

What is Consumer

- Consumer refers to any individuals or households that use goods and services generated within the economy.
- Consumer is defined as someone who acquires goods or services for direct use or ownership rather than for resale or use in production and manufacturing.

For example,

When your father buys apple for you and you consume them, your father as well as yourself are treated as consumers. The same thing applies to hiring a taxi to go to your school.



Why protect the consumers?

Reasons for Enacting the Act

- Collective Bargaining

Sellers Lobby; Forming cartels; Artificially keeping prices high!!!!

- Multiple Laws

India Contract Act; Sale of Goods Act; Essential Commodities Act

- Hurdles in the Litigation

Going to regular court; Expensive & Time Consuming

- Remedy

Punishment in the form of Punitive & Deterrent measure



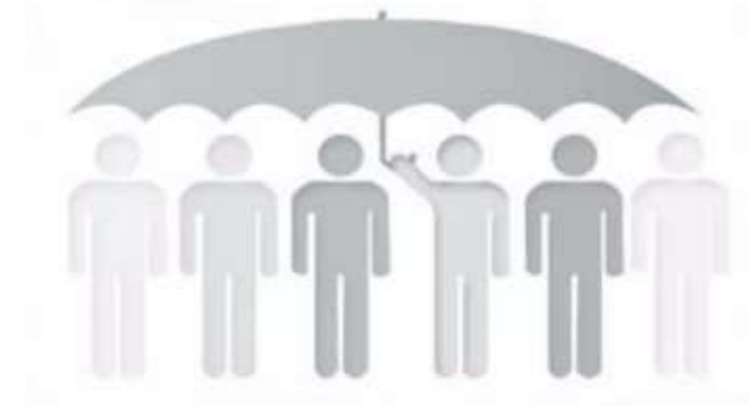
Consumer Protection Act, 1986

- In order to provide for better protection of the interests of the consumer the Consumer Protection Bill, 1986 was introduced in the Lok Sabha on 5th December, 1986.
- The Consumer Protection Act 1986 is a social welfare legislation which was enacted as a result of widespread consumer protection movement.

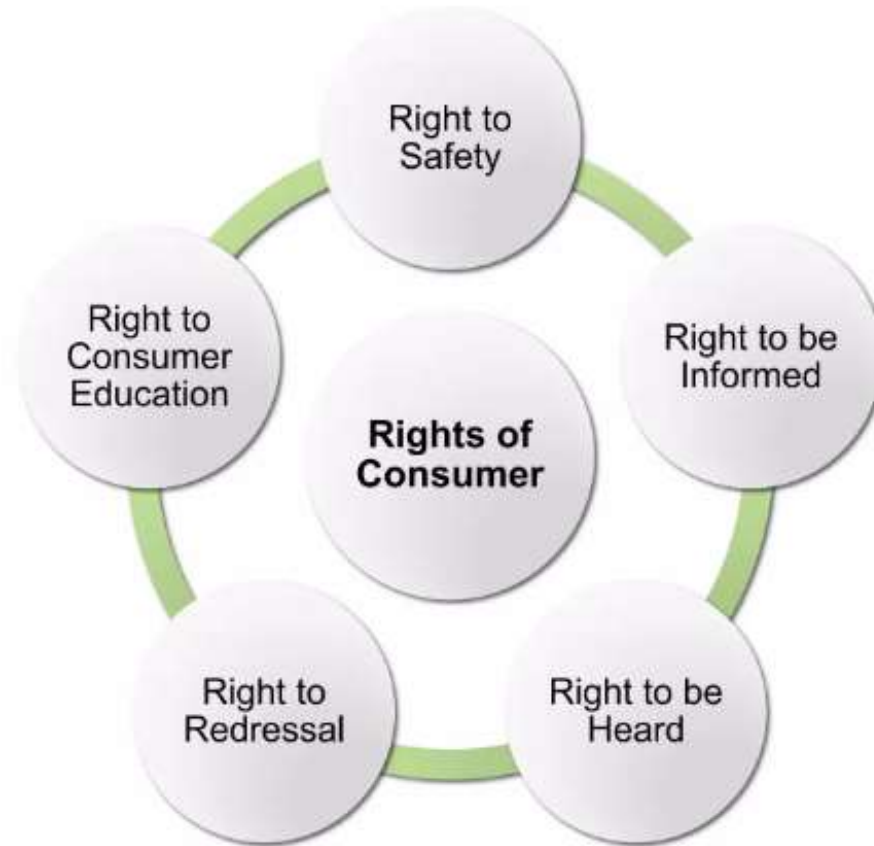


Objective

- The main objective of CPA is to provide speedy and simple redressal to consumer disputes.
- It is one of the benevolent pieces of legislation intended to protect the consumers at large from exploitation



Rights of Consumer



Rights of Consumers

- **Right to Safety** – Hazardous goods & services
- **Right to be Informed** – About the quality, quantity, potency, purity, standard and price of goods
- **Right to Choose** – Access to variety of goods and services at competitive price
- **Right to be heard** - due consideration at appropriate forums.
- **Right to seek Redressal** – Right to seek redressal against unfair trade practices or unscrupulous exploitation of consumers
- **Right to Consumer Education** –Right to acquire the knowledge and skill to be an informed consumer throughout life.

Consumer Protection Councils

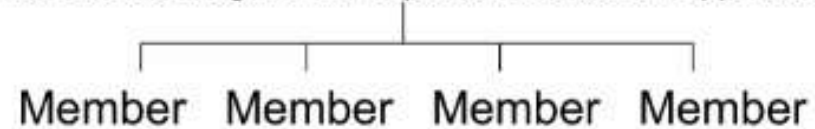
- **Central Consumer Protection Council.**
 - The Minister in charge of the consumer affairs in the Central Government, who shall be its Chairman, and
 - such number of other official or non-official members representing such interests as may be prescribed.
 - **State Consumer Protection Council.**
 - the Minister incharge of consumer affairs in the State Government who shall be its Chairman;
 - such number of other official or non-official members representing such interests as may be prescribed by the State Government.
 - such number of other official or non-official members, not exceeding ten, as may be nominated by the Central Government.
 - **District Consumer Protection Council.**
 - the Collector of the district (by whatever name called), who shall be its Chairman;
 - such number of other official and non-official members representing such interests as may be prescribed by the State Government.
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Composition of Redressal Agencies

National Commission

President

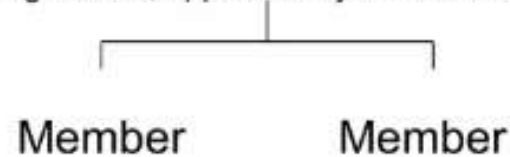
(a person who is or has been a Judge of the Supreme Court, to be appointed by the Central Govt.)



State Commission

President

(a person who is or has been a Judge of a High Court, appointed by the State Govt.)



District Forum

President

(a person who is, or has been, or is qualified to be a District Judge)



District Forum

- Each District Forum shall consist of a person who is or has been or is qualified to be a District Judge who shall be its President two other members, one of whom shall be a woman possessing a bachelor's degree from a recognized university, be a person of ability, integrity and standing and have adequate knowledge and experience
 - Every member of the District Forum shall hold office for a term of 5 years or up to the age of 65 years which ever is earlier.
 - Subject to the other provisions of the Act a District forum shall have jurisdiction to entertain complaints where the value of the goods or services and the compensation, if any, claimed does not exceed Rs.20 Lakhs.
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State Commission

- A Consumer Disputes Redressal Commission to be known as the "State Commission" established by the State Government in the State.
 - A person who is or has been a Judge of a High Court, appointed by the State Government, who shall be its President.
 - Each State Commission shall have jurisdiction to entertain complaints where the value of the goods or services and compensation, if any, claimed exceeds Rs. 20 Lakhs but does not exceed Rs.1 Crore and appeals against the orders of any District Forum within the State.
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National Commission

- The ' National Commission' shall consist of a person who is or has been a Judge of the Supreme Court, shall be its President. Not less than 4 and not more than such number of members as may be prescribed and one of whom shall be a woman with similar qualifications as required in the case of appointment as a member to a District Forum or a State Commission.
 - Every member of the National commission shall hold office for a term of 5 years or up to the age of 70 years which ever is earlier.
 - The National Commission shall have jurisdiction to entertain complaints where the value of the goods or services and compensation, if any, the claim exceeds Rs. 1 Crore and appeals against the orders of any State Commission.
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Procedure of Complaint

- File WITHIN 2 YEARS of cause of action in the Forum where the seller has his business or lives or where the incident happened.
- Submit 3 COPIES OF COMPLAINT ON PLAIN PAPER WITH SUPPORTING DOCUMENTS (receipt, bill etc.)
- NO LAWYER IS NEEDED.
- There is no fee for filing a complaint. Even an affidavit does not need stamp papers. A complaint can be sent by post or presented in person by complaint or his authorised agent.

Procedure of Complaint

The following information must be furnished with the complaint :-

- Name and complete address of complainant
- Name and complete address of the opposite party or parties as the case may be.
- Date of purchase/service obtained.
- Amount paid for consideration.
- Items of goods with quantities/nature of service.
- Whether the complaint relate to unfair trade practice/ defective goods' deficient service/charging excess price.
- Copies of bills/vouchers/receipts and copies of correspondence made, if any.
- The relief sought-Under the Act.

Remedies

The forums/Commissions can order the following relief:

- Removal of defects from the goods
 - Replacement of the goods
 - Refund of the price paid.
 - Award of compensation for the loss or injury suffered.
 - Removal of defects or deficiencies in the services.
 - Discontinuance of unfair trade practices/restrictive trade practices and directing not repeating them.
 - Withdrawal of the hazardous foods from being offered for sale.
 - Award for adequate costs to practice.
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Appeal

- Appeals against
 - District Forum ---Within 30 days -- In State Commission
 - State Commission --- Within 30 days -- National Commission
 - National Commission -- Within 30 days -- Supreme Court
- There is no fee for filing appeals in the State and National commissions.
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