

**Note****17**

CONSUMER PROTECTION

A consumer is said to be a king in a free market economy. The earlier approach of **caveat emptor**, which means "**Let the buyer beware**", has now been changed to **caveat venditor** which means "**Let the seller beware**". You may have often heard a lot of instances of the consumer being exploited by the sellers and facing problems during the purchase, use and consumption of goods and services due to unfair trade practices such as adulteration, false and misleading advertisement, hoarding, black marketing etc. All this calls for appropriate legal protection to be provided to the consumer.

This is why the Consumer Protection Act was first introduced in 1986, which has now been repealed and the new Consumer Protection Act was enforced on 20th July, 2020 replacing the previous act.



LEARNING OUTCOMES

- develop an understanding of a consumer and importance of consumer protection;
- identifies the importance of explaining the rights and responsibilities of consumers; and
- explains the measures adopted to protect a consumer.

17.1 MEANING OF CONSUMER

"A Consumer" means any person who-

- (i) buys any goods for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes

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any user of such goods other than the person who buys such goods for consideration paid or promised or partly paid or partly promised, or under any system of deferred payment, when such use is made with the approval of such person, but does not include a person who obtains such goods for resale or for any commercial purpose; or

- (ii) hires or avails of any service for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any beneficiary of such service other than the person who hires or avails of the services for consideration paid or promised, or partly paid and partly promised, or under any system of deferred payment, when such services are availed of with the approval of the first mentioned person, but does not include a person who avails of such service for any commercial purpose.

17.2 CONCEPT OF CONSUMER PROTECTION

Consumer protection means safeguarding the interest and rights of consumers. In other words, it refers to the measures adopted for the protection of consumers from unscrupulous and unethical malpractices by the business and to provide them with speedy redressal of their grievances. The most common business malpractices leading to consumer exploitation are given below:

- (a) Sale of adulterated goods i.e., adding something inferior to the product being sold.
- (b) Sale of spurious goods i.e., selling something of little value instead of the real product.
- (c) Sale of sub-standard goods i.e., sale of goods which do not confirm to prescribed quality standards.
- (d) Sale of duplicate goods.
- (e) Use of false weights and measures leading to underweight.
- (f) Hoarding and black-marketing leading to scarcity and rise in price.
- (g) Charging more than the Maximum Retail Price (MRP) fixed for the product.
- (h) Supply of defective goods.
- (i) Misleading advertisements i.e., advertisements falsely claiming a product or service to be of superior quality, grade or standard.

- (j) Supply of inferior services i.e., quality of service lower than the quality agreed upon.
- (k) E-commerce will now be governed by all the laws that apply to direct selling. All the e-commerce platforms will have to disclose sellers' details, such as their address, website, email, etc and other conditions related to refund, exchange, terms of contract and warranty on their website to increase transparency.

The above instances show the exploitation of consumers in the context of goods and services. In a democratic nation like India, should we allow this to happen? So, the measures adopted by the government or non-government organisations (NGOs) for safeguarding the interests of the consumers constitute consumer protection.

Examples of Consumer Exploitation in India:

- Coca Cola was found guilty of supplying drinks unfit for human consumption, which was upheld by the State Consumer Commission and had to pay Rs. 1 lakh for damages to the consumer .
- The after sales service provider of the television set charged Rs 500 as service charge though he repaired the set within the warranty period.
- The tickets issued to different passengers on the same day for the same journey showed the same seat number.
- Penalty of Rs. 50 was charged by SBI after issuing the cheque book to the customer showing that the balance available in the account was less than the minimum required balance for issue of cheque book
- The supply of cooking gas cylinder to the consumers is found to be underweight

17.3 IMPORTANCE OF CONSUMER PROTECTION

Consumer Protection has a vast agenda. It includes educating consumers about their rights and responsibilities and also helps in getting their grievances redressed. Consumer Protection is imperative to both the consumers and the business.

The importance of consumer protection from the consumers' point of view can be understood from the following points:

(i) Consumer Ignorance

In the light of widespread ignorance of consumers, it is necessary to educate consumers about the rights and reliefs available to them so as to prevent consumer exploitation.



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(ii) Unorganised Consumers

Consumers need to be organised in the form of consumer organisations which would look after their interests. Though, in India, consumer organisations have been set up, adequate protection is required to be given to consumers till these organisations become powerful enough to protect and promote the interests of consumers.

(iii) Widespread Exploitation of Consumers

Consumers need protection against unscrupulous, exploitative and unfair trade practices like defective and unsafe products, adulteration, false and misleading advertising, hoarding, black-marketing etc.

From the point of view of Business

A business must also lay emphasis on protecting the consumers and adequately satisfying them. This is important because of the following reasons:

(i) Long-term Interest of Business

Enlightened businesses realise that it is in their long-term interest to satisfy their customers. Satisfied customers not only lead to repeat sales but also help to gain prospective customers.

(ii) Business uses Society's Resources

Business organisations use resources which belong to the society and thus, have a responsibility to supply such products and render such services which are in public interest.

(iii) Social Responsibility

A business has social responsibility towards various interest groups. Business organisations make money by selling goods and providing services to consumers thus, their interest has to be well taken care of.

(iv) Moral Justification

It is the moral duty of any business to take care of consumer's interest and avoid any form of their exploitation.

(v) Government Intervention

A business engaging in any form of exploitative trade practices would invite government intervention or action. This can impair and tarnish the image of the company.



INTEXT QUESTIONS 17.1

- 1) Give five instances of your daily life in which you see yourself as a consumer.
- 2) Put (✓ / ✗) mark in the box provided to identify consumer exploitation.
 - (a) Turmeric powder sold with mixture of yellow colour.
 - (b) Purchased a table fan with two years warranty.
 - (c) Packet of noodles, marked on the label as 100 gms, but actually it weighs 80 gms.
 - (d) A passenger travelled in a deluxe bus but the seat was very much uncomfortable.



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17.4 RIGHTS OF THE CONSUMERS



Fig. 17.1 Rights of Consumers

1) Right to Safety

Right to Safety means right to be protected against the marketing of goods and services, which are hazardous to life and property. The purchased goods and services availed should not only meet their immediate needs, but also fulfil long-term interests. Before purchasing, consumers should insist on the quality of the products (ISI, AGMARK) as well as on the guarantee of the products and services.

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2) Right to be Informed

Refers to the right to be informed about the quality, quantity, potency, purity, standard and price of goods so as to protect the consumer against unfair trade practices. This will enable him to desist from falling prey to high pressure selling techniques and act wisely.

3) Right to Choose

This means the right to be assured of access to a variety of goods and services at competitive prices. In case of monopolies, it means the right to be assured of satisfactory quality and service at a fair price.

4) Right to be Heard

It implies that the consumer's interests will receive due consideration at appropriate forums and they will be represented in various forums formed to consider the consumer's welfare. The Consumers should form non-political and non-commercial consumer organisations which can be represented in various committees formed by the Government and other bodies in matters relating to consumers.

5) Right to Seek redressal

This means the right to seek redressal against unfair trade practices or unscrupulous exploitation of consumers and the right to fair settlement of the genuine grievances of the consumer. Consumers must lodge complaints for their genuine grievances.

6) Right to Consumer Education

It implies that the consumer has a right to acquire the knowledge and skill to be an informed consumer throughout life. Ignorance of consumers, particularly of rural consumers, is mainly responsible for their exploitation.

17.5 RESPONSIBILITIES OF A CONSUMER

1. Consumer must Exercise his Right

Under Consumer Protection Act, the consumer is granted various rights such as right to safety, right to choose etc. But these rights will be useful only when the consumer exercises these rights. The consumer must file a complaint, be aware of his rights and exercise them whenever required.



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2. Cautious Consumer

The consumer should not believe the words of seller blindly. He must insist on getting full information about the goods or services.

3. Filing Complaints for the Redressal of Genuine Grievances

Most of the time consumer ignores the loss he suffers on purchase of defective good or service. The consumer must file a complaint even for a small loss. This awareness among consumers will make the sellers more conscious to supply quality product.

4. Consumer must be Quality-Conscious

The problems of supply of sub-standard goods, adulterated products and duplicate products can be solved only when the consumer looks for quality marks such as ISI mark, Agmark etc. while purchasing the goods or services.

5. Do not be carried away by Advertisements

The advertisements often exaggerate the qualities or features of product or service. The consumer must compare the actual use of the product with the use shown in advertisement and insist to stop showing exaggerated qualities if required.

6. Insist on Cash Memo

To file a complaint the consumer needs the evidence of purchase, and a cash memo is the proof that the consumer has paid for the goods or service. A seller is bound to give a cash memo even if the buyer does not ask for it.

7. Form consumer societies

Form consumer societies which could play an active part in educating consumers and safeguarding their interest and protecting them from exploitation by sellers.

8. Be environment friendly

The consumer must respect the environment; avoid waste littering and contribution to pollution.



INTEXT QUESTIONS 17.2

- 1) List the various rights that you have as a consumer.
- 2) Identify the relevant rights of a consumer being violated in the following instances.
 - (a) A bottle of acid sold but the cap was not properly sealed.





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- (b) Medicine sold without date of manufacturing and date of expiry printed on its packet.
- (c) The seller compels the consumer to purchase the available product.
- (d) The common consumers are not aware of their rights, right path and procedure for filing the complaints.

3) Match the following Marks indicating the quality with the corresponding products:

Marks indicating quality	Product
I. 	a. Processed Foods
II. 	b. Agricultural Goods
III. 	c. Jewellery
IV. 	d. Industrial Products

17.6 WAYS AND MEANS OF CONSUMER PROTECTION

In India large numbers of consumers living below poverty line, are illiterate and unaware of their rights. So, consumer protection movement cannot be the same as followed by developed countries. In India it has to be a social movement wherein people of all walks of life have to play their role. Following are some ways and means of consumer protection followed in India:

1. Self-Regulation by Business

Large business houses have realised that they can prosper and grow for a long period of time only by giving due importance to consumers. Socially responsible firms follow quality standards and have started a customer grievance cell to attend the complaints of consumers.



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2. Business Associations

Various business associations such as Federation of Indian Chamber of Commerce and Industry (FICCI) and Confederation of Indian Industry (CII) have framed codes of conduct which lay down guidelines for dealing with customers.

3. Awareness Programme

To increase the level of awareness among the consumers the Government of India has initiated various publicity measures. It regularly brings out journals, brochures, booklets and various posters. It observes World Consumer Rights Day on 15 March and National Consumers Day on 24 December every year.

4. Consumer Organisations

Consumer organisations play an important role in educating consumers regarding their rights and duties. These organisations also help consumers to get relief in case of exploitation by the seller.

Examples of such organisations are:- CERC (Consumer Education and Research Centre), Ahmedabad; VOICE (Voluntary Organisation in the Interest of Consumer Education), New Delhi ; CGSI (Consumer Guidance Society of India)

5. Government

The Government of India has framed a set of laws and legislations to protect the interests of consumers and the most important act framed by the government is Consumer Protection Act 2019. This Act has provided three tier redressal agencies, i. e., District Forum, National Commission and State Commission.

6. Lok Adalat

Lok Adalats are the effective and economical system for quick redressal of the public grievances. The aggrieved party can directly approach the adalats with his grievance, and his issues are discussed on the spot and decisions are taken immediately. Cases of electricity billing, telephone billings, road accidents etc. can be taken up in Lok Adalat for spot settlement. Infact, Indian Railways, Mahanagar Telephone Nigam Limited and Delhi Vidyut Board hold Lok Adalats regularly to settle user's grievances on the spot.

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7. Public Interest Litigation

Public Interest Litigation (PIL) is a scheme under which any person can move to the court of law in the interest of the society. It involves efforts to provide legal remedy to un-represented groups and interests. Such groups may consist of consumers, minorities, poor persons, environmentalists and others. Any person or organisation, though not a party to the grievances, can approach the court for remedial action in case of any social atrocities.

8. Consumer Welfare Fund

The government has created a consumer welfare fund for providing financial assistance to strengthen the voluntary consumer movement in the country, particularly in rural areas. This fund is mainly used for setting up facilities for training and research in consumer education, complaint handling, counselling and guidance mechanisms, product testing labs, and so on.

9. Legislative Measures

A number of laws have been enacted in India to safeguard the interest of consumers and protect them from unscrupulous and unethical practices of the businessmen. Some of these Acts are as follows:

- (i) Drug Control Act, 1950
- (ii) Agricultural Products (Grading and Marketing) Act, 1937
- (iii) Industries (Development and Regulation) Act, 1951
- (iv) Prevention of Food Adulteration Act, 1954
- (v) Essential Commodities Act, 1955
- (vi) The Standards of Weights and Measures Act, 1956
- (vii) Monopolies and Restrictive Trade Practices Act, 1969
- (viii) Prevention of Black-marketing and Maintenance of Essential Supplies Act, 1980
- (ix) Bureau of Indian Standards Act, 1986

The object and interest of almost all these enactments are mainly punitive, though some of these are also preventive in nature.



INTEXT QUESTIONS 17.3

- 1) Fill in the blanks
 - (a) World Consumer Right Day is observed on.....
 - (b) National Consumer Day is observed on.....
- 2) State the various ways and means of consumer protection.
- 3) Give the full form of the following:
 - (a) VOICE
 - (b) CGSI

17.7 CONSUMER PROTECTION ACT

The Consumer Protection Act was first passed in 1986 and it came into force from 1 July 1987. The new Consumer Protection Act 2019 received the assent of the President on the 9th August, 2019 and was enforced on 20th July, 2020. The basic aim of the Consumer Protection Act, 2019 is to save the rights of the consumers by establishing authorities for timely and effective administration and settlement of consumers' disputes.

Key features of the Consumer Protection Act, 2019

1. Establishment of the Central Consumer Protection Authority (CCPA)

The Act has the provision of the establishment of the CCPA which will protect, promote and enforce the rights of consumers. The CCPA will regulate cases related to unfair trade practices, misleading advertisements, and violation of consumer rights.

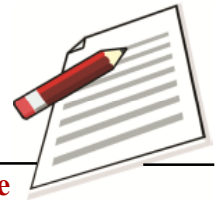
The CCPA will have the right to impose a penalty on the violators and passing orders to recall goods or withdraw services, discontinuation of the unfair trade practices and reimbursement of the price paid by the consumers.

The Central Consumer Protection Authority will have an investigation wing to enquire and investigate such violations. The CCPA will be headed by the Director-General.

2. Rights of consumers

- i. To have information about the quantity, quality, purity, potency, price, and standard of goods or services.
- ii. To be protected from hazardous goods and services.
- iii. To be protected from unfair or restrictive trade practices.
- iv. To have a variety of goods or services at competitive prices.

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3. Prohibition and Penalty for a Misleading Advertisement

The Central Consumer Protection Authority (CCPA) will have the power to impose fine on the endorser or manufacturer of up to 2-year imprisonment for misleading or false advertisement (e.g. Laxmi Dhan Warsha Yantra).

Worth to mention that repeated offense, may attract a fine of Rs 50 lakh and imprisonment of up to 5 years.

4. Consumer Disputes Redressal Commission

The act has the provision of the establishment of the Consumer Disputes Redressal Commissions (CDRCs) at the national, state and district levels.

The CDRCs will entertain complaints related to;

- i. Overcharging or deceptive charging
- ii. Unfair or restrictive trade practices
- iii. Sale of hazardous goods and services which may be hazardous to life.
- iv. Sale of defective goods or services

5. Covers E-Commerce Transactions

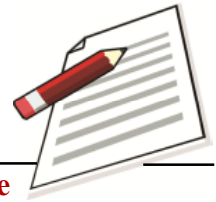
The New Act has widened the definition of 'consumer'. The definition now includes any person who buys any goods, whether through offline or online transactions, electronic means, teleshopping, direct selling or multi-level marketing. The earlier Act did not specifically include e-commerce transactions, and this lacuna has been addressed by the New Act.

6. Enhancement of Pecuniary Jurisdiction

Revised pecuniary limits have been fixed under the New Act. Accordingly, the district forum can now entertain consumer complaints where the value of goods or services paid does not exceed INR 10,000,000 (Indian Rupees Ten Million). The State Commission can entertain disputes where such value exceeds INR 10,000,000 (Indian Rupees Ten Million) but does not exceed INR 100,000,000 (Indian Rupees One Hundred Million), and the National Commission can exercise jurisdiction where such value exceeds INR 100,000,000 (Indian Rupees One Hundred Million).

7. E-Filing of Complaints

The New Act provides flexibility to the consumer to file complaints with the



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jurisdictional consumer forum located at the place of residence or work of the consumer. This is unlike the current practice of filing it at the place of purchase or where the seller has its registered office address. The New Act also contains enabling provisions for consumers to file complaints electronically and for hearing and/or examining parties through video-conferencing. This is aimed to provide procedural ease and reduce inconvenience and harassment for the consumers.

8. Establishment of Central Consumer Protection Authority

The New Act proposes the establishment of a regulatory authority known as the Central Consumer Protection Authority (CCPA), with wide powers of enforcement. The CCPA will have an investigation wing, headed by a Director-General, which may conduct inquiry or investigation into consumer law violations.

The CCPA has been granted wide powers to take suo-moto actions, recall products, order reimbursement of the price of goods/services, cancel licenses and file class action suits, if a consumer complaint affects more than 1 (one) individual.

9. Product Liability & Penal Consequences

The New Act has introduced the concept of product liability and brings within its scope, the product manufacturer, product service provider and product seller, for any claim for compensation. The term 'product seller' is defined to include a person who is involved in placing the product for a commercial purpose and as such would include e-commerce platforms as well. The defense that e-commerce platforms merely act as 'platforms' or 'aggregators' will not be accepted. There are increased liability/ risks for manufacturers as compared to product service providers and product sellers, considering that under the New Act, manufacturers will be liable in product liability action even where he proves that he was not negligent or fraudulent in making the express warranty of a product. Certain exceptions have been provided under the New Act from liability claims, such as, that the product seller will not be liable where the product has been misused, altered or modified.

10. Unfair Trade Practices

The New Act introduces a special broad definition of Unfair Trade Practices, which also includes sharing of personal information given by the consumer in confidence, unless such disclosure is made in accordance with the provisions of any other law.

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11. Provision for Alternate Dispute Resolution

The New Act provides for mediation as an Alternate Dispute Resolution mechanism, making the process of dispute adjudication simpler and quicker. This will help with the speedier resolution of disputes and reduce pressure on consumer courts, who already have numerous cases pending before them.

17.8 WHO CAN FILE A COMPLAINT?

The following persons can file a complaint under Consumer Protection Act 2019:

- (a) one or more consumers;
- (b) any recognised voluntary consumer association whether the consumer is a member of that association or not;
- (c) the Central or any State Government;
- (d) one or more consumers where there are numerous consumers having the same interest.
- (e) legal heir or representative in case of death of a consumer; and
- (f) where the consumer is a minor, the complaint can be filed by his parent or legal guardian.

17.9 FILING OF A CONSUMER COMPLAINT

Before filing the complaint with the consumer forum it is advised that the consumer gives notice to another party about a defect in the product (goods or services) etc. and see whether the other party is willing to pay the damages or replace the product. If it is done, then the dispute is settled then and there. But if the other party neglects or refuses, then the consumer needs to approach the respective forum and file the complaint.

Before filing the complaint, consumer first needs to decide in which jurisdiction of consumer forum his case lies.

Jurisdiction of Consumer Forums

The consumer should file his complaint to a consumer forum which has both territorial and pecuniary jurisdiction to decide the matter.

Territorial Jurisdiction Complaint should be instituted with a district forum (section 11), state commission (section 17) or National Commission (section 21) within the local limits of whose jurisdiction the case lies.

Pecuniary Jurisdiction Consumer complaints can be filed with respect to value enumerated as below:

- District forum - up to 1 crore
- State Commission - 1 crore to 10 crores
- National Commission - more than 10 crores

The procedure of complaint filing in Consumer Forums:

Step 1. The complaint can be made on simple paper, stamp paper is not necessary for it.

Step 2. The complaint should be drafted stating the facts necessary for establishing the cause of action. Following things needs to be mentioned in complaint by the consumer:

- a) Name and complete details of the complainant and opposite party or parties.
- b) Date and time of purchase of goods or services availed and the amount paid for them.
- c) Particulars of dispute; like a defect in goods or inferior quality of service etc.
- d) Particulars of the relief sought in the complaint.
- e) Particulars of goods purchased with numbers or details of services availed.
- f) Copies of all those documents can be attached which support the contention of the consumer and are necessary to establish the cause of action like a copy of bills of goods bought or service availed, warranty receipt, copy of the complaint made to the trader asking to compensate for the loss.

Step 3. The compensation claimed should be specified in the complaint and along with it, the consumer can also ask for refunds, damages, litigation expenditure etc. But these amount should be detailed under different heads and in accordance with pecuniary jurisdiction of respective consumer forums.

Step 4. The statement of jurisdiction should be made in the complaint as to how the case falls within the jurisdiction of the consumer forum.

Step 5. A verification affidavit should be affixed with the complaint stating that all the facts and claims made in the complaint are true and correct.

Step 6. At the end of the complaint, the signature should be put. The consumer may argue his case on his own or through his authorized representative. The complaint made with the district forum or state commission needs to be filed in three sets and



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when made with the national commission needs to be filed in four sets with additional sets for each opposite party.

Step 7. The complaint has to be filed within two years from the date on which the cause of action arose. In case of delay sufficient reasons have to be given to the forum so it may allow the complaint to be filed.

What complaints can be filed?

"Complaint" means any allegation in writing, made by a complainant for obtaining any relief provided by or under this Act, that-

- (i) an unfair contract or unfair trade practice or a restrictive trade practice has been adopted by any trader or service provider;
- (ii) the goods bought by him or agreed to be bought by him suffer from one or more defects;
- (iii) the services hired or availed of or agreed to be hired or availed of by him suffer from any deficiency;
- (iv) a trader or a service provider, as the case may be, has charged for the goods or for the services mentioned in the complaint, a price in excess of the price:
 - fixed by or under any law for the time being in force; or
 - displayed on the goods or any package containing such goods; or
 - displayed on the price list exhibited by him by or under any law for the time being in force; or
 - agreed between the parties;
- (v) the goods, which are hazardous to life and safety when used, are being offered for sale to the public:
 - in contravention of standards relating to safety of such goods as required to be complied with, by or under any law for the time being in force;
 - where the trader knows that the goods so offered are unsafe to the public;
- (vi) the services which are hazardous or likely to be hazardous to life and safety of the public when used, are being offered by a person who provides any service and who knows it to be injurious to life and safety;
- (vii) a claim for product liability action lies against the product manufacturer, product seller or product service provider, as the case may be;



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What are the reliefs available to consumers?

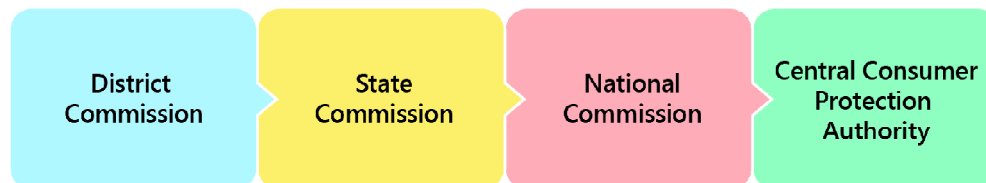
Depending on the nature of complaint and the relief sought by the consumer, and the facts of the case, the Redressal Forum/Commission may order one or more of the following reliefs:

- (a) Removal of defects from the goods or deficiencies in services in question.
- (b) Replacement of the defective goods.
- (c) Refund of the price paid.
- (d) Award of compensation for loss or injury suffered.
- (e) Discontinuance of unfair trade practices or restrictive trade practice or not to repeat them.
- (f) Withdrawal of hazardous or dangerous goods from being offered for sale.
- (g) Provision of adequate refund to aggrieved parties.

Time limit for filing the case

The complaint should not be raised through a registered or regular post. It should be filed within 2 years of the date on which the dispute arose. The complainant is required to file four copies of the complaint and additional copies for each opposite party.

17.10 MACHINERY FOR SETTLEMENT OF GRIEVANCES



1. District Forum

This is established by the state governments in each of its districts.

(a) Composition

Each District Commission shall consist of- (a) a President; and (b) not less than two and not more than such number of members as may be prescribed, in consultation with the Central Government.

(b) Jurisdiction

A written complaint can be filed before the District Consumer forum where the value of goods or services and the compensation claimed does not exceed Rs. 1 crore .

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(c) Appeal

If a consumer is not satisfied by the decision of the District forum, he can challenge the same before the State Commission, within 30 days of the order.

2. State Commission

This is established by the state governments in their respective states.

(a) **Composition:** Each State Commission shall consist of-

- (1) a President; and
- (2) not less than four or not more than such number of members as may be prescribed in consultation with the Central Government

(b) **Jurisdiction:** A written complaint can be filed before the State Commission where the value of goods or services and the compensation claimed exceed Rs. One crore but does not exceed Rs. ten crores.

(c) **Appeal:** In case the aggrieved party is not satisfied with the order of the State Commission he can appeal to the National Commission within 30 days of passing of the order.

3. National Commission

The National commission was constituted in 1988 by the central government.

(a) **Composition:** The National Commission shall consist of-

- (1) a President; and
- (2) not less than four and not more than such number of members as may be prescribed.

(b) **Jurisdiction:** All complaints pertaining to those goods or services and compensation whose value is more than Rs. ten crores can be filed directly before the National Commission.

(c) **Appeal:** An appeal can be filed against the order of the National Commission to the Supreme Court within 30 days from the date of order passed.

4. Central Consumer Protection Authority:

(This concept has already been explained under 17.7 Consumer Protection Act)



INTEXT QUESTIONS 17.4

- 1) Who files a complaint in case the consumer is a minor?
- 2) Define a complaint.
- 3) What is the pecuniary jurisdiction of :
 - (a) District forum
 - (b) National commission
- 4) Name any 3 persons who can file a complaint.



Note

CONSUMER PROTECTION ACT 1986	PROVISIONS	CONSUMER PROTECTION ACT 2019
No separate regulator	Regulator	Central Consumer Protection Authority (CCPA) to be formed
Complaint could be filed in a consumer court where the seller's (defendant) office is located	Consumer court	Complaint can be filed in a consumer court where the complainant resides or works
No provision. Consumer could approach a civil court but not consumer court	Product liability	Consumer can seek compensation for harm caused by a product or service
District: up to ₹20 lakh State: ₹20 lakh to ₹1 cr National: above ₹1 cr	Pecuniary jurisdiction	District: up to ₹1 cr State: ₹1 cr to ₹10 cr National: Above ₹10 cr
No provision	E-commerce	All rules of direct selling extended to e-commerce
No legal provision	Mediation cells	Court can refer settlement through mediation



TERMINAL EXERCISE

Very Short Answer Questions

1. Give the meaning of a Consumer.
2. What is meant by consumer protection?
3. What do you mean by consumer awareness?
4. State any two examples of consumer exploitation.

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5. Mention any four standard quality certification marks.
6. What kind of cases can be filed in a State Commission?

Short Answer Questions

1. Explain the composition and jurisdiction of the state commission.
2. State the purpose of creating the Consumer Welfare Fund.
3. Who can file a complaint for redressal of grievances under the Consumer Protection Act 2019?
4. State any three responsibilities that a consumer should keep in mind while making a purchase.
5. Explain ways and means of consumer protection in India.

Long Answer Questions

1. Explain the needs for consumer protection.
2. Describe the right of a consumer as per CPA . Explain the role of consumer organisation for consumer protection.
3. Briefly explain the importance of consumer protection to customers.
4. A shopkeeper sold you some spices claiming that it was pure. Later a laboratory test showed that these were adulterated. As a consumer what action would you like to take against this wrongful act of the shopkeeper?
5. Explain the redressal mechanism available to consumers under the Consumer Protection Act 2019.



ANSWERS TO INTEXT QUESTIONS

17.1

- 2.(a) ✓ (b) × (c) ✓ (d) ✓

17.2

1. (a) the relevant laws which are aimed at preventing unfair trade practices,
(b) the ways and means which dishonest traders and producers may adopt to deceive the consumers,
(c) the procedure to be followed by consumers while making complaints.

2. (a) Right to safety
 - (b) Right to be informed
 - (c) Right to choose
 - (d) Right to consumer education
3. I. c is the mark of Bureau of Indian Standards (BIS) used for marking the purity of jewellery
 - II. d is the mark of ISI used for marking the quality of industrial products
 - III. b is the Agmark used for marking the purity of agricultural products
 - IV. a is the mark of Fruit Products

17.3

- 1) World Consumer Right Day : 15th March
National Consumer Day : 24th December
- 3) VOICE (Voluntary Organisation in the Interest of Consumer Education)
CGSI (Consumer Guidance Society of India)

17.4

- 1) Where the consumer is a minor, the complaint can be filed by his parent or legal guardian.
- 3) District Commission : upto 1 crore
National Commission : Exceeds 10 crores

DO AND LEARN

Find out from persons in your family and of your locality about the products that they have bought and are using, like groceries, clothing and durable goods like Radio, T.V., Cycle, Scooter etc.

Make a list of about 10 such products and also note down against each item, after asking these people, the problems that they face in using these products (safety hazard, poor quality, not durable, etc.)

Identify which of their rights as consumers are violated as a result of each of these problems. Also, mention how these problems could have been avoided through responsible consumer behaviour by these people?

**Note**

Marketing



Note

ROLE PLAY:

A consumer returns to a phone shop with a mobile phone that he had purchased the previous week. The consumer complains that people find it very hard to hear him when speaking on the phone. The consumer wants this problem rectified.

Consumer I purchased this phone last week and people complain that they find it very hard to hear me on it.

Retailer Ok, do you have the box that it came in with you?

Consumer Yes I do have it and I also have the receipt.

Retailer I want you to go outside the shop and I will ring you and see can I establish if there is a problem

Consumer That's great !

Retailer Hello, can you describe the weather conditions out there please ?

Consumer (No response.)

Retailer Thank you, you can come back in now.

Consumer Ok

Retailer Yes there appears to be an echo on the phone which makes it very hard to hear you.

Consumer That might explain the reason for it being very hard to conduct a conversation.

Retailer I will need to send this phone back to the manufacturer for them to conduct a proper technical examination. In the meantime I will give you a phone to keep you going for the next few days. The manufacturer will either give you a new phone or repair this one for you. I will contact you as soon as I get directions from them.

Consumer Thank you for your help and assistance and I will look forward to hearing from you.

WHAT HAVE YOU LEARNT

