

CONSUMER
PROTECTION
ACT, 1986

Introduction



- The act came into effect first on December 24, 1986 after being passed by the Indian Parliament and signed by the President of India. It was modified later on and the modifications came into effect on March 15, 2003.
- The act is applicable in all states in India except in Jammu and Kashmir.



- The act makes provisions to include both tangible goods and intangible services (henceforth referred to as product) purchased from a trader or service provider (henceforth referred to as company).
- The act can apply to any consumer who uses the product for non-commercial activities, the only exception being use of it to earn his livelihood.
- In other words, the act excludes commercial customers fully, but includes individual domestic customers, groups of domestic customers, societies and not-for-profit organizations.

THE CONSUMER PROTECTION ACT, 1986



(68 of 1986)
(24th December, 1986)

- *An Act to provide for better protection of the interests of consumers and for that purpose to make provision for the establishment of consumer councils and other authorities for the settlement of consumers' disputes and for matters connected therewith.*

Objectives of the Act:



- To protect the consumers from immoral activities and unfair trade practices of the traders.
- To protect and promote the rights of the consumers.
- To set up "Consumer Protection Councils" to educate the consumers and to make them aware of their rights.
- To redress disputes of the consumers, and matters connected with them, speedily.
- To make provision for Quasi Judicial machinery to control marketing.

Salient features:



- The Act aims to provide better and all-round protection to consumers.
- In terms of geographical application, it applies to the whole of India except the State of Jammu and Kashmir.
- It applies to all goods and services unless otherwise expressly notified by the Central Government.
- It is indeed a very unique and highly progressive piece of social welfare legislation and is acclaimed as the magna carta of Indian consumers. The Act has made the consumer movement really going and more powerful, broad-based and effective and people oriented. In fact, the Act and its Amendment in 1993 have brought fresh hopes to the beleaguered Indian consumer. This is the only law which directly pertains to market place and seeks to redress complaints arising from it. Even prior to 1986, there were in force a number of laws which could be interpreted in favour of the consumers. But, this Act is most powerful piece of legislation the consumer has had before 1986. Its provisions are very comprehensive and highly efficacious. In fact, it provides more effective protection to consumers than any corresponding legislation in force even in countries which are considered to be much more advanced.
- It provides effective safeguards to the consumers against different types of exploitation such as defective goods, unsatisfactory (or deficient) services and unfair trade practices.



Causes of Consumer Exploitation



Consumer Problems

Unfair Trade Practices

Spiraling Prices

Adulteration

Poor Quality Products

Deceptive Packing

Underweight Suppliers

Deficiency in Service

Negligence in Service

Monopolistic Trade Practices

Misleading and deceptive advertisements

Offering gifts and Prizes

Consumer Protection Councils



- The act provisions the central and state government to create councils at the central, state and district level to promote consumerism.
- These consumer protection councils have very little statutory powers and as such any direct benefit you can get as a consumer from these councils is low to none.

Constitution of Consumer Protection Council

- As per section 4 of the consumers Protection Act, 1986 by means of issuing Gazettee notification of the Government of India, the Central Government will set up the Central Consumer Protection Council.
- Types of Consumer Protection Council:-
 - 1) The Central Consumer Protection Council
 - 2) The state Consumer Protection Councils
 - 3) The District Consumer Protection Councils

1) The Central Consumer Protection Council:-

As per section 4 of the Consumer Protection Act, 1986 as amended in 2002, Central Government has established a council known as Central Council by notification headed by Minister – in – Charge of consumer affairs in the central Government as chairman of the Central Council. The Central council is to meet at least once every year.

Objectives:-

- The right to be protected against the marketing of goods & services which are hazardous to life & property.
- The right to be informed about the quality, quantity, standard & price of goods & services, to protect the consumer against unfair trade practices.
- The right to be heard & to be assured that consumer, interest will receive due consideration at appropriate forums.

- The right to seek redressal against unfair trade practices.
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- The right to Consumer education.
- The right to Consumer Education.
- The right to be assured of whenever possible, access to a variety of goods & services at Competitive Prices.

State Consumer Protection Council

- As per Section 7 of the Consumer Protection Act, respective state Government have established councils known as State Councils by notification, headed by Minister in charge of Consumer affairs in the state Government as chairman of the state Councils. The state council is to meet at least twice in a year.
- **Objective:-** The basic objective of every state council is to promote & protect within the state rights of consumer. Such rights are similar as in the case of central Council.

- **The District Consumer Protection Councils:-**

The state Governments have established for every district a council known as District Consumer Protection Council by notification ,headed by collector of the district as chairman of the District Council. The District council has to meet twice every year.

Objectives:-

The objectives of district council is to promote & protect the rights & interests of consumer within the district

Consumer Disputes Redressal Agencies



- This section of the act provides for the creation of consumer courts.
 - The central government is given the responsibility to create and maintain the National Consumer Disputes Redressal Commission in New Delhi.
 - The state government is given the responsibility to create a State Consumer Disputes Redressal Commission at the state level and a District Consumer Disputes Redressal Forum at the district level.

Consumer Disputes Redressal Agencies



Amount of Compensation You Seek	Court	President	Other Members
Up to O 20 Lakh	District Consumer Disputes Redressal Forum	Must be qualified to be a District Judge.	Two other members; one must be a woman.
O 20 Lakh to O 1 Crore	State Consumer Disputes Redressal Commission	Must be a person who is or has been a Judge of a High Court.	At least two other members.
Higher than O 1 Crore	National Consumer Disputes Redressal Commission	Must be a person who is or has been a Judge of the Supreme Court	At least four other members.





**Thank
You!!!**