Chapter 5
Consumer Right

Let's Work these Out-Pg-77

Q.1 **What are the various ways by which people may be exploited in the market?**

Ans.: There are many ways by which consumers are exploited. A few of them are:

A. Selling at higher prices -- The price charged for the product will not be proportionate to the quality;

B. Product risk -- Drugs that are hazardous, banned or beyond expiry date, electrical appliances with inadequate safety precautions, etc;

C. Adulteration -- This is very common in food items and could prove to be highly injurious to one's health;

D. Sub-standard Products -- Items whose quality is far below the required standard;

E. False Claims -- Manufacturers make false representations about their products in the media with a view to mislead the consumers. Claiming that use of a particular oil will cure baldness, using a company's fairness cream for a specific period will make one fair, etc., are all typical examples of exaggerated, misleading advertisements; and

F. Warranty/Annual Maintenance Contract -- In many cases, though the product will have a warranty or will be under annual maintenance contract (AMC), when a problem arises, the consumer is told that certain parts will not be covered and they will have to pay.

Q.2 Think of one example from your experience where you thought that there was some 'cheating' in the market. Discuss in the classroom.

Ans.: Experience of cheating which I went through in the market is when I went to purchase vegetables in the market, I found out that the weighing machine used by the local vendors was fraudulent, While purchasing 1 kg of tomatoes they actually gave me only 850gms of tomatoes which I came to know by weighing the tomatoes in electric weighing machine.

Q.3 What do you think should be the role of government to protect consumers?
Ans.: The government is responsible for creating market places that are fair, efficient and competitive for producers, traders and consumers. Ministry of consumer affairs is responsible to protect the consumers.

The Indian government paid vital role for consumer protection by enacting various rules and regulations such as:

1) Consumer protection act, 1986.

2) Certification marks such as ISI for industrial goods, AGMARK for agricultural products etc., provides quality assurance of goods and services.

3) Consumer courts

4) Prevention of Black Marketing and Maintenance of Essential Commodities Act,

Let's Work these Out-Pg-78

Q.1 what could have been the steps taken by consumer groups?

Ans.: Consumer groups should issue leaflets providing information so as to educate consumers on matters affecting them.

● Consumer groups should press for proper labeling of the products with maximum price to be charged, the contents of the product, especially drugs, side effects if any, of the product etc.

● Organizing movements against the malpractices of manufacturers and traders of the products.

● They should have also supervised whether the government rules and regulations are fully implemented or not and force business organizations to follow the rules.

● On behalf of the consumer they should file a PIL for redressal of consumer grievances.

Q.2 There may be rules and regulations but they are often not followed. Why? Discuss.

Ans.: There are rules and regulations to protect the consumer from exploitation, but they are not followed because:

● Illiteracy and ignorance of consumers

● Limited supply of goods

● Compromising attitude of consumers

● Lack of competition

● Cumbersome ,expensive and time consuming process of consumer courts

● Lack of information

● Greed of sellers to earn more profits.

Let's Work these Out-Pg-79

Q.1 For the following (you can add to the list) products/services discuss what safety rules should be observed by the producer?

(a) LPG cylinder

(b) Cinema theatre

(c) Circus

(d) Medicines

(e) Edible oil

(f) Marriage pandal

(g) A high-rise building.

Ans.:

Product/Service	**Safety rules to be observed**
LPG cylinder	1. Check that the cylinder has been delivered with company seal and safety cap intact. 2. Ensure that there is no leakage of gas from the cylinder. 3. Look for due date of test which is marked on inner side of cylinder, if due date is over don't accept the cylinder. 4. Keep the cylinder away from inflammable items. 5. Disconnect LPG regulator when not in use and keep the cylinder in upright position.
Cinema theatre	Fire extinguishers should be installed in important areas of the premises. • Clearly marked and well illuminated exits should be there in all areas for emergencies like fire. A short documentary should be screened during every show by showing the exits, emergency escape routes and instructions as to what to do and what not

	to do in the case of fire or other hazards (As per directions of Hon'ble Supreme Court in the Uphaar Tragedy case). • The emergency department telephone nos. of nearest Hospitals, Police Station and Fire Department should be displayed in every show.
Circus	• Sufficient exits, well marked and properly lighted; • Lighted and unobstructed passageways to areas leading away from the structure;Inspection before the opening by the city electrical inspector to ascertain if any defects exist in the wiring and provision made for immediate correction of any defects which may be found; • Sufficient first-aid fire appliances to be distributed throughout the structure with operating personnel familiar with the operation of such equipment available and assigned during the use of such structure as a place of assembly; • Sufficient "No Smoking" signs visible at all times; • The cage for dangerous animals like lions should be secure. • Safety net should be there for trapeze artists.
Medicines	1. Date of manufacture, date of expiry, batch number and composition must be printed on the packaging. 2. Close your medicine caps tightly after every use. Choose child-resistant caps for medicine bottles, if you're able to.

Edible oil	1. Since the product is perishable check the manufacturing and expiry date. 2. Quality assurance can be checked through agmark for the product. 3. Store oil in a cool or dry location.
Marriage pandal	1. Adequate number of fire extinguishers should be installed in the premises. 2. Multiple entry and exit gates to avoid rush during an untoward incident. Check the electrical wiring to prevent fire and short circuit.
A high-rise building	1. Escalators should be of assured quality and provided with information of what to do during emergency. 2 Staircases must have handrails and emergency exit staircases should be at a different location from the daily use staircase.

Q.2 Find out any case of accident or negligence from people around you, where you think that the responsibility lay with the producer. Discuss.

Ans.: In my locality there was a building being developed, but the contractor used poor raw materials for the construction of the building and when the tenants went to stay there within few days the building got demolished automatically. A case was filed in the court and the contractor was sued for using for not following the quality standards during construction.

Let's Work these Out-Pg-81

Q.1 When we buy commodities we find that the price charged is sometimes higher or lower than the Maximum Retail Price printed on the pack. Discuss the possible reasons. Should consumer groups do something about this?

Ans.: There is a difference between the maximum retail price and actual price of the goods. The maximum retail price is inclusive of all taxes and a retailer can sell at a price below the MRP. In fact consumers should always look for retailers who sell below the MRP because the MRP is the maximum retail price allowed for that commodity and not the actual price and a retailer can well reduce his margin built into the MRP.

The possible reason for higher price may be overcharging by the retailer for an ignorant customer. Sometimes it also happens that the manufacturer increases the price of a products and sells old stocks/products on new price rates and if buyers ask the reason they simply answer that the Price has increased because of the changes in duties or increase in the cost of production and the new packages carry the revised MRP. Obviously, this new price does not apply to the stock already with the retailer. And this is where retailers try to make a quick buck by trying to sell the old stock at the new revised rate, even though doing so is an unfair trade practice.

Q.2 Pick up a few packaged goods that you want to buy and examine the information given. In what ways are they useful? Is there some information that you think should be given on those packaged goods but is not? Discuss.

Ans.: The information given on the package can be useful as follows

- Maximum Retail Price (MRP): consumer needs to pay only the price mentioned and not more than that.

● Date of production and best before: it reveals to the consumer whether the product is consumable or not due to its perishability nature.

● Ingredients used: It gives consumer information about the various items used in making the product. Examples are sugar for diabetics and salt for high blood pressure patients. Similarly if the product contains some ingredient which is allergic to the consumer he will not consume that.

● Energy information: it gives information about proteins, fats, carbohydrates, vitamins. It would make the consumer aware of the calories he consumes.

● On products such as medicines and electrical items safe and instructions to use should be mentioned .and method of storage for food items and drugs should be explicitly mentioned in the packaging label.

Q.3 People make complaints about the lack of civic amenities such as bad roads or poor water and health facilities but no one listens. Now the RTI Act gives you the power to question. Do you agree? Discuss.

Ans.: Yes, RTI gives us the power to question the government and help us find out who is responsible for the corruption or incompletion of work and make him liable for his Poor or bad performance. After the implementation of RTI there has been transparency and accountability in the government working and the consumer grievances are redressed ae early as possible.

Let's Work these Out-Pg-82

Q.1 Following are some of the catchy advertisements of products that we purchase from the market. Which of the following offers would really benefit consumers? Discuss.

(a) 15 gm more in every 500 gm pack.

(b) Subscribe for a newspaper with a gift at the end of year.

(c) Scratch and win gifts worth Rs 10 lakh.

(d) A milk chocolate inside a 500 gram glucose box.

(e) Win a gold coin inside a pack.

(f) Buy shoes worth Rs 2000 and get one pair of shoes worth Rs 500 free.

Ans.: (a) 15 gm more in every 500 gm pack – yes, the consumer gets additional quantity without having to pay extra for the additional quantity given free during the time of purchase.

(b) Subscribe for a newspaper with a gift at the end of a year – NO, Because there is no guarantee that at the end of the year gift will be provided further due to some problem you may not be able purchase newspaper for the entire year, you may stop in between and due to which you may lose your gift.

(c) Scratch and win gifts worth Rs 10 lakh – NO, because you get a scratch card only after you purchase some product and there is no guarantee that you will surely win a gift as it is purely on luck basis..

(d) A milk chocolate inside a 500 gram glucose box –YES, the consumer is getting something extra for which he is not paying and the offer is written there is a surety that the chocolate would be inside otherwise you can claim it.

(e)Win a gold coin inside a pack –NO, since winning a gold coin is purely on luck basis and of least probability and consumer has to spend first and then try out his luck.

(f)Buy shoes worth Rs 2000 and get one pair of shoes worth Rs 500 free : NO, most of the times the value of free good is included in the price of

the original good and further the free good may not be of assured quality and of the taste which the consumer wants.

Let's Work these Out-Pg-84

Q.1 Arrange the following in the correct order.

(a) Arita files a case in the District Consumer Court.

(b) She engages a professional person.

(c) She realizes that the dealer has given her defective material.

(d) She starts attending the court proceedings.

(e) She goes and complains to the dealer and the Branch office, to no effect.

(f) She is asked to produce the bill and warranty before the court.

(g) She purchases a wall clock from a retail outlet.

(h) Within a few months, the dealer was ordered by the court to replace her old wall clock with a brand new one at no extra cost.

Ans.:

(g), (c), (e), (b), (a), (f), (d), (h)

Let's Work these Out-Pg-86

Q.3 what is the difference between consumer protection council and consumer court?

Ans.: consumer protection council is a non-government organisation, spreading awareness among common people and help them to file cases in the court and get justice for the consumers. They represent individuals in the consumer courts.

Consumer courts are government organizations that provide redressal for consumer grievances by passing orders which are enforceable by law. Consumer court is established at district, state and national level.

Q.4 The Consumer Protection Act, 1986 ensures the following as rights which every consumer in India should possess.

(i) Right to choice

(ii) Right to information

(iii) Right to redressal

(iv) Right to representation

(v) Right to safety

(vi) Right to consumer education

Categorise the following cases under different heads and mark against each in brackets.

(a) Lata got an electric shock from a newly purchased iron. She complained to the shopkeeper immediately. ( )

(b) John is dissatisfied with the services provided by MTNL/BSNL/TATA INDICOM for the past few months. He files a case in the District Level Consumer Forum. ( )

(c) Your friend has been sold a medicine that has crossed the expiry date and you are advising her to lodge a complaint ( )

(d) Iqbal makes it a point to scan through all the particulars given on the pack of any item that he buys. ( )

(e) You are not satisfied with the services of the cable operator catering to your locality but you are unable to switch over to anybody else. ( )

(f) You realise that you have received a defective camera from a dealer. You are complaining to the head officer persistently. ( )

Ans.: Right to Safety:

According to this right the consumers have the right to be protected against the marketing of goods and services which are hazardous to life and property, this right is important for safe and secure life. This right includes concern for consumer's long term interest as well as for their present requirement.

Right to Information:

According to this right the consumer has the right to get information about the quality, quantity, purity, standard and price of goods or service so as to protect himself against the abusive and unfair practices. The producer must supply all the relevant information at a suitable place.

3. Right to Choice:

According to this right every consumer has the right to choose the goods or services of his or her likings. The right to choose means an assurance of availability, ability and access to a variety of products and services at competitive price and competitive price means just or fair price.

Right to be Heard or Right to Representation:

According to this right the consumer has the right to represent him or to be heard or right to advocate his interest. In case a consumer has been exploited or has any complaint against the product or service then he has the right to be heard and be assured that his/her interest would receive due consideration.

This right includes the right to representation in the government and in other policy making bodies. Under this right the companies must have complaint cells to attend the complaints of customers.

5. Right to Seek Redressal:

According to this right the consumer has the right to get compensation or seek redressal against unfair trade practices or any other exploitation. This right assures justice to consumer against exploitation.

Right to Consumer Education:

According to this right it is the right of consumer to acquire the knowledge and skills to be informed to customers. It is easier for literate consumers to know their rights and take actions but this right assures that illiterate consumer can seek information about the existing acts and agencies are set up for their protection.

(a) Lata got an electric shock from a newly purchased iron. She complained to the shopkeeper immediately. (Right to redressal)

(b) John is dissatisfied with the services provided by MTNL/BSNL/TATA INDICOM for the past few months. He files a case in the District Level Consumer Forum. (Right to representation)

(c) Your friend has been sold a medicine that has crossed the expiry date and you are advising her to lodge a complaint (Right to safety)

(d) Iqbal makes it a point to scan through all the particulars given on the pack of any item that he buys. (Right to consumer education)

(e) You are not satisfied with the services of the cable operator catering to your locality but you are unable to switch over to anybody else. (Right to choice)

(f) You realise that you have received a defective camera from a dealer. You are complaining to the head officer persistently. (Right to information)

Q.5 If the standardization ensures the quality of a commodity, why are many goods available in the market without ISI or Agmark certification?

Ans.: ISI mark is a certification mark for industrial products in India. The mark certifies that a product conforms to the Indian Standard, mentioned, developed by the Bureau of Indian Standards (BIS), the national standards body of India Standardization no doubt ensures the quality of a product but it is time consuming and expensive to avail it and Millions of micro, small and medium enterprises cannot afford it. Further it is not compulsory in the case of most products in the market, it is compulsory for electrical appliance, gold etc.

Q.6 Find out the details of who provides Hallmark and ISO certification.

Ans.: Hallmark certifies gold products and is provided by Gold Council of India. BIS hallmark is a "Hallmark" system for "Gold" as well as

“Silver". "Jewellery" sold in India has “BIS hallmark" which certifies that the piece of jewellery conforms to a set of standards laid by the Bureau of Indian Standards". "Bureau of Indian Standards is the national standards organization of India working under the aegis of Ministry of Consumer Affairs, Food & Public Distribution. It is established by the Bureau of Indian Standards Act, 1986 which came into effect on 23 December 1986

ISO certification is given by the International Standardization Organization headquartered in Geneva. India is a member of ISO organization and India follows ISO 9001, 14001 etc.

Exercises

Q.1 Why are rules and regulations required in the marketplace? Illustrate with a few examples.

Ans.: Rules and regulations are required in the market place to protect the consumers from unfair trade practices and exploitation by the sellers. Sellers often sell adulterated, defective, expired goods and every time it’s the consumer who has to suffer due to sellers malpractices. Examples:

- Sellers sell expired medicines which is injurious to the consumer’s health.
- Adulteration of milk by adding water, black pepper by adding papaya seeds etc.,

Hence rules and regulations are required to protect the consumers from such malpractices.

Q.2 What factors gave birth to the consumer movement in India? Trace its evolution.

Ans.: In India, the consumer movement originated as a social force with the necessity of protecting and promoting the interests of consumers against unethical and unfair trade practices.

Factors:

- Malpractices in business ,
- Rampant food shortages,
- hoarding,
- black marketing,
- Adulteration gave birth to the consumer movement in an organized form in 1960s.

Evolution:

Steps taken by pressure groups and civil society for creating consumer awareness resulted in formation of consumer protection act (COPRA) by the government on 24th December, 1986. Which is celebrated as National consumers' day.

Q.3 Explain the need for consumer consciousness by giving two examples.

Ans.: consumers being the victims of unfair trade practices of the seller need to be conscious during purchase of goods and services.

Examples:

- Sellers sometimes sell expired products like medicines, perishables, etc., which is injurious to health consumer needs to be conscious while purchasing such goods.

● Sellers sometime sell goods at a price greater than its MRP or sell defective goods like electronic items etc., hence consumers need to be conscious so that they don't get cheated by the seller.

Q.4 Mention a few factors which cause exploitation of consumers.

Ans.: Factors causing exploitation of consumers are:

(a) Limited Information:

Due to absence of correct and timely information regarding quality, price, instructions, warnings etc. Consumers are not aware of how to use the product and they end up paying more for product than the MRP.

(b) Limited Supplies:

The consumers are exploited when the goods and services are not available in the market to the required amount or quantity. This makes or gives chance for black marketing & hoarding, of the goods etc.

(c) Limited Competition:

At times only one producer or a group of producers produce some products. They manipulate the prices of their products by making these non-available for certain period. So the prices rise high and the benefit goes to that particular group causing loss to the customers.

(d) Literacy:

Illiterate people are very easily exploited by the sellers. Due to low literacy the level of consumer consciousness in our country is very low. It benefits the producers and sellers in keeping the rates of their products high and earns more profit. Thus the consumers are easily exploited.

Q.5 What is the rationale behind the enactment of consumer protection Act 1986?

Ans.: The Consumer Protection Act 1986 was enacted to provide for better protection of the interests of consumers and for that purpose to make provision for the establishment of Consumers Councils and other authorities for the settlement of consumers' disputes and for matters connected therewith. It provides consumers right to information, right to choose, right to grievances redressal etc.

Q.6 Describe some of your duties as consumers if you visit a shopping complex in your locality.

Ans.: Every consumer has certain rights and duties:

While going to a shopping mall he should exercise the following duties:

- He should be able to differentiate between branded and duplicate items.
- He should buy goods after checking the expiry date.
- He should check for ISI, AGMARK certification, and buy products which are under guarantee and warranty.
- He must ask for the invoice in the billing counter and help the government by paying taxes.
- He should create consumer awareness organizations and educate the locality people about their rights and duties.

Q.7 Suppose you buy a bottle of honey and a biscuit packet. Which logo or mark you will have to look for and why?

Ans.: While buying a bottle of honey or a biscuit packet, one would have to look for ISI LOGO OR AGMARK.

The logo or mark is issued by the government regulatory body to those sellers who follow the rules and regulations and quality standards for selling the product. The logo or mark is an assurance of quality of the product, the mark carries different number for different products and ensures guarantee of quality products. Hence one should look for logo while buying the products

Q.8 What legal measures were taken by the government to empower the consumers in Indian?

Ans.: Legal measures taken by the government to empower consumers in India are:

- MRTP ACT: (monopolies and restrictive trade practices act) 1984, to check unfair trade practices.
- COPRA ACT (consumer protection act) 1986, to protect consumers from exploitation in market place.
- Consumer courts: district, state and national levels for redressal of consumer grievances.
- RTI ACT (Right to information) 2005, Ensuring transparency in functioning of government departments.
- Central protection authority to recall products and initiate class suit against defaulting companies.
- Consumer helpline.

Q.9 Mention some of the rights of consumers and write a few sentences on each.

Ans.: 1. **Right to safety:**

Consumers have the right to be protected against the marketing of goods which are hazardous to life and health. Food additives and colors', dangerous toys, flammable fabrics, unsafe appliances are examples of such goods. Consumers are entitled to healthy and safe products.

2. Right to information:

It means the right to be informed about the quality, quantity, potency, purity, standard and the price of goods so as to protect the consumers against unfair trade practices.

3. Right to choose:

Consumers must have access to a variety of goods at competitive prices. Free competition and wide variety enable consumers to choose the best goods.

4. Right to be heard:

Consumers need to be assured that their interests will receive due consideration at appropriate forums.

5. Right to education:

Consumers have the right to be made aware of their rights and remedies available to them for redressal of their grievances.

6. Right to redressal:

Standing machinery must be provided for quick and satisfactory redressal of consumer grievances against unfair trade practices and exploitation by unscrupulous elements.

7. Right to healthy environment:

Consumers have the right to live in a pollution free environment. This is necessary to enhance the quality of human life.

Q.10 By what means can the consumers express their solidarity?

Ans.: Consumers can express their solidarity against unfair trade practices by forming:

- Consumer protection council
- Voluntary consumer association
- Resident welfare association
- Consumer clubs

Forming groups or associations helps consumers to put forward their views to the government and in turn government comes out with legal and financial aid such as consumer courts and fight cases against unscrupulous traders.

Q.11 Critically examine the progress of consumer movement in India.

Ans.: After the enactment of consumer protection act in 1986, various voluntary organizations were formed which helped in creating awareness about consumer rights and duties in the market place. Jago Grahak Jago initiative of the government made the consumers more conscious while buying goods and services. Establishment of consumer courts helped the consumers to sue the unscrupulous traders.

However there are only few recognised consumer associations and due to cumbersome, expensive and time consuming process of consumer courts many consumers are not willing to go through legal process for justice. There is an issue in implementation of various acts related to consumer protection.

Still India needs to go a long way in the process of consumer protection and making consumer the real king of the market.

Q.12 Match the following:

List I

(i) Availing details of ingredients of a product

(ii) Agmark

(iii) Accident due to faulty engine in a scooter

(iv) District Consumer Court

(v) Consumers International

(vi) Bureau of Indian Standards

List II

(a) Right to safety

(b) Dealing with edible oil and cereals

(c) Certification of edible oil and cereals

(d) Agency that develops standards for goods and services

(e) Right to information

(f) Global level institution of consumer welfare organization

Ans.: (i)-(e); (ii)-(c); (iii)-(a); (iv)-(b); (v)-(f); (vi)-(d)

Q.13 Say True of False.

(i) COPRA applies only to goods

(ii) India is one of the many countries in the world which has exclusive courts for consumer redressal.

(iii) When a consumer feels that he has been exploited, he must file a case in the District Consumer Court.

(iv) It is worthwhile to move to consumer courts only if the damages incurred are of high value.

(v) Hallmark is the certification maintained for standardization of jewellery.

(vi) The consumer redressal process is very simple and quick.

(vii) A consumer has the right to get compensation depending on the degree of the damage.

Ans.: (i) FALSE: It applies to both goods and services.

(ii) TRUE: Like USA, BRITAIN INDIA is one of the country having consumer redressal forum at district, state and national level.

(iii) TRUE: To protect the consumers from exploitation government established consumer courts at all the three levels .district consumer court entertains complaints where value of goods and services and compensation does not exceed 20 lakhs.

(iv) True: one can appeal in district consumer court when value of goods or services does not exceeds 20 crores.

One can appeal in state level when compensation exceeds rupees 20 lakhs but not 1 crore.

One can appeal in central council when compensation exceeds 1 crore.

(v) True: Logo or marks are given by government regulatory authorities and these marks indicate quality assurance of goods and services.

(vi) False: consumer redressal process is time consuming, expensive and cumbersome as the onus is on the buyer to provide evidence against fraudlenttrade practices of seller.

(vii) True : Based on the degree of damage he can appeal for compensation at various level of consumer forum district, state, national.