


THE CONSUMER PROTECTION ACT 1986

Subject: BUSINESS REGULATIONS - PART 1


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Consumer Protection Act, 1986

- ❖ Consumer Protection Act was passed with a view to provide for the better protection of the interests of consumers and for that purpose to make provisions for the establishment of consumer councils and other authorities for the settlement of consumer's disputes and other connected matters.
 - ❖ The Consumer Protection Act was passed on 5th December 1986. It received assent of the president on 24th December 1986.
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OBJECTIVES OF THE ACT


- For the promotion and protection of the rights of the customers.
 - Simple, speedy and inexpensive redressal to the consumers grievances and relief of a specific nature and award of compensation to the consumers.
 - Better protection against exploitation.
 - Make provisions for the establishment of consumer councils and other authorities for the settlement of consumers disputes and for the matters connected with it.
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Definitions of Important Terms




Appropriate Laboratory

laboratory or organization


- recognised by the Central Government.
 - recognised by a State Government, subject to such guidelines as may be prescribed by the Central Government in his behalf; or
 - any such laboratory or organisation established by or under any law for the time being in force, which is maintained, financed or aided by the Central Government or a State Government for carrying out an analysis or test of any goods with a view to determining whether such goods suffer from any defect.
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Complainant


- a consumer; or
 - any voluntary consumer association (registered under the Companies Act, 1956 or under any other law for the time being in force); or
 - the Central Government or State Government; or
 - one or more consumers, where there are numerous consumers having the same interest; who or which make a complaint;
 - in case of death of a consumer, his legal heir or representative.
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Complaint

any allegation in writing made by a complainant that,

- ❖ unfair trade practice or a restrictive trade practice has been adopted by any trader or service provider.
 - ❖ the goods bought by him or agreed to be bought by him suffer from one or more defects;
 - ❖ the services hired or availed of or agreed to be hired or availed of by him suffer from deficiency in any respect;
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Complaint

- ❖ a trader or the service provider, as the case may be, has charged for the goods or for the services mentioned in the complaint, a price in excess of the price.
 - fixed by or under any law for the time being in force;
 - displayed on the goods or any for the time being in force;
 - displayed on the price list exhibited by him by or under any law for the time being in force;
 - agreed between the parties;
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Complaint


- ❖ goods which will be hazardous to life and safety when used, are being offered for sale to the public
 - in contravention of any standards relating to safety of such goods as required to be compiled with, by or under any law for the time being in force;
 - if the trader could have known with due diligence that the goods so offered are unsafe to the public;
- ❖ services which are hazardous or likely to be hazardous to life and safety of the public when used, are being offered by the service provider which such person could have known with due diligence to be injurious to life and safety.

Consumer

Act defines two types of consumers;

- ❑ consumer of goods
- ❑ consumer of services

Consumer of goods

- It means any person who buys any goods for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment.
 - It also includes any user of such goods other than the person who buys such goods for consideration paid or promised or partly paid or partly promised, or under any system of deferred payment when such use is made with the approval of such person.
 - But it does not include a person who obtains such goods for resale or for any commercial purpose.
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Consumer of services

- It means a person who hires or avails of any services for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment .
 - It also includes any beneficiary of such services other than the person who hires or avails of the services for consideration paid or promised or partly paid and partly promised, or under any system of deferred payment, when such services are availed of with the approval of the first mentioned person.
 - But it does not include a person who avails of such services for any commercial purpose.
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