



UNIT 6

CONSUMER PROTECTION



17 CHAPTER

RIGHTS, DUTIES & RESPONSIBILITIES OF CONSUMERS

சலத்தால் பொருள்செய்தே மார்த்தல் பசுமண்
கலத்துள்நீர் பெய்திரீஇ யற்று.

—குறள் 660

COUPLET

(For a minister) to protect (his king) with wealth obtained by foul means is like preserving a vessel of wet clay by filling it with water.



Learning Objectives

To enable the students to understand the

- Rights of consumer
- Duties of consumers
- Responsibilities of the consumers

Chapter Synopsis

17.01 Rights of Consumer

17.02 Duties of Consumer

17.03 Responsibilities of Consumer

The modern marketing concept recognises that the consumer is the pivotal point around which the business moves. Satisfaction of consumer needs/requirements is stated to be supreme objective of a business. To protect their own interest, consumers must first be aware of their rights as buyers. This chapter explains about consumer duties, responsibilities as well as consumer rights.

RIGHTS OF CONSUMERS

DUTIES OF CONSUMERS

RESPONSIBILITIES OF CONSUMERS

17.01 Rights of Consumer

The modern marketing concept recognises the fact that the consumer is the pivotal point around which the entire business moves. Satisfaction of consumers wants and needs is stated to be the prime and supreme objective of a business. But in reality consumer feels he is supplied with adulterated stuff at a price far above the cost price. In order to protect their own interest, consumers must educate themselves about their rights.

Consumer Right is interpreted as “the right to have information about the quality, potency, quantity, purity, price, and standard of goods or services”.



The consumer is to be protected against any unfair practices of trade. It is mandatory for the consumers to know these rights. However, there are strong and clear laws in India to defend consumer rights. The most important law is the Consumer Protection Act, 1986. According to this law, everybody including individuals, a firm, a Hindu undivided family and a company, has the right towards the purchase of goods made by them. It is significant that, as a consumer, everyone should know the basic rights as well as about the courts and procedures that follow with the infringement of one's rights

John F. Kennedy's view on Consumer Rights

The former president of U.S.A Mr. John F. Kennedy defined the basic consumer rights as "The Right of Safety, the Right to be informed, the Right to choose and the Right to be heard."

The consumer is the king of the modern marketing, but in fact he is not. The various rights of consumers guaranteed under the Consumer Protection Act have been discussed here under.

i) Right to Protection of Health and Right of Safety

There may be few products that are more likely to cause physical danger to consumers' health, lives and property. They may contain potentially harmful substances which are dangerous from the consumer welfare point of view. The best examples of this kind are Food additives, colours, emulsifiers, preservatives. The health hazards which are likely to arise have to be eradicated or reduced altogether. In case of food items and drugs both life saving and life sustaining safety is to be guaranteed. One thing that is encouraging to-day is that recent legislations have shifted the responsibility for the production of such unsafe items onto the shoulders of sellers rather than on buyers.

ii) Right to be Informed

Consumers should be given all the relevant facts about the product so that they can take intelligent decisions on purchasing the product. Advertising and labelling on the package should provide objective information to buyers. This implies that manufacturer and the dealer are expected to disclose all the material facts relevant and relating to the product. The package should contain the full details about the name of the product, composition, dosage, date of manufacturing, date of expiry, batch number, warnings, antidote etc. In addition, it should clarify as to the name of the manufacturer, price with or without tax. Such information goes a long way towards saving the consumer against the possible deceit.

iii) Right to choose

Consumer satisfaction is the ultimate aim of modern marketing and is the philosophy of marketing concept. A wise trader or dealer or manufacturer is one who maximises his profits by maximising the consumer satisfaction. Consumer satisfaction can be increased by giving the consumer the widest choice. The term 'Choice' means offering the widest range of products in quality and brand varieties at reasonable prices. In short consumers should have access to varieties of goods in terms of colour, quality, design, size etc.

iv) Right to be Heard

Consumers have every right to ventilate and register his/her dissatisfaction, disagreements and get the complaint heard and aired. This right is vital. Business enterprises should lend a compassionate ear to complaints or grievances of consumers. All business enterprises should have a separate department or wing or segment for addressing consumer grievances.

v) Right to Seek Redressal

This step is one step ahead of the previous right. The complaints and protests are not just to be heard: but the aggrieved party is to be granted compensation within a reasonable time period. There should be prompt settlement of complaints and claims lodged by the aggrieved customers. This will boost consumer confidence and help render justice to buyers. There should be fair and just settlement of deserving claims in a definite timeframe.

vi) Right to Consumer Education

The consumer has a right to acquire knowledge and stay well-informed all through his life. He should be aware about his rights and the reliefs granted to him where a product or service falls short of his expectations. Many consumer organisations and some enlightened businesses are taking a pro active part in educating consumers in this respect.



vii) Right to Quality of Life

Quality of life refers to the perceived well-being of people, in groups and individually, and well-being of the environment in which these people live. Consumerism has been defined as 'an improved quality of life.' It means that the environmental problems affect the very life

of consumers and on the environment which people live. In other words air pollution, water pollution, food pollution, noise pollution, and relation pollution, and legacies of on-going industrialisation take a heavy toll on the quality of life of people and on the environment of their inhabitation. The social cost of these pollutions far exceed their social benefits. In other words, each kind of pollution is eating away the social benefits resulting from the society. It is where the social responsibilities of business enterprises arise; there is nothing wrong in producing the products/output for the mankind. But the manufacturers have to safely dispose the inevitable sewage and effluent in such a way that it does not cause any damage to human or environment.

viii) Right to Consumer Protection

The consumer has a right to be aware of his rights and remedies available to him, redress his grievances through publicity in the mass media. Consumer has a right to be protected against goods and services which are hazardous to life and health. For instance, electrical appliances which are manufactured with substandard components or which do not conform to the safety norms might cause serious physical injury to the user. Therefore, consumers need to be educated that they should use electrical appliances with ISI mark which stands testimony to the quality and standards observed in the manufacturers.

ix) Right to Basic Needs

Every consumer has a right to get basic necessities of life such as food, clothing and water, and right to pure and healthy environment. It is the latest addition to consumer bill of rights. Community life should be free from various modes of pollution. This will enhance the quality of human life.

17.02 Duties of Consumers

Apart from rights, there are certain duties imposed on the consumer. Consumer



should be conscious of his duties. He should make purchases judiciously and should not misuse his rights. Following are source of the duties of consumers:

i) Buying Quality Products at Reasonable Price

It is the responsibility of a consumer to purchase a product after gaining a thorough knowledge of its price, quality and other terms and conditions. The consumer should enquire about the price from certain shops and if possible from government stores to get an idea of its price. The consumer has to have the knowledge about the quality from his own experiences or from the experiences of other persons who used the product or by browsing the website. Hence it is the duty of the consumer to buy scrupulously.

ii) Ensure the Weights and Measurement before Making Purchases

The sellers often cheat consumer by using unfair weights and measures. The consumer should ensure that he/she is getting the product of exact weight and measure. Consumer should check the weights and balance of the product. Consumer should not buy a product which has been weighed along with its packing. Therefore the consumer should remain vigilant when the seller is naturally measuring or weighing the product.

iii) Reading the Label Carefully

It is the duty of the consumer to thoroughly read the label of the product. It should have correct, complete and true information about the product.

iv) Beware of False and Attractive Advertisements

Often the products are not as attractive as shown in the advertisement by the sellers. Hence, it is the prime duty of consumer not to get misled by such fraudulent advertisements.

v) Misleading Schemes

Mostly advertisements are used to be very attractive and appealing to the senses. They may be occasionally false and misleading. The consumer is supposed to be careful with the attractive advertisements and avoid such misleading and false advertisements. These days almost every product in the market is offered for sale with a gift, discount, or a free product to bait the consumer to buy. For example, a free comb with soap, a discount off on the price of the soap or one free soap on buying one, and the like. Often a consumer is allured by such offers and buys such a product even when it is not desperately in order, to avail them of free offer.

In this case consumers should not forget the fact that the seller has already inflated the price of the product supplied with free offer and recovers its cost price under the scheme. Hence the consumer should be aware of the fact that he is not getting anything free and should not buy unwanted things out of greed.

vi) Ensuring the Receipt of Cash Bill

It is a legitimate duty of consumers to collect cash receipt and warranty card supplied along with bills. This will help them in seeking redressal for their grievances. Unscrupulous sellers offer to reduce the final price of goods if they sell without bill. Often consumers get allured by this trap. In this case, if the goods bought without bill go out of order or turn defective, consumers cannot approach the consumer court without proof of purchase. Hence it is the duty of the consumer to demand and collect the cash receipt, and warranty card.

vii) Buying from Reputed Shops

It is advisable for the consumer to make purchase from the reputed shops or government shops like super bazaar, cooperative stores, and the like. The consumer by purchasing from such shops can escape from the malpractice of the manufacturers and shopkeepers or vendors.



viii) Never Purchase from Black Market

The consumer should discharge his duties as responsible citizen. He should not buy things from black market and in excess of his requirements. At times of scarcity consumer should not resort to panic buying and stock things excessively. This practice prevents others from purchasing their share of requirement.

ix) Buying Standardized Products

Often the consumer buys cheap products which are not durable or are not safe. Therefore, it is the duty of the consumer to buy products with standardization marks which is supposed to be safe in every respect.

x) Follow the Instruction of the Manufacturer

It is the duty of the consumer to use the product as per its instructions, e.g., if a medicine carries an instruction regarding its storage, it should be stored in the fridge. This would help in prevention of any damage to the medicine and harm to the consumer's health.

xi) Knowledge of Consumer Rights

These days it is not uncommon to see a seller trying to cheat the consumer in every possible way in order to earn quick profits. It is the duty of the consumer to be aware of his rights. If a consumer is cheated by a seller, then he should immediately lodge a complaint with the authorities designated for consumer grievance redressal rather than remaining a silent spectator.

17.03 Responsibilities of Consumer

Consumer rights, by themselves, cannot be effective in achieving the objective of consumer protection. Consumer protection can, in effect, be achieved only when the consumers also understand their responsibilities. Consumers should keep in mind their responsibilities while purchasing, using and consuming goods and services. Rights and responsibilities are two sides of the same coin. Just as consumers enjoy

certain rights, they owe certain responsibilities. The responsibilities of consumer are listed below;

1. The consumer must pay the price of the goods according to the terms and conditions of the sales contract.
2. The consumer has got a responsibility to apply to the seller for the delivery of the goods. He/she has to take delivery of the goods in time.
3. The consumer has to bear any loss, which may arise to the seller when the consumer delays taking delivery of the goods as per the terms of contract.
4. The consumer is bound to pay any interest and special damages caused to the seller in case if there is delay in the payment.
5. The consumer has to assiduously follow and keenly observe the instructions and precautions while using the products.
6. The consumer has the responsibility to express unambiguously to the seller of his requirements and expectations from the product.
7. The consumer must seek to collect complete information about the quality, quantity, price etc of the product before purchasing it.
8. The consumer must get cash receipt as a proof of goods purchased from the seller. If it carries any warranty, the buyer must obtain the warranty card mentioning the date of purchase and period of warranty. It must also bear the signature and stamp of the seller organisation.
9. The consumer must file a complaint with the seller concerned about defects or shortcomings noticed in their products and services.
10. The consumer should never compromise on the quality of goods. The consumers must watch for ISI, Agmark, FPO, the standard quality certification marks and the like in the label.



11. The consumer should not be carried away by exaggerating the quality of the goods through advertisements. If there is any discrepancy between the features advertised and the actual features observed in the product, it must be brought to the notice of the seller or advertiser.

12. The consumer has every right to safety, right to be informed, right to choose, right to represent, and right to seek redressal and right to seek information. If any of these rights is violated, the consumer should file a complaint with the appropriate legal machinery under the Consumer Protection Act, 1986.



Consumer's Name: Mr. Shashi Bhushan, Delhi

Bank Complaint against: Punjab National Bank

He has a salary account in Punjab National Bank, ECE House, K.G. Marg New Delhi.

His complaint is that while trying to withdraw money from PNB's ATM on 25th August 2012, the machine hang. He had entered only two digits of the password.

He waited a few minutes for the ATM machine to function properly and again tried withdrawing money but the machine hang again. Subsequently, he found out that ₹ 15000/- was debited from his account. He called up customer care and filed a complaint in this regard. He was given a complaint number. On 31st August 2012, the bank sent an sms to the customer rejecting his complaint, saying that the transaction was done successfully. Why is it interesting? As Punjab National Bank's ATM was not working, the customer could not even enter password. So there is no question of withdrawing money. How the bank debited amount from his account is a mystery. Secondly, the bank agreed to show footage of the transaction which the bank claimed to be genuine but later backed-out. This is a clear violation of RBI directive. Failed transaction in case of ATM requires not only reversal of any excess debit within 7 days but also ₹ 100 per day as penalty needs to be paid by the bank to the aggrieved customer after the specified period.

NCH Suggestions:- Customer must insist that PNB (which holds the recorded Footage of the ATM transaction) show him the recorded footage to him to prove once and for all who is at fault. Here if the customer has withdrawn the money bank is not required to do anything. But if the customer has not withdrawn the money as claimed by him and the recorded footage proves it, The consumer will not only get ₹ 15000 wrongly debited by the bank but also he is eligible to receive additional ₹ 5000 or more @ ₹ 100 each day of delay from 31st August 2012.

Key Words

Consumer rights	Consumer duties
Cash memo	Cash receipt
Consumer responsibilities	



For own Thinking

Students should watch the activities of consumer council of their school.



Case Study

Mr. K.V.Chandran bought a branded LED Television set from a popular T.V showroom with a warranty of five years and installed it in his home. After 18 months of the purchase, the audio system of the T.V developed trouble. He approached the dealer and claimed service to the T.V. but he refused to service the T.V. What is your suggestion to Mr. K.V. Chandran



For Future learning

Students should collect the information about consumer court activities, learn further about consumer rights through visit the following websites:

www.jagograhakjago.com

<https://consumeraffairs.nic.in>



Exercise



I. Choose the Correct Answers:

1. The final aim of modern marketing is _____

- a. Maximum profit
- b. Minimum profit
- c. Consumer satisfaction
- d. Service to the society

2. _____ is the king of modern marketing.

- a. Consumer
- b. Wholesaler
- c. Producer
- d. Reatailer

3. As the consumer is having the rights, they are also having _____.

- a. Measures
- b. Promotion
- c. Responsibilities
- d. Duties

4. Which of the following is not a consumer right summed up by John F. Kennedy

- a. Right to safety
- b. Right to choose
- c. Right to consume
- d. Right to be informed

5. It is the responsibility of a consumer that he must obtain _____ as a proof for the purchase of goods.

- a. Cash receipt
- b. Warranty card
- c. Invoice
- d. All of these

Answers:

1	c	2	a	3	c	4	c	5	a
---	---	---	---	---	---	---	---	---	---

II. Very Short Answer Questions:

- Write short notes on: "Right to be informed."
- What are the rights of consumer according to John F. Kennedy?
- Which is the supreme objective of business?

III. Short Answer Questions:

- What do you understand by "Right to redressal".
- What do you understand about "Right to protection of health and safety".

IV. Long Answer Questions:

- Explain the duties of consumers. (any 5)
- What are the responsibilities of consumers? (any 5)

References:

- Modern Marketing - S.A. Sherlekar
- Modern Marketing - R.S. N. Pillai and Bagavathi.
- Marketing Management - Dr. C.B.Gupta and Dr. N.Rajan Nair
- Marketing management - S.A. Sherlaker
- Marketing Management - R.S.N.Pillai and Bagavathi