

Consumer Rights

2016

Very Short Answer Type Questions [1 Mark]

Question 1

Suppose you have to buy a packed bottle for drinking water in your journey. Which logo would you like to see to be sure about its quality?

Answer:

Agmark

Question 2.

If any damage is done to a consumer by a trader, under which consumer right one can move to consumer court to get compensation.

Answer:

Right to Seek Redressal

Question 3.

If you are not interested to buy a brush with tooth paste but shopkeeper denied to sell tooth paste only. In this case, which consumer right is being violated by the seller?

Answer:

Right to Choose

Question 4.

Which logo would you like to see on an electric heater to be sure of its quality?

Answer:

ISI

Question 5.

Which logo would you like to see on gold jewellery to be sure of its quality?

Answer:

Hallmark

Short Answer Type Questions [3 Marks]

Question 6.

'Consumer awareness is essential to avoid exploitation in the market place.' Support the statement.

Answer:

Consumer awareness is essential to avoid exploitation in the market place as:

- Consumers must be aware of not only the goods and services but also legal measures to protect themselves.
- If consumers are actively involved, companies will also be on their guard to provide better goods and services.
- Consumers must be aware of anti-social activities like hoarding, black marketing etc.
- It makes consumer a rational consumer having knowledge of how market works.
- It enables consumer to be aware of government policies for certification marks such as ISI, Agmark that ensure product quality for consumers.
- It enables consumer to use Right to Information Act (RTI) to get information on functioning of government departments.

Question 7.

"Rules and regulations are required for the protection of consumers in the market place." Justify the statement with arguments.

Answer:

Rules and regulations are required for the protection of consumers in the market place due to the following reasons:

- Sometimes, traders indulge in unfair trade practices such as underweight, undermeasurement, adulteration, hoarding etc.
- Most of the consumers are unaware of their rights and they are often deceived by the suppliers.
- Whenever a complaint regarding goods or services is made, the seller tries to shift all the responsibility on the buyer.
- Sometimes, the sellers make false claims about the durability and quality of their products through advertisements, catchy slogans and jingles.
- Sometimes, the sellers create artificial scarcity through hoarding and black marketing to sell the goods at higher prices.
- Sometimes, the sellers indulge in adulteration of goods and provide poor quality goods in order to achieve the goals of profit and growth.

Question 8.

How are consumers exploited in the market place? Explain.

Answer:

The factors which cause exploitation of consumers in the market place are:

- **Limited information.** For taking a correct decision and choice about a product, a consumer needs full information about the price, quality, durability, composition, date of manufacture and expiry, ingredients etc. In the absence of full information, a consumer may get exploited in an easy way.
- **Limited competition.** When there is a limited competition with regard to production, i.e., when producers are few and can control and restrict the supply of a product, there is possibility of manipulation of prices.

- **Limited supply.** When supply of a good is less than its demand, the prices may go up and encourage the tendency of hoarding. As a result, the consumer may be exploited.
- **Adulteration.** It means mixing or substituting undesirable materials in the food. It causes a heavy loss to the consumers both monetary and healthwise.
- **Hoarding and black-marketing.** Traders hold the stock of essential commodities to create artificial scarcity in the market, so that they can sell the commodities at higher prices.
- **Under measurement.** Traders usually indulge in malpractices like giving under measured goods and charge for the actual quantity.
- **Sub-standard goods.** In the name of genuine parts or goods, sub-standard or inferior goods are sold in the market. For example, duplicate medicines can be injurious to the health of a person. Defective electrical items without safety measures can be fatal for the user.

Question 9.

“The consumer movement arose out of dissatisfaction of the consumer.” Justify the statement with arguments.

Answer:

The factors that gave birth to Consumer Movement in India are:

- There was dissatisfaction among the consumers regarding unfair trade practices i being indulged by the producers and sellers.
- There was no legal system available for the protection of consumers from exploitation in the market place.
- Rampart food shortages, hoarding, black-marketing and adulteration of food and edible oil posed a threat to the consumers.
- The consumers were unaware about their rights. So, to educate and make them aware, consumer movement began.

Very Short Answer Type Questions [1 Mark]

Question 10.

Which logo would you like to see for purchasing electrical goods?

Answer:

ISI

Question 11.

On which day is ‘National Consumer’s Day’ celebrated every year in India?

Answer:

24th December

Question 12.

Suppose your parents want to purchase gold jewellery along with you, then which logo will you look for on the jewellery?

Answer:

Hallmark

Question 13.

Why was the Consumer Protection Act enacted by the Indian Parliament?

Answer:

The Consumer Protection Act was enacted to protect the consumers from unscrupulous producers and dishonest traders.

Question 14.

Which logo would you like to see while purchasing a tin of edible oil?

Answer:

Agmark

Question 15.

Describe the conditions in which markets do not work in a fair manner.

Answer:

Markets do not work in a fair manner when:

- producers are few and powerful.
- consumers purchase in small quantities.
- consumers are scattered.

Question 16.

Explain with an example how you can use the right to seek redressal.

Answer:

Consumers have the right to seek redressal against unfair practices and exploitation. If any damage is done to a consumer, he or she has the right to get a compensation, depending on the degree of damage. There is need to provide an easy and effective public system by which this can be done.

For example, Pihu had sent a money order to her village for her sister's marriage. The money did not reach her sister at the time when she needed it, nor did it reach months later. So, Pihu filed a case in the district level consumer court and practised her right to seek redressal.

Question 17.

What precautions do you suggest for a consumer to take while purchasing medicines from the market?

Answer:

The precautions should be kept in mind by a consumer while purchasing medicines from the market are:

- He should check the expiry date of the medicines before purchasing them.
- He should check the details given on the packets of the medicines such as directions for use, side effects and risks.
- He should always ask for cash memos or bills for medicines purchased as it is a proof of purchase.

Long Answer Type Questions [5 Marks]

Question 18.

"Why are rules and regulations required for the protection of the consumers in the marketplace?" Explain.

Answer:

Rules and regulations are required for the protection of consumers in the market place due to the following reasons:

Sometimes, traders indulge in unfair trade practices such as underweight, undermeasurement, adulteration, hoarding etc.

Most of the consumers are unaware of their rights and they are often deceived by the suppliers.

Whenever a complaint regarding goods or services is made, the seller tries to shift all the responsibility on the buyer.

Sometimes, the sellers make false claims about the durability and quality of their products through advertisements, catchy slogans and jingles.

Sometimes, the sellers create artificial scarcity through hoarding and black marketing to sell the goods at higher prices.

Sometimes, the sellers indulge in adulteration of goods and provide poor quality goods in order to achieve the goals of profit and growth.

Question 19.

Explain with example the impact of the Right to Information Act.

Answer:

In October 2005, the Government of India enacted a law known as Right to Information Act (RTI), which ensures its citizens all the information about the functions of government departments.

For example, Shalini filled the admission form of nursery class for her son Kunal in XYZ School near her residence. But, her son was not given admission in that school. Shalini wanted to know the exact reason for refusal of admission but the school did not react on this. She, therefore, filed an application using the RTI Act saying that it was her right to know the reason of denial of admission. After investigation, she came to know that reason given by the school was not genuine. Ultimately, school was ordered to give admission to her son. This case shows the positive impact of RTI.

RTI builds pressure on government officials to deliver results in a time-bound frame. It brings transparency and helps in reducing corruption.

2014

Short Answer Type Questions [3 Marks]

Question 20.

How has three tier quasi-judicial machinery been set up for redressal of consumer disputes? Explain.

Answer:

- A three-tier quasi-judicial machinery at the district, state and national level, was set up under COPRA, for redressal of consumer disputes in India.
- At the district level, consumer courts deal with cases involving claims up to 20 lakhs.
- At the state level, consumer courts deal with cases involving claims between 20 lakhs and ? 1 crore.
- At the national level, consumer courts deal with cases involving claims exceeding ? 1 crore. If the case is dismissed at the district level, then the consumer can appeal at the state and then at the national level, if required.

Question 21.

Explain any three factors which gave birth to the 'Consumers movement' in India.

Answer:

The factors that gave birth to Consumer Movement in India are:

- There was dissatisfaction among the consumers regarding unfair trade practices being indulged by the producers and sellers.
- There was no legal system available for the protection of consumers from exploitation in the market place.

- Rampart food shortages, hoarding, black-marketing and adulteration of food and edible oil posed a threat to the consumers.
- The consumers were unaware about their rights. So, to educate and make them aware, consumer movement began.

Question 22.

How is consumer redressal process becoming cumbersome, expensive and time consuming? Explain.

Answer:

Consumer redressal process is becoming cumbersome, expensive and time consuming because:

- Many a times, consumers are required to engage a lawyer, which becomes an expensive affair.
- The cases require time for filing and attending court proceedings which may not be possible for everyone.
- In most cases, the cash memos are not issued by the producers or sellers to the consumers. In that case, proper evidence is not easy to gather and produce in the court.
- The existing laws on the issue of compensation are not very clear and specific.

Question 23.

How did consumer movement originate as a 'social force' in India? Explain.

Answer:

There are many factors that gave birth to the consumer movement in India. It started as a social force with the need to protect and promote the interests of the consumers against unfair and unethical trade practices. Extreme food shortages, hoarding, black marketing and adulteration of food led to the consumer movement becoming an "organised arena" in the 1960s. Till the 1970s, consumer organisations were mostly busy writing articles and holding exhibitions. More recently, there has been an upsurge in the number of consumer groups who have shown concern towards ration shop malpractices and overcrowding of public transport vehicles. In 1986, the Indian government enacted the Consumer Protection Act, also known as COPRA. This was a major step in the consumer movement in India.

Question 24.

Explain with an example how one can use the "Right to Seek Redressal" against unfair trade practices and exploitation.

Answer:

Consumers have the right to seek redressal against unfair practices and exploitation. If any damage is done to a consumer, he or she has the right to get a compensation, depending on the degree of damage. There is need to provide an easy and effective public system by which this can be done.

For example, Pihu had sent a money order to her village for her sister's marriage. The money did not reach her sister at the time when she needed it, nor did it reach months later. So, Pihu filed a case in the district level consumer court and practised her right to seek redressal.

Question 25.

Explain with an example how one can exercise the right to choose.

Answer:

According to this right, a consumer has freedom to choose from a variety of products at competitive prices. This implies that the marketers should offer a wide variety of products in

terms of quality, brand, prices, size etc. and allow the consumers to make a choice from amongst these.

For example, a consumer wants to buy a toothbrush but the shopkeeper says that he will sell the toothbrush only if the consumer will buy toothpaste. Such a situation is denial of right to choose.

Question 26.

Explain with an example how one can exercise the 'Right to Information'.

Answer:

According to this right, every consumer has the right to be informed about the particulars of goods and services that they purchase. It is mandatory for the producers to provide complete information regarding their ingredients, date of manufacture, expiry date etc. to the consumers.

The details given on the packet help the consumers in many ways. Some of them are:

- If a consumer buys a product and finds it defective within the expiry period, he can ask for its replacement.
- If someone sells the good at more than the printed price on the packet, then a consumer can protest and ask for an explanation.
- On medicines, directions for proper use, warnings and information relating to side effects and risks associated with usage are printed so that the consumers can take precautions accordingly.

Question 27.

How does exploitation of consumers take place in the market? Explain with any five facts.

Answer:

The factors which cause exploitation of consumers in the market place are:

- **Limited information.** For taking a correct decision and choice about a product, a consumer needs full information about the price, quality, durability, composition, date of manufacture and expiry, ingredients etc. In the absence of full information, a consumer may get exploited in an easy way.
- **Limited competition.** When there is a limited competition with regard to production, i.e., when producers are few and can control and restrict the supply of a product, there is possibility of manipulation of prices.
- **Limited supply.** When supply of a good is less than its demand, the prices may go up and encourage the tendency of hoarding. As a result, the consumer may be exploited.
- **Adulteration.** It means mixing or substituting undesirable materials in the food. It causes a heavy loss to the consumers both monetary and healthwise.

Question 28.

Why are rules and regulations required in the market place? Explain.

Answer:

Rules and regulations are required for the protection of consumers in the market place due to the following reasons:

- Sometimes, traders indulge in unfair trade practices such as underweight, undermeasurement, adulteration, hoarding etc.
- Most of the consumers are unaware of their rights and they are often deceived by the suppliers.
- Whenever a complaint regarding goods or services is made, the seller tries to shift all the responsibility on the buyer.

- Sometimes, the sellers make false claims about the durability and quality of their products through advertisements, catchy slogans and jingles.
- Sometimes, the sellers create artificial scarcity through hoarding and black marketing to sell the goods at higher prices.
- Sometimes, the sellers indulge in adulteration of goods and provide poor quality goods in order to achieve the goals of profit and growth.

Question 29.

“Consumer movement can be effective only with consumers’ active involvement.” Analyse the statement.

Answer:

The consumer movement can be effective only with the consumers’ active involvement. This statement can be analysed giving following arguments.

- The consumers should be aware of their rights and duties.
- The consumers should be vigilant in the market against any unethical practice.
- The consumers should lodge complaints against exploitation.
- If consumers are actively involved, then producers and companies will also be on their guard and offer better services.
- The consumers should purchase only standardised products.
- The consumers should know the legal procedure, i.e., how to get their cases settled in consumer courts.
- The consumers should be well informed and avail the remedies available to them against frauds or any unscrupulous trade practice.

2013

Short Answer Type Questions [3 Marks]

Question 30

How do we participate in the market as producers and consumers? Explain with examples.

Answer:

A market has two players, i.e., producer and the consumer. We can participate by being both producer as well as a consumer. A producer enters the market by producing a good or a service. However, this entry depends on the type of product an individual is willing to produce. For example, a producer starts producing any bathing soap and sells it in the market, then the producer participate as a producer in the market.

A consumer becomes a part of the market by consuming the output that is produced in the market. There is no condition as such on a consumer to be a participant of market. For example, if an individual purchase any commodity/ service from the market, he participates as a consumer in the market.

Question 31.

Explain the ‘Right to seek redressal’ with an example.

Answer:

Consumers have the right to seek redressal against unfair practices and exploitation. If any damage is done to a consumer, he or she has the right to get a compensation, depending on the degree of damage. There is need to provide an easy and effective public system by which this can be done.

For example, Pihu had sent a money order to her village for her sister’s marriage. The money did not reach her sister at the time when she needed it, nor did it reach months later. So, Pihu filed a case in the district level consumer court and practised her right to seek

redressal.

Question 32.

Explain the 'Right to be Informed' with examples.

Answer:

According to this right, every consumer has the right to be informed about the particulars of goods and services that they purchase. It is mandatory for the producers to provide complete information regarding their ingredients, date of manufacture, expiry date etc. to the consumers.

The details given on the packet help the consumers in many ways. Some of them are:

- If a consumer buys a product and finds it defective within the expiry period, he can ask for its replacement.
- If someone sells the good at more than the printed price on the packet, then a consumer can protest and ask for an explanation.
- On medicines, directions for proper use, warnings and information relating to side effects and risks associated with usage are printed so that the consumers can take precautions accordingly.

Question 33.

Explain 'Right to Choose' with an example.

Answer:

According to this right, a consumer has freedom to choose from a variety of products at competitive prices. This implies that the marketers should offer a wide variety of products in terms of quality, brand, prices, size etc. and allow the consumers to make a choice from amongst these.

For example, a consumer wants to buy a toothbrush but the shopkeeper says that he will sell the toothbrush only if the consumer will buy toothpaste. Such a situation is denial of right to choose.

Question 34.

What is Consumer Protection Act, 1986? Mention its advantages to the consumers.

Answer:

Consumer Protection Act, 1986 is an Act of the Parliament of India enacted in 1986 to protect the interest of consumers in India. It makes provision for the establishment of consumer councils and other authorities for the settlement of consumers' disputes and for matters connected therewith.

Advantages:

- It allows the consumers to enjoy various consumer rights.
- It allows redressal of consumer queries.
- It allows consumers to pressurise the producers as well as government to ensure moral business conducts.

Long Answer Type Questions [5 Marks]

Question 35.

Why are rules and regulations required for the protection of consumers in the market place?

Explain with examples.

Answer:

Rules and regulations are required for the protection of consumers in the market place due to the following reasons:

- Sometimes, traders indulge in unfair trade practices such as underweight, undermeasurement, adulteration, hoarding etc.
- Most of the consumers are unaware of their rights and they are often deceived by the suppliers.
- Whenever a complaint regarding goods or services is made, the seller tries to shift all the responsibility on the buyer.
- Sometimes, the sellers make false claims about the durability and quality of their products through advertisements, catchy slogans and jingles.
- Sometimes, the sellers create artificial scarcity through hoarding and black marketing to sell the goods at higher prices.
- Sometimes, the sellers indulge in adulteration of goods and provide poor quality goods in order to achieve the goals of profit and growth.

Question 36.

'Consumer movement can be effective only with active involvement of consumers.' Support the statement with five arguments.

Answer:

The consumer movement can be effective only with the consumers' active involvement. This statement can be analysed giving following arguments.

- The consumers should be aware of their rights and duties.
- The consumers should be vigilant in the market against any unethical practice.
- The consumers should lodge complaints against exploitation.
- If consumers are actively involved, then producers and companies will also be on their guard and offer better services.
- The consumers should purchase only standardised products.
- The consumers should know the legal procedure, i.e., how to get their cases settled in consumer courts.
- The consumers should be well informed and avail the remedies available to them against frauds or any unscrupulous trade practice.

Question 37.

Why is there a great need for consumer awareness? Explain any five reasons.

Answer:

Consumer awareness is essential to avoid exploitation in the market place as:

- Consumers must be aware of not only the goods and services but also legal measures to protect themselves.
- If consumers are actively involved, companies will also be on their guard to provide better goods and services.
- Consumers must be aware of anti-social activities like hoarding, black marketing etc.
- It makes consumer a rational consumer having knowledge of how market works.
- It enables consumer to be aware of government policies for certification marks such as ISI, Agmark that ensure product quality for consumers.
- It enables consumer to use Right to Information Act (RTI) to get information on functioning of government departments

Question 38.

How does the Government of India protect the interests of consumers? Explain with five examples.

Answer:

The Government of India can protect the interests of the consumers in many ways.

Some of them are:

- It should formulate rules and regulations to protect and safeguard the interest of consumers.
- It should enforced these rules and regulations on a regular basis, so that producers should maintain a certain minimum level of quality.
- A three tier quasi-judicial machinery has been set up at district, state and national level for redressal of consumer disputes.
- It has also passed the Consumer Protection Act, 1986 to safeguard the interest of consumers which provides various rights and responsibilities to consumers.
- Posters are regularly advertised in the newspapers under the name Jago Grahak Jago through which the government spreads information. if) Consumer Protection Councils are also working for the welfare and protection of consumer rights. They write articles and hold exhibitions to impart knowledge about consumer rights and consumer problems.

2012

Short Answer Type Questions [3 Marks]

Question 39.

Explain the circumstances under which markets do not work in a fair manner.

Answer:

Markets do not work in a fair manner when:

- producers are few and powerful.
- consumers purchase in small quantities.
- consumers are scattered.

Question 40.

How do Consumer Protection Councils help consumers? Explain three ways.

Answer:

The Consumer Protection Councils help the consumers in many ways. Some of them are:

- They guide consumers on how to file a case in consumer courts.
- They may represent individual consumers in the consumer courts.
- They create awareness among the people.

Question 41.

“There is a great need for acquiring knowledge and skill to become a well informed consumer.” Support the statement.

Answer:

It is true that to be a conscious, well informed and vigilant consumer, there is a great need of acquiring knowledge and skill. A consumer must know how to deal with the shopkeeper while going to buy commodities. He must check the prices of the commodities written on the products, check the manufacturing date of the products so that the seller cannot cheat him by giving outdated commodities. He must know how to approach the consumer forum for addressing his grievances against the shopkeeper, if he has been cheated or if any unfair practice have been made by the shopkeeper.

Question 42.

How is consumer redressal process becoming cumbersome expensive and time, consuming? Explain.

Answer:

Consumer redressal process is becoming cumbersome, expensive and time consuming because:

- Many a times, consumers are required to engage a lawyer, which becomes an expensive affair.
- The cases require time for filing and attending court proceedings which may not be possible for everyone.
- In most cases, the cash memos are not issued by the producers or sellers to the consumers. In that case, proper evidence is not easy to gather and produce in the court.
- The existing laws on the issue of compensation are not very clear and specific.

Question 43.

Explain three factors which gave rise to consumer movement in India.

Answer:

The factors that gave birth to Consumer Movement in India are:

- There was dissatisfaction among the consumers regarding unfair trade practices i being indulged by the producers and sellers.
- There was no legal system available for the protection of consumers from exploitation in the market place.
- Rampant food shortages, hoarding, black-marketing and adulteration of food and edible oil posed a threat to the consumers.
- The consumers were unaware about their rights. So, to educate and make them aware, consumer movement began.

Question 44.

How are consumers exploited in the market place? Explain with three examples.

Answer:

The factors which cause exploitation of consumers in the market place are:

- **Limited information.** For taking a correct decision and choice about a product, a consumer needs full information about the price, quality, durability, composition, date of manufacture and expiry, ingredients etc. In the absence of full information, a consumer may get exploited in an easy way.
- **Limited competition.** When there is a limited competition with regard to production, i.e., when producers are few and can control and restrict the supply of a product, there is possibility of manipulation of prices.
- **Limited supply.** When supply of a good is less than its demand, the prices may go up and encourage the tendency of hoarding. As a result, the consumer may be exploited.
- **Adulteration.** It means mixing or substituting undesirable materials in the food. It causes a heavy loss to the consumers both monetary and healthwise.
- **Hoarding and black-marketing.** Traders hold the stock of essential commodities to create artificial scarcity in the market, so that they can sell the commodities at higher prices.
- **Under measurement.** Traders usually indulge in malpractices like giving undermeasured goods and charge for the actual quantity.
- **Sub-standard goods.** In the name of genuine parts or goods, sub-standard or inferior goods are sold in the market. For example, duplicate medicines can be injurious to the

health of a person. Defective electrical items without safety measures can be fatal for the user.

Question 45.

Explain the role of three tier quasi-judicial set up for redressal of consumer disputes in India.

Answer:

A three-tier quasi-judicial machinery at the district, state and national level, was set up under COPRA, for redressal of consumer disputes in India.

- At the district level, consumer courts deal with cases involving claims up to 20 lakhs.
- At the state level, consumer courts deal with cases involving claims between 20 lakhs and 1 crore.
- At the national level, consumer courts deal with cases involving claims exceeding 1 crore. If the case is dismissed at the district level, then the consumer can appeal at the state and then at the national level, if required.

Question 46.

Explain the role of 'consumer councils'.

Answer:

The Consumer Protection Councils help the consumers in many ways. Some of them are:

- They guide consumers on how to file a case in consumer courts.
- They may represent individual consumers in the consumer courts.
- They create awareness among the people.

Question 47.

Explain any four ways in which consumers are exploited in the market.

Answer:

The factors which cause exploitation of consumers in the market place are:

- **Limited information.** For taking a correct decision and choice about a product, a consumer needs full information about the price, quality, durability, composition, date of manufacture and expiry, ingredients etc. In the absence of full information, a consumer may get exploited in an easy way.
- **Limited competition.** When there is a limited competition with regard to production, i.e., when producers are few and can control and restrict the supply of a product, there is possibility of manipulation of prices.
- **Limited supply.** When supply of a good is less than its demand, the prices may go up and encourage the tendency of hoarding. As a result, the consumer may be exploited.
- **Adulteration.** It means mixing or substituting undesirable materials in the food. It causes a heavy loss to the consumers both monetary and healthwise.
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- **Under measurement.** Traders usually indulge in malpractices like giving undermeasured goods and charge for the actual quantity.
- **Sub-standard goods.** In the name of genuine parts or goods, sub-standard or inferior goods are sold in the market. For example, duplicate medicines can be injurious to the health of a person. Defective electrical items without safety measures can be fatal for the user.

Question 48.

How does right to safety help consumers? Explain with an example.

Answer:

Right to safety means that we as consumers have the right to be protected against the marketing of goods and delivery of services that are hazardous to life and property. Producers and manufacturers should adhere to safety norms while manufacturing goods. There are many goods and services, that we purchase require special attention to safety. For example, pressure cookers have a safety valve, which if defective can cause a serious accident. The manufacturers should ensure high standards and the consumers should read all the instructions given on the box of the pressure cooker.

Question 49.

How does 'Right to be Informed' help consumers? Explain with an example.

Answer:

According to this right, every consumer has the right to be informed about the particulars of goods and services that they purchase. It is mandatory for the producers to provide complete information regarding their ingredients, date of manufacture, expiry date etc. to the consumers.

The details given on the packet help the consumers in many ways. Some of them are:

- If a consumer buys a product and finds it defective within the expiry period, he can ask for its replacement.
- If someone sells the good at more than the printed price on the packet, then a consumer can protest and ask for an explanation.
- On medicines, directions for proper use, warnings and information relating to side effects and risks associated with usage are printed so that the consumers can take precautions accordingly.

Short Answer Type Questions [3 Marks]**Question 50.**

What is standardization of products? Mention any two organizations responsible for the standardization of products in India.

Answer:

Standardization of products means developing quality standards for products that are directly related with the safety, health and well-being of the consumers. This help the consumers by giving assurance that the products they are buying for consumption are not hazardous for them.

The two organizations responsible for the standardization of products in India are Agmark (for eatables) and ISI (for electrical and electronic goods).

Question 51.

Consumers have the right to be informed about the goods and services they purchase. Explain its three advantages.

Answer:

The advantages of the consumer's right to be informed are:

- The consumers get complete information about the product or service before making a choice or a decision.
- The consumers would be able to understand the correct way of handling and using the product as some products need proper care.

- If the product is not found as per the information provided, it can be replaced well in time, thus avoiding hustle and worry.

Question 52.

Explain any three reasons responsible for enacting Consumer Protection Act, 1986 by the Government of India.

Answer:

The reasons for enacting Consumer Protection Act, 1986 by the Government of India are:

- There was dissatisfaction among the consumers regarding unfair trade practices being indulged in by the producers or sellers.
- There was no legal system available for the protection of consumers from exploitation in the market place.
- Rampart food shortages, hoarding, black-marketing and adulteration of food and edible oil posed a threat to consumers.

Question 53.

Explain any three factors that gave birth to the Consumer Movement in India.

Answer:

The factors that gave birth to Consumer Movement in India are:

- There was dissatisfaction among the consumers regarding unfair trade practices being indulged by the producers and sellers.
- There was no legal system available for the protection of consumers from exploitation in the market place.
- Rampart food shortages, hoarding, black-marketing and adulteration of food and edible oil posed a threat to the consumers.
- The consumers were unaware about their rights. So, to educate and make them aware, consumer movement began.

Question 54.

“A consumer has the right to get compensation depending on the degree of the damage.” Support this statement with an example.

Answer:

Consumers have the right to seek redressal against unfair practices and exploitation. If any damage is done to a consumer, he or she has the right to get a compensation, depending on the degree of damage. There is need to provide an easy and effective public system by which this can be done.

For example, Pihu had sent a money order to her village for her sister's marriage. The money did not reach her sister at the time when she needed it, nor did it reach months later. So, Pihu filed a case in the district level consumer court and practised her right to seek redressal.

Question 55.

Explain why a consumer should learn to be well informed.

Answer:

A consumer should learn to be well informed because:

- A well informed consumer knows how to fight for his rights.
- A well informed consumer cannot be cheated easily by the shopkeepers, traders etc.
- Such a consumer will be able to approach institutions for seeking redressal.

- Consumers will be able to check the provisions made by the government if they are denied from exercising their rights.
- A well informed consumer becomes a rational consumer, i.e., he knows how to spend the money to derive maximum satisfaction out of the products, he buys.

Question 56.

Why are rules and regulations required in the marketplace? Give three reasons.

Answer

Rules and regulations are required for the protection of consumers in the market place due to the following reasons:

- Sometimes, traders indulge in unfair trade practices such as underweight, undermeasurement, adulteration, hoarding etc.
- Most of the consumers are unaware of their rights and they are often deceived by the suppliers.
- Whenever a complaint regarding goods or services is made, the seller tries to shift all the responsibility on the buyer.
- Sometimes, the sellers make false claims about the durability and quality of their products through advertisements, catchy slogans and jingles.
- Sometimes, the sellers create artificial scarcity through hoarding and black marketing to sell the goods at higher prices.
- Sometimes, the sellers indulge in adulteration of goods and provide poor quality goods in order to achieve the goals of profit and growth.

Question 57.

Why is consumer awareness spreading slowly? Give three reasons.

Answer:

Consumer redressal process is becoming cumbersome, expensive and time consuming because:

- Many a times, consumers are required to engage a lawyer, which becomes an expensive affair.
- The cases require time for filing and attending court proceedings which may not be possible for everyone.
- In most cases, the cash memos are not issued by the producers or sellers to the consumers. In that case, proper evidence is not easy to gather and produce in the court.
- The existing laws on the issue of compensation are not very clear and specific.

Question 58.

Explain three functions of Consumer Protection Councils.

Answer:

The three functions of Consumer Protection Councils are:

- Writing articles and holding exhibitions to impart knowledge about consumer rights and redressal.
- To look for malpractices in the market in the process of buying and selling.
- Providing legal assistance to consumers by providing aid, legal advice and seeking legal remedy.

Question 59.

How did the Consumer Protection Act enhance the powers of the redressal machinery of

India? Explain.

Answer:

The Consumer Protection Act enhance the powers of the redressal machinery of India in the following ways:

- It provides for the establishment of consumer disputes redressal agencies at District, State and National levels for the protection and promotion of consumer's interests and to redress their grievances in a speedy, simple and inexpensive manner.
- These agencies are required to dispose off each complaint within three months.
- These courts look into grievances and complaints of the consumers against the traders and manufacturers and .provide the necessary reliefs and compensation. The district level court deals with the cases involving claims up to 20 lakhs, the state level court between 20 lakhs to 1 crore and the national level court deals with cases involving claims exceeding 1 crore.

Question 60.

"Markets do not work in a fair manner when producers are few and powerful whereas consumers are scattered and purchase in small amount." Support the statement.

Answer:

Markets do not work in a fair manner when:

- producers are few and powerful.
- consumers purchase in small quantities.
- consumers are scattered.

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Very Short Answer Type Questions [1 Mark]

Question 61.

Name the quasi-judicial machinery, which is set up at the highest level for redressal of consumer disputes.

Answer:

National Level Consumer Courts

Question 62.

When do we celebrate National Consumer's Day?

Answer:

24th December

Short Answer Type Question [3 Marks]

Question 63.

Why are rules and regulations required for the protection of consumer's interest in the market place? Explain two reasons.

Answer:

Rules and regulations are required for the protection of consumers in the market place due to the following reasons:

- Sometimes, traders indulge in unfair trade practices such as underweight, undermeasurement, adulteration, hoarding etc.
- Most of the consumers are unaware of their rights and they are often deceived by the

suppliers.

- Whenever a complaint regarding goods or services is made, the seller tries to shift all the responsibility on the buyer.
- Sometimes, the sellers make false claims about the durability and quality of their products through advertisements, catchy slogans and jingles.
- Sometimes, the sellers create artificial scarcity through hoarding and black marketing to sell the goods at higher prices.
- Sometimes, the sellers indulge in adulteration of goods and provide poor quality goods in order to achieve the goals of profit and growth.

Long Answer Type Questions [4/5 Marks]

Question 64.

How is the consumer redressal process becoming cumbersome? Give four reasons.

Answer:

Consumer redressal process is becoming cumbersome, expensive and time consuming because:

- Many a times, consumers are required to engage a lawyer, which becomes an expensive affair.
- The cases require time for filing and attending court proceedings which may not be possible for everyone.
- In most cases, the cash memos are not issued by the producers or sellers to the consumers. In that case, proper evidence is not easy to gather and produce in the court.
- The existing laws on the issue of compensation are not very clear and specific.

Question 65.

Explain with examples 'Right to Information' to the consumers.

Answer:

According to this right, every consumer has the right to be informed about the particulars of goods and services that they purchase. It is mandatory for the producers to provide complete information regarding their ingredients, date of manufacture, expiry date etc. to the consumers.

The details given on the packet help the consumers in many ways. Some of them are:

- If a consumer buys a product and finds it defective within the expiry period, he can ask for its replacement.
- If someone sells the good at more than the printed price on the packet, then a consumer can protest and ask for an explanation.
- On medicines, directions for proper use, warnings and information relating to side effects and risks associated with usage are printed so that the consumers can take precautions accordingly.