

All of us are consumers in one way or the other. Any person who pays prices for goods and services is called consumer. Many a time we come across unfair trade practices adopted by the sellers. Consumer is exploited in various ways when he is in a market. Some various forms of consumer exploitation are:

- **Higher Prices:** The traders sometimes charge a price higher than the retail price or when they add charges that were not mentioned.
- **Substandard quality:** Sometimes traders sell poor quality goods, e.g. supply of defective appliances.
- **Duplicity of products:** Duplicate goods are sold to the consumer in the name of original company.
- **Adulteration and impurity:** Adulteration means mixing of low quality products with superior quality product.
- **Under weighing and under measurement:** Sometimes traders indulge in unfair trade practices such as when shopkeepers weigh less than what they should.
- **Lack of safety device:** Many electrical appliances lack required in built safeguard which cause accidents, e.g., Cheap quality 3-pin plug, poor earthing wire.
- **False information:** Sellers easily mislead the consumer by giving wrong or incomplete information about its quality, price, durability, expiry dates, effects etc.
- **Artificial scarcity:** Many traders, in order to amass huge profits create artificial scarcity by doing hoarding and then black marketing.
- **Rough behavior:** In matters like LPG connections, fixing a new telephone line etc, consumers are often harassed and undue favours are asked from them.
- **Unsatisfactory services:** Most of the suppliers don't provide the satisfactory services after sale like they don't give free services or demos.

Note

The consumer movement in India has made some progress in terms of numbers of organised groups and their activities. The existing laws are not very clear on the issue of compensation to consumers injured by defective products. After 21 years of the enactment of COPRA in India, consumer awareness is spreading but at a slow pace especially in the unorganised sectors is weak. As rules and regulations applicable to market place are often not followed; Consumer movement can only be effective with consumer's active involvement.

Factors Causing Exploitation of Consumers

- Lack of awareness
- Unrecorded sales
- Compromising attitude
- Ignorance of the consumer.
- Legal and lengthy processes
- Limited competition.

Consumer Movement: Consumer movement arose out of dissatisfaction of the consumers as many unfair practices were being indulged in by the sellers. It took many years for organisations in India, and around the world, to create awareness amongst people. Some aware consumers from consumer groups to highlight unfair trade practice of traders and service providers. They bring pressure on government to enact certain rules for consumer protection; it was first stated by Ralph Nader.

Consumer Awareness (Consumer Education and Protection): Consumer awareness means educating the consumers about their rights and to familiarise them with various rules and regulations framed by government for protecting them against their exploitation in the market by the seller. Consumer Awareness has arisen in the wake of liberalisation of the economy. With Liberalisation, Privatisation, Globalisation, Government has withdrawn its interference from certain areas of production. The profit seeking private producers manipulate the prices and availability of goods. So, to keep a check on them, government has taken up the tasks of spreading consumer awareness.

- In 1985 United Nations adopted the UN guidelines for consumer Protection. At the international level, this has become the foundation for consumer movement.
- A major step taken in 1986 by the Indian government was the enactment of the Consumer Protection Act 1986, popularly known as COPRA.
 - Every consumer has a right to prevent himself/herself from getting exploited and lead a healthy life free from any kind of contamination. According to Kautilya's 'Arthashastra' offences like adulteration and underweight were punishable Consumer Awareness is essential because consumer awareness means educating the consumers about their right and protecting them against their exploitation in the market by the seller.

Right of a Consumer: Under Consumer Protection Act, consumer has the following rights:

- **Right to safety:** The consumer has the right to be protected against the marketing of hazardous goods.
- **Right to be informed:** Consumers have a right to be given the facts, which are they need to know about the product. Therefore the manufacturer should give all information regarding the quality, price, date of manufacture, precaution of use etc.
- **Right to choose:** The consumer has a right to choose from amongst a variety of goods and services available in the market place at competitive prices.
- **Right to be heard:** It's the right of the consumer to be heard of his grievance and the complaints about the products and services.
- **Right to consumer education:** The consumer has right that he should be granted with all its rights to protect its interest.

Duties of Consumers: A consumer must be alert on reasoning the price and quality of products. He should be assert and act to ensure that he gets a fair deal.

- Always ask for a cash memo or a bill.
- Always ask for guaranteed/warranted product.
- Always make a complaint if cheated, do not compromise
- Always ask for a quality mark products such as ISI, BIS, AGMARK.

Role of Government in Consumer Protection

- **Legislative measures:** Government took a major step for consumer protection in 1986. It was:
 - **COPRA:** Consumer protection act enacted on 24th Dec. 1986. Its main aim is to protect the consumer from exploitation.
 - **At National level it is NCDRC:** National Consumer Dispute Redressal Court or National Consumer Court, New Delhi. It is the apex body, deals with the cases of crores.

- **At State level it is SCDRC:** State Consumer Disputes Redressal Court or State Consumer Court. There are 34 state consumer courts. It deals with the cases involving claims of Rs. 20 lakhs to 1 crore.
- **The District Court:** There are 572 district consumer courts. The district level courts deals with the cases involving claims up to to 20 lakhs.

Note

If the case is dismissed in district level court, the consumer can also appeal in State and then in the National level courts.

Table: 9.1 Administrative Measures

Public Distribution System (PDS)	Administrative Price Mechanism
In order to protect the consumer from exploitation government has provided all essential commodities at the fair price shops like wheat, rice, cereals, pulses, edible oil etc to protect consumer from the exploitation of put sellers.	In order to protect the consumer from exploitation state government has regulated prices of some commodities like petrol, cement, diesel etc.

Standardisation of a Product

- **ISI:** Indian Standard Institutes - 1947
- Later on it came to be known as BIS—Bureau of Indian standards. Its main function is to check the quality of products on scientific ground in laboratories.
- **Codex Alimentarius Commission:** It was formed in 1963 by (FAO) food and Agricultural Organisations and WHO. This body sets international food standards. It develops food standard guidelines and codes of practice for producers and International trade in food products such as milk products, meat, fish, cereals, etc.
- **Agmark:** Agricultural Produce Grading and Marketing-AGMARK scheme is run by DMLDirectorate of Marketing and Intelligence Ministry of Agriculture. AGMARK is found on spices honey, condiments, oil etc.

Multiple Choice Questions

1. Name two ways by which a shopkeeper cheats the customers:
 - a. By giving poor quality goods
 - b. By refusing to give goods on credit
 - c. By charging more for a commodity or a service
 - d. By refusing to give the articles below the printed price
2. When is 'World Consumers' Rights Day' celebrated?
 - a. 13th January every year
 - b. 14th February every year
 - c. 15th March every year
 - d. 16th April every year
3. Name any two rights of the consumers
 - a. Right to safety from adulterated articles
 - b. Right to pay less price than the printed one
 - c. Right to steal his goods
 - d. Right to choice of things best quality at reasonable rates
4. Which one of the following is the Consumer Court at the National Level?
 - a. The District Forum
 - b. The State Consumer Disputes Redressal Commission
 - c. The Consumer International
 - d. The National Consumer Disputes Redressal Commission

5. The district level court deals with the cases involving claims:
a. up to Rs. 10 lakh
b. up to Rs. 20 lakh
c. between Rs. 20 lakh to Rs. 1 crore
d. exceeding Rs. 1 crore
6. When did the United Nations adopt the guidelines for consumer protection?
a. 1983 **b.** 1984
c. 1985 **d.** 1986
- Q.7 Which one of the following logos is used for standardisation of agricultural products?
a. ISI **b.** Hallmark
c. Agmark **d.** I.S.O
- Q.8 In which one of the following courts, a consumer should file a case if he/she is exploited in the market?
a. Local Court **b.** State Court
c. Supreme Court **d.** Consumer Court
9. ISI mark can be seen on which of the following items?
a. Jewellery **b.** Edible oil
c. Electrical appliance **d.** Cereals
10. Hallmark is the certification maintained for standardisation for which one of the following?
a. Jewellery **b.** Electrical goods
c. Edible oil **d.** Refrigeration
11. Under COPRA, a three-tier quasi-judicial machinery at the district, state and national levels was set up for redressal of
a. Consumer market **b.** Consumer products
c. Consumer goods **d.** Consumer disputes
12. The district level court deals with the cases involving claims up to Rs. 20 lakhs, the state level courts between Rs. 20 lakhs and Rs. 1 crore and the national level court deals with cases involving claims exceeding
a. Rs. 10 crore **b.** Rs. 1 crore
c. Rs. 100 crore **d.** Rs. 50 crore
13. The consumer movement in India has led to the formation of various organisations locally known as consumer forums or
a. Consumer movement cells
b. Consumer organisations
c. Consumer protection councils
d. Consumer parts
14. Consumers have the right to seek _____ against unfair practices and exploitation.
a. Redressal **b.** Books **c.** Funds **d.** Capital
15. In October 2005, the Government of India enacted a law, popularly known as RTI (*Right to Information*) Act, which ensures its citizens all the information about the functions of
a. Private departments **b.** Public departments
c. Local departments **d.** Government departments
16. National Consumer Disputes Redressal Commission is located in
a. Lucknow **b.** New Delhi
c. Chennai **d.** Mumbai
17. A major step taken in 1986 by the Indian Government was the enactment of the Consumer Protection Act 1986, popularly known as:
a. KOPRA **b.** BOPRA
c. TOPRA **d.** COPRA
18. In 1985 the United Nations adopted the UN Guidelines for
a. Consumer Protection **b.** Consumer Parts
c. Consumer Battle **d.** Consumer Signature
19. The enactment of COPRA has led to the setting up of separate departments of Consumer Affairs in _____ and _____ governments.
a. Central, state **b.** Village, block
c. City, town **d.** State, tehsil
20. The organisations that monitor and issue ISI, Agmark or Hallmark certificates allow producers to use their logos provided they follow certain
a. Work permit **b.** Quality standards
c. Debit card **d.** Topic of press

ANSWERS

1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
a,c	c	a,d	d	b	c	c	d	c	a
11.	12.	13.	14.	15.	16.	17.	18.	19.	20.
d	b	c	a	d	b	d	a	a	b