



**VIT<sup>®</sup>**  
**Vellore Institute of Technology**  
(Deemed to be University under section 3 of UGC Act, 1956)

# Legal Aspects of Business

Dr. J Bhavani, Faculty,  
Business School  
Vellore Institute of Technology

# Recapitulate

## Module 4

### Law of Agency

- Introduction
- Types of agents
- Creation of agency
- Rights and duties of agents and principal
- Termination of agency

### Indemnity and Guarantee

- Introduction
- Essential elements
- Guarantee
- Surety

### Bailment and Pledge

- Bailor and Bailee
- Pawnor and Pawnee



# The Consumer Protection Act, 1986

## Objects of the Act

Better protection of interest of consumers

Protection of rights of consumers

Consumer protection councils

Quasi-judicial machinery for speedy redressal of consumer disputes

# The Consumer Protection Act, 1986

## Salient features of the Act

- Applies to all goods and services
- Covers all sectors (public, private, etc.,
- Confers certain rights on consumers
- Envisages establishment of consumer protection councils



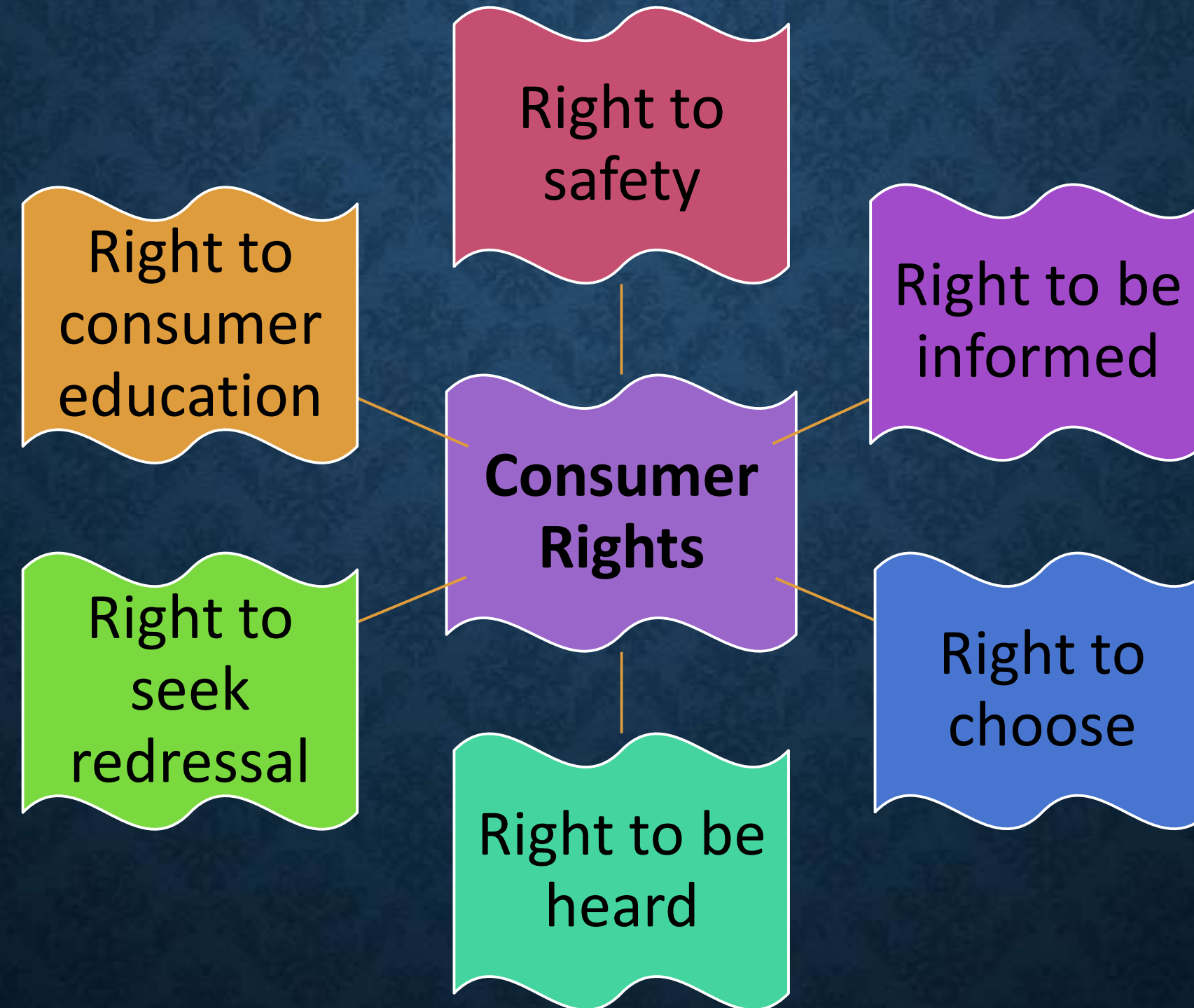
# The Consumer Protection Act, 1986

## Various terms & concepts under the Act

- Appropriate Laboratory
- Complainant
- Complaint
- Consumer
- Defect
- Deficiency
- Restrictive Trade practice
- Spurious goods and services
- Unfair trade practice

# The Consumer Protection Act, 1986

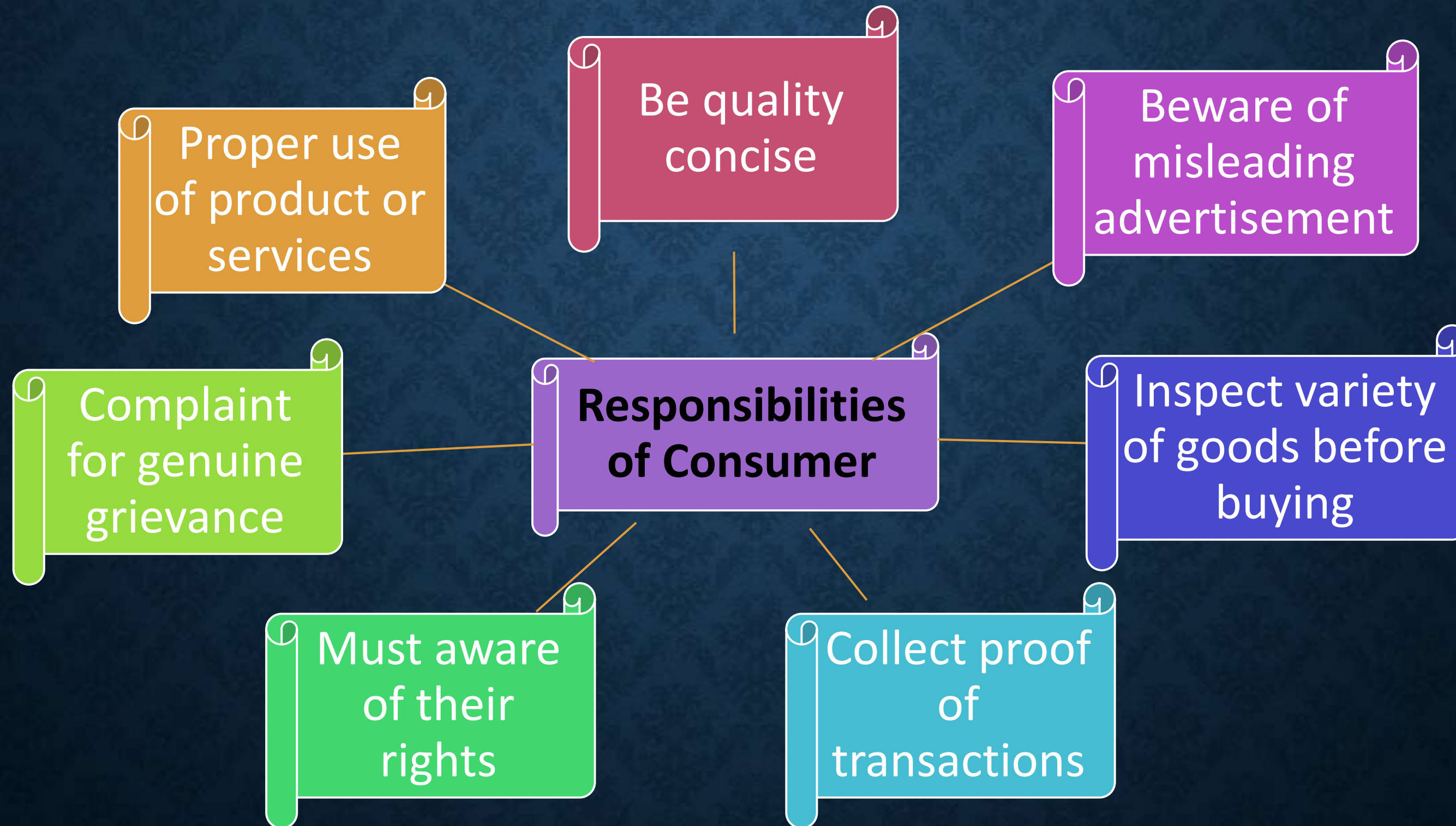
## Rights of Consumers





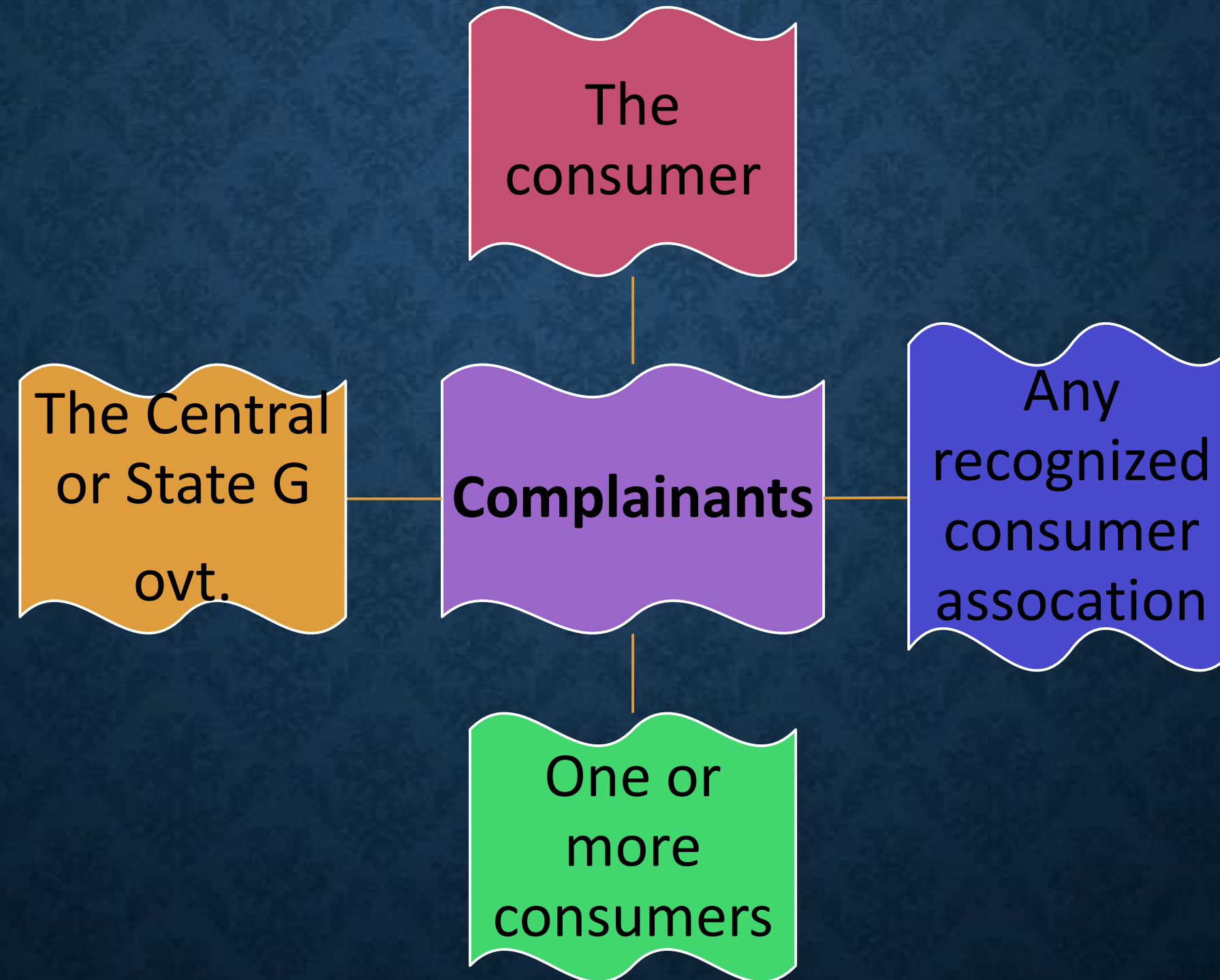
# The Consumer Protection Act, 1986

## Responsibilities of Consumers



# The Consumer Protection Act, 1986

## Who can file a complaint?





# The Consumer Protection Act, 1986

## Where to file a complaint?

### The District Forum

If the value of the goods and services and the compensation, does not exceed rupees twenty lakhs.

### The state Commission

If the value of the goods and services and the compensation, does exceed rupees twenty lakhs but does not exceed rupees one crore.

### The National Commission

If the value of the goods and services and the compensation, does exceed rupees one crore.

# The Consumer Protection Act, 1986

## How to file a complaint?

1

- No fee for filing a complaint before aforesaid bodies

2

- Complainant/authorised agent/through post can be present with signature

3

- Complaint should address to the president of the forum/commission

4

- Complaint should contain all necessary information about the parties involved in the case

5

- Facts relating to complaint where and when it arose

6

- Supporting documents

7

- The relief seeking by the complainant (Minimum of four copies)



# The Consumer Protection Act, 1986

## Relief available to Consumers

Depending on the nature of relief sought by the consumer and facts, the Redressal Forums may give orders for one or more of the following reliefs;

- Replacement of the goods
- Refund of the price paid
- Award of compensation for the loss or injury suffered
- Removal of defects or deficiencies in the services
- Discontinuance of unfair trade practices or restrictive trade practices or direction not to repeat them
- Withdrawal of the hazardous goods from being offered to sale; or
- Award for adequate costs to parties

# The Consumer Protection Act, 1986

## Procedure on Admission of Complaint

Requiring no testing and analysis

- Within 21 days direct the opposite party to give his version of the case within 30 days or extended period not exceeding 15 days

Requiring testing and analysis

- District Forum will obtain the sample of the goods from the complainant and send to appropriate laboratory by depositing the fees within a period of 45 days of the receipt of the reference

Where the complainant fails to appear on the date of hearing

- District forum may either dismiss the complaint for default or decide it on merits

Every complaint shall be heard

- Within a period of 3 months from the date of receipt of notice by opposite party or within 5 months if it so requires



# The Consumer Protection Act, 1986

## Consumer Dispute Redressal Agencies

### District Forum

- The state government has to set up district forum in each district
- Each district forum consists of president (judge of a district) and two other members, one of whom shall be a women.
- Appointment to the state commission made by president of state committee, Secretary Law dept. of the state, secretary in charge of consumer affairs
- Every members hold office for 5 years \ up to 65 years
- The district forum can enter complaints where the value of goods \ services is less than twenty lakhs
- The State Government may establish more than one District Forum in a district.



# The Consumer Protection Act, 1986

## Consumer Dispute Redressal Agencies

### State Commission

- The consumer disputes redressal commission at state level is known as state commission.
- Each state commission consists of president (judge of High Court) and two other members
- Every member holds office for 5 years \ up to 65 years
- The state forum can entertain complaints where the value of goods \ services is more than 20 lakhs not exceeding one crore



# The Consumer Protection Act, 1986

## Consumer Dispute Redressal Agencies

### National Commission

- The consumer disputes redressal commission at national level is known as National Commission.
- Each National commission consists of president (judge of Supreme Court) and four other members
- Every member holds office for 5 years \ up to 70 years
- The National forum can entertain complaints where the value of goods \ services is exceeding more than one crore
- The state \ central governments send a notice to the opposite party within 30 days.



# Review Questions

1. A state Commission may transfer any complaint pending before the District Forum to another District Forum within the State. **True or False.**
2. An appeal against the order of State Commission can be filed before the National Commission within.....
  - a. 30 days
  - b. 60 days
  - c. 90 days
  - d. 150 days
3. An order of the National Commission is the final authority under the Consumer Protection Act. **True or False.**



# Answer

1. A state Commission may transfer any complaint pending before the District Forum to another District Forum within the State.

**Answer:** True

2. An appeal against the order of State Commission can be filed before the National Commission within.....

**Answer:** a. 30 days

3. An order of the National Commission is the final authority under the Consumer Protection Act.

**Answer:** False

# Thank You