



1. Importance of consumer protection from the point of view of business.

Ans: A business can not survive without paying attention on protecting the consumers interest and adequately satisfying them. This is important because of the following reasons

(i) Long Term Interest of Business

Business firms should aim at long term profit maximisation through customer satisfaction. Satisfied customers not only lead to repeat sales but also provide good feedback to prospective customers and thus help in increasing the customer base of business.

(ii) Business uses Society's Resources

Business organisation uses resources which belong to the society, thus they 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, consumers form an important group among the many stakeholders of business and like other stakeholders, their interest has to be well taken care of.

(iv) Moral Justification

The moral duty of any business is to take care of consumer's interest and securing them from exploitation. Thus, a business must avoid insecure loss, exploitation and unfair trade practices like defective and unsafe products, adulteration, false and misleading advertising hoarding, black marketing etc.

(v) Government Intervention

A business engaging in any form of exploitation time trade practices would invite government intervention or action. Thus, it is advisable that business organisation voluntarily resort to such practices, where the customers need and interests will be taken care of.

2. Enumerate the various Acts passed by the Government of India which help in protecting the consumer's interest?

Ans: The Indian legal framework consists of a number of regulations which provide protection to consumers. Some of these regulations are as under

(i) The Consumer Protection Act, 1986

The Act provides safeguards to consumers against defective goods, deficient services, unfair trade practices etc.

(ii) The Contract Act, 1982

The Act lays down the conditions in which the promises made by parties to a contract will be binding on each other.

(iii) The Sale of Goods Act, 1930

The Act provides some safeguards and reliefs to the buyers of the goods in case, the goods purchased do not comply with express or implied conditions or warranties.

(iv) The Essential Commodities Act, 1955

The Act aims at controlling, I (reduction, supply, distribution and price of essential commodities.

(v) The Agricultural Produce Act, 1937

The Act prescribes grade standards for agricultural commodities and livestock products.

(vi) The Prevention of Food Adulteration Act, 1954

The Act aims to check adulteration of food articles and ensure their purity, so as to maintain public health.

(vii) The Standards of Weights and Measures Act, 1976

It provides protection to consumers against the malpractice of under-weight or under-measure.

(viii) The Trade Marks Act, 1999

The Act prevents the use of fraudulent marks on products and thus provides protection to the consumers against such products.

(ix) The Competition Act, 2002

The Act provides protection to the consumers in case of practices adopted by business firms which hamper competition in the market.

(x) The Bureau of Indian Standard Act, 1986

The bureau has two major activities : formulation of quality standards for goods and their certification through the BIS certification scheme. The bureau has also set up a grievance cell, where consumers can make a complaint about quality of products carrying the ISI mark.

3. What are the responsibilities of a consumer?

Ans: A consumer should keep in mind the following responsibilities while purchasing, using and consuming goods and services.

(i) Be aware about various goods and services available in the market, so that an intelligent and wise choice can be made.

(ii) Buy only standardised goods as they provide quality assurance. Thus, look for ISI mark on electrical goods, FPO mark on food products and Hallmark on jewellery etc.

(iii) Learn about the risks associated with products and services.

(iv) Read labels carefully, so as to have information about prices, weight, manufacturing and expiry dates etc.

(v) Assert yourself to get a fair deal.

(vi) Be honest in your dealings. Choose only from legal goods and services.

(vii) Ask for a cash-memo on purchase of goods and services. This would serve as a proof of the purchase made.

(viii) File a complaint in an appropriate consumer forum in case of a shortcoming in the quality of goods purchased or services availed.

(ix) Form consumer societies which would play an active part in educating consumers and safeguarding their interests

(x) Respect the environment, avoid waste, littering and contributing to pollution.

4. Who can file a complaint in a consumer court?

Ans: A complaint can be made by

(i) Any consumer.

(ii) Any registered consumer's association.

(iii) The Central Government or any State Government.

(iv) One or more consumers, on behalf of numerous consumers having the same interest.

(v) A legal heir or representative of a deceased consumer.

5. What kind of cases can be filed in a state commission?

Ans: A complaint can be made to the appropriate state commission when the value of the goods and services, along with compensation claim exceeds Rs.20 lakhs but does not exceed Rs 1 crore. The appeals against the orders of a District Forum can also be filed before the state commission.

6. Explain the role of consumer organisations and NGOs in protecting and promoting consumers' interest.

Ans: Consumer organisation and NGOs perform several functions for the protection and promotion of interest of consumers. In India, these associations are performing lots of functions some of them are:

(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, exploitation and unfair trade practices of sellers.
  - (v) Providing legal assistance to consumers by 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 court in the interest of the general public, not for any individual.

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