give reasonable opportunity to be heard will be implied from the nature of the function to be performed by the authority which has the power to take punitive or damaging action.

The above-mentioned unfettered power found its application in the very recent case of *Rohit Kumar Sahu* v. *M/S. Pioneer Urban Land*<sup>21</sup> where the Complainants paid Rs.60,94,667.52 as part of the builder-buyer agreement for the purchase of a flat. The builder failed to deliver the possession of the flat on the stipulated date. Hence a Complaint had been filed in NCDRC. Complainants demanded 18% p.a. interest on the deposited amount from the due date of possession till actual possession. The Complainants have further claimed Rs. 50,00,000/ as compensation for mental agony. The computation of these sums easily crosses One Crore rupees, hence on that basis the complaint falls within the jurisdiction of NCDRC. Interestingly, the court after hearing both the sides awarded only 4 % interest p.a. With respect to compensation amount, the court ordered it as per the terms of the agreement. Clearly there was a big margin between what Complainant had claimed and what the court decided after the trial.

In the light of these observations of the apex court, it is apparent that the criteria provided by the *Ambrish Kumar Shukla* case fails to stand on the constitutional mandate, and the observations made in the landmark *Maneka Gandhi* case as the criteria set out in this case was unreasonable and arbitrary.

# **Violation of the Principle of Natural Justice**

The Ambish Kumar Shukla case violates the Principle of Natural Justice as well. By virtue of the structure laid down in this case, the opposite party gets less opportunity to appeal, where, the complainant knowingly claims hefty compensation and interest amount to meet the pecuniary requirement of the higher forum in order to avoid the appropriate forums or the lower forums. The Pyaridevi order concurred with the changes inculcated in the new Act of 2019, whereby the compensation amount will not have any significance on deciding the

<sup>21</sup> 2019 SCC OnLine NCDRC 1504

jurisdiction. The jurisdiction will solely depend upon the "consideration paid"<sup>22</sup> thereby eliminating the scope of circumventing lower forums, which was resulting in violation of natural justice by not providing the other party proper hearing.

With respect to 'Principle of Natural Justice' the Supreme Court in *D.K. Yadav* v. *J.M.A. Industries Ltd.*<sup>23</sup> has made the following observations:

The cardinal point that has to be borne in mind, in every case, is whether the person concerned should have a reasonable opportunity of presenting his case and the authority should act fairly, justly reasonably and impartially. It is not so much to act judicially but is to act fairly, namely, the procedure adopted must be just, fair and reasonable in the particular circumstance of the case. In other words application of the principles of natural justice that no man should be condemned unheard intends to prevent the authority from acting arbitrarily affecting the rights of the concerned person.

It is a fundamental rule of law that no decision must be taken which will affect the right of any person, without first informing the person of the case and giving him/her an opportunity of putting forward his/her case.

Apart from that, Ambrish Kumar Shukla case bestowed unfettered power in the hands of complainant, which gave liberty to the complainants to manufacture the jurisdiction as per their whims and fancies. Hence, most of the time, complainants tried to bypass the jurisdiction of the lower forums to file their complaints before such a forum which actually lacks the pecuniary jurisdiction. This again goes against the interests of the opposite party and hampers the justice dispensation system as a whole by putting unnecessary load on a particular forum.

The following observations of the Supreme Court on the point are necessary to delineate here:<sup>24</sup>

<sup>&</sup>lt;sup>22</sup> Supra note 4, ss. 34, 47, 58.

<sup>&</sup>lt;sup>23</sup> (1993) 3 SCC 259.

<sup>&</sup>lt;sup>24</sup> Dr. Jagmittar Sain Bhagat. v. Director, Health Services Haryana, (2013) 10 SCC 136.

Indisputably, it is a settled legal proposition that conferment of jurisdiction is a legislative function and it can neither be conferred with the consent of the parties nor by a superior Court, and if the Court passes a decree having no jurisdiction over the matter, it would amount to nullity as the matter goes to the roots of the cause. Such an issue can be raised at any stage of the proceedings. The finding of a Court or Tribunal becomes irrelevant and unenforceable/inexecutable once the forum is found to have no jurisdiction.

Further, in *Smt. Ujjam Bai* v. *State of U.P.*<sup>25</sup>, the Supreme Court made the following observation:

If a quasi-judicial authority acts without jurisdiction or wrongly assumes jurisdiction by committing an error as to a collateral fact and the resultant action threatens or violates a fundamental right, the question of enforcement of that right arises and a petition under article 32 will lie.

#### No assistance taken from the Code of Civil Procedure

Generally, the Code of Civil Procedure, 1908 (herein referred as 'CPC'), regulates the domain of pecuniary jurisdiction. Therefore, the bench in *Ambrish Kumar Shukla* case should have taken assistance from the CPC for the purpose of uniformity and clarity. Usually in civil suits, provisions of the Suits Valuation Act, 1887<sup>26</sup> read with the Court Fees Act, 1870 (hereinafter referred to as 1870 Act), guides the way for determination of the pecuniary jurisdiction. Section 7 of the 1870 Act, contains a list of 'nature of suits' (including suits for damages or compensation) and it further provides that the computation shall be done according to the amount claimed. Hence, the jurisdiction shall be determined as per the amount claimed. The 1870 Act provides for the inclusion of interest for the purpose of valuation in certain cases only. Section 34 further lays down the criteria for calculating interest rate over the amount claimed, and it clearly says the interest shall be calculated only by the court from the date of the institution of the suit. The Act puts a bracket as well with which court can fix the rate.

<sup>&</sup>lt;sup>25</sup> AIR 1962 SC 1621.

<sup>&</sup>lt;sup>26</sup> The Suits Valuation Act, 1887 (Act 7 of 1871), s. 8.

The bench in *Ambrish Kumar Shukla* ignored all these criteria and decided blindly by the black letters of the 1986 Act and eventually end up giving unregulated powers in the hands of the complainant.

It is therefore clear that the criteria settled by the *Ambrish Kumar Shukla* case had serious bearing on the interest of the opposite Party which has been redressed by the new Act of 2019. As per the new Act, the pecuniary jurisdiction would be based on the "consideration paid" and not the aggregate value of goods and services in question. Moreover, the compensation prayed for in the consumer complaint will not be included in determining the pecuniary jurisdiction of the Consumer Commission. This position has been accepted and applied by *Pyaridevi* case. Therefore through this order of the NCDRC a new criterion to determine the jurisdiction has been brought into practice.

### IV. Solution to a longstanding issue or beginning of a new problem

The recent order passed by the NCDRC in *Pyaridevi* case called a halt to the objections on the grounds of article 14, but is still controvertible on other grounds. To eliminate the issue of violation of article 14 of the Constitution of India, that existed in the 1986 Act and the subsequent order in *Ambrish Kumar Shukla* case passed by the NCDRC, the NCDRC in *Pyarilal* case, construed section 34 (1), 47 (1) (a) (i) and 58 (1) (a) (i) of the new Act of 2019 in an inordinate manner which went against the very objective of the aforesaid Act. Construing the provisions of a Statute *dehors* the express objective provided by the legislature is a parochial approach.

Long title of a Statute is a good guide regarding objective, purpose and scope of the Act.<sup>28</sup> The long title of the new Act of 2019, specifies that it is:<sup>29</sup>

An Act to provide for protection of the interests of consumers and for the said purpose, to establish authorities for timely and effective administration and settlement of consumers' disputes and for matters connected therewith or incidental thereto.

<sup>&</sup>lt;sup>27</sup> Supra note 5, ss. 34, 47, 58.

<sup>&</sup>lt;sup>28</sup> Fielding v. Morley Corpn., (1899) 1 Ch 1, pp. 3, 4.

<sup>&</sup>lt;sup>29</sup> The Consumer Protection Act, 2019 (Act 35 of 2019), long title.

The aforementioned was the intention behind the Act, that was expressed by the Minister of Consumer Affairs, Food and Public Distribution, Mr. Ram Vilas Paswan, while introducing the Bill at the Lok Sabha<sup>30</sup>. Here, the cardinal phrase that should never be overlooked by the Court while construing a provision enshrined under the new Act of 2019 is – "for protection of the interests of consumers and for the said purpose". The Supreme Court held that – "in both Constitutional and statutory interpretation, the court is supposed to exercise discretion in determining the proper relationship between the subjective and objective purposes of the law and help the law achieve its purpose"<sup>31</sup>.

Mr. Joy Saha, learned Senior Counsel on behalf of the Complainant, raised a concern before the NCDRC, while arguing in the matter of *Pyaridevi*, that:

...factually there will no instance of making payment by any Consumer premium of more than 10,00,00,000/- (Rupees Ten crore) and if such a strict view is taken then the claims regarding Insurance will have to be necessarily filed either before the District Consumer Disputes Redressal Commission or before the State Consumer Disputes Redressal Commission and not before the National Consumer Disputes Redressal Commission, which will create great hardship to such Consumers.

As of now, in India, we have one National Commission, 35 State Commissions and 629 District Commissions<sup>32</sup>. Numbers of cases in all the forums are as follow- National Commission (1,32,596), State Commission (9,43,620) and District Commission (43,01,258)<sup>33</sup>. Percentage of disposal at different forums is – National Commission (84.16%), State Commission (86.76%) and District Commission (92.05%).<sup>34</sup> The changes done under section 34 (1), 47 (1) (a) (i) and 58 (1) (a) (i) of the new Act of 2019, wherein the determining phrase for the pecuniary jurisdiction under the 1986 Act, *i.e.*, "the value of the goods or services and the compensation" is replaced by "the value of the goods or services paid as consideration" are done with an objective to reduce the burden on the NCDRC.

<sup>&</sup>lt;sup>30</sup> Lok Sabha List of Business for 8 July, 2019, India, available at: http://loksabhadocs.nic.in/lobmk/17/I/LOB8.7.2019.pdf (last visited on October 30, 2020).

<sup>&</sup>lt;sup>31</sup> Badshah v. Urmila Badshah Godse, (2014) 1 SCC 188 at 195-198.

<sup>&</sup>lt;sup>32</sup> National Consumer Disputes Redressal Commission, India, *available at*: http://ncdrc.nic.in/districtlist.html (last visited on Oct. 30, 2020).

<sup>&</sup>lt;sup>33</sup> *Ibid*.

<sup>&</sup>lt;sup>34</sup> *Ibid*.

In order to remove the burden from the NCDRC, the legislature imposed new limits for the pecuniary jurisdiction of different forums. The said limits are – District committee till one crore<sup>35</sup>, State committee from one crore till ten crore<sup>36</sup> and for National committee, the new limit is over ten crore<sup>37</sup>. The changes done are drastic in nature and are unreasonable and arbitrary as correctly pointed out by the Minister of Consumer Affairs, Food and Public Distribution, that the majority of consumer matters in India is where consideration paid is below one crore. Although, the percentage of disposal of matters at the District Commission level is little better than that of the State and the National Commission, yet, shifting the entire burden on the District Commission is a sophomoric decision of the legislature.

The implications of the change in pecuniary jurisdiction done under section 34 (1), 47 (1) (a) (i) and 58 (1) (a) (i) of the new Act of 2019 and the subsequent order of NCDRC in *Pyaridevi* case is that the common person is denied the right to speedy justice. It is rightly said by Dr. R Sasikala Pushpa and Dr. B Ramaswamy that "the right to speedy trial is an important part of our Constitution and many international conventions and thus the State is duty-bound to ensure it." The High Court of Uttarakhand in a landmark judgment held that – "access to speedy justice is a fundamental right under article 21 of the Constitution". Further, the latest pecuniary jurisdiction under the new Act of 2019 is arbitrary. It is because the current pecuniary jurisdiction is unreasonable and unfair. As explained in the above paragraph, there exist only a minority of cases in India where the consideration paid against the goods and services is more than one crore. A negligible amount of cases when compared with the number of cases filed in all the three forums where the consideration paid against the goods and services is more than ten crore.

In the landmark *Maneka Gandhi* case, the Supreme Court held that:<sup>40</sup>

Article 14 strikes at arbitrariness in State action and ensures fairness and equality of treatment. The principle of reasonableness, which logically as well as philosophically, is an essential element of equality or non-arbitrariness, pervades article 14 like a brooding omnipresence...

<sup>&</sup>lt;sup>35</sup> The Consumer Protection Act, 2019 (Act 35 of 2019), s. 34(1).

<sup>&</sup>lt;sup>36</sup> *Id.*, s.47(1).

<sup>&</sup>lt;sup>37</sup> *Id.*, s.58(1).

<sup>&</sup>lt;sup>38</sup> Dr. Sasikala Pushpa, "Speedy Justice: A Right to be Respected", *India Legal*, October 28, 2018, *available at*: https://www.indialegallive.com/viewpoint/speedy-justice-a-right-to-be-respected/ (last visited Oct. 30, 2020).

<sup>&</sup>lt;sup>39</sup> Lalit Kumar v. Union of India, 2018 SCC OnLine Utt 579.

<sup>&</sup>lt;sup>40</sup> Maneka Gandhi v. Union of India, AIR 1978 SC 597.

If anything done by the legislature is capricious, irrational and/or without adequate determining principle, the said is considered to be manifestly arbitrary, hence violative of article 14 of the Constitution of India. In this ground is applied by the Court on various instances to strike down anything which is arbitrary. Here, the latest pecuniary jurisdiction under section 34(1), 47(1)(a)(i) and 58 (1)(a)(i) of the new Act of 2019 is irrational at its very core and creates a catch-22 situation in the process of addressing the issue of overburdenining of NCDRC. And in the said process, it is increasing the burden on the District Commission at a very large scale thereby impairing the justice system established for a consumer. Further, only a miniscule population in India has the capacity to pay consideration against goods or services above one crore or over ten crores, therefore, only the wealthiest section in India will be able to enjoy the benefit of the State Commission and the National Commission. The NCDRC in the *Pyaridevi* case got an opportunity to address this issue but the bench rather preferred to neglect the same, which is condemnable.

The authors are of the opinion that the NCDRC must have opted for purposive interpretation while dealing with the *Pyaridevi* case. In the words of Lord Griffith, <sup>43</sup>

the courts now adopt a purposive approach which seeks to give effect to the true purpose of legislation and are prepared to look at much extraneous material that bears on the background against which the legislation was enacted.

As expressed by the apex court of India<sup>44</sup>:

To interpret a statute in a reasonable manner the court must place itself in the chair of a reasonable legislator/author. So done the rules of purposive construction have to be resorted to which would require the construction of the Act in such a manner as to see that the object of the Act is fulfilled.

As the literal interpretation of the newly enacted section 34(1), 47(1)(a)(i) and 58(1)(a)(i) of the new Act of 2019 is not in consonance with the very objective of the Act which is "to provide for protection of the interests of consumers" as mentioned above. The literal

<sup>&</sup>lt;sup>41</sup> Shayara Bano v. Union of India, AIR 2017 SC 4609.

<sup>&</sup>lt;sup>42</sup> Navtej Singh v. Union of India, (2019) 1 SCC (LS) 443; Justice K.S. Puttaswamy (Retd.) v. Union of India, 2018 (3) SCC 797.

<sup>&</sup>lt;sup>43</sup> Pepper v. Hart, (1993) 1 All ER 42.

<sup>&</sup>lt;sup>44</sup> New India Assurance Co. Ltd. v. Nusli Neville Wadia, (2008) 3 SCC 279.

interpretation of the aforesaid provision is creating hardship for the majority of consumers because as per the new Act of 2019, only consideration paid against the goods and services received can be considered as a ground to decide the pecuniary jurisdiction of the commissions. Therefore, it was the duty of NCDRC to have dealt with this issue while dealing with *Pyaridevi* case. The NCDRC should have come up with a construction which could bring a balance between the numbers of cases in all the three forums so the consumers, irrespective of the class they belong from, could be ensured equality in access to justice by the State machinery.

#### V. The order is a fiasco when tested on the Principle of Proportionality

It is expected from the legislature to legislate within the four walls of the rule of law.<sup>45</sup> This mandates a "minimum standard of fairness both substantive and procedural"<sup>46</sup>. In a quasijudicial order, violation of such condition, even though there is no violation of any express condition calls for judicial review.<sup>47</sup> As clearly explained in the above paragraph, change made in the pecuniary jurisdiction of the Commissions under the new Act of 2019 is causing hardship to the consumers because of the imposition of unfair procedural restrictions.

Principle of proportionality requires the court to test the provision at three stages. One amongst the three tests is- whether the means used impair the right as minimally as reasonably possible<sup>48</sup>. It is established above, that the current limit created for the pecuniary jurisdiction of the District, State and National commission, has undoubtedly impaired the right of consumers not minimally as reasonably possible. In majority of cases, the consideration paid is below Rs.1,00,00,000. Therefore, it will not be inappropriate to have an opinion that sections 34(1), 47(1)(a)(i) and 58(1)(a)(i) of the new Act of 2019 impaired the right of the consumer on a severe scale by forcing the majority to be restricted only at the District Commission as the forum for first instance, thereby facing delay in justice.

The issue of unreasonable changes made in the pecuniary jurisdiction of the Commissions was raised by Mr. Joy Saha, learned Senior counsel on behalf of the complainant, while arguing *Pyaridevi* case<sup>49</sup>, as discussed above in detail. Yet the NCDRC decided to opt for a

<sup>&</sup>lt;sup>45</sup> Francis Neak (ed.), The Rule of Law Perspectives from Around the Globe 245 (Lexis Nexis, 2015).

<sup>&</sup>lt;sup>46</sup> Pierson v. Secretary of State for the Home Dept (1997) 3 All ER 577.

<sup>&</sup>lt;sup>47</sup> G.P Singh, *Principles of Statutory Interpretation* 367 (Lexis Nexis, 14<sup>th</sup> edn., 2015).

<sup>&</sup>lt;sup>48</sup> De Fruitas v. Permanent Secretary of Ministry of Agriculture, Fisheries and Housing, (1999) 1 AC 69.

<sup>&</sup>lt;sup>49</sup> Supra note 1.

narrow approach while deciding the issue and restrained itself from taking cognizance of such an imperative problem that required an urgent attention. On the grounds of Principle of Proportionality, the order passed by NCDRC must be challenged before the Supreme Court of India. The Supreme Courts must take *Om Kumar* v. *Union of India*<sup>50</sup> and *State of U. P.* v. *Sheo Shankar Lal Srivastava*<sup>51</sup> as a precedent, and must pass a judgment which provides an adequate redressal to the issue raised by Mr. Joy Saha, learned Senior Counsel on behalf of the Complainant, so that fair and speedy justice is accessible to people belonging to all sections of the society.

#### VI. Conclusion

The *Pyaridevi* case passed by the NCDRC eliminated the lacuna of violation of the Right to Equality by upholding the removal of "compensation" as an element to decide the forum of the first instance. But, it resulted in genesis of other serious issues, *i.e.*, firstly, it will overburden the District Commission; and, secondly, the latest pecuniary jurisdiction does not qualify the test of Principle of Proportionality as it is unreasonable, illogical and arbitrary therefore violates right guaranteed under article 14 of the Constitution of India. While deciding both the matters *i.e.*, *Ambrish Kumar Shukla* and *Pyaridevi*, the NCDRC construed the provision based upon the rule of literal interpretation. The commission missed the point that in order to eliminate the subsisting issue, it must not construe a provision in such a manner that may give rise to a new issue. It is the duty of the commission to construe the provisions in a manner that the objective of the Act is not discarded or overlooked. In the case where the literal interpretation of the provisions fails to meet the objective of the Act, it must adopt an interpretation which is most reasonable in terms of meeting with the objective of the Act<sup>52</sup>.

In the new Act of 2019, only "value of the goods or services paid as consideration" will be taken into account while deciding the pecuniary jurisdiction. The *Pyaridevi* case, which has restrained to deal take into account this drastic change made in the pecuniary jurisdiction by the legislature, even though the issue was raised by learned Senior Counsel on behalf of the Complainant while arguing the said matter. The said order of NCDRC will escalate the

<sup>&</sup>lt;sup>50</sup> AIR 2000 SC 3689.

<sup>&</sup>lt;sup>51</sup> State of U. P. v. Sheo Shankar Lal Srivastava, (2006) 3 SCC 276 51.

<sup>&</sup>lt;sup>52</sup> R v. Secretary of State for the Environment, (2001) 1 All ER 195.

number of matters at the District forum at a very large scale thereby resulting in substandard justice delivery for the consumers. Twice, the NCDRC got the opportunity to give a liberal construction to the new Act of 2019. First in the *Ambrish Kumar Shukla* case and then in the *Pyaridevi case*. It was expected from the NCDRC that, with the aim to maintain a balance between the black letters of the legislation and the objective of the Act, it would pass a balanced order. But, on both occasions, the NCDRC disappointed the consumers. The authors strongly believe that the *Pyaridevi order* must be challenged before the Supreme Court. It is further expected from the Supreme Court that, it will adopt a liberal view, taking precedence from various landmark judgments<sup>53</sup>, while construing the provisions regarding the pecuniary jurisdiction under the new Act of 2019 so that the consumers' interest is best served and the above discussed problems arising out of *Pyaridevi* order can be resolved.

<sup>&</sup>lt;sup>53</sup> UOI v. Tulsiram Patel, (1985) 3 SCC 398; Siraj-ul-Haq v. Sunni Central Board, UP, AIR 1959 SC 198.