Every citizen of the country is either a consumer of goods or services or a consumer of both. In view of the sheer numbers involved, the 'consumers' should have constituted the strongest lobby in the country and should have been 'a force to reckon with' vis-à-vis the suppliers of goods and the providers of services. Unfortunately, because of lack of cohesiveness and lack of effective organizations to voice their concerns, a consumer in India has remained a faceless, voiceless, submissive and meek person, accepting whatever sub-standard goods or services being offered, as his destiny. Things may have changed a bit in favour of the upper middle class or the affluent consumers in the recent years due to some element of competition and choice in the retail sector.1

The Preamble to the Constitution of India has incorporated that "We, the People of India, having solemnly resolved to constitute India into a Sovereign Socialist Secular Democratic Republic and to secure to all its citizens: Justice, Social, Economic and Political". Access to justice is recognized as one of the most important basic human rights today and it is very difficult, if not impossible, to realize most of the human rights without access to justice.

Rule of law is the soul of every civilized society. Law is a command or an order and can be better described as the language of the State. Law has the same relationship to the State as the language has to the society. Rule of

1 Rajyalakshmi Rao, Consumer is King, (New Delhi, Universal Law Publishing Co, 2009) p. 8
Law is the common way of life in a civilized society. However, with the passage of time, rule of law is being used not only to maintain order and to protect individual interests but is also used to protect the interests of the society and the public at large to fulfill the ideals of the modern welfare state. The interpretation of the law is the function of judiciary in a democracy like India and the main concern of administration of justice is protection of the rights of the people for the wellbeing of its subjects. In a society where a consumer is generally made victim of the unfair trade practices by the well-organized sector of the traders and businessmen and as such the illiterate, ignorant and financially weak consumer is to fight against the powerful lobby of businessmen, the public interest litigation is the only answer to protect the interests of the consumers.²

Today we are living in an era of a welfare state which has to promote the prosperity and well-being of the people. In other words, in the welfare State it is the duty of State to promote the welfare of the people by protecting a social order in which justice, social, economic and political shall be done to all the institutions of National Life. The Preamble of Constitution of India clearly states the functions of the Republic and one out of other functions is to secure to all its citizens justice, social, economic and political. The Directive Principles of State Policy contained in Part IV of the Constitution has also laid down certain economic and social policies to be pursued by various Governments in India.

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The Consumer Protection Act 1986, which is social welfare legislation, is a milestone in the history of socio-economic legislation in the country and the main purpose of this Act is to protect consumer from exploitation by unfair trade practices and to provide a speedy, simple, timely and inexpensive redressal to consumer disputes and complaints.  

The Government of India has brought out a number of statutory regulations to protect the consumer interest so far. All these aimed at controlling production, supply, distribution, quality, purity and pricing of several goods and services and consumers should be informed about the availability of the goods and cautioned on unfair trade practice resorted to by unscrupulous traders and producers of goods. "Justice delayed" means "Justice denied". Consumer does not want to deny their justice in the form of getting justice delayful. Presently there are more than twenty laws meant for protecting the consumers directly or indirectly. The latest addition to the armory is the Consumer Protection Act, 1986. This is hailed as a panacea for all consumer ills. India is not in dearth of consumer protection laws. But what we are in dire need is a strong will to make use of these weapons in the arsenal.

Mahatma Gandhi, the father of the nation, has rightly pointed out in Harijan dated 4th May, 1935 that business, ethics, honesty and truthfulness should go together in the following words:-

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"It is wrong to think that business is incompatible with ethics. I know that it is perfectly possible to carry business profitably and yet honestly and truthfully. The plea that business and ethics never agree is advanced only by those who are actuated by nothing higher than narrow self-interest. He, who will serve his own ends, will do so by all kinds of questionable means, but he, who will earn to serve the community, will never sacrifice truth or honesty. You must bear in mind that you have the right to earn as much as you like, but not the right to spend as much as you like. Anything that remains, after the needs of a decent living are satisfied, belongs to the community."

Although honesty, integrity and trust are three pillars on which the sound system of trade and commerce should rest; yet now-a-days; honesty, integrity, truthfulness and trust are lacking to a great extent in business and trade in India posing a serious challenge to the rule of law and the obligations of the society to adopt and inculcate moral values.\(^5\)

In India, consumer justice is a part of social and economic justice as enunciated in the Constitution. A number of legislations have been enacted in the field of consumer protection relating to standardization, grading, packaging and branding, prevention of food adulteration, short weights and measures, hoarding, profiteering, etc. But all these are scattered pieces of legislations. The litigations under these legislations are disproportionately costly and troublesome to the small consumer. The procedures are complex, cumbersome and time consuming and the remedies available are limited in

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scope. The impact of these legislations in protecting the consumer has been relatively small.

The well-organized sectors of manufacturers, traders, and service providers, armed with knowledge of the market and manipulative skills, often attempt to exploit the consumers, in spite of the provisions in different laws protecting their interests. Moreover, various factors including increase in the population resulted in enormous pendency and delay in disposal of cases in the civil courts. Consumers cannot be asked to wait for years for settlement of even small claims. The Parliament, therefore, passed a potentially very important legislation, viz., the Consumer Protection Act, 1986.

In 1976, the Supreme Court of India observed that the protection of the consumer is the need of the society. It stated: "We hope the vigilant legislature will activise itself on behalf of the little man and the law and make quick moving, easily accessible and free-of-cost consumer protection measures".  

John F. Kennedy, Former President of America, in a special message to the Congress on "protection of consumers" said that they have certain definite and basic rights. They are- (i) The Right to safety (ii) The Right to be informed (iii) The Right to choose and (iv) The Right to be heard. They also require additional protection against commodities which are in question relating to quality and also protecting against unhealthy marketing practices.

Today it is sellers' market for consumer goods and not the buyers'

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6 Supra Note 1, pp8-9.
market. Many items of consumer goods like edible oil, sugar, kerosene and cooking gas are in short supply though quite often artificial and manipulated. When goods are not available and the consumer has to stand in queues for hours to get what he wants there is little scope for complaint by him about quality and measures. Moreover, most of the consumers are ignorant of their legal rights against the remedies available to them most of the times; the consumers are either unwilling or unable to pursue a complaint against the traders. However, there is no doubt that competition for quality works to the benefit of the consumer, but simultaneously traders get a good margin of profit from the competitive goods. Sometimes due to fraud or negligence on the part of the manufacturers or dealers, consumers get hazardous consuming articles from the retailer and become an easy prey to a number of diseases that may prove fatal to their health or lives. In many such cases, people know very little about their socio-legal rights against the offences.  

In a modern society, it is the obligation of the State to maintain law and order. In the maintenance of law and order, administration of justice comes into limelight. State administers justice through judiciary. Judiciary plays an important role in protecting the rights of the citizens. Administration of justice is the prime concern of judiciary. Judiciary solves the disputes of the citizens within the territorial limits. It is difficult for everyone to approach the court to get justice. Justice before the court is often delayed and takes years to solve the dispute. Day by day, there is an increase in the number of disputes.

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As a result, the courts are over burdened with disputes. Large numbers of cases are pending before the judiciary at all levels. To solve these disputes, judiciary may take one or two decades.

To reduce the burden on the judiciary and to provide simple and speedy justice to the public at their door steps, the State has established various adjudicatory authorities in administration of justice with respect to specific subject matters, among one of them is Consumer Dispute Redressal Agencies. To protect and promote the rights of the consumer more effectively, the Government has enacted Consumer Protection Act, 1986. This Act has been amended from time to time, and the recent amendment is Consumer Protection (Amendment) Act, 2002.9

In recent years, there has been an increasing public concern over the consumer protection issues all over the world. Taking into account the interest and needs of consumers in all countries particularly those in developing countries, the consumers' protection measures should essentially be concerned with (i) the protection from hazards to health and safety (ii) the promoting and protection of economic interests (iii) access to adequate information (iv) control on misleading advertisements and deceptive representation (v) consumer education (vi) effective consumer redress.10

The Consumer Protection Act, 1986, a milestone in the history of socio-economic legislation in India. Its implementation has now opened up a wide

scope for giving relief to the unprotected consumer in India. Now, with the setting up and functioning of the Consumer's Grievance Forum and the State Commissions at the District and State level the movement is catching up the expectations of the public. Day by day, with the variety of complaints and grievances made on the question of price, quality of goods and different services rendered by different agencies and the relief's that are now being made available to the aggrieved persons, the people are becoming more and more aware of their rights and the modes of relief available to them.\textsuperscript{11}

The impact of the Consumer Protection Act, 1986 on the functioning of the public and especially of the private corporate sector is evident even from the observations of V. Balakrishna Eradi J., President of the National Consumer Disputes Redressal Commission, made in the context of the private sector. He has observed:

“If you go to the market you will now find that if any consumer says he will complain, the article sold is replaced, though in the cash memo it is mentioned that goods once sold will not be taken back. A sense of fright has now come. The manufacturers do not want a bad name for their products. The moment a complaint is filed before a State Commission, they offer to replace the article. To the extent, we have made an impact. The exploitation of consumers by the smaller traders has become less.”\textsuperscript{12}

Every person is a consumer in one form or other. From cradle to the grave we are consumers. No sooner a person purchases a commodity or hires

\begin{footnotesize}
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\item Neelakontho Das, "Consumer's Protection Act and the Common Man", AIR 1991 (J) p158.
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certain services than he becomes a consumer. In the present socio-economic scenario, we find that the consumer is a victim of many unfair and unethical practices adopted in the market place. Most of the consumers are largely poor, illiterate, ignorant, apathetic or just defeatist and continue to be at the receiving end. This is due to lack of awareness on the part of the consumer. Besides this, the development of modern technology and large number of goods, have added to the misery. Modern technological developments have no doubt made a great impact on the quality, availability and safety of goods and services. But the consumer knows little about these highly sophisticated goods. Industrial revolution has ushered in radical changes in the lives of human beings as regards the goods and services for their day to day life. The consumer goods flooded the market and the traders started adopting various devices to sell the goods manufactured by them. Consumer was not in a position to appreciate the goods purchased by him in the market.

In the era of open market buyer and seller came face to face, where the seller exhibited his goods, and the buyer thoroughly examined and then purchased them. It was presumed that he would use all care and skill while entering into transaction. In fact, the consumer was not in a position to know the quality and quantity of goods. This helps the trader to monopolize the market and the trader became the king. The consumers are abused and exploited by unscrupulous practices of the traders mainly to make profits. This resulted in exploitation of consumer in market place. In the olden days the principle of 'Caveat emptor' let the buyer beware' governed the
relationship between the buyer and seller. The consumer required protection by law when the goods and services provided failed to achieve the purpose. There is widespread dissatisfaction with respect to the quality and cost of goods provided to the public. In addition, with the revolution in information technology, newer kinds of challenges have been thrown on the consumer like cyber crimes, plastic money etc.

All the above factors culminated in a new phenomenon resulting in the abuse and exploitation of consumers. This led to the consumer movement throughout the world. In the present situation, consumer protection though as old as consumer exploitation, has assumed greater importance and relevance. Consumerism is a recent and universal phenomenon. It is a social movement. Consumerism is all about protection of the interests of consumer. The concept of consumerism came into existence and consumer protection became one of the primary duties of the State. Responsibility was imposed on the State to protect the interest and rights of consumer through appropriate policy measures, legal structure and administrative framework. The developed countries like the United States of America and United Kingdom were first to realize the need to protect the interest of consumers. Various legislations were passed to achieve this object. In the history of the development of consumer policy, 9th April 1985 is a very significant date. On that day the General Assembly of the United Nations adopted a set of general guidelines for consumer protection. The Secretary General of the United Nations was authorized to persuade member countries to adopt these
guidelines through policy. These guidelines constitute a comprehensive policy framework outlining what governments need to do to promote consumer protection with respect to safety, standards, protection and promotion of consumer welfare.

In a country like India the average consumer is not in a position to evaluate in detail the worth of the goods and services provided to him. The average consumer in India is faced, on the one hand with inflation and the resultant price rise of essential commodities and on the other hand, with problems of black marketing, artificial shortage, adulteration, short weights, misleading advertisements etc.

In recent times the educated public has become aware of their rights as consumer and are willing to fight against exploitation. India adopted a mixed economic model, where the State has to perform different functions to protect the interests of citizens. It being a Welfare State is the guardian and protector of social interest. Our Indian Constitution spells out the philosophy of a Welfare State. Preamble to the Constitution resolves to secure to all its citizens political, social and economic justice. In a Welfare State it is the duty of the state to safeguard the interests of consumers by rendering consumer justice as a part of social and economic justice as enshrined in the Constitution. Following the constitutional mandate, a number of legislations have been enacted from time to time in the field of consumer protection like laws regulating grading, packing and branding, prevention of food adulteration, short weights and measures, hoarding, profiteering etc.
Since 1930's the legislature has from time to time brought various legislations to redress specialized aspects of consumer interest. For example Sale of Goods Act, 1930, The Standard of Weights and Measures, Act, The Drugs Control Act, 1940, Prevention of Food Adulteration Act, 1954, The Essential Commodities Act, 1955, The MRTP Act, 1969 and so on. In addition to these legislations the Indian Penal Code, 1860 and the principles of Common law contained in the Law of Torts are also applicable.

All the above legislations have not able to protect the interest of consumer. To obtain consumer justice under these legislations, the consumer has to move from pillar to post. Litigation involved high cost and proved to be troublesome to small consumer. The procedures were complex, cumbersome and time consuming and the redressal available was limited in scope. These legislations failed to protect the rights of average consumer. To a large extent they created confusion and chaos. In this complex scenario the role of court in protecting consumer rights cannot be over emphasized. They have proved responsive by widening the concept of locus standi and considerably allowing any individual or organization to go to court in the larger interest of the society. Even small courts have given wide ranging judgments relating to Public Interest Litigation. None of these legislations provided for any remedy to the consumer enabling him to seek redressal against the offending parties. He was left high and dry with only the choice of instituting a civil litigation. Litigation before the civil court is time consuming, expensive and causing enormous delay. However the ordinary consumer is not in a position to approach these courts.
The growth of the law on the protection of the consumer has been haphazard and piecemeal. The provisions scattered over a number of unrelated statutes, did not ensure adequate protection to consumer in a particular situation. Consumer movement remained confined to the elite section and failed to mobilize the masses who were the real victims of the system. Various legislations and regulations permitting the State to intervene and protect interest of the consumer have become a heaven for unscrupulous ones, as the enforcement machinery either does not function or it functions ineffectively and inefficiently.

The government is trying to provide legal umbrella to safeguard the interest of consumer, but these legislations help us to know the exact nature and extent of dishonesty. The legislation also provides the punishment for such dishonest practices, and the Authorities with their powers, to whom the consumer can approach for the redressal of grievances. A close observation of the different enactments reveals that the procedure is so complicated that it is out of the reach of common man to understand and think of taking shelter under these laws. This is because of their ignorance, illiteracy, weak economic position, time consuming and different institutional structures, in redressing the grievances.

To improve this situation by removing the difficulties faced by the consumers and protecting the ill-informed consumers, the Parliament enacted an important legislation namely the Consumer Protection Act, 1986, which was amended several times and recently in 2002. This enactment is the first step for safe-guarding the interest of consumer community. Legislation for the
benefit of consumer has been sporadic and as a part of social welfare legislation. This Act was enacted as a supplementary of the present laws that heralded a new era in consumer protection in India.

The Consumer Protection Act has opened a new era in the field of business. It imports new dimensions to the concept of law as a tool of social engineering. Legislation, however perfect, is futile unless it is enforced. The Consumer Protection Act, which was passed by the Central Government in 1986, brought a significant change in the prevailing situation. This Act made a new beginning and was a step forward in the establishment of egalitarian consumerism. The importance of the Act lies in promoting welfare of the society by enabling the consumer to participate directly in the market economy. The main objective of the Act is to promote and protect the rights of consumer. This Act recognizes various rights of consumers such as right to safety, right to information, right to redress, right to representation, right to choice and right to consumer education. The Act envisages the formation of the Consumer Protection Councils at the Central, State and District levels. The main object of the Councils is to promote and protect the rights of the consumers.

This Act also provides for setting up of three tier quasi judicial authorities for redressal of consumer disputes at District, State and National level. The main thrust of the Act is to provide simple, speedy and inexpensive redressal to consumer grievances. The aim of the Act is better protection of consumer by way of settlement of consumer disputes.

The dispute
settlement machinery has got the power to penalize those who do not comply with the orders. It is significant to note that the Act recognizes the role of the consumer organizations in assisting the consumer in seeking justice through a nationwide network of consumer disputes. The Act applies to all goods and services in public, private or the co-operative sector. Thus, the consumer can initiate an action under the Act against the defective goods or deficient services rendered even by the public sector or government undertaking such as Railways, Telephones, Airlines, Banks, Insurance, State Electricity Board, Housing Development Authority, etc. Since the enactment of Consumer Protection Act, 1986 there has been a demand to make the Act more effective and purposeful. There has been a feeling that the Act was drafted in hurry and needs improvements. This Act was amended from time to time for the better protection of consumer in the year 1991, 1993 and recently 2002. Changes introduced by these amendments will work effectively in the life of consumer by protecting his rights. In case of grievance, it provides an appropriate remedy that is compensation or penalizing the seller or trader.\footnote{Supra Note 9, pp 20-28.}

In modern economy consumers play a crucial role. They are the pillars of the economic structure and form the largest economic group in any country. Most of the economic activities of the government and non-government agencies are aimed at pleasing the consumers.

Thus consumption is the pivot around which all the economic
activation moves. So consumer protection entails protecting the rights and interests of the consumer in matter of availability, quality, quantity and price of goods and services. In fact it promotes the concept of value for money and enhances the trust between the customer and the producer or provider. Consumer protection policy recognizes what consumers often face the imbalances in economic terms, educational levels and bargaining power. The consumers should have the right of access to non-hazardous products as well as the right to promote just, equitable and sustainable economic and social development. The consumer protection is a serious matter in developed and developing countries.

The objective of business depends upon many factors. It depends largely on the socio-economic, political set up of the country. Hence, every business organization is required to set its objectives keeping in view the socio-economic and political structure of the society. The objective of business generally may be economic and social in nature. It is quite natural that earning profit is one of the main aims of business. Without profit, no business can survive in the society. Despite the profit earning objective of a business, the business also has same root of social obligation towards different groups of the society. One of the most important variables that determines the success and failure of a business is consumer. 14

The Act a comprehensive legislation came into force on April 15, 1987 except chapter III which came into operation from July 1, 1987, the provisions

of the Act are in addition to and not in derogation of the provisions of any other law for the time being in force. The provisions are supplementary in nature and have no overriding effect. The Act envisages the formation of the Consumer Protection Councils at the Central, State and District level. The main objective of the councils is to promote and protect the rights of the consumers. These include the right to be informed about the quality, quantity, potency, purity, standard and price of goods and services; the right to be protected against marketing of goods and services which are hazardous to life and property; the right to be assured access to variety of goods and services at competitive prices; the right to seek redressal against unfair trade practices or restrictive trade practices or unscrupulous exploitation; the right to be heard; and right to be consumer education.15

The Consumer Protection Act, 1986 provides three tier quasi-judicial machinery at the National, State and District level for redressing consumer grievances. It is significant to note that the Act recognizes the role of the consumer organizations in assisting the consumer in seeking justice through this nation wide network of consumer disputes redressal agencies as envisaged under the Act. The role of the consumer organizations has also been recognized in other legislation like the Standards of Weights and Measures Act. Standards of Weights and Measures (Enforcement) Act, the Drugs and Cosmetics Act, the Prevention of Food Adulteration Act, the Essential Commodities Act. The Agricultural Produce (Grading and Marking)


The Act applies to all goods and services in private, public or the co-operative Sector. Thus, the consumer can initiate an action under the Act against the defective goods or deficient services rendered even by public sector or government undertakings such as, Railways, Telephones, Airlines, Banks, State Electricity Boards, state Roadways, etc.

The Act was first amended by the Consumer Protection (Amendment) Act, 1991. The amendments came into force w.e.f. June 15, 1991. The Amendment Act was to repeal and replace the consumer protection (amendment) Ordinance, 1991 (Ord. 6 of 1991). The amendment Act made it clear that the proceedings of the district forum may be conducted by the President and one member and not necessarily by all members. The amendment Act inserted new provisions regarding the filling up of the vacancy in the office of the President, and also the vacancies or defects in appointment not to in validate the orders of the District forum, The State Commission and National Commission.16

Each one of us is a 'Consumer right from the day child comes in the womb till the day one goes to the grave like from the milk of child and the coffin for a dead body is the consumer of the some commodity taking of the India with worlds second largest population here the issues relating to consumer effects the entire million people since everyone is a consumer in

one way or other. The consumer has to be aware of his rights and play a key role. This is possible through consumerism, it referees to wide range of activities of government, business and independent organizations designed to protect right of the consumer as envisaged in Consumer Protection Act, 1986 and ensuring right standards for the goods and services for which one makes a payment.

The redressal agencies play an active role in providing relief to consumers. Each District forum and above the District Forum is the State Commission Established in each State capital and above that is national commission established in Delhi. From national commission we can file an appeal to Supreme Court with regard to be territorial jurisdiction of the Redressal Agencies. The complaint can be instituted within the limit of opposite party or each of opposite parties or any of the opposite parties resides or carries on business or has a branch office or personally works for gain or the cause of action wholly or in part arises.17

1.1. Statement of the problem

In India as in many other countries the trading community is well organized. They have powerful organizations to secure their interest. Whereas the consumers in India are unorganized. Consequently, the exploitation to which the consumer is subjected to by the organized class continues unchecked. Under the prevailing social conditions, consumer needs to be

protected against the sale and supply of bad, substandard and duplicate consumer products in the market, non-supply and short supply of consumer goods, unwarranted and excessive pricing and the false and misleading advertisement camouflaging the truth. In other words, he needs protection from being fleeced and cheated by the producer, the whole-seller and the retailer. United effort on the part of the consumer to protect their interest and guard against the unscrupulous activities of the trade and business has become almost impossible.

The one of the major problems is being faced by India is to the effective protection of the interest of the consumers. The present study is essential to tackle the problems of effective protection of interest of consumers. An appropriate attempt is made to understand and analyze the working condition of the District Consumer Forum, Bellary in safeguarding the rights of the consumers of Bellary District. Taking into account the recent developments in the field, measures taken by the Government to protect the consumers from exploiting by trading community such as producer, the whole seller and the retailer are also examined. The following are some of the problems of the study:

1. Whether the objectives of the Consumer Protection Act, 1986 have really been achieved?

2. What kinds of remedies are available to aggrieved parties under the Consumer Protection Act, 1986?

3. Whether the interests of Consumers are really being protected by
setting up of consumer redressal agencies?

4. Whether Bellary District Forum is equipped to redress the consumers?

5. How many cases were filed, disposed and pending before the District Consumer Forum, Bellary till April 2014?

6. How many cases were disposed in favour of Consumers and against the consumers?

7. What kinds of disputes filed by consumers in District Consumer Forum, Bellary?

8. How much time did the District Consumer Forum, Bellary take to dispose the complaint? And the time taken by the District Consumer Forum is proportionate to the time prescribed under the Act or not?

9. What are findings made by the Bellary District Consumer Forum?

1.2. Importance and Objectives of the Study

Consumer protection is nothing but safeguarding the interest of consumer against the abuses of marketers. Among the variants of consumer distress, one which oppresses most countless millions of our common men, is the abuses in consumer goods, rampant adulteration, unabashed substitutes and supplies and glaringly short weights and measures, food grains, condiments, edible oil, flour and powders, liquor and drugs, chemicals, petroleum products, cement, fertilizers and animal feeds are a few of the items one can pick up from the endless catalogue of goods hit by the evil. The Government of India has brought out a number of statutory regulations to protect the consumer interest so far. All these aimed at controlling
production, supply distribution, quality, purity and pricing of several goods and services and consumers should be informed about the availability of the goods and cautioned on unfair trade practice resorted to by unscrupulous traders and producers of goods.

“Justice delayed” means “Justice denied”. Consumer does not want to envy their justice in the form of getting justice delayful. Presently there are about twenty laws meant for protecting the consumers directly or indirectly. The latest addition to the armory is the Consumer Protection Act, 1986. This is hailed as a panacea for all consumer ills. The Consumer Protection Act, which is social welfare legislation, is a milestone in the history of socio-economic legislation in the country and the main purpose of this Act is to protect consumer from exploitation by unfair trade practices and to provide a speedy, simple, timely and inexpensive redressal to consumer disputes and complaints.

So, it was felt important to study on the above subject matter. Through this study, it is tried to show that to what extent Consumer Protection Act, 1986 is favorable to consumers and how far Redressal Agencies eradicates the evil activities which are oftenly adopted by the business people to exploit the consumers.

Study focuses on efficacy of the Redressal Agencies in general and Bellary District Forum in particular and its findings on complaints filed by consumers in relation to defect in goods, deficiency in service, unfair trade practice and restrictive trade practice. Study makes critical evaluation of the
working conditions of Redressal Agencies in general and District Consumer Forum Bellary in particular and study also attempts to give appropriate suggestions to concerned authorities to take suitable steps in improving the working conditions of the said forum and it also helps to consumers to know their rights.

**Main Objectives of the Study are:**

1. To examine whether the objectives of Consumer Protection Act, 1986 have been achieved.

2. To understand and analyze the different kinds of remedies available under the Consumer Protection Act, 1986.

3. To examine whether Consumer agencies which have been set up under Consumer Protection Act, 1986 are really protecting the interest of the consumers.

4. To evaluate whether Bellary District Consumer Forum is equipped to protect the interest of the consumers.

5. To analyze the working method of Bellary District Consumer Forum.

**1.3. Review of Literature**

In the area of present study many researchers have not conducted as the problem one chosen for the study is new and emerging area. So available literature in the form of research reports are very meager. However, the study relating to working method of District Consumer Forum, Bellary is studied with the help of primary sources in the form of unpublished office records,
questionnaire method and informal interviews with the president and other members were held on the various aspects such as the nature of complaints, time period of settlement of the case, type of relief granted to obtain their true opinion.

A set of interview schedules were used. The schedules were administered carefully through personal interview with the respondents.

On the basis of the data obtained through interviews and other methods, the data is analyzed and examined to find out how far the redressal agencies are successful in protecting the interest of the consumers. For analyzing the data so collected simple tools of statistical analysis were worked out to draw reliable conclusions from the cases under study. Secondary sources have also been used in the form of text books, articles, journals etc. for the study.

1.4. Scope of the Study

The study is designed to identify problems relating to working method of the Bellary District Consumer Forum. To suggest appropriate improvements for toning up the work of this redressal agency, after analyzing the facts and taking into account the views of the functionaries, consumers and some knowledgeable persons associated with the law of consumer protection.

Since the study seeks to investigate the problems relating to organizational setup and working of the redressal agency, the aspects included in the study cover national and global view of the consumer
protection movement. Moreover, the development of the policy of consumer protection, the organizational structure, personnel and procedural aspects adopted by the redressal agency and perceptions of consumers in context to the redressal agency in Bellary.

1.5. Hypotheses of the Study

1. The objectives of Consumer protection Act, 1986 regarding speedy justice and execution of the order have not really been achieved in practice.

2. Time factor regarding filling of the complaints is not satisfactory to the consumers.

3. Formalities for filing the complaints before the forum are lengthy and complex.

4. Separate Consumer Dispute Redressal Agencies which have been set up for redressing consumer grievances are not much beneficial to consumers.

5. Bellary District consumer Forum is not accessible to consumers to get their remedies.

1.6. Methodology

Study is primarily based on both the doctrinal as well as non doctrinal method. The appropriate sampling method has been used to collect the data directly from respondents. The data has been collected through several sources like primary and secondary sources such as published and unpublished office records, observations and questionnaires, literature
available in the form of text books, articles, journals, etc. However, annual reports and judgments of the forum helped the researcher in the collection of primary data.

1.7. Conceptual Frame Work

The conceptual framework has been developed by using existing expressions and terms defined in legal texts, statutes and authoritative dictionaries which are as follows:

1) "Complainant" means\(^\text{18}\)

(i) a consumer; or

(ii) any voluntary consumer association registered under the Companies Act, 1956 (1 of 1956) or under any other law for the time being in force; or

(iii) the Central Government or any State Government;

(iv) one or more consumers, where there are numerous consumers having the same interest;

(v) in case of death of a consumer, his legal heir or representative; who or which makes a complaint;

2) "Complaint" means\(^\text{19}\) any allegation in writing made by a complainant that-

(i) an unfair trade practice or a restrictive trade practice has been adopted by any trader or service provider;

(ii) the goods bought by him or agreed to be bought by him suffer from

\(^{18}\)Sec. 2(b) of the Consumer Protection Act, 1986.

\(^{19}\)Ibid. Sec. 2(c).
one or more defects;

(iii) the services hired or availed of or agreed to be hired or availed of by him suffer from deficiency in any respect;

(iv) 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-

(a) Fixed by or under any law for the time being in force;

(b) displayed on the goods or any package containing such goods;

(c) displayed on the price list exhibited by him by or under any law for the time being in force;

(d) agreed between the parties;

(v) goods which will be hazardous to life and safety when used, are being-offered for sale to the public-

(a) in contravention of any standard relating to safety of such goods as required to be complied with, by or under any law for the time being in force;

(b) if the trader could have known with due diligence that the goods so offered are unsafe to the public;

(vi) 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; with a view to obtaining any relief provided by or under this Act;
3) "Consumer" means any person who-

(i) 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 and 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 does not include a person who obtains such goods for resale or for any commercial purpose; or

(ii) 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 and 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 does not include a person who avails of such services of any commercial purpose;)

Explanation.- For the purposes of sub-clause (i), "commercial purpose" does not include use by a consumer of goods bought and used by him exclusively for the purpose of earning his livelihood, by means of self-employment;

4) "Defect" 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;
5) "Deficiency" 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 in force or has been
undertaken to be performed by a person in pursuance of a contract or
otherwise in relation to any service;
6) "District Forum" means a Consumer Disputes Redressal Forum
established under clause (a) of section 9;
7) "Goods" means goods as defined in the Sale of Goods Act, 1930; (3 of
1930);

Define the goods have according to sale of Goods Act:
8) "Manufacturer" means a person who--
   (i) makes or manufactures any goods or parts thereof; or
   (ii) does not make or manufacture any goods but assembles parts
   thereof made or manufactured by others; or
   (iii) puts or causes to be put his own mark on any goods made or
   manufactured by any other manufacturer;
9) "Member" includes the President and a member of the National
   Commission or a State Commission or a District Forum, as the case may be;

22 Ibid, Sec. 2(g).
23 Ibid, Sec. 2(h).
24 Ibid, Sec. 2(i).
25 Ibid, Sec. 2(jj).
26 Ibid, Sec. 2(jj).
10) "National Commission" means the National Consumer Disputes Redressal Commission established under clause (c) of section 9;

11) “Restrictive trade practice” means a trade practice which tends to bring about manipulation of price or its conditions 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 include;

(a) 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;

(b) 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;

12) "Service" means service of any description which is made available to potential users and includes 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;

13) “Spurious Goods & Services” mean such goods and services which are claimed to be genuine but they are actually not so;

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27 Ibid, Sec. 2(k).
28 Ibid, Sec. 2(nn).
29 Ibid, Sec. 2(o).
30 Ibid, Sec. 2(oo).
14) "State Commission" means\textsuperscript{31} a Consumer Disputes Redressal Commission established in a State under clause (b) of section 9;

15) "Trader\textsuperscript{32}" in relation to any goods 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;

16) "Unfair Trade Practice" means\textsuperscript{33} 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 deceptive practice including any of the following practices, namely:-

   (1) the practice of making any statement, whether orally or in writing or by visible representation which,-

   (i) falsely represents that the goods are of a particular standard, quality, quantity, grade, composition, style or model;

   (ii) falsely represents that the services are of a particular standard, quality or grade;

   (iii) falsely represents any re-built, second-hand, renovated, reconditioned or old goods as new goods;

   (iv) represents that the goods or services have sponsorship, approval, performance, characteristics, accessories, uses or benefits which such goods or services do not have;

   (v) represents that the seller or the supplier has a sponsorship or approval or affiliation which such seller or supplier does not have;

\textsuperscript{31} Ibid, Sec. 2(p).
\textsuperscript{32} Ibid, Sec. 2(q).
\textsuperscript{33} Ibid, Sec. 2(r).
(vi) makes a false or misleading representation concerning the need for, or the usefulness of, any goods or services;

(vi) 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: Provided that where a defense is raised to the effect that such warranty or guarantee is based on adequate or proper test, the burden of proof of such defense shall lie on the person raising such defense;

(vii) makes to the public a representation in a form that purports to be-

(i) a warranty or guarantee of a product or of any goods or services; or

(ii) 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, if such purported warranty or guarantee or promise is materially misleading or if there is no reasonable prospect that such warranty, guarantee or promise will be carried out;

(viii) materially misleads the public concerning the price at which a product or like products or goods or services, have been or are, ordinarily sold or provided, and, for this purpose, a representation as to price shall be deemed to refer to the price at which the product or goods or services has or have been sold by sellers or provided by suppliers generally in the relevant market unless it is clearly specified to be the price at which the product has been sold or services have been provided by the
person by whom or on whose behalf the representation is made;

(ix) gives false or misleading facts disparaging the goods, services or trade of another person. *Explanation.*-For the purposes of clause (1), a statement that is-

(a) expressed on an article offered or displayed for sale, or on its wrapper or container; or

(b) expressed on anything attached to, inserted in, or accompanying, an article offered or displayed for sale, or on anything on which the article is mounted for display or sale; or

(c) contained in or on anything that is sold, sent, delivered, transmitted or in any other manner whatsoever made available to a member of the public, shall be deemed to be a statement made to the public by, and only by, the person who had caused the statement to be so expressed, made or contained;

(2) permits the publication of any advertisement whether in any newspaper or otherwise, for the sale or supply at a bargain price, of goods or services that are not intended to be offered for sale or supply at the bargain price, or for a period that is, and in quantities that are, reasonable, having regard to the nature of the market in which the business is carried on, the nature and size of business, and the nature of the advertisement.

*Explanation.*-For the purpose of clause (2), "bargaining price" means-
(a) a price that is stated in any advertisement to be a bargain price, by reference to an ordinary price or otherwise, or

(b) a price that a person who reads, hears or sees the advertisement, would reasonably understand to be a bargain price having regard to the prices at which the product advertised or like products are ordinarily sold;

(3) permits-

(a) the offering of gifts, prizes or other items with the intention of not providing them as offered or creating impression that something is being given or offered free of charge when it is fully or partly covered by the amount charged, in the transaction as a whole; the conduct of any contest, lottery, game of chance or skill, for the purpose of promoting, directly or indirectly, the sale, use or supply of any product or any business interest;

(3A) withholding from the participants of any scheme offering gifts, prices or other items free of charge on its closure the information about final results of the scheme.

Explanation: for the purpose of this sub clause, the participants of a scheme shall be deemed to have been informed of the final results of the scheme where such results are within a reasonable time published, prominently in the same newspaper in which the scheme was originally advertised;

(4) permits the sale or supply of goods intended to be used, or are of a kind likely to be used, by consumers, knowing or having reason to believe that the
goods do not comply with the standards prescribed by competent authority relating to performance, composition, contents, design, constructions, finishing or packaging as are necessary to prevent or reduce the risk of injury to the person using the goods;

(5) permits the hoarding or destruction of goods, or refuses to sell the goods or to make them available for sale or to provide any service, if such hoarding or destruction or refusal raises or tends to raise or is intended to raise, the cost of those or other similar goods or services.

(6) Manufacture of spurious goods or offering such goods for sale or adopting deceptive practices in the provision of services;

(2) Any reference in this Act to any other Act or provision thereof which is not in force in any area to which this Act applies shall be construed to have a reference to the corresponding Act or provision thereof in force in such area.

1.8. Design of the study

The study is divided into six chapters. The first chapter initiates with introduction covers methodological aspects of the study such as, statement of the problem, scope, importance, objectives and methodology of the study. The second chapter narrates historical background of the consumer movement in India and International level. The third chapter deals with the Consumer Safeguard Mechanisms in India which includes establishment, composition, jurisdiction, powers and functions of District Consumer Forum, State Commission and National Commission. The fourth chapter emphasizes on
working method of Bellary District Consumer Forum which includes brief profile and functioning of CDRF, Bellary and analyses the data by using simple and complex method of statistical techniques. The fifth chapter presents on findings of the Consumer Dispute Redressal Agencies in relation to defect in goods, deficiency in service, unfair trade practice and restrictive trade practices. Chapter sixth sums up with the broad conclusion of the study and offers suitable and appropriate suggestions.