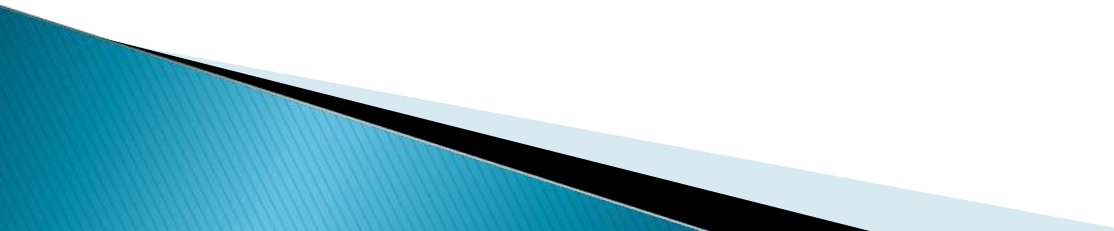


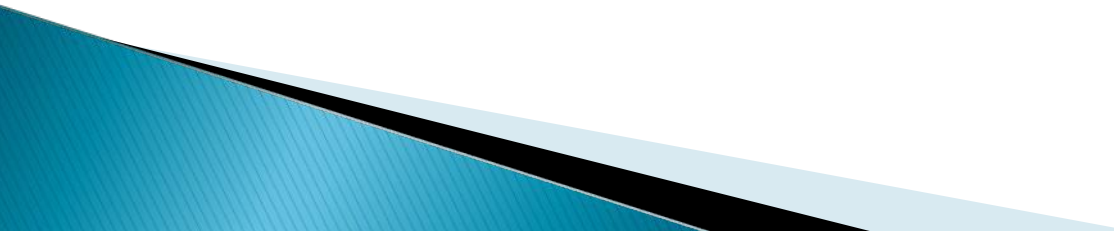
CONSUMER PROTECTION ACT

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Consumer Protection Act

- ▶ Enacted by the Parliament in 1986
 - ▶ To provide for better protection of interest of consumers.
 - ▶ To make provisions for the establishment of Consumer Councils and other authorities for the settlement of consumer disputes.
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Who is a Consumer?

- ▶ Consumer is one who
 - Buys any goods for a consideration and includes a hire-purchaser;
 - Any user of such goods for consideration but excludes one, who obtains for re-sale or for commercial purposes;
 - Hires a service for consideration and includes a beneficiary of such service, if availed of with the approval of the hirer.
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Deficiency – Service

- ▶ ‘Deficiency’ means
 - a fault, imperfection, shortcoming or inadequacy in quality, nature, or manner of performance than is required.
- ▶ ‘Service’ includes
 - service in connection with banking, financing, insurance, transport, processing, supply of electrical and other energy, boarding or lodging, housing construction, entertainment, amusement or purveying of news and other information
 - but does not include any service free of charge or under a personal contract.

What is a Complaint?

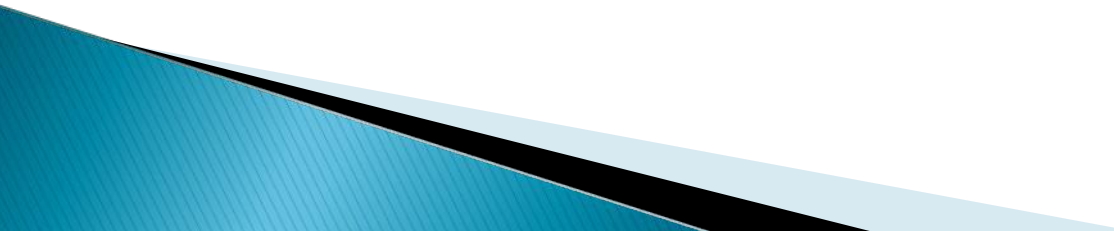
- ▶ An allegation in writing by a complainant that:
 - An unfair or restrictive trade practice is practised by trader or service provider
 - Goods bought or to be bought or services hired or to be hired suffered from any deficiency
 - Trader or service provider has charged excess price
 - Goods and services are hazardous or are likely to be hazardous to life and safety.

Who is a complainant?

- ▶ A consumer
- ▶ Any voluntary consumer association registered under the Companies Act or any other law
- ▶ Central or State Government, if it makes a complaint
- ▶ One or more consumers having same interest
- ▶ In case of death of a consumer, his legal heir or representative.

A Consumer Dispute arises when a complaint is denied or disputed.

Machinery under the Act

- ▶ Central Consumer Protection Council
 - to be established by Central Government
 - ▶ State Consumer Protection Council
 - to be established by State Government
 - ▶ District Consumer Protection Council
 - to be established by State Government for every district
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Consumer Dispute Redressal Machinery

- ▶ There are Consumer Fora at the District, State and National level
 - District Forum - At the District level
 - State Commission - At the State level
 - National Commission - At the National level

Pecuniary Jurisdiction

- ▶ Forum where complaints can be entertained
 - Depends on value of goods and service and compensation claimed
- ▶ Limits are :
 - District Forum
 - ▣ not exceeding Rs.20 lakhs
 - State Commission
 - ▣ exceeds Rs.20 lakhs but does not exceed Rs.1 Crore
 - National Commission
 - ▣ exceeds Rs.1 Crore.

Territorial Jurisdiction

- ▶ Territorial Jurisdiction lies in the court of the place
 - Where the opposite party resides or carries on business or personally works for gain
 - Where the cause of action wholly or partly arose.

Disposal of disputes

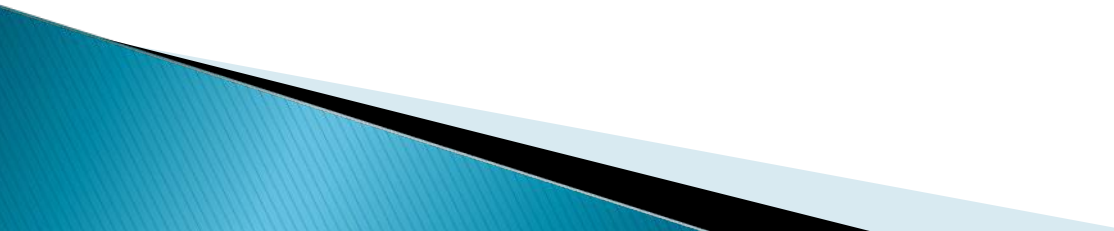
- ▶ District Forum may
 - ask the opposite party to remove the defect,
 - replace the goods with new goods and free from defect
 - to return to the complainant the price of goods or
 - to pay any amount as compensation
- ▶ Appeals to be preferred within thirty days
 - from the order of the District Forum to the State Commission and
 - from the order of the State Commission to the National Commission
- ▶ Can entertain appeals beyond thirty days
 - on sufficient cause shown for the delay

It has to be disposed within ninety days from its admission.

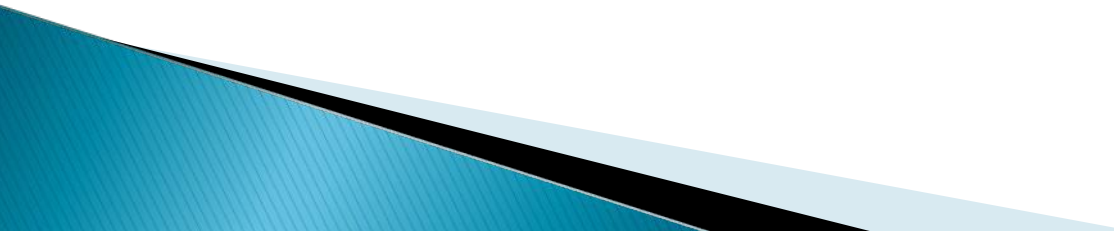
Time Limit for filing complaint

- ▶ Within two years from the date on which the cause of action arises
- ▶ Even where the time limit expires, the complaint can be taken up
 - provided complainant is able to satisfy the Forum or Commission about the reasonableness in the delay
- ▶ The delay for every single day has to be explained.

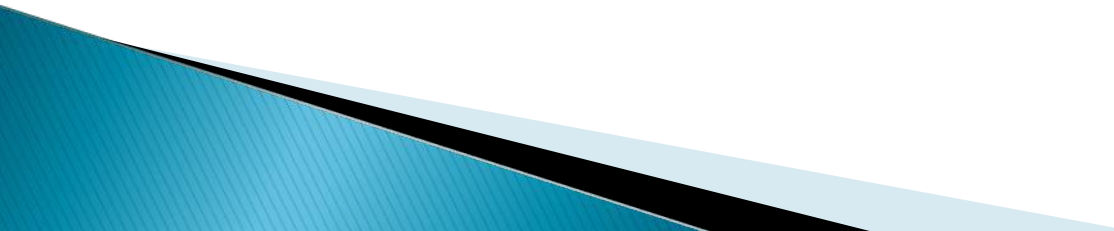
What are the rights of a 'consumer'?

- Protection from hazardous goods and services
 - Information about the quality, quantity, purity, standard and price
 - Access to a variety of goods and services at competitive prices.
 - Assurance that his interest will be considered at appropriate fora
 - The right to consumer education
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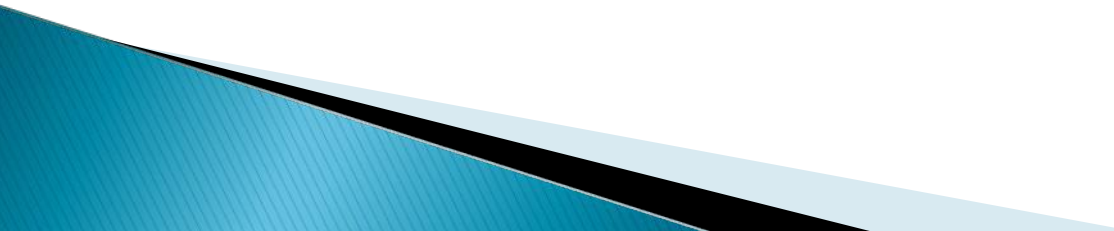
PROBLEM – 1

- ▶ A had purchased seeds from a party.
 - ▶ The seeds did not germinate.
 - ▶ The party which supplied seeds took the plea that A was not a consumer.
 - ▶ Is purchase of seeds for the purpose of agriculture, a purchase for commercial purpose?
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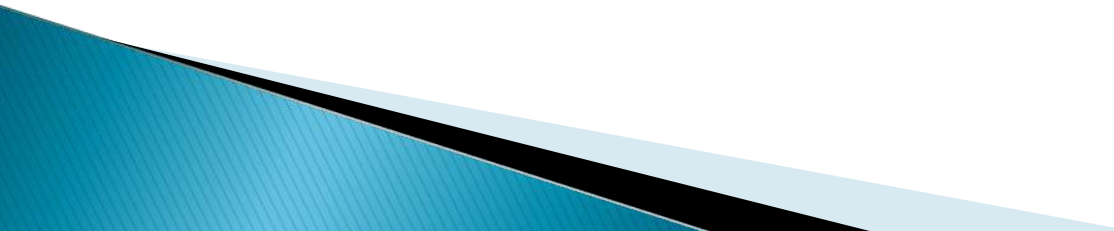
PROBLEM – 2

- ▶ A had applied for electricity connection.
 - ▶ However, power supply was not provided to A.
 - ▶ Can A seek redressal of his grievance in Consumer Court?
- 

PROBLEM – 3

- ▶ A's car met with an accident.
 - ▶ The insurance claim was rejected on the ground that A's driver was not holding valid driving license.
 - ▶ Should A approach a Consumer Court for seeking the Insurance claim?
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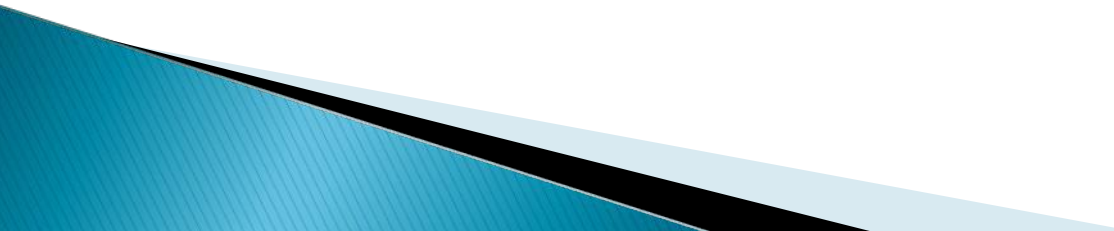
PROBLEM – 4

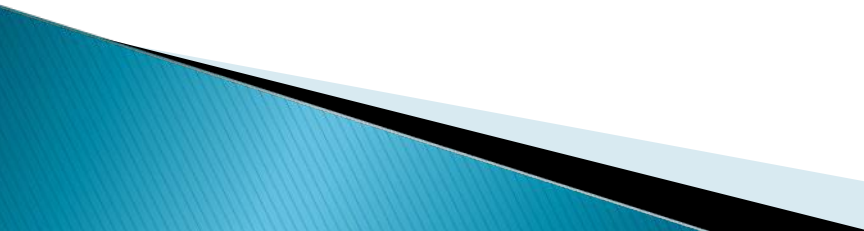
- ▶ A's grievance is that he had registered with the M.I.G. Scheme of the Haryana Housing Board.
 - ▶ The board had escalated the price of the flats three times within a period of two years.
 - ▶ Does his case lie within the jurisdiction of Consumer Fora?
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PROBLEM – 5

- ▶ A registered letter sent to A was not delivered.
- ▶ What is the liability of an employee of the Post Office in this matter?

PROBLEM – 8

- ▶ A injured his knee in a game of football.
 - ▶ It was diagnosed as ACL TEAR.
 - ▶ For that, he was operated upon in the knee.
 - ▶ After the operation his knee developed stiffness, which is unusual in such cases.
 - ▶ Even after undergoing physiotherapy for two months he was unable to bend or straighten his knee.
 - ▶ So after two months of operation his knee was manipulated under anesthesia to relieve stiffness.
 - ▶ A plaster was put on he knee for one month.
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- ▶ He was told to start walking.
 - ▶ He used to walk with a limp.
 - ▶ For about 8 months he continued to walk with a limp.
 - ▶ Then, his condition deteriorated and he had to start using crutches to move around.
 - ▶ Both operations were carried out in military hospitals, and they were done free of cost since he was serving in army.
 - ▶ Can he sue the doctors and the hospital for negligence and deficiency of service under Consumer Protection Act?
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Any Questions ?



