

# Consumer Protection Law : An Important Aspect of Ancient Indian Legal Services

Anshu Adarsh<sup>1</sup> and Dr. Sanjaya Choudhury<sup>2</sup>

Research Scholar, Department of Law, Bhagwant University, Ajmer, Rajasthan<sup>1</sup>

Professor of Law, Bhagwant University, Ajmer, Rajasthan<sup>2</sup>

anshu.adarsh.jha@gmail.com and sanjayachoudhury4@gmail.com

**Abstract:** *The major responsibility of businesses is to meet consumer demands by offering high-quality products and services at the appropriate location, time, and quantity, while maintaining a fair pricing strategy. Legislators in India have recognised the need of protecting consumer interests since ancient times. It was commonly acknowledged that consumers are vulnerable to exploitation by providers of goods and services. Hence, the ancient Indian legal codes not only controlled social circumstances but also supervised the economic endeavours of individuals by instituting moral standards and commercial laws to protect the concerns of purchasers. Some ancient Indian literature where we find about consumer protection are Manu Smriti, Yajnavalkya Smriti, Narada Smriti, Brihaspati Smriti, and Arthashastra.*

**Keywords:** Dharmashast, Smriti Grantha, Kautilya Arthashastra and Consumer Protection

## I. INTRODUCTION

The most authoritative texts within the Dharmas are the Manu Smriti, composed between 800 and 600 B.C., the Yajnavalkya Smriti, spanning from 300 to 100 B.C., the Narada Smriti, spanning from 100 to 200 A.D., the Bruhaspati Smriti, spanning from 200 to 400 A.D., and the Katyayana Smriti, spanning from 300 to 600 A.D.<sup>i</sup> The Smriti Granthas, Dharmasastras, and Kautilya's Arthashastra are the primary sources for understanding the concept of Consumer Protection in ancient India. Within these old texts we identify several components pertaining to consumer rights and consumer protection.

## II. MANU SMRITI AND CONSUMER PROTECTION

The most influential of these was the Manu Smriti, which details the political, economic, and social conditions of ancient society. The ancient lawgiver Manu also composed on the subject of ethical business practices. In addition to dictating a code of conduct for merchants, he delineated strict penalties for perpetrators of particular offenses against purchasers. As an example, he brought up the problem of adulteration and declared, "A product that is combined with another should not be sold as pure, nor should a defective one be sold as good, nor should it be sold for less than the specified quantity or weight of the item, nor should anything that is easily accessible or hidden be sold".<sup>ii</sup>

A mechanism was also in place to regulate prices and penalize wrongdoers. The king determined the rates for buying and selling all marketable goods.<sup>iii</sup>

"A person who deceives honest customers or manipulates his prices shall be fined in the initial or intermediate meridian," said Manu.<sup>iv</sup>

## III. OTHER SMRITI GRANTHAS AND CONSUMER PROTECTION

Additional Smirities, such as Yajnavalkya Smriti, Narada Smriti, and Katyayana Smriti, provided insights into the societal conditions prevalent during that era and served as foundational texts for the Dharma that adhered to during that period. They even formed the foundation of the legal system that is in effect today.

As per the Narada Smriti, if a purchaser buys an item at a specific price and subsequently realises that it was an unwise transaction, they have the option to return it to the seller in its original condition on the same day. If the return is made on the second day, the buyer is required to pay a penalty equivalent to one-thirtieth of the price. On the third day, the

penalty doubles the original price. If the purchaser fails to return the item within a period of three days, they are obligated to retain possession of it.

#### **IV. KAUTILYA'S ARTHASHASTRA AND CONSUMER PROTECTION**

The Arthashastra is considered an exceptional source and a remarkable treatise by a broad consensus. Various perspectives on governance, as well as the rights and obligations of ancient citizens, are examined in the text.<sup>v</sup> Consumer protection is accorded considerable significance in Arthashastra, despite the central emphasis on practical administration. Clearly, the Arthashastra exhibits a dedication to safeguarding the interests of consumers. This passage explicates the role of the government in supervising and regulating commercial activities, in addition to its duty to avert transgressions committed against consumers.

**प्रजासुखे सुखं राज्ञः प्रजानां च हिते हितम् ।**

**नात्मप्रियं हितं राज्ञः प्रजानां तु प्रियं हितम् ॥<sup>vi</sup>**

According to Kautilya, the contentment of the monarch is reliant on the satisfaction of his subjects, and his own benefit stems from matters that benefit the subjects. Kautilya further elaborated on the ethical tenets that regulate commerce. Kautilya instituted a comprehensive code of conduct for merchants, specifying penalties and imprisonment for individuals who committed particular transgressions against purchasers. During the reign of Chandragupta, when Kautilya resided, ethical trade practices were widely observed. "Goods could not be sold at the location of their origin, field, or factory," for instance. The goods were required to be transported to designated markets known as "panya sala," where the vendor was required to provide detailed information regarding the quantity, quality, and prices of his products. This information was then recorded in the journals.<sup>vii</sup>

Any individual had the opportunity to seek justice from the king's court. Nevertheless, adherence to standing was rigidly enforced. The king would only consider cases if the offended party presented a legitimate complaint. The monarch was instructed to refrain from initiating legal proceedings without a complainant, and furthermore, any complaint from an individual completely unrelated to the aggrieved party should not be acknowledged. The king's court was open to anybody seeking justice.

Nevertheless, it was mandatory to remain in a standing position at all times. To have a case considered by the monarch, the offended party must submit a legitimate complaint. The king was advised against beginning legal proceedings without a complainant, and any complaints from anyone unrelated to the aggrieved party should not be taken into consideration.<sup>viii</sup>

The judicial system was highly structured during the reign of Kautilya. For the adjudication of civil and criminal cases, judges and magistrates comprised two separate benches. Within the realm of civil matters, the judges possessed the authority to hear cases involving disadvantaged parties who were unable to approach the court directly. Such cases included those involving women, minors, ascetics, the elderly, the ill, and the helpless.<sup>ix</sup>

#### **V. CONCLUSION**

Consumer protection laws were an integral part of the ancient Indian legal system. The ancient Indian legal texts, particularly the Manu Smriti and Arthashastra, recognized the importance of safeguarding consumer interests and established ethical principles, trade regulations, and penalties for offenses against buyers. The judicial system was structured to ensure fair adjudication of cases, including those involving disadvantaged parties. This demonstrates that consumer protection was an important aspect of the ancient Indian legal services.

#### **REFERENCES**

<sup>i</sup>The periods mentioned against each Smriti are taken from Gurjeet, supra note 1, at 705-6.

<sup>ii</sup>Manu, The Laws of Manu, 290 (George Buhler trans., 1990).

<sup>iii</sup>Rajendra Nath Sarma, Ancient India According to Manu 142 (1980).

<sup>iv</sup>Buhler, supra note 11, at 393.

<sup>v</sup>Agarwal Kamlesh; Kautilya Arthashastra aur Shukraniti ki Rajya Vyavasthaye. Radha Publications, New Delhi, 2008.

<sup>vi</sup>Kautilya Arthashastra 1.19.34

<sup>vii</sup>Radha Kumud Mookerji, Chandragupta Maurya and his Times 204 (4th ed. 1966).

<sup>viii</sup>Dutta, supra note 26, at 52

<sup>ix</sup>Kautilya-The Arthashastra 385 (L.N.Rangarajan ed., Penguin books India, 1992)