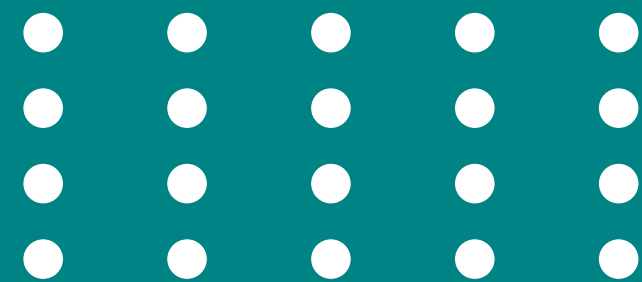


CONSUMER PROTECTION

Contents as per CBSE syllabus

- Consumer protection- **Concept and importance,**
- Consumer Protection Act 2019:
 - Meaning of consumer,**
 - Rights and responsibilities of consumers,**
 - Who can file a complaint?**
 - Redressal machinery,**
 - Remedies available,**
- Consumer awareness- **Role of consumer organisations and Non-Governmental Organisations (NGOs).**



CONCEPT

- Consumer protection has significance for both consumers and business alike,
- Under the Consumer Protection Act 2019, the Government of India has conferred a legal protection to safeguard interests of a consumer.

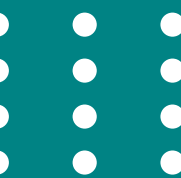
Importance of consumer protection :-

- It adopts measures to protect consumers from unethical malpractices by businesses and provide a swift redressal of their grievances with regard to:

1). Sale of adulterated goods such as adding inferior substances to the product being sold.

2). Sale of counterfeit goods such as selling a product of lesser value than the real product.

3). Sale of sub-standard goods such as the sale of products that do not meet the prescribed quality standards.



4). Sale of duplicate goods.

5). Use of malfunctioning weights and measures that lead to underweight of products.

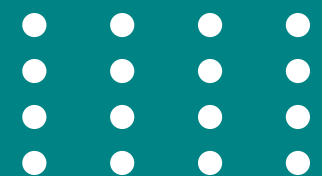
6). Black marketing and hoarding that eventually leads to scarcity of the product and well as a rise in the price.

7). Overcharging a product.

8). Supplying of defective goods.

9). Advertisements that are misleading.

10). Supply of inferior services.



Importance from consumer point of view :-



1). Consumer Ignorance:- It becomes necessary to educate about their rights & reliefs available to them to achieve consumer awareness.

2). Unorganised Consumers :- Consumers need to be organised in the form of consumer organisations.

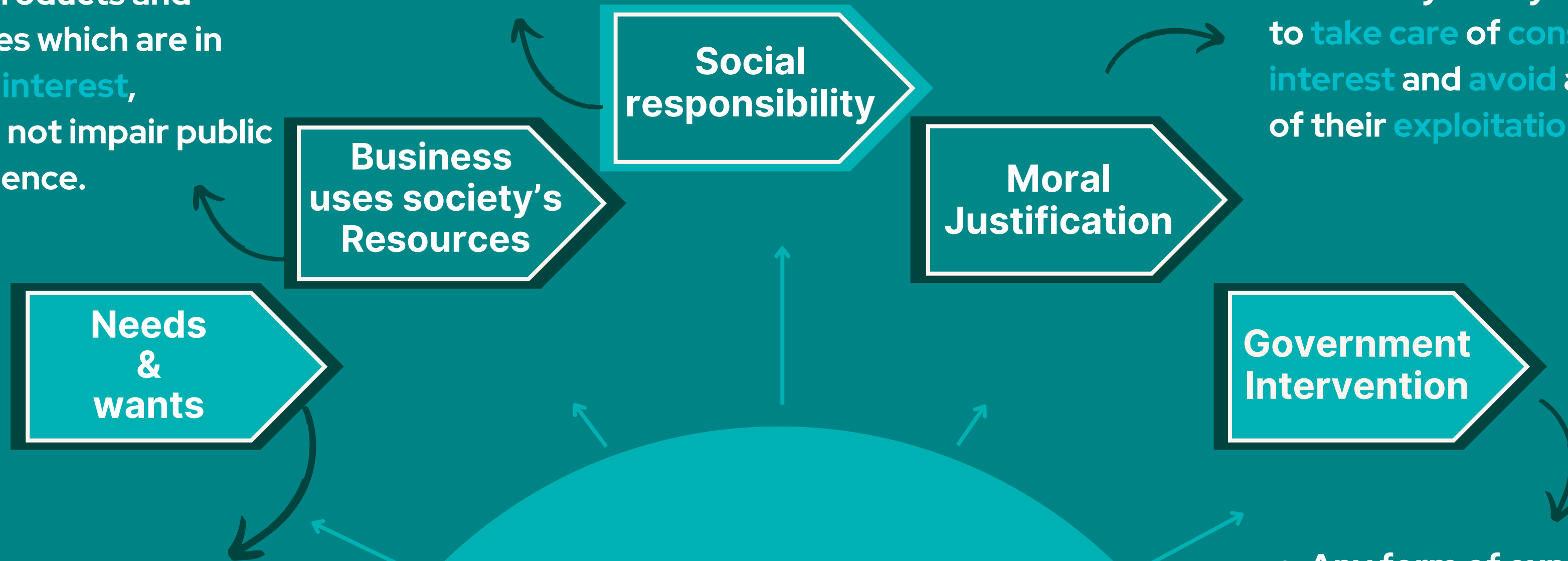
3). Widespread Exploitation of Consumers:- Unscrupulous, exploitative and unfair trade practices, Consumers need protection.



- Responsibility to supply such products and services which are in public interest,
- Would not impair public confidence.

- Consumers form an important group among the many stakeholders,
- Their interest has to be well taken care of.

- Moral duty of any business to take care of consumer's interest and avoid any form of their exploitation.



- Satisfied customers lead to repeat sales, provide good feedback to prospective customers,
- Aim at long-term profit maximisation through customer satisfaction.

FROM THE POINT OF VIEW OF BUSINESS

- Any form of exploitative trade practices invite government intervention,
- This can impair and tarnish the image of the company.

Who is a consumer ?

- A person who buys any goods or services for a consideration, paid or promised, partly paid & partly promised under any scheme of deferred payment,
- It applies to both offline and online transactions.

Consumer Rights :-

1). Right to safety :-

- Consumer has a right to be protected against goods & services which are hazardous to life, health and property.

2). Right to be informed :-

- Complete information about the product he intends to buy.

3). Right to be assured :-

- The consumer has the freedom to access variety of products at competitive prices.

4). Right to be heard :-

- Right to file a complaint and to be heard in case of dissatisfaction with a good or a service.



5). Right to seek redressal :-

- Provides for redressal to the consumers including **replacement of product, removal of defect** in the product, **compensation** paid for any loss or injury suffered by the consumer, etc.

6). Right to Consumer Education :-

- Right to **acquire knowledge** and to be a **well informed**.

Consumer Responsibilities :-

- i). Be aware about **various goods & services**, intelligent and wise choice can be made.
- ii). Buy only **standardised goods** as they provide **quality assurance, ISI mark, FPO MARK, ETC.**
- III). Learn about the risks associated, **follow manufacturer's instructions** and use the products **safely**.
- IV). Read **labels carefully**.
- V). Assert yourself to ensure that you get a **fair deal**.



- VI). Be **honest** in your **dealings**.
- VII). Ask for a **cash memo** on purchase.
- VIII). File a **complaint** in an appropriate consumer forum.
- IX). Form **consumer societies**.
- X). Respect the **environment**.

Ways and Means of Consumer Protection :-

1). Self-regulation by Business :-

- **Good and ethical practices encourage** firms to realise that it is in their **long-term interest** to serve the customers in a **rightful manner**.

2). Business Associations :-

- **Federation of Indian Chambers of Commerce of India (FICCI), Confederation of Indian Industries (CII)** have laid down their code of conduct which lay down for their members the guidelines in their dealings with the customers.

3). Consumer Awareness :-

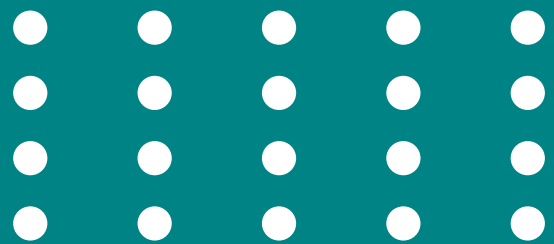
- Consumer, who is well-informed about his rights & reliefs, to **raise his voice** against **unfair trade practices** or **unscrupulous exploitation**,
- In this regard, Department of Consumer Affairs undertaking 'Jago Grahak Jago' campaign.

4). Consumer Organisations :-

- **Educating consumers**, **force business firms to avoid malpractices** and **exploitation of consumers**.

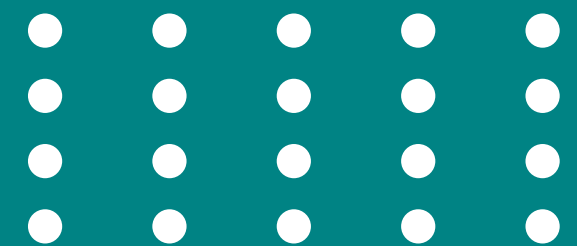
5). Government :-

- The Act provides for a central authority to regulate matters relating to violation of rights of consumers, unfair trade practices and false or misleading advertisements, This is known as **Central Consumer Protection Authority (CCPA)**.



Redressal Agencies Under The Consumer Protection Act

- Grievances are redressed by the **three-tire machinery** :
 - 1). District Commission :-
 - Entertain complaints where value of **goods or services < 1 Crore**,
 - Direct them to give their consent for settlement of dispute through mediation within **5 days**,
 - Event of failure of settlement by mediation proceeds with the complaint,
 - **Complaint alleges defect in goods**- Analysis or test of goods, obtains samples, seal it and refer to the appropriate **authority**,
 - **Defect in services** :- On the basis of evidence, documents or records,
 - If any of the parties are not satisfied by the order, Can appeal against such order to the **State Commission** within a period of **45 days from the date of order**.



2). State Commission :-

- Established by the respective **state government** and function at the **state capital**,
- Entertain complaints where value of goods and services paid as consideration **> 1 Crore** but **not exceed 10 crore**, (**10 Crore < Value of good & service > 1 Crore**)
- If any of the parties are not satisfied can appeal to the **National Commission** within a period of **30 days** of such order.

3). National Commission :-

- Jurisdiction over the whole country,
- Entertain complaints where value of goods or services **> 10 Crores**,
- If any of the parties are not satisfied can appeal against such order to the **Supreme Court of India** within a period of **30 days** of such order.

RELEIF AVAILABLE

1

To **remove the defect** in goods or **deficiency in service**.

2

To **replace the defective product** with a **new one**, free from any defect.

3

To **refund the price paid** for the product, or the **charges paid** for the service.

4

To pay a **reasonable amount of compensation** for any loss or injury suffered by the consumer due to the **negligence of the opposite party**.

5

To pay **punitive damages** in appropriate circumstances.

6

To **discontinue the unfair/restrictive trade practice** and **not to repeat it in the future**.

7

Not to offer **hazardous goods** for sale.



ROLE OF CONSUMER ORGANISATIONS AND NGOS

i). Educating the general public about consumer rights by organising training programmes, seminars and workshops.

ii). Publishing periodicals and other publications to impart knowledge about consumer problems, legal reporting, reliefs available and other matters of interest.

iii). Carrying out comparative testing of consumer products in accredited laboratories to test relative qualities of competing brands and publishing the test results for the benefit of consumers.

iv). Encouraging consumers to strongly protest and take an action against unscrupulous, exploitative and unfair trade practices of sellers.

v). Providing legal assistance to consumers by way of providing aid, legal advice etc. in seeking legal remedy.

vi). Filing complaints in appropriate consumer courts on behalf of the consumers.

vii). Taking an initiative in filing cases in consumer courts in the interest of the general public, not for any individual.

viii). Consumer unity and Trust Society (CuTS), Jaipur.