# **Central Consumer Protection Authority**

## Case No: J-25/72/2021-CCPA (Part 13)

In the matter of: Suo-moto case against Hardtrac Computer Services Pvt. Ltd. with regard to sale of pressure cookers which do not conform to compulsory BIS standards.

### CORAM:

Ms. Nidhi Khare, Chief Commissioner

Mr. Anupam Mishra, Commissioner

#### **APPEARANCES**

For Hardtrac Computer Services Pvt. Ltd.

1. Mr. Bimal Jhaveri

Date: 16.11.2022

#### **ORDER**

- This is a suo-moto case taken up by the Central Authority against Hardtrac Computer Services Pvt. Ltd. with regard to sale of domestic pressure cookers in violation to standards directed for compulsory use by law on e-commerce platforms.
- 2. Notice to the opposite party was issued on 10.12.2021.
- 3. The notice states it has come to the notice of CCPA that pressure cookers which do not conform to BIS standards directed for compulsory use by the Central Government are being offered for sale by Hardtrac Computer Services Pvt. Ltd. under brand name 'Pristine' on Amazon e-commerce platform. Sale of such pressure cookers can be dangerous, hazardous and cause injury or harm to consumers.
- In response to the notice, reply dated 14.12.2021 was received from the opposite party. In its reply, opposite party stated that it was not aware of

the Domestic Pressure Cooker (Quality Control) Order, 2020. The company has requested for a pardon and tendered an unconditional apology. It has stated that it is not the manufacturer or importer of any product and it is only buying from aligned manufacturing brands or importing brands to sell on e-commerce platforms. M/s Sohil Impex is an old & reputed company in manufacturing of cookware products and it expected them to have all necessary certification/approval but to its surprise they have sold stocks without BIS certification to it. Hardtrac sells on e-commerce portals through e-commerce operated warehouse where there is check to reject non-BIS products but unfortunately they also missed to reject Pristine brand cookers.

- 5. Opportunity of hearing as mandated under the Consumer Protection Act, 2019 was provided to the company on 06.04.2022. In the hearing, the opposite party made the following submissions
  - (i) Sohil Impex is the manufacturer of the brand of this pressure cooker and we have bought the pressure cookers from them.
  - (ii) We are just a reseller and small trader. We were expecting that the company from which we are buying would've adhered to the compliances.
  - (iii)We were not aware of the notification. We had only purchased a small quantity.
  - (iv) We are ready to recall the pressure cookers from consumers and refund the money.
- 6. Pursuant to the hearing, the opposite party submitted the information on sale of pristine pressure cookers by e-mail dated 15.04.2022. It was reiterated that the company is willing to recall & take back all the stocks sold to all customers and refund them for the same with help of Amazon

Pristine Cooker Purchase sale return data	Rate W/O GST	Rate with GST	Purchase	Return	Net Sale	Value
Cooker 2 Ltr	778	871	60	53	7	6097
Cooker 1.5Ltr	655	734	384	217	167	122578
Cooker 3 Ltr	857	960	72	17	55	52800
Cooker 5 Ltr	1186	1328	32	22	10	13280
Grand Total					239	194755

7. It may be mentioned that CCPA had issued notice to Amazon and it has submitted the number of pressure cookers sold by the opposite party on its platforms. The details of number of units sold are as under :-

Merchant ID	Seller name	asin	Item name	Total no. of orders	Uniqu e custo mers	Total Shipmen ts
77758631 35	Hardtra c	B00VR RXQN 8	Pristine Induction Base Stainless Steel Pressure Cooker, 1.5.L, 1 Piece, Silver	800	765	807

8. Email dated 20.10.2022 was sent to the company by CCPA highlighting the figures mentioned by it in the email dated 15.04.2022 and the figures submitted by Amazon Seller Services Private Limited with respect to Hardtrac as mentioned above. The company was requested to confirm the following figures provided by Amazon within 7 days of receipt of the email.

9. The company submitted reply to the email on 28.10.2022 mentioning that the data provided in email dated 15.04.2022 is of Mumbai and Amazon has given sales data of across India.

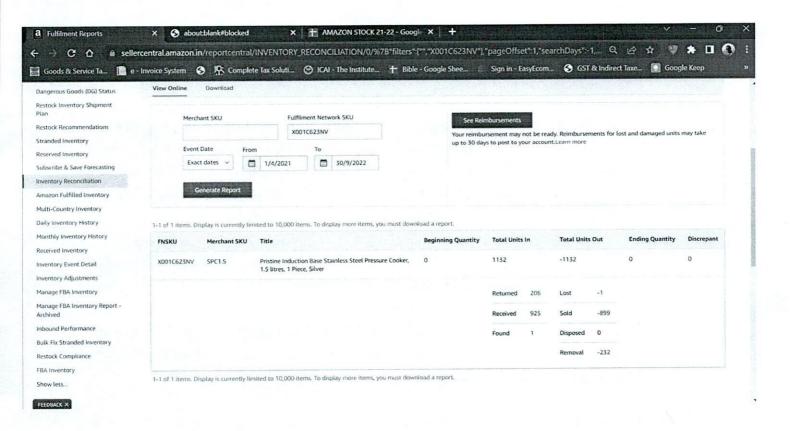
The details of sales of 'Pristine' brand of pressure cookers for all states was provided by the company as under –

Pristine Cooker Purchase sale return data	Rate W/O GST	Rate with GST	Maharash tra	Karnataka	Haryana	Total Sales	Return	Net Sale	Value
Cooker 2 Ltr	778	871	60	12	36	108	53	55	47905
Cooker 1.5Ltr	655	734	384	239	288	911	217	694	509396
Cooker 3 Ltr	857	960	72	24		96	17	79	75840
Cooker 5 Ltr	1186	1328	32	8		40	22	18	23904
Grand Total			548	283	324	1155	309	846	657045

10. As per the data for all states submitted by the company, the net sale was 846 units and the value of the goods sold was ₹6,57,045

Further, with respect to figures provided by Amazon, it was submitted that Amazon has shown only sales and not supplied data of customer returns. The company submitted details of the 'Pristine Induction Base Stainless Steel Pressure Cooker, 1.5.L, 1 Piece, Silver', by attaching screenshot from Amazon Seller Central portal.

(Screenshot submitted by company)



as per Amazon	
Event Type	Total
Receipts	925
Shipments	-899
Customer Returns	206
Vendor Returns	-232
Net sold	-693

The above table has been submitted by the company highlighting that total shipments for the product was 899, and 206 have been returned by customers.

- 11. The company again reiterated in the email dated 28.10.2022 that it is willing to Recall & Take Back all the stocks sold from all customers and refund them with help of Amazon.
- 12. It may be mentioned that the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry notified the Domestic Pressure Cooker (Quality Control) Order, 2020 ("QCO") on 21.01.2020

mandating conformity to standard - IS 2347:2017 and compulsory use of standard mark for 'Domestic Pressure Cooker'. The date of coming into force of QCO was stated as 01.08.2020.

Thereafter, vide Domestic Pressure Cooker (Quality Control) (Amendment) Order, 2020 notified on 23.06.2020, date of coming into force of the QCO was postponed to 01.02.2021. This offered all manufacturers/sellers reasonable time to sell their old stocks and prepare for conformity to the standards prescribed under QCO.

Therefore, since 01.02.2021, any domestic pressure cooker offered for sale in India is required to conform to IS 2347: 2017.

13. Goods or products, which violate the standard required to be maintained by or under any law for the time being in force, are liable to be termed "defective" under the Consumer Protection Act, 2019.

Under Section 2(10) "defect" means any fault, imperfection or shortcoming in the quality, quantity, potency, purity or standard which is required to be maintained by or under any law for the time being in force or under any contract, express or implied or as is claimed by the trader in any manner whatsoever in relation to any goods or product and the expression "defective" shall be construed accordingly.

Thus, Pressure cookers which do not conform to the compulsory standards are liable to held 'defective' under the Act.

'Consumer rights' as defined under Section 2(9) include:

- (i) the right to be protected against the marketing of goods, products or services which are hazardous to life and property;
- (ii) the right to be informed about the quality, quantity, potency, purity, standard and price of goods, products or services, as the case may be, so as to protect the consumer against unfair trade practices;
- 14. The opposite party admitted in its reply it was unaware of the QCO and tendered an unconditional apology. It has stated that it is willing to recall the pressure cookers and refund the prices paid to the consumers.

- 15. Violation of standards mandated by the QCOs not only endanger public safety, but can make consumers vulnerable to severe injuries including loss of life. This is a critical cause for concern especially in case of domestic pressure cooker, which is a household good, present in most homes in the immediate vicinity of family members.
- 16. Moreover, it is pertinent to note that the notification of QCOs is not a sudden overnight action by the Central Government. Before finalizing the notification of a compulsory standard for any good or article, extensive stakeholder discussions are undertaken by BIS and the concerned Ministry for effective implementation of the standard in public interest. Any proposition of ignorance or unawareness of law cannot be countenanced.
- 17. In view of the above, the opposite party is hereby directed to -
  - (i) Recall the 846 units of pressure cookers sold by it and reimburse the prices of the recalled pressure cookers to the purchasers and submit a compliance report within 45 days.
  - (ii) Pay a penalty of ₹1,00,000 for selling domestic pressure cookers to consumers in violation to mandatory standards prescribed under the QCO.

Nidhi Khare Chief Commissioner

> Anupam Mishra Commissioner