

The Consumer Protection Act of the Maldives 1996

Introduction

1. This Act provides for the establishment and protection of the rights of consumers. This Act shall be cited as the "Consumer Protection Act"

Provision against subjecting consumers to unfair discrimination

2. Unless otherwise specifically provided by any other law, consumers shall not be unfairly discriminated by sellers in the course of selling of goods or by service providers in the provision of services. It shall be an offense not to sell goods to any particular party or provide services to a particular party.

Circumstances in which goods may be hoarded

3. It shall be prohibited, except under the circumstances provided below, to hoard commercial goods in order to prevent its sale to a buyer.

- a) Prohibition of sale of such goods by law.
- b) Being in possession of permission from the Ministry of Trade and Industries to temporarily hoard the goods in order to carry out stock accounting or similar purposes.
- c) Sale of goods in a reasonable quantity to a buyer on any given occasion.
- d) Request to buy goods from a wholesaler in a quantity lesser than which is offered by the wholesaler.

Display of prices of goods

4. Except in respect of goods exempted by the Ministry of Trade and Industries, the retail prices shall be affixed to commercial goods sold in retail, and the wholesale prices shall be affixed to commercial goods sold in wholesale. Such prices shall be affixed to the goods or displayed in the place where the goods are sold, in a manner clearly visible to buyers. Goods shall not be sold to a buyer at a higher price than which is affixed to the goods or displayed in such place.

Selling of goods without any conditions except the requirement to make payment

5. It shall be prohibited to offer commercial goods for sale or to sell commercial goods subject to a condition requiring the purchase of any other goods or to any other condition other than the condition that the buyer shall pay the price of such good. This section does not prevent the sale items of same or various descriptions where packed together by the manufacturer or supplier of the goods to be so displayed for their sale, or where a particular item of goods is available for sale in a single unit, the sale of such goods packed together with items of various other descriptions.

Display of rates and conditions of services

6. (a) The rates of a service rendered by a service provider and conditions of a particular service, where such service is provided under specific conditions, shall be displayed in Dhivehi Language, in a clearly visible manner, at the place where the service is provided. Or a document containing such details shall be made available at the request of the seekers of such service.

(b) Where a form for request of services is in foreign language, arrangements shall be made for the form to be completed in Dhivehi Language as well.

Control of prices

7. (a) Based upon the availability of certain commercial goods in the Maldives or the economic conditions of the country, where it is found by the Ministry of Trade and Industries that prices of such goods be controlled, the Ministry shall have the discretion to control the price of those goods and to vary the controlled price in respect of various regions of the country taking into account, the costs involved in the carriage of such goods to those regions.

(b) Based upon the necessity of a service given in the Maldives or the economic condition of the country, where it is found by the Ministry relevant to such service that the rates of the service be controlled, such Ministry shall have the discretion to control the rates of the services and to vary the controlled rates in respect of the various regions of the country taking into account, the costs involved in the provision of such services.

(c) It shall be prohibited to sell goods, the prices of which have been controlled under sub-section (a) of this Section for an amount exceeding the controlled price, and to provide services, the rates of which have been controlled under sub-section (b) of this Section for an amount exceeding the controlled rates.

Acts prohibited in relation to sale of goods, provision of services and their advertisements

8. It shall be prohibited to commit or cause the commission of the following acts orally or by visible representation in relation to the sale of goods; the delivery of goods for its sale; the provision of services; or the advertisement of goods or services.

a) To sell by misrepresentation, goods other than those requested by the buyer or to provide by misrepresentation, a service other than which was requested by a seeker of service.

b) To falsely state or represent that goods are of a particular quality, description or model.

c) To falsely state that services are of a particular standard.

d) To falsely state or represent that goods are new or unused.

e) To falsely state or represent that sellers or service providers have approval or affiliation to a particular party or that the goods are manufactured by a certain party.

f) To falsely state or represent or express in a manner that could cause a mistaken belief, that prices of goods or rates of services have been reduced.

g) To falsely state or express in a manner that could cause a mistaken belief, the use of goods or services were available when they were not.

h) To falsely state or represent or express in a manner that could cause a mistaken belief, the benefits available under a warranty or guarantee of goods.

Communicating defect of goods prior to sale

9. Where commercial goods are damaged or not fit for the purpose, the buyer shall be informed of such defect prior to the sale of such goods.

Presentation and testing of goods

10. Where the buyer requests to test and examine any commercial goods so as to ascertain if such goods are not damaged or defective, such goods shall be presented to the buyer for examination and where such goods can be subjected to a test, such test shall be performed in the presence of the buyer.

Knowing of defect after buying

11. Where no agreement has been entered into between the seller and the buyer as regards dissolution of the transaction of sale, the buyer shall, upon finding within 24 hours that the goods bought were defective and after giving the details of the defect to the seller, have the right to reclaim the price of the goods bought or the same type of goods in exchange and return the goods.

Display of details and periods of use of packaged items

12. The type, ingredients, weights, quantity, date of manufacture, date of expiry and directions of use, shall be marked in accordance with the regulations determined by the Ministry of Trade and Industries on items of good either imported into the Maldives or goods manufactured in the Maldives in packages, cans, bottles or in boxes.

13. It shall be prohibited to display goods for sale in a place where such goods are sold or to sell goods after the expiry of the period of use of such goods and to display in places where it is sold, any goods which have been perished or contaminated to the extent injurious to human consumption.

Provision of receipt

14. Every seller who sells any commercial goods or service provider who provides any service shall, on demand, issue to the buyer or service seeker, a receipt containing the following details.

- (1) name, amount and type of the goods or services.
- (2) price of goods or rate of service.
- (3) the date on which the goods were sold or services were provided.
- (4) full name and address of the seller or service provider.

Formulation and enforcement of regulations

15. (a) All regulations which are required to be made under this Act shall be formulated and enforced by a party or parties appointed by the President.

(b) The relevant Ministries of the Government shall have the discretion to ensure whether the sellers and service providers comply with the provisions of this Act and regulations made under it.

Penalty

16. (a) the relevant Ministries of the Government shall have the discretion to fine a party who commits an offence prescribed in this Act or who commits an act in default of a provision of this Act, by an amount between Rf 500/- and Rf 100,000/- on the first instance, and by an amount between Rf 5000/- and Rf 100,000/- where such offence is repeated.

(b) Where a party having been fined in accordance with sub-section (a) of this Section is in default of the period given for remedying the default, or where an offence is repeated, the relevant Ministries of the Government shall have the discretion to close the establishment for a period not exceeding six months or to suspend the license granted to such establishment for a period not exceeding six months, in addition to the imposition of the fine prescribed in sub-section (a) of this Section.

Exemption

17. Any sale by auction shall be exempted from the provisions of this Act.

Definition

18. In this Act:

- a) "Service" means any service rendered for a price.
- b) "Commercial" means goods displayed for the purpose of sale in a place where such goods are sold

c) "Hoarding of goods" means the denial of possession of goods while keeping them in possession, or denial of sale of goods at prices for which such goods are generally available for sale on a commercial basis, or the denial of sale of commercial goods to desirous buyers while keeping them in display at a shop or any other place.

d) "Warranty or guarantee" means a document issued by the manufacturer or seller of goods stating that the goods sold are of a particular quality, or durable for a certain period, or that the goods will be replaced or repaired without any additional charge during the guaranteed period of durability.

Repeal

19. Upon the coming into force of this Act, Law No: 57/78 (Law relating to the hoardings of goods and controlling of prices of various goods) shall be repealed.