

Chapter 5: Consumer Protection

Question: 1

Select the proper option from the options given below and rewrite the complete sentence:

Under the consumer Protection Act, 1986, there is a _____ quasi judicial consumer dispute redressal machinery for solving the complaints of the consumers.

Options

- Two-tier
- Five-tier
- Three-tier

Solution

Under the Consumer Protection Act 1986, there is a **three-tier** quasi-judicial consumer disputes redressal machinery for solving the complaints of the consumers.

Explanation:

Under the Consumer Protection Act, a three-tier machinery comprising District Forums, State Commissions and the National Commission has been set up for the speedy redressal of consumer grievances. This machinery works at the district, state and national levels. The prime motive of this three-tier machinery is to protect consumer interests against various forms of exploitation such as sale of defective goods, improper services and unfair trade practices.

Question: 2

Select the proper option from the options given below and rewrite the complete sentence:

In the modern competitive market, consumer is regarded as the _____.

Options

- King
- Agency
- Superintendent

Solution

In the modern competitive market, consumer is regarded as the **king**.

Explanation:

In the modern competitive market, the producer always produces goods and services keeping in mind the needs and desires of consumers. Customer satisfaction is the main objective of every organisation. Thus, in modern times, consumer is regarded as the king of the market.

Question: 3

Select the proper option from the options given below and rewrite the complete sentence:

A District Forum can entertain the claims up to Rs _____.

Options

- 10 lakh
- 20 lakh
- 1 crore

Solution

A district form can entertain the claims up to **Rs 20 Lakh**.

Explanation:

Those cases are taken to district courts in which the value of goods or services in question, along with the compensation that is claimed, is less than Rs 20 lakh. If the value in question exceeds Rs 20 lakh but is under 1 crore, the State Commission undertakes such cases. Also, if the value in question exceeds 1 crore, then the National Commission solves such cases.

Question: 4

Select the proper option from the options given below and rewrite the complete sentence:

State Consumer Dispute Redressal Commission is popularly known as _____.

Options

- National Commission
- State Commission
- District Forum

Solution

State consumer dispute redressal commission is popularly known as **State Commission**.

Explanation:

State governments have set up State Commissions for the redressal of consumer grievances. Like District Forums, State Commissions also comprise a president and two or more members, one of whom should be a woman.

Question: 5

Select the proper option from the options given below and rewrite the complete sentence:

The President of State Commission is _____.

Options

- District Court Judge
- Supreme Court Judge
- High Court Judge

Solution

The President of State commission is **high court judge**.

Explanation:

The president of a State Commission is the person who is or had been a high court judge. He is appointed by the state government after consulting the Chief Justice of the High Court.

Question: 6

Select the proper option from the options given below and rewrite the complete sentence:

Amendments were introduced to Consumer Protection Act in the year 1993 and _____.

Options

- 1998
- 2000
- 2002

Solution

Amendments were introduced to consumer protection act in the year 1993 and **2002**.

Explanation:

Two rights were introduced by the Amendment Act in 1993 and 2002. The first right is the right to be protected against unfair trade practices; the right was incorporated by the Amendment Act 1993. The second right is the right to be protected against spurious goods; the right was incorporated by the Amendment Act 2002.

Question: 7

Select the proper option from the options given below and rewrite the complete sentence:

Any person who does not agree with the decision of State Commission can appeal to the _____.

Options

- Supreme Court
- High Court
- National Commission

Solution

Any person who does not agree with the decision of State Commission can appeal to the **National Commission**.

Explanation:

In case the party filing the complaint is not satisfied with the order passed by the State Commission, it can file an appeal before the National Commission within 30 days of passing the judgement.

Question: 8

Select the proper option from the options given below and rewrite the complete sentence:

Right to _____ restricts monopolistic tendencies in the market.

Options

- information
- choose
- safety

Solution

Right to **choose** restricts monopolistic tendencies in the market.

Explanation:

The right to choose enables consumers to select from a variety of goods and services at competitive prices. The right ensures that the consumers are not compelled to purchase a good or service from only one seller. The consumer is free to choose the product he/she wants to buy from whichever place he/she prefers.

Question: 9

Select the proper option from the options given below and rewrite the complete sentence:

The Government has established _____ to settle the consumer disputes by compromise.

Options

- Lok Adalat
- District Forum
- Supreme Court

Solution

The Government has established **Lok Adalat** to settle the consumer disputes by compromise.

Explanation:

Lok Adalats have been established by the government to resolve cases that have been pending in the court for a long time. These Adalats resolve cases by the way of compromise and no court fee is charged.

Question: 10

Select the proper option from the options given below and rewrite the complete sentence:

National Commission has _____ members in addition to the president.

Options

- 2
- 3
- 4

Solution

National commission has **4 members** in addition to the president.

Explanation:

The National Commission, a consumer dispute redressal forum, consists of a president and a minimum of four other members, one of whom should be a woman.

Question: 11

Match the correct pairs.

Solution

The above columns can be correctly matched as follows:

	Group A		Group B
a	Right to Redressal	1	seek legal remedy in the court
b	District Judge	2	President of District Forum
c	Mumbai Grahak Panchayat	3	An NGO working for consumers
d	Consumer Protection Act	4	1986
e	Creating consumer awareness	5	use of media

a) The right to seek redressal ensures that grievances of a consumer are heard and he/she gets the compensation in case of any exploitation. This right provides for compensation in the form of replacement of product, cash compensation, repair/removal of defects, etc.

b) A district judge is the president of a District Forum. He is a person who is or has been qualified enough to be a district judge.

c) Mumbai Grahak Panchayat is an NGO working for consumers. The aim of this organisation is to educate consumers about their rights and to provide them legal assistance in case of their exploitation.

d) The Consumer Protection Act was passed in 1986. The Act provides for the protection of consumer interests against various forms of exploitation including unfair trade practices and improper services.

e) Media is playing a significant role in imparting education about various consumer rights, market practices and remedies available to consumers. Thus, it creates awareness among consumers so that they do not get exploited.

Question: 12

Write a word or a phrase or a term which can substitute the following.

The right of a consumer which allows him to express his views.

Solution

The right of a consumer which allows him to express his views – **Right to be heard.**

Explanation:

The right to be heard allows a consumer to file a complaint and assures that his/her grievances will be heard with due consideration. This right is one of the six rights of consumers; it assures the consumer that their interest will be taken care of at appropriate forum.

Question: 13

Write a word or a phrase or a term which can substitute following.

The right of a consumer which creates awareness in him about his rights.

Solution

The right of a consumer which creates awareness in him about his rights
- **Right to education**

Explanation:

The right to education makes consumers educated and aware about the rights they can exercise and the remedies available to them in case of exploitation. Consumers are educated through several means including newspapers and TV or radio advertisements given by government or other organisations.

Question: 14

Write a word or a phrase or a term which can substitute the following.

A consumer disputes redressal agency that handles the claims of above Rs 20 lakh up to Rs 1 crore

Solution

A consumer dispute redressal agency that handles the claims above Rs20 lakhs up to rupees one crore- **State Consumer Disputes Redressal Commission**

Explanation:

State Consumer Dispute Redressal Commission, which is also known as State Forum, is a redressal machinery that takes up cases where the value of goods and services or compensation involved is of more than Rs 20 lakh and less than Rs 1 crore. If the value in question is below Rs 20 lakh, then the case goes to the District Forum; and if the value in question exceeds Rs crore, then the case goes to the National Forum.

Question: 15

Write a word or a phrase or a term which can substitute the following.

Non-profit and non-political independent groups working for a definite cause.

Solution

Non-profit and non-political independent groups working for a definite cause -
Non-governmental organisation.

Explanation:

Non-profit and non-political independent groups working for a social cause are known as non-governmental organisations. Non-profit implies that they are not part of any profit-making business; while non-political means that they are not a part of government. Such organisations work for the welfare of the society.

Question: 16

Write a word or a phrase or a term which can substitute the following.

A consumer dispute redressal agency that handles claims up to rupees twenty lakhs.

Solution

A consumer dispute redressal agency that handles claims up to rupee twenty lakhs - **District Forum**

Explanation:

District Forums solve cases in which the value of goods (or services) in question, along with the compensation that is claimed, is less than Rs 20 lakhs. If, in case, the party filing the complaint is not satisfied with the verdict of the court, an appeal can be filed in the State Commission within 30 days of passing the judgement.

Question: 17

Distinguish between the following:

District Forum and State Commission.

Solution: 1

Sr. No.	Basis of Difference	District Forum	State Commission
1.	Meaning	A Consumer disputes redressal forum working at district level	A consumer disputes redressal forum working at state level.
2.	Monetary Jurisdiction	It can entertain the cases where the value of goods and services and the compensation claimed is	It can entertain the cases where the value of goods and services and the compensation claimed is more

		less than rupees twenty lakhs.	than rupees twenty lakhs and less than 1 crore.
3.	Duration	Every member should hold office for a term of five years or up to the age of sixty five years, whichever is earlier.	Every member should hold office for a term of five years or up to the age of sixty seven years, whichever is earlier.
4.	Nature of Complaints	Only original cases can be entertained which are within the local limits of a district.	It can entertain original cases and also appeals against the order of District Forum within the geographical limits of the state.
5.	Members	Other than president it has minimum two members.	Other than president it has minimum two members.
6.	Area Covered	It covers a particular district.	It covers a particular state.
7.	President	District judge or equivalent.	High court Judge or equivalent.

Solution: 2

Basis	District Forum	State Commission
Level	Works at the district level	Works at the state level
Compensation claim	Less than Rs 20 lakh.	More than Rs 20 lakh but less than Rs 1crore.
Scope for reappeal	In case the consumer is not satisfied with the judgement, he/she can file an appeal before the State Commission within 30 days of passing the judgement.	In case the consumer is not satisfied with the judgement, he/she can file an appeal before the National Commission within 30 days of passing the judgement.
President	He should be a judge at the district level or equivalent.	He should be or have been a judge of High Court.

Question: 18**Distinguish between the following:**

State commission and National commission.

Solution

State Commission and National Commission

Basis of Difference	State Commission	National Commission
Members	It comprises of a president and two or more members, one of whom should be a woman	It comprises of a president and four or more members, one of whom should be a woman
Compensation claim	It is more than Rs 20 lakh but less than Rs 1 crore.	It is more than
Scope for reappeal	In case the consumer is not satisfied with the judgment, he/she can file an appeal before the National Commission within 30 days of passing the judgment.	In case the aggrieved party is not satisfied with the order, an appeal can be filed before the Supreme Court.
President	He should be or should have been a judge at High Court.	He should be or should have been a judge at the Supreme Court.
Monetary Jurisdiction	It can entertain the cases where the value of goods and services and the compensation claimed is more than rupees twenty lakhs and less than rupees 1 crore .	It can entertain the cases where the value of goods and services and the compensation claimed is more than rupees 1 crore .
Duration	Every member should hold office for a term of five years or up to the age of sixty seven years, whichever is earlier.	Every member should hold office for a term of five years or up to the age of seventy years, whichever is earlier.
Nature of Complaints	It can entertain original cases and also appeals against the order of District Forum within the geographical limits of the state.	It can entertain original cases and also appeals against the order of state commission.
Area Covered	It covers a particular state.	It covers the entire country.

Question: 19**Distinguish between the following:**

National Commission and District Forum.

Solution

Basis	District Forum	National Commission
Members	It comprises a president and two or more members, one of whom should be a woman	It comprises a president and four or more members, one of whom should be a woman.
Compensation claim	Less than Rs 20 lakh.	More than Rs 1 crore
Scope for reappeal	In case the consumer is not satisfied with the judgment, he/she can file an appeal before the State Commission within 30 days of passing the judgment.	In case the aggrieved party is not satisfied with the order, an appeal can be filed before the Supreme Court.
President	He should be or should have been a judge at the district level.	He should be or should have been a judge at the Supreme
Monetary Jurisdiction	It can entertain the cases where the value of goods and services and the compensation claimed is less than rupees twenty lakhs.	It can entertain the cases where the value of goods and services and the compensation claimed is more than rupees 1 crore .
Duration	Every member should hold office for a term of five years or up to the age of sixty five years, whichever is earlier.	Every member should hold office for a term of five years or up to the age of seventy years, whichever is earlier.
Nature of Complaints	Only original cases can be entertained which are within the local limits of a district.	It can entertain original cases and also appeals against the order of state commission.
Area Covered	It covers a particular district.	It covers the entire country.

Question: 20**Write short note on the following.**

Rights of consumers.

Solution

The Consumer Protection Act enlists six rights for a consumer. They are:

- i. **Right to Safety**- Every consumer has the right to be safeguarded against goods and services that are hazardous to his/her life, health and property.
- ii. **Right to be Informed** - According to this, a consumer has the right to be informed of the quality, quantity, price, ingredients, weight, etc., of goods and services.
- iii. **Right to Choose**- A consumer has the right to choose from a variety of goods and services available at competitive prices; that is, a consumer should not be compelled to buy from any particular seller.
- iv. **Right to be Heard** - In case of any grievance or dissatisfaction, a consumer has the right to file a complaint.
- v. **Right to Seek Redressal**- A consumer has the right to seek redressal and compensation in case of any exploitation.
- vi. **Right to Consumer Education** - A consumer has the right to be educated and aware of his rights and available remedies in case of exploitation.

Question: 21

Write short note on the following.

Responsibilities of consumers

Solution

The responsibilities of consumers are as follows:

- i. **To be aware** - A consumer should be well aware of the availability of various goods and services. This enables him/her to make an informed decision.
- ii. **To be active** - A consumer should always be active while making the purchase and look for fair deals along with verifying the certification marks before purchasing goods. These marks include ISI (in case of electrical goods) and AGMARK (in case of agricultural goods).
- iii. **To protect environment** - He should use environment friendly products and should ensure that the disposal of goods do not harm the environment or surroundings.
- iv. **To read labels** - Label on a product provides information regarding its price, weight and expiry date. Thus, a consumer should read the labels carefully while buying goods.
- v. **To ensure honest transactions** - A consumer should always go for legal transactions and discourage illegal trade practices such as black marketing and

hoarding.

vi. To ensure safety - A consumer should carefully read the manual and instructions provided by the manufacturer so as to ensure safe use of the product.

Question: 22

Write short note on the following.

National Commission

Solution

The National Commission was set up by the central government. It consists of a president and four or more other members, one of whom should be a woman. A consumer can file a complaint directly in the National Commission in case the value of goods or services exceeds Rs 1 crore or if the consumer is not satisfied by the verdict of state commission, he can apply in national commission. And in case the aggrieved party is not satisfied with the order of National Forum, an appeal can be filed before the Supreme Court.

Question: 23

Write short note on the following.

State Commission

Solution

State Commissions have been established under the Consumer Protection Act for the redressal of various consumer grievances. A State Commission works at the state level and comprises a president and one or more members, one of whom is always a woman. A consumer can file a complaint in the appropriate State Commission in case the value of the goods or services in question is more than Rs 20 lakhs but less than Rs 1crore. Also, an aggrieved consumer not satisfied with the judgement of the lower forum (District Forum) can file an appeal before the State Commission.

Question: 24

Write short note on the following.

Role of NGOs in consumer protection.

Solution

Nowadays, consumer organisations and non-governmental organisations (NGOs) play an important role in protecting and promoting consumers' interests. Some of the important NGOs and consumer organisations include; Consumer Coordination Council, Common Cause, Consumer Protection Council, Consumers' Association and Mumbai Grahak Panchayat. Some of the functions performed by these organisations for consumer protection are as follows:

i. Educating consumers - NGOs and consumer organisations organise various training programmes and workshops to educate consumers about their rights and responsibilities.

ii. Publishing journals - In addition to training programmes and seminars, they also spread awareness through journals and periodicals. Journals and other publications provide knowledge about consumer problems, legal remedies available and other such matters.

iii. Providing legal assistance - They also provide legal assistance and aid to the consumers and help them in seeking redressal.

iv. Testing quality of products - They carry out quality tests for various products in laboratories and publish the results. Such results help the consumers in making informed decisions.

v. Taking initiatives - They not only encourage consumers to register complaints but also take initiatives in filing cases in the general interest of the public.

Question: 25

State with reasons whether the following statement is True or False.

The consumer protection act was passed in the interest of the sellers.

Options

- True
- False

Solution

The Consumer Protection Act was passed in the interest of sellers. - **False**

Explanation :

The Consumer Protection Act was passed in the interest of consumers. The Act emphasises protection of consumers' interests against various forms of exploitation such as defective goods, improper services and unfair trade practices.

Question: 26

State with reasons whether the following statement is True or False.

In India consumer protection act is not required.

Options

- True

- False

Solution

In India, the Consumer Protection Act is not required. - **False**

Explanation:

The Consumer Protection Act is needed in India because many people in the country are unaware of the rights they possess and the reliefs available to them. Also, a large chunk of the population is illiterate and unorganised; this results in the exploitation of consumers at the hands of sellers. Thus, the Consumer Protection Act is essential in India.

Question: 27

State with reasons whether the following statement is True or False.

Lok Adalat can rightly be described as "people's court".

Options

- True
- False

Solution

Lok Adalat can rightly be described as "people's court". - **True**

Explanation:

Lok Adalats deal with the problems of consumers. They take up cases that are pending in the regular courts and settle disputes by the way of compromise. Hence, it correct to say that Lok adalats are referred as "people's court"

Question: 28

State with reasons whether the following statement is True or False.

The Consumer Protection Act is a blessing for consumers.

Options

- True
- False

Solution

Consumer protection act is blessing for the consumers - **True**

Explanation:

The Consumer Protection Act is a blessing for consumers because the Act aims

at ensuring protection of consumers' interests against various forms of exploitation. Under the Act, a three-tier machinery comprising District Forums, State Commissions and the National Commission has been set up for the speedy redressal of consumer grievances.

Question: 29

State with reasons whether the following statement True or False.

The Government alone is fighting for consumer protection.

Options

- True
- False

Solution

The Government alone is fighting for consumer protection - **False**

Explanation:

Both government and non-governmental organisations are working for consumer protection. They perform various functions such as educating consumers, publishing journals, providing legal assistance in filing complaints and testing the quality of products with the motive of safeguarding the interest of consumers.

Question: 30

State with reasons whether the following statement is True or False.

Order issued by District Forum on a complaint is final.

Options

- True
- False

Solution

Order issued by District Forum on a complaint is final - **False**

Explanation:

The order issued by a District Forum on a complaint can be changed by the State Commission. In other words, in case the party filing the complaint at the District Forum is not satisfied with the verdict, it can file an appeal before the State Commission within 30 days of passing the judgement.

Question: 31

State with reasons whether the following statement True or False.

Consumer, being the king of the market, does not have any responsibilities.

Options

- True
- False

Solution

Consumer, being the king of the market, does not have any responsibilities.

- **False**

Explanation:

The consumer does have some responsibilities. These include being aware of the availability of goods and services, looking for certification marks and asking for cash memos to safeguard himself/herself from being exploited.

Question: 32

Write short answer of the following.

Explain any five rights of Consumers.

Solution

The following are the rights of a consumer:

i. Right to Safety - Every consumer has the right to be safeguarded against goods and services that are hazardous to his life, health and property.

ii. Right to be Informed - A consumer has the right to be informed about the quality, quantity, price, ingredients, weight, etc., of the goods and services.

iii. Right to Choose - A consumer has the right to choose from a variety of goods and services available at competitive prices; that is, he/she should not be compelled to buy from any particular seller.

iv. Right to be Heard - In case of any grievance or dissatisfaction, a consumer has the right to file a complaint.

v. Right to Seek Redressal - A consumer has the right to seek redressal and compensation in case of any exploitation.

Question: 33

Write short note on the following:

Importance of consumer protection

Solution

Importance of Consumer Protection :

1. Seller dominant market : If the market is dominated by sellers then the consumer's choice as well as his welfare gets the last preference. All the transactions are finalised in favour of sellers, middlemen and manufacturers, e.g. if there is shortage of goods then the buyer will have to buy a product at the price quoted by the seller.

2. Ignorance of consumer : Ignorance of consumers about their rights, market conditions, price levels, product details, etc. result into consumer exploitation. Many times consumers do not even realise that they are being cheated. e.g. a shopkeeper may sell a product which is actually received by him as free sample.

3. Tendency of the consumer: Majority of the consumers get attracted towards the products of cheap prices, discounts, various schemes, etc. This weakness of the consumers leads to their exploitation without their knowledge.

4. Unorganised consumer : Consumers are neither organized nor united. Compared to them the producers and sellers are in a superior position. An individual consumer cannot fight against powerful traders. Thus, it is easy to exploit unorganized and innocent consumers.

5. Nature of products : Now a days modern products are the end results of complicated production processes. It is beyond the capacity of poor and illiterate consumers to judge the quality or safety aspects of product. Moreover these consumers/customers cannot take legal help even though they realize that they are being cheated because they do not understand production process thoroughly.

6. Lack of information : Today's consumer lives in a complex world. Distance between producer and consumer is vast. It is impossible to establish direct contact between producer and consumer. After globalization and liberalization policy of the government, the market is full of domestic as well as imported products. But it is difficult for the consumer to get reliable information about the product before it is purchased. He relies on commercials of the product or on trial and error method. In both the cases chances of consumer exploitation are high.

7. Lack of participation of consumers : It is observed that certain decisions, which directly affect consumers interest are taken without any consultation with consumers or their organizations. e.g. Charges of cooking gas, telephone, electricity, etc. Only a strong consumer movement can pressurize various organizations to allow consumer participation in the decision making process.

8. Increase in consumption rate : Compared to earlier period, consumption rate is increased due to increase in population as well as tendency of the people to lead a comfortable life. It results into mass production, many varieties, increased prices, unfair trade practices, etc. Such a situation in the

market confuses the consumers
and they fall easy prey to exploitation.

9. To restrict unfair trade practices : When more and more consumers start taking support of Consumer Protection Act (1986) to resolve their grievances then it will automatically pressurise the manufacturers, middlemen and traders for not conducting the trade by unfair means.

(Any five)

Question: 34

Write short answer of the following.

Why is the enactment of Consumer Protection Act important for consumers?

Solution

The Consumer Protection Act was passed in 1986, by the parliament with the primary aim of protecting the consumers against exploitation and ensuring that their grievances are taken into care. The Act protects the interests of consumers against various forms of exploitation including defected products, unsatisfactory services and unfair trade practices such as black-marketing and hoarding. It also ensures speedy and inexpensive settlement of consumer disputes.

However, if a product or service is rendered free of charge, then no complaint is entertained against such products or services. The Consumer Protection Act also provides a three-tier machinery comprising District Forums, State Commissions and the National Commission for the redressal of consumer grievances.

Such a redressal system ensures that the consumer grievances are resolved in minimum time with no unnecessary delays. Hence, the enactment of the Consumer Protection Act is important for consumers.

Question: 35

Write short answer of the following.

What do you mean by Consumer?

Solution

A consumer is the final user of goods or services produced in an economy. He may be an individual, a household or even a group within an economy. In other words, consumers are all individuals who use goods with the approval of the seller; but, not for resale or commercial purposes.

As per the Consumer Protection Act, a consumer is defined as follows:

- Any individual who purchases any good for a consideration, which he has paid for or promised to pay; partly paid and partly promised or promised to pay in instalments. It includes all individuals who use the goods with the

approval of the seller. However, those individuals who purchase the goods for the purpose of resale or for commercial purposes are not considered as consumers.

- Any individual who avails any service or hires a service for which he has paid or promised to pay; partly paid and promised to pay the remaining part. It includes all individuals who have availed the service with the approval of the seller and not includes people who avail services for commercial purposes.

Question: 36

Write short answer of the following.

What is the jurisdiction of National Commission?

Solution

The National Commission is subjected to the following jurisdictions:

i. Monetary - A consumer can file a complaint in the National Commission in case the value of goods in question, along with the compensation claimed, is more than Rs 1 crore.

ii. Appellate - The case in which the party is not satisfied with the judgement of the District or State Forum can be filed with the National Commission.

iii. Supervisory - Here, the Commission can call for records and release orders accordingly.

Question: 37

Write short answer of the following.

What is the jurisdiction of the State Commission?

Solution

The State Commission is subjected to the following jurisdictions:

i. Monetary - A consumer can file a complaint with the State Commission in case the value of goods in question, along with the compensation claimed, is more than Rs 20 lakhs but less than Rs 1 crore.

ii. Appellate - The case in which the party is not satisfied with the judgement of the District Forum can be filed with the State Commission.

iii. Supervisory - Here, the Commission can call for records and release orders accordingly.

Question: 38

Write short answer of the following.

What functions do NGOs perform for consumers?

Solution

Nowadays, NGOs play an important role in protecting and promoting consumers' interests. Some of their functions in regard to consumer protection are as follows:

i. Educating consumers - NGOs and consumer organisations organise various training programmes and workshops to educate consumers about their rights and responsibilities.

ii. Publishing journals - In addition to training programmes and seminars, they also spread awareness through journals and periodicals. Journals and other publications provide knowledge about consumer problems, legal remedies available and other such matters.

iii. Providing legal assistance - They also provide legal assistance and aid to the consumers and help them in seeking redressal.

iv. Encouraging protest against exploitation - They encourage consumers to protest strongly against any form of exploitation and unfair trade practice.

v. Taking initiatives - They not only encourage consumers to register complaints but also take initiatives in filing cases in the general interest of the public.

Question: 39

Write short answer of the following.

State the responsibilities of consumers.

Solution: 1

Some of the responsibilities of a consumer are:

i. To be aware - A consumer should be well aware of the availability of various goods and services. This enables him/her to make an informed decision.

ii. To be active - A consumer should always be active while making the purchase and look for fair deals along with verifying the certification marks before purchasing goods. These marks include ISI (in case of electrical goods) and AGMARK (in case of agricultural goods).

iii. To protect environment - A consumer should take care of his/her surroundings, He should use environment friendly products and should ensure that the disposal of goods do not harm the environment around.

iv. To work together - Consumers should promote and protect the interest of other consumers. They should educate them about the rights of the consumers and work together to form consumer organisations so as to attain consumer

welfare.

v. To ensure honest transactions - A consumer should always go for legal transactions and discourage illegal trade practices such as black marketing and hoarding.

vi. To ensure safety - A consumer should carefully read the manual and instructions provided by the manufacturer so as to ensure safe use of the product. For example, instructions provided on electrical appliances must be carefully read before using them.

Solution: 2

Responsibilities of Consumers are as under: -

1. **Critical Awareness**: -It is the responsibility of the consumer to be alert and question about the price and quality of the goods and services he buys and uses. Consumers should look, listen and ask questions. He should assess the value for money, value for people and the value for environment.
2. **Action**: -It is the Consumer's responsibility to be assertive (**self-confident**) and acts to ensure that he gets a fair deal. As long as he remains as a passive (**inactive**) Consumer he will continue to be exploited. When something is wrong, one should act to put it right.
3. **Social Concern**: -It is the responsibility of a consumer to be aware of the impact of his use of consumer goods and services on the citizens, especially disadvantage and powerless groups whether in the local, regional or international community. He needs to make sure that the products and services he uses are not produced in an environmental that harms others.
4. **Environmental Concern**: -The consumer should understand environmental and other consequences of his consumption. He should recognize his individual and collective responsibilities to conserve natural resources and protect the earth for future generations.
5. **Sustainable Consumption**: -The Consumer, before buying goods or before availing services should satisfy himself about the need for the same and also should consume only up to his requirement and should not let goods or services go waste.
6. **Working Together**: -A consumer should the responsibility to promote and protect the interest of consumers. One should organize consumers and make them work together for the welfare of all consumers at large.

Question: 40

Answer the following question.

What do you mean by Consumer protection? Explain its importance.

Solution

Consumer protection refers to making consumers aware of their rights and responsibilities and helping them in seeking redressal for their grievances and complaints. Consumer protection is of prime importance to both consumers and businesses. The following points highlight the significance of consumer protection:

i. Consumer ignorance - Consumers, at large, are ignorant of their rights and responsibilities and various redressal mechanisms available to them. Therefore, it is important to educate them and make them aware of the same for their welfare.

ii. Consumer exploitation - Consumers often face exploitation in the form of unfair trade practices such as black marketing, hoarding and adulteration. Therefore, they should be made aware of various means by which they can protect themselves against such forms of exploitation.

iii. Unorganised consumer groups - To protect their interests, consumers should create consumer groups and set up organisations that work towards their welfare and protection.

iv. Lack of information - In the seller dominant market, the consumer fails to obtain correct and reliable information about the products and services available in the market. This enhances the probability of consumer exploitation and thus increases the need for consumer awareness.

v. General tendency of consumers - Generally, consumers go for products that are available at cheap rates or discounts. This increases the chance of their exploitation.

Question: 41**Answer the following question**

What do you mean by consumer? Explain various rights of consumer.

Solution

A consumer is the final user of goods or services produced in an economy. He may be an individual, a household or even a group within an economy. In other words, consumers are all individuals who use goods with the approval of the seller.

i. Right to Safety - Every consumer has the right to be safeguarded against goods and services that are hazardous to his/her life, health and property. For example, manufacturing defects in electrical appliances and cooking gas cylinders can be injurious. Thus, consumers have the right to be protected

against such products.

ii. Right to be Informed - A consumer has the right to be informed about the quality, quantity, price, ingredients, weight, etc., of goods and services. In India, it is legally mandatory for manufactures to provide all such information on the package and label of goods. This also helps the consumer to make a wise choice.

iii. Right to Choose - A consumer has the right to choose from a variety of goods and services at competitive prices. In other words, a consumer has the right to have access to a variety of products at fair and competitive prices. Thus, retailers or suppliers should offer a variety of products to their customers. They should not induce their customers to purchase a particular product or service.

iv. Right to be Heard - In case of any grievance or dissatisfaction, a consumer has the right to file a complaint. A consumer can file a legal complaint and seek redressal against any form of exploitation in appropriate forums established by the government. Nowadays, many consumer organisations and associations also work in this direction.

v. Right to Seek Redressal - A consumer has the right to seek redressal and compensation in case of any exploitation. The Consumer Protection Act provides for compensation in the form of replacement of product, cash back, repair/removal of defects, etc.

vi. Right to Consumer Education - A consumer has the right to be educated and aware of his rights and available remedies in case of exploitation. Many government and non-governmental organisations work actively in this regard.