

## Consumer and Finance Law in Bangladesh

Consumer and finance laws in Bangladesh are designed to protect consumers from unfair trade practices and regulate financial transactions, ensuring transparency and fairness in markets. The primary legislation for consumer protection is the Consumer Rights Protection Act 2009, which addresses issues like adulteration, false advertising, and unfair pricing. Financial laws are governed by statutes such as the Bank Company Act 1991 (amended 2018), the Financial Institutions Act 1993, the Money Laundering Prevention Act 2012, and the Negotiable Instruments Act 1881. The Bangladesh Bank, as the central regulatory authority, oversees financial institutions, while the National Directorate of Consumer Rights Protection enforces consumer laws. The Penal Code 1860 supplements these laws for offenses like cheating or forgery. Below is an overview of key consumer and finance laws and their punishments for violations, presented in a clear, copyable format. For official texts, refer to [bdlaws.minlaw.gov.bd](http://bdlaws.minlaw.gov.bd) or [bangladeshbank.org.bd](http://bangladeshbank.org.bd).

### Key Consumer and Finance Laws and Punishments:

- **Adulteration of Goods (Section 25, Consumer Rights Protection Act 2009):** Selling adulterated or contaminated products (e.g., food, medicine) carries up to 3 years' imprisonment, a fine up to 2 lakh taka, or both.
- **False or Misleading Advertisements (Section 26):** Promoting goods or services with false claims carries up to 1 year's imprisonment, a fine up to 1 lakh taka, or both.
- **Selling Goods at Higher Prices (Section 27):** Charging above the marked or regulated price carries up to 1 year's imprisonment, a fine up to 50,000 taka, or both.
- **Non-Delivery of Goods/Services (Section 28):** Failing to deliver goods or services after receiving payment carries up to 1 year's imprisonment, a fine up to 50,000 taka, or both.
- **Substandard Goods or Services (Section 29):** Selling defective or substandard products carries up to 2 years' imprisonment, a fine up to 1 lakh taka, or both.
- **Hoarding or Black-Marketing (Section 30):** Hoarding goods to create artificial scarcity carries up to 7 years' imprisonment, a fine up to 5 lakh taka, or both.
- **Unfair Trade Practices (Section 31):** Engaging in deceptive practices like false labeling carries up to 2 years' imprisonment, a fine up to 2 lakh taka, or both.
- **Cheating in Financial Transactions (Section 420, Penal Code 1860):** Deceiving someone to cause wrongful loss (e.g., fraudulent sales) carries up to 7 years' imprisonment and a fine.
- **Forgery of Financial Documents (Section 465, Penal Code 1860):** Forging documents like cheques or contracts carries up to 7 years' imprisonment and a fine; forging valuable securities (Section 467) carries life imprisonment or up to 7 years with a fine.
- **Money Laundering (Section 4, Money Laundering Prevention Act 2012):** Transferring or concealing illicit funds carries 4-20 years' imprisonment, a fine twice the proceeds' value, or both, with property confiscation.
- **Dishonour of Cheques (Section 138, Negotiable Instruments Act 1881):** Issuing a cheque that bounces due to insufficient funds carries up to 1 year's imprisonment, a fine up to three times the cheque amount, or both.

- **Unauthorized Banking Activities (Section 45, Bank Company Act 1991):** Operating a bank without a Bangladesh Bank license carries up to 7 years' imprisonment, a fine up to 10 lakh taka, or both.
- **Non-Compliance with Loan Regulations (Section 57, Bank Company Act 1991):** Violating loan disbursement or repayment rules carries a fine up to 5 lakh taka; willful default may lead to 3 years' imprisonment.
- **Insider Trading (Securities and Exchange Ordinance 1969, Section 17):** Using confidential information for unfair trading carries up to 5 years' imprisonment, a fine up to 5 lakh taka, or both.
- **Unlicensed Financial Institutions (Section 44, Financial Institutions Act 1993):** Operating non-bank financial institutions without approval carries up to 7 years' imprisonment, a fine up to 10 lakh taka, or both.
- **False Financial Reporting (Section 46, Consumer Rights Protection Act 2009):** Providing misleading financial information to consumers carries up to 2 years' imprisonment, a fine up to 2 lakh taka, or both.
- **Unfair Contract Terms (Section 43):** Imposing exploitative terms in consumer contracts carries a fine up to 1 lakh taka; repeated violations may lead to 1 year's imprisonment.
- **Failure to Issue Receipts (Section 39):** Not providing purchase receipts or invoices carries a fine up to 50,000 taka; repeated violations may lead to 6 months' imprisonment.

#### **Implementation and Additional Notes:**

The Consumer Rights Protection Act 2009 is enforced by the National Directorate of Consumer Rights Protection, with mobile courts for swift action. The Directorate's helpline (16121) and district offices handle complaints, but awareness remains low, with only 12% of consumers reporting violations (2020 survey). Financial laws are overseen by the Bangladesh Bank and the Bangladesh Securities and Exchange Commission (BSEC). Most consumer offenses are bailable, but financial crimes like money laundering or cheque dishonour are non-bailable, leading to detention under the Code of Criminal Procedure 1898. Penalties were increased in 2009 and 2012 to deter fraud, but enforcement is weak due to corruption and limited resources. The informal economy (e.g., street vendors) often escapes regulation, and financial literacy is low, with 65% of adults unbanked (World Bank 2020). Money laundering cases linked to drug trafficking or corruption are prioritized, with 1,200 cases filed in 2022. For updates, consult [bdlaws.minlaw.gov.bd](http://bdlaws.minlaw.gov.bd), [bangladeshbank.org.bd](http://bangladeshbank.org.bd), or [dnctrp.gov.bd](http://dnctrp.gov.bd).