
Revision Notes Class 10

Social Science - Economics

Chapter 5 - Consumer Rights

CONSUMER:

A consumer is someone who buys a thing for his or her personal use and consumes it. A consumer cannot resale the good, product, or service, but he or she can use it to support himself or herself. A customer is any individual or group of individuals who, in addition to the buyer of the product or services, consumes the product with his or her permission. To put it another way, the consumer is the person who uses the goods or services.

CONSUMER IN THE MARKETPLACE:

- The market is not always a fair playing field, and consumers, even in great numbers, are dispersed. This permits consumers to be exploited by producers who are few but large and powerful.
- Informal moneylenders are a good example of this. Farmer Swapna, for example, had borrowed money and agreed to sell the product to them at a considerably reduced price. She was also compelled to sell her land after she failed to repay the money on time. This demonstrates how market consumers can be addressed.
- Markets are inherently unjust since there are a few huge producers with a lot of power and a lot of tiny consumers who may or may not know each other. Large corporations find it easier to engage in unethical business practises and propagate false information through advertising and spending money.
- With vast monetary and social resources, they may fabricate a tale in their favour, regardless of fact. Companies, for example, promoted milk powder as the finest supplement for infants, even over mother's milk, and tobacco commercials, which are destructive to people's lives.
- Adulteration and other malpractices, such as erroneous weight measures, are other ways in which vendors might take advantage of customers.

CONSUMER MOVEMENT:

People were dissatisfied with the rampant production malpractices. There were no existing rules or regulations that penalised such behaviour among the public.

The consumer was responsible for making a thoughtful purchase, and they avoided buying from sellers/goods with whom they had a terrible experience. Consumer movements started because of widespread dissatisfaction with such practises.

The consumer movement as a "social force" in India arose from the need to safeguard and promote consumers' interests against unethical and unfair trade practises. As a result of all these efforts, the Indian government took a huge step forward in 1986. It is responsible for enforcing the Consumer Protection Act of 1986, also known as COPRA.

CONSUMER INTERNATIONAL:

The UN Guidelines for Consumer Protection were adopted by the United Nations in 1985. This was a mechanism for countries to enact consumer protection laws, as well as for consumer advocacy groups to pressure their governments to do so. This has formed the cornerstone for consumer activism on a global scale.

CONSUMER RIGHTS:

1. Right to Safety: Many goods and services can endanger our lives and cause major harm if not handled appropriately. Given the gravity of the situation, ensuring one's safety is critical.

Producers must adhere to strict rules and regulations in order to maintain safety standards. Despite the regulation, it is poorly implemented, allowing defective products to continue to dominate the market. The consumer movement is likewise insufficient to combat these issues.

2. Right to be informed: We frequently discover printed information on the things we buy, or it comes in the form of a manual. All of this is detailed in the products or services since consumers have a right to know about the commodities they purchase. Consumers can request a refund or replacement if a product does not conform to the information supplied.

The Right to Information Act (RTI), which makes all public offices in India responsible to any person, was recently enacted as a much larger statute known as the RTI Act.

3. Right to choose: The consumer has the option of selecting the product to be purchased. He cannot be forced to purchase something that he does not want. This means that we can acquire various things from various sources without being obligated to buy a specific combination. Nobody can force oneself to purchase something that is not necessary.

4. Right to seek redressal: If a consumer has been exploited by a producer, he has the right to seek a remedy. He has the right to be paid by the producer/trader if the product causes him harm.

5. Right to represent: If a dispute between the customer and the seller cannot be resolved, the customer may seek remedy through the local consumer court. If his district court representation is dismissed, he can appeal to the state level, then to the federal level.

JUSTICE FOR CONSUMERS:

- Under the COPRA, consumer tribunals were established to offer justice to consumers whose rights had been abused.
- Consumer courts are three-tiered quasi-judicial entities.
 - a. The District Forum is a district-level court that hears matters involving claims of up to Rs. 20 lakh.
 - b. The State Commission is a state-level court that hears disputes involving claims of between Rs. 20 lakh and Rs. 1 crore.
 - c. The National Commission is a national level court that hears cases involving claims above Rs. 1 crore.

LEARNING HOW TO STAY INFORMED:

- We will be able to discriminate and make informed choices as customers once we are aware of our rights when purchasing various goods and services.
- The enactment of COPRA resulted in the creation of distinct Consumer Affairs departments in both the federal and state governments. The ISI, Agmark, or Hallmark logo provides consumers with the confidence of quality when purchasing goods and services.

ADVANCING THE CONSUMER MOVEMENT:

India is one of the few countries with dedicated consumer redress courts. In India, the 24th of December is celebrated as National Consumers' Day. Consumer awareness is steadily increasing in our country after more than 25 years since the introduction of COPRA. We need individuals to put up a voluntary effort and actively participate in the consumer movement for it to move forward quickly.

Frequently Asked Question and Answers

1. Why do consumers need rights and systems to protect themselves in the market?

Ans: Consumers require rights and systems because:

1. Consumers require regulations and enforcement agencies to safeguard them from manufacturers' mistreatment. Consumer rights give customers complete freedom and protect them from being exploited by vendors.
2. There are consumers who buy things and producers who make and sell those goods in the marketplace.
3. Consumers are exploited by producers because they have money and power. There have been occasions where producers have used deceptive tactics to obtain an unfair advantage over purchasers.

2. Provide a few examples where consumers can be exploited and mention which rights protect them.

Ans: 1. Filing for a job can be a time-consuming process. After submitting all our credentials and taking an entrance exam, we impatiently await the results. Some government agencies, on the other hand, take an eternity to release the results. In such circumstances of authority carelessness, the applicant has the right to know about the status of the employment. They can make a request to the relevant government department under the RTI Act.

2. When you get a new gas connection, gas supply dealers frequently urge that you buy a stove from them. This is an example of a breach of the consumer's right to choose. Since the right to choose is denied, the consumer can submit a claim in consumer court for compensation by claiming the right to redress.

3. Outline the evolution of consumer movements in India.

Ans: There are numerous elements that have contributed to the emergence of India's consumer movement.

- It began as a "social force" to safeguard and promote consumer interests in the face of unfair and unethical trading practises.
- • Extreme food scarcity, black marketing, hoarding and food adulteration drove the consumer movement to organise in the 1960s. Consumer organisations spent most of their time writing articles and staging exhibitions until the 1970s.
- Recently, there has been an increase in the number of consumer groups concerned about ration shop abuses and overcrowding of public transportation vehicles.

- The Consumer Protection Act, often known as COPRA, was adopted by the Indian government in 1986. This was a significant stride forward in India's consumer movement.

4. What are international movements for the protection of consumer rights? Explain.

Ans: 1. The UN Guidelines for Consumer Protection, which were established in 1985, are a regulatory framework developed by the United Nations.

2. It became a significant step for countries to sign the charter and join others in establishing a common framework for consumer protection.

3. Many consumer movements around the world viewed this as a start and formed Consumers International, a global network of consumer protection organisations.

4. It comprises delegates from 115 nations and 220 organisations.

5. Explain Agmark and its importance for goods.

Ans: 1. Some consumer products require a particular certification to ensure their safety in accordance with the regulatory body's stated requirements.

2. Agriculture Mark, or AGMARK, is a certification mark used in India to ensure the quality of agricultural products.

3. AGMARK is a third-party assurance system for agricultural products produced and consumed in India.

4. The primary objective is to give customers high-quality, unadulterated goods.

5. The classification can be used for both domestic and international reasons.

6. Food goods can be detrimental to people's health and life if they are consumed, hence this is an important tag to have on them. Consumers must be well-informed when deciding whether to seek out the Agmark certification logo.

6. Is there a future scope for consumer movements?

Ans: The Indian consumer movement has been successful in enabling the Consumer Protection Act and consumer rights, but there have been some new hurdles in recent years.

1. Even though there are many consumer groups on paper, they are not well organised or active.

2. The redressal process through the courts has become tedious, requiring a significant amount of money and resources to hire lawyers and attend hearings.

3. There are several delays in the case hearing and even more delays in the judgement.

4. However, there are many small-scale frauds where consumers are unable to

seek redress because they do not receive a receipt/memo for their product.

5. These are some of the areas that need to be improved in order to establish a better environment for consumer protection in India.

7. A consumer purchased a branded product worth Rs.30,000. Upon using it for a few days, it exploded and burned the hand of the consumer. Explain what this consumer should do according to the COPRA?

Ans: 1. The consumer is required to have all documentation relating to the product's purchase because the injury caused here is life-threatening.

2. They might seek help from a Consumer Protection Council in their area to file a complaint against the manufacturer of their goods.

3. Then they must file a lawsuit in district court seeking compensation from the producer for harm caused by the product.

4. They can analyse the amount of compensation they can claim with the help of lawyers and the Consumer Forum; nevertheless, depending on the severity of the hand injury, the compensation claim must be presented in court, which will ultimately decide the case.

8. How is consumer awareness spread in India?

Ans: The practise of making consumers aware of their rights as consumers is known as consumer awareness. It gives them the ability to demand product details and take legal action if they are misused. Consumer awareness can be spread in three different ways.

1. Individual consumers: They can enlighten their friends and family about their rights as customers and raise consumer awareness.

2. Consumer Groups: These are groups of people who band together to monitor and combat exploitation. To raise consumer awareness, they write articles, arrange exhibitions, and so forth.

3. Consumer Affairs department in both the state and central government: This department uses mass media, like television and newspapers, to disseminate information on consumer rights and legal remedies.

9. What is the role of ISI? Where do you look for ISI in the market?

Ans: In the year 1947, the ISI was founded. The “Bureau of Indian Standards” has been renamed as ‘Indian Standard Institution’.

- a. Its primary goal is to establish quality standards for consumer and industrial products. A producer who wants to use a standard for his product

must apply for a licence through the ISI's marking process.

- b. LPG Cylinders, pressure cookers, and other potentially hazardous devices can be lethal if not correctly built; thus, it is critical that they meet ISI requirements and bear the ISI logo.

10. Explain the hierarchy of the consumer courts and the allowed compensation that can be claimed.

Ans: In India, the Customer Protection Act of 1986, or COPRA, established a complex legal structure for resolving consumer claims about products they purchase. A three-tiered quasi-judicial framework exists.

- a. The District Forum is a district-level court that hears cases worth up to Rs 20 lakh in damages.
- b. The State Commission is a state-level court that hears claims ranging from Rs 20 lakh to Rs 1 crore.
- c. The National Commission is a court at the national level that hears cases involving claims of more than Rs 1 crore.

Consumers can also appeal to a higher court if they want to challenge a lower court order.