

# Consumer Protection Act of 1986

**Consumer Protection Act of 1986** is an act of Parliament of India enacted in 1986 to protect interests of consumers in India. It makes provision for the establishment of consumer councils and other authorities for the settlement of consumers' disputes and for matters connected therewith.

## Consumer Protection Council

Consumer Protection Councils are established at the national, state and district level to increase consumer awareness.

### Central Consumer Protection Council

It is established by the Central Government which consists of the following members:

The Minister of Consumer Affairs, - Chairman, and

Such number of other official or non-official members representing such interests as may be prescribed.

### State Consumer Protection Council

It is established by the State Government which consists of the following members:

- The Minister in charge of consumer affairs in the State Government - 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.

The State Council is required to meet as and when necessary but not less than two meetings every year.

## Consumer Disputes Redressal Agencies

### Consumer Court

**Consumer Court** is the special purpose court, mainly in India, that deals with cases regarding consumer disputes and grievances. These are judiciary set ups by the government to protect the consumer rights. Its main function is to maintain the fair practices by the sellers towards consumers. Consumers can file a case against a seller if they are harassed or exploited by sellers. The court will only give a verdict in favor of the consumers/customers if they have proof of exploitation, i.e, bills or other documents. If a consumer does not have the proper documents required for filing a case then it would be very difficult for the consumer to win or even file a case

## Types of Consumer Courts

1. [National Consumer Disputes Redressal Commission](#) (NCDRC): A nation level court works for the whole country and deals with amount more than ₹1 crore (US\$182,000).
2. [State Consumer Disputes Redressal Commission](#) (SCDR): A state level court works at the state level with cases valuing less than ₹1 crore (US\$182,000).
3. [District Consumer Disputes Redressal Forum](#) (DCDRF): A district level court works at the district level with cases valuing up to ₹20 lakh (US\$36,400).

## Consumer movement

The consumer movement as a social force originated with the necessity of protecting and promoting the interests of consumers against unethical and unfair trade practices. Rampant food shortages, hoarding, **black marketing**, **adulteration of food** and **edible oil** gave birth to the consumer movement in an organized form in the 1960s.

The movement succeeded in bringing pressure. A major step was taken in 1986 by the Indian government with the enactment of the **Consumer Protection Act of 1986** (COPRA).

## Objectives

The main function of consumer court is to provide some extra privilege to the consumers and to maintain fair practice by the seller or the service provider towards the consumer. Submitting complaint is very simple and consumer has no need to hire any lawyer. Approaching a consumer court is very simple and extremely cheap as you can represent yourself without having to hire a lawyer and not required to pay any court fee but just a nominal fee.

## Objectives of Central Council

The objectives of the Central Council are to promote and protect the rights of the consumers such as:-

- a) The right to be protected against the marketing of goods and services which are hazardous to life and property.
- b) The right to be informed about the quality, quantity, potency, purity, standard and price of goods or services, as the case may be so as to protect the consumer against unfair trade practices.
- c) The right to be assured, wherever possible, access to a variety of goods and services at competitive prices.
- d) The right to be heard and to be assured that consumer's interests will receive due consideration at appropriate forums.
- e) The right to seek redressal against unfair trade practices or restrictive trade practices or unscrupulous exploitation of consumers; and
- f) - the right to consumer education.

## **Objectives of State Council**

The objects of every State Council shall be to promote and protect within the State the rights of the consumers laid down in clauses (a) to (f) in central council objectives.

## **Jurisdiction**

### **Jurisdiction of District Forum**

Subject to the other provisions of this Act, the 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 rupees twenty lakhs.

A complaint shall be instituted in a District Forum within the local limits of whose jurisdiction:-

- (a) - the opposite party or each of the opposite parties, where there are more than one, at the time of the institution of the complaint, actually and voluntarily resides or carries on business or has a branch office or personally works for gain, or
- (b) - any of the opposite parties, where there are more than one, at the time of the institution of the complaint, actually and voluntarily resides, or carries on business or has a branch office, or personally works for gain, provided that in such case either the permission of the District Forum is given, or the opposite parties who do not reside, or carry on business or have a branch office, or personally work for gain, as the case may be, acquiesce in such institution; or
- (c) - the cause of action, wholly or in part, arises.

### **Jurisdiction of state council**

Subject to the other provisions of this Act, the State Commission shall have jurisdiction:-

- (a) - to entertain
  - i - Complaints where the value of the goods or services and compensation, if any, claimed exceeds rupees twenty lakhs but does not exceed rupees one crore; and
  - ii - appeals against the orders of any District Forum within the State; and
- (b) - to call for the records and pass appropriate orders in any consumer dispute which is pending before or has been decided by any District Forum within the State, where it appears to the State Commission that such District Forum has exercised a jurisdiction not vested in it by law, or has failed to exercise a jurisdiction so vested or has acted in exercise of its jurisdiction illegally or with material irregularity.

## **Jurisdiction of National Council**

Subject to the other provisions of this Act, the National Commission shall have jurisdiction—

(a) - to entertain

i - Complaints where the value of the goods or services and compensation, if any, claimed exceeds rupees one crore; and

ii - appeals against the orders of any State Commission

(b) - to call for the records and pass appropriate orders in any consumer dispute which is pending before or has been decided by any State Commission where it appears to the National Commission that such State Commission has exercised a jurisdiction not vested in it by law, or has failed to exercise a jurisdiction so vested, or has acted in the exercise of its jurisdiction illegally or with material irregularity.

## **Limitation period**

1 - The District Forum, the State Commission or the National Commission shall not admit a complaint unless it is filed within two years from the date on which the cause of action has arisen.

2 - Notwithstanding anything contained in sub-section (1), a complaint may be entertained after the period specified in sub-section (1), if the complainant satisfies the District Forum, the State Commission or the National Commission, as the case may be, that he had sufficient cause for not filing the complaint within such period: Provided that no such complaint shall be entertained unless the National Commission, the State Commission or the District Forum, as the case may be, records its reasons for condoning such delay