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CONSUMER DISPUTES REDRESSAL AGENCIES

When we have any complaint regarding the goods or things we buy we approach the Consumer Courts for 'redressal'. These are the Courts for filing complaints against the traders and companies which have supplied either a wrong or faulty product like a mobile phone or air conditioner or have given a bad or deficient service like delaying that important courier which did not reach in time.

The Consumers Protection Act, 1986 enacted by Parliament, protects the interests of consumers in India. It makes provisions for the establishment of Consumer Councils and other authorities for the settlement of consumers' disputes and matters connected therewith.

Consumer Dispute Redressal Agencies have been established at three different levels. At the district level, there is a District Consumer Disputes Redressal Forum (DCDRF), which is also known as 'District Forum'. At the State level there is a State Consumer Disputes Redressal Commission (SCDRC), which is also known as 'State Commission'. At the National level, a 'National Consumer Disputes Redressal Commission (NCDRC) has been established by the Central Government. It is also known as 'National Commission'. It is a National level Court that works for the whole country and entertains complaints where the value of the goods or services and compensation, if any, claimed, exceeds one crore. It also hears and decides appeals against the orders or 'award' of State Commissions.



OBJECTIVES

After studying this lesson you will be able to:

- understand the meaning of term 'Redressal';
- 'define' 'Consumer Courts';



- identify the various types of Consumers Disputes Redressal Agencies;
- explain the Jurisdiction of District Forum, State Commission and National Commission; and
- Discuss New Developments in the field of Consumers Dispute Redressal.

30.1 WHAT IS CONSUMER REDRESSAL?

‘Redressal’ means a remedy for the loss suffered by consumers like us.

The word ‘REDRESSAL’ means a ‘REMEDY’. These Forums (Courts) award compensation to the consumer if the manufacturer or the trader or the service giver is at fault. So, anyone who has suffered a loss can claim compensation, i.e., some amount of money based on the loss incurred by the consumer. For example, if the manufacturer does not give a new handset, the manufacturer can be compelled to repay the money and also in some cases special amount of money for the inconvenience caused due to the faulty product.

The Consumer Protection Act, 1986 has provision for establishing these Redressal Agencies/Courts. There can be more than one ‘District Forum’ in a District if the State Government notifies about it. These Courts are presided over by the judge and there are two other members. The number of members and the appointment of Judge as the President of the Forum is slightly different for District, State and National Forums.

One more interesting thing about these Courts is they can file a complaint as per the value of the product and this is generally *called pecuniary value in legal language*.



INTEXT QUESTIONS 30.1

1. Define the term ‘Consumer Redressal’.
2. Give one word for ‘Redressal’.
3. Which Act provides for Consumer Redressal?
4. Can there be more than one District Forum in a District?
5. Who presides over the District Consumer Forums?

30.2 WHAT ARE CONSUMER COURTS?

Do you know what are ‘Consumer Courts’? They are Courts for filing complaints against the traders and companies which have given either a wrong or faulty product like a mobile phone, or have given a bad service like delaying that important courier which did not reach in time.

Three Types/Levels of Consumer Courts

These Courts (*Consumer Disputes Redressal Agencies*) are of three types/levels:

- *National Consumer Disputes Redressal Commission (NCDRC): A National Level Court*
- *State Consumer Disputes Redressal Commission (SCDRC): A state level court*
- *District Consumer Disputes Redressal Forum (DCDRF): A district level court*

Let us call these as 'National Commission', 'State Commission' and 'District Forum' respectively, in short.

For a person who is buying a TV right now at some shop or mall, these special type of Courts provide protection in case of any problem in the item or good/product/service. The process of filing a Complaint in a Consumer Court is very simple and extremely cheap as even common people like us can do it without any need of a lawyer or paying heavy fee.

**INTEXT QUESTIONS 30.2**

1. Define a 'Consumer Court'.
2. Name the Consumer Court at District level.
3. Name the Consumer Court at National level.

**Do you know**

These Forums are nothing but Courts and have judges to decide disputes relating to consumers.

30.3 CONSUMER DISPUTES REDRESSAL AGENCIES – DISTRICT, STATE AND NATIONAL LEVEL

You know that our country is divided into areas based on the geographical location. There are three types or levels of consumer courts in the country. These are – District Consumer Disputes Redressal Forum (DCDRF), State Consumer Disputes Redressal Commission (SCDRC) and National Consumer Disputes Redressal Commission (NCDRC). Every Court can take a complaint only upto

**Notes**

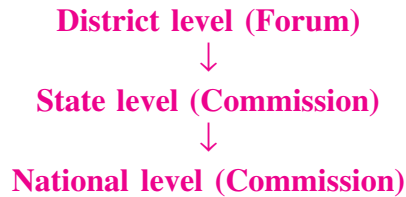


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a certain value. For example **the District Forum can take a complaint of upto 20 lakhs**. It means the **pecuniary jurisdiction** of the District Forum is upto 20 lakh rupees. The next level (State Commission) takes a higher value and the next level (National Commission) takes even higher without any limit.

It is worth mentioning here that ‘Forum’ and ‘Commission’ referred to above are nothing but Courts for the purposes of consumer complaints.

So it flows like this:



So, based on location and the pecuniary value one can file a complaint at the appropriate ‘Forum’. Apart from that, the next higher ‘Forum’/‘Commission’ takes appeals from the lower ‘Forum’.

District, State and National Level

District Consumer Disputes Redressal Forum (DCDRE): The District Consumer disputes Redressal Forum (DCDRF) which is also known as the ‘District Forum’, is established by the concerned State Government in each District of the State. The State Government may establish more than one District Forum in a district. It is a district level Court that deals with cases valuing upto twenty lakhs.

State Consumer disputes Redressal Commission (SCDRC): The State Consumer Disputes Redressal Commission (SCDRC) which is also known as ‘State Commission’, is established by the State Government concerned in the State. It is a State level Court for the redressal of consumer’s disputes. It decides cases exceeding rupees twenty lakhs but not exceeding rupees one crore.

National Consumer Disputes Redressal Commission (NCDRC): The National Consumer Disputes Redressal Commission (NCDRC) which is also known as ‘National Commission’ is established by the Central Government. Consumer’s disputes exceeding rupees one crore.



INTEXT QUESTIONS 30.3

1. What is the pecuniary jurisdiction of District Forum?
2. For filing a complaint against the mobile company which of the following will you go to?

1. District Forum
 2. State Commission
 3. National Commission
3. Mention the three levels at which these Forums/Commissions work.
 4. Where does appeal from State Commission go to?
 5. Where does appeal from District Forum go to?

30.4 NEW DEVELOPMENTS IN THE FIELD

'Mercedes' Benz fined

One of the world's oldest and leading luxury car manufacturer, 'Mercedes Benz' has been slapped a fine of Rs 2 lakhs for selling a used demo car as new to a customer in Chennai.

According to the National Consumer Disputes Redressal Commission, "Selling of used demo car without the knowledge of the customer amounts to an unfair trade practice within the Consumer Protection (CP) Act."

Justice R K Batta, NCDRC Bench said,

"Any false representation of rebuilt, second- hand, renovated, reconditioned or old goods as new goods, for the purposes of promoting sale thereof, amounts to an unfair trade practice and the victim deserves to be compensated."

30.4.1 Airtel asked to Pay

Airtel was directed to pay Rs 10,000 as compensation to one of its customers for providing faulty Internet connection. The East District Consumer Disputes Redressal Forum said the telecom company had provided deficient service to its customer, a Delhi-based lawyer.

30.4.2 Cadbury ordered to pay Rs 30,000 to man who found a pin in chocolate

A consumer court in Tripura has ordered **Cadbury India Ltd** to pay a compensation of Rs 30,000 to a complainant who found an iron pin inside a chocolate bar made by the company.

"A man purchased a 'Cadbury Chocolate' on Dec 16, 2011, for his three-year-old daughter and found an iron pin inside the bar when the girl tried to eat it. Subsequently, he filed a complaint before a Consumer Forum," a food department official told reporters here.



**Notes**

“After conducting a hearing, the West Tripura District Consumer Disputes Redressal Forum last week ordered Cadbury India Ltd to pay a compensation of Rs 30,000 to the complainant within a month.”

The ‘Forum’, which in its judgment said the chocolate was hazardous, also asked the chocolate company to pay Rs 1,000 to the complainant towards the cost of litigation.

**INTEXT QUESTIONS 30.4**

1. Can you think of any one product which you bought in the last few months which was defective? If yes, name it.
2. Give two cases in which the Consumer Courts directed to pay compensation for supplying faulty goods or articles.

**WHAT HAVE YOU LEARNT**

- The word ‘Redressal’ means a ‘Remedy’ for the loss suffered by consumer. There are ‘Consumer Disputes Redressal Agencies at District, State and National Level. These are called District Consumer Disputes Redressal Forum (DCDRF), State Consumer disputes Redressal Commission (SCDRC), and the National Consumer Disputes Redressal Commission (NCDRC) respectively.
- The District Consumer Disputes Redressal Forum (DCDRF), which is commonly known as ‘District Forum’ has the jurisdiction to entertain consumer’s complaints where the value of the goods or services and the compensation, if any claimed, does not exceed rupees twenty lakhs.
- The State Consumer Disputes Redressal Commission (SCDRC), which is also known as State Commission, has the jurisdiction to entertain complaints where the value of the goods or the services and the compensation, if any, claimed does not exceed rupees one crore. The ‘State Commission’ can hear and decide the appeal against the orders of District Forum within the district.
- The National Consumer Disputes Redressal Commission (NCDRC) which is commonly known as ‘National Commission’, has the jurisdiction to entertain complaints where the value of the goods or services and compensation, if any exceeds rupees one crore. The ‘National Commission’ has also the jurisdiction to hear and decide the appeals against the ‘award’ or orders of the ‘State Commission’.

- There have been some new developments in this field. One of the world's oldest leading luxury car manufacturer 'Mercedes Benz' has been slapped a fine of two lakhs for selling a used demo car as new to a customer in Chennai (Tamilnadu). The National Commission observed this amounts to unfair trade practice and the victim deserves to be compensated.

Similarly, 'Airtel' was directed to pay Rs 10,000 as compensation to a customer for providing faulty Internet connection.



TERMINAL QUESTIONS

1. Define the term 'Consumer Redressal'.
2. What is the 'remedy' for a 'faulty product' which is not replaced?
3. Name the three levels of Consumer Redressal Agencies provided in Consumer Protection Act, 1986.
4. Discuss the main provisions of Consumer Protection Act, 1986.
5. Explain in brief the various redressal agencies provided in the Consumer Protection Act, 1986.
6. Discuss any two cases which have been decided in favour of the consumers.



ANSWERS TO INTEXT QUESTIONS

30.1

1. 'Redressal' means a 'Remedy' for the loss suffered by consumers like us and this is provided by Consumer Forums/Commissions.
2. 'Remedy'
3. Consumer Protection Act, 1986
4. Yes
5. Judge

30.2

1. These are the Courts for filing complaints against the traders and companies which have supplied a wrong or faulty product like a mobile phone or have given a bad or deficient service like delaying an important courier which did not reach in time..



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**Notes**

2. District Consumer Disputes Redressal Forum (DCDRF)
3. National Consumer Disputes Redressal Commission (NCDRC)

30.3

1. 20 lakh rupees (upto)
2. District Forum
3. (i) District Forum (ii) State Commission (iii) National Commission
4. National Consumer Disputes Redressal Commission (NCDRC)
5. State Consumer Disputes Redressal Commission (SCDRC)

30.4

1. Air Conditioner (LG) 1.5 Ton capacity
2. (i) One of world's oldest and leading luxury car manufacturer, 'Mercedes Bens' has been slapped a fine of two lakhs for selling a used demo car.
(ii) 'Airtel' was directed to pay Rs 10,000 as compensation to a customer as compensation for providing faulty intrnet connection.