THE CONSUMER PROTECTION ACT 1986

BUSINESS REGULATIONS - PART 2

Teacher : Sneha P M Academic Year : 2020-21

Definitios of Important Terms

Consumer dispute

It means a dispute where the person against whom a complaint has been made, denies or disputes the allegations contained in the complaint.

Defect

It 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.

Deficiency

It means any fault, imperfection, shortcoming or inadequacy in the quality, nature and manner of performance which is required to be maintained by or under any law for the time being inforce or has been undertaken to be performed by a person in pursuance of a contract or otherwise in relation to any service.

Goods

- According to the Sale of Goods Act, 1930 goods means every kind of movable property other than actionable claims and money, i.e., legal tender.
- It includes shares, patent rights, copyrights, trade marks, growing crops, grass, fruits, minerals, water, electricity, etc.

Manufacturer

It means a person who,

- makes or manufactures any goods or parts thereof; or
- does not make or manufacture any goods but assembles parts thereof made or manufactured by others; or
- puts or causes to be put his own mark on any goods made or manufactured by any other manufacturer.

Person

Person includes,

- a firm whether registered or not;
- a Hindu Undivided Family;
- a cooperative society;
- every other association of person whether registered under the Societies Registration Act, 1860 or not.

Service

It means service of any description which is made available to potential users and includes, but not limited to, the provision of facilities in connection with banking, financing, insurance, transport, processing, supply of electrical or other energy, board or lodging or both, housing construction, entertainment, amusement or the purveying of news or other information, but does not include the rendering of any service free of charge or under a contract of personal service.

Restrictive trade practice

It means a trade practice which tends to bring about manipulation of price or its condition of delivery or to affect flow of supplies in the market relating to goods or services in such a manner as to impose on the consumers unjustified costs or restrictions and shall includes,

- delay beyond the period agreed to by a trader in supply of such goods or in providing the services which has led or is likely to lead to rise in the price.
- any trade practice which requires a consumer to buy, hire or avail of any goods or, as the case may be, services as condition precedent to buying, hiring or availing of other goods or services.

Spurious goods and services

It means such goods and services which are claimed to be genuine but they are actually not so.

Trader

It means a person who sells or distributes any goods for sale and includes the manufacturer thereof, and where such goods are sold or distributed in package form, includes the packer thereof.

Unfair trade practice

It means a trade practice which for the purpose of promoting the sale, use or supply of any goods or for the provision of any service, adopts any unfair method or unfair or descriptive practice including any of the following practices,

1. Practice of making any statement, whether orally or in writing or by visible representation which,

- falsely represents that the goods are of a particular standard, quality, quantity, grade, composition, style or model;
- falsely represents that the services are of a particular standards, quality or grade;
- falsely represents any rebuilt, second-hand renovated, reconditioned or old good as new goods;
- represents that the goods or services have sponsorship, approval, performance, characteristics, accessories, uses or benefits which such goods or services do not have.

1. Practice of making any statement, whether orally or in writing or by visible representation which,

- represents that the seller or the supplier has a sponsorship or approval or affiliation which such seller or supplier does not have;
- makes a false or misleading representation concerning the need for, or the usefulness of, any goods or services;
- gives to the public any warranty or guarantee of the performance, efficacy or length of life of a product or of any goods that is not based on an adequate or proper test thereof;

1. Practice of making any statement, whether orally or in writing or by visible representation which,

- which makes to the public a representation in a form that purports to be
 - a warranty or guarantee of a product or of any goods or services; or
 - a promise to replace, maintain or repair an article or any part thereof or to repeat or continue a service until it has achieved a specified result.
- which materially misleads the public concerning the price at which a product or like product or goods or service
- which gives false or misleading facts disparaging the goods, services or trade of another person.