

Ch-4 Consumer Protection.

Good Morning Students.

This lesson is for class xth for the subject of Commercial Studies. The topic for today is 'Consumer Protection' which is covered in chapter 4 titled 'Consumer Protection' of your book.

This lesson is being submitted to you on 29.04.24 and the voice is of Mr. Lokesh Arora. All the students now please open page no. 35 of your book and listen carefully.

In the modern philosophy of marketing, a consumer is supposed to be the king and business is expected to provide maximum possible satisfaction to consumers. But in reality consumers are often exploited due to lack ~~of~~ of unity, lack of knowledge about their rights, poverty and illiteracy of the consumers. They are also exploited through misleading advertisements, poor quality goods and fractional weights and overcharging etc.

Hence it is essential to protect the consumers against exploitation in the hands of the sellers.

Need for Consumer Protection

Protection of consumers is necessary due to the following reasons:-

- (1) Business is a part of society. It gets materials, manpower, machinery and other resources from society. Therefore it is necessary to supply the right products at reasonable prices to the public.

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- (ii) It is moral responsibility of business to protect and promote the interests of consumers.
- (iii) The Government of India is committed to the welfare of general public by encouraging fair trade practices.

Consumer Exploitation:-

When consumers do not get value for their money due to dishonesty on the part of traders or manufacturers, consumer exploitation takes place. Consumer exploitation thus means harming the interests of consumer in various ways.

Types of Consumer Exploitation

- (i) High Prices:- Very often the traders charge a price higher than the prescribed price.
- (ii) Underweight and Undermeasurement:- The goods being sold in the market are sometimes not measured or weighted correctly.
- (iii) Sub-standard Quality:- The goods sold are sometimes of sub-standard quality. Selling of medicines beyond their expiry dates and supply of defective home appliances are generally the regular grievances of consumers.
- (iv) Duplicate Articles:- In the name of genuine parts or goods, fake or duplicate items are being sold to the consumers.
- (v) Adulteration and Impurity:- In costly consumer items such as oil,

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ghee and spices, adulteration is made in order to earn higher profits.

(vi) Misleading Advertisement:-

Misleading advertisement like use a particular cream and you will become fair with in a week.

Consumer Awareness:-

Consumer's consciousness towards his/her rights and duties is known as consumer awareness. The knowledge of the consumers towards their rights and protection is called consumer awareness.

Importance of Consumer Awareness:-

(i) To Achieve maximum satisfaction!

The income of every individual is limited. He wants to buy maximum goods and services with his income. Therefore it is necessary that he should get the goods which are measured appropriately and he should not be cheated in anyway. For this he should be made aware.

(ii) Protection against Exploitation!

Producers and sellers exploit the consumers in many ways as underweighing, selling duplicate products etc. Consumer awareness save them from the exploitation by producers and sellers.

(iii) Motivation for Savings:-

The awareness controls people from wastage of money and extravagancy and inspire

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them to take right decision. Such consumers are not attracted by sale, free gifts, attractive package due to which people can use their income in a right way and can save money.

(iv) Construction of Healthy Society!.

Every member of the society is a consumer. So, if the consumer is aware and rational, then complete society becomes healthy and alert towards their rights.

Methods of Consumer Protection:-

- (i) Business Self-regulation
- (ii) Consumer Self help
- (iii) Consumer's Associations
- (iv) Government Regulations:

Refer to page 36 of your book.

Students before going further, let's take a short break. Write the answers of following questions in your note-books.

Ques! What is Consumer Exploitation?

2. Explain any two ways in which consumers are exploited.

3. What is the need of Consumer protection?

Consumer Protection Act! [COPRA]

This act was passed by the government in 1986 for the protection of consumer's rights. which is known as COPRA. It is one

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of the most important legal measures in protecting the rights of the consumers. The Act came into force with effect from 1st July 1987. The act was amended in 1991, 1993 and 2002.

Objects of the Act:-

- (i) The consumer protection act seeks to provide better protection of the interests of consumers.
- (ii) It aims to provide a speedy and simple redressal to consumer grievances.
- (iii) The Act provides for the setting up of a three-tier quasi-judicial machinery. This machinery has been empowered to give relief of a specific nature.
- (iv) The Act applies both to goods and services. It protects not only buyer but user in the case of goods and any beneficiary in case of services.

Features of Consumer Protection Act:-

- (1) Social Welfare law.
- (2) Comprehensive provisions and Effective Safeguards
- (3) Special Consumer Courts.
- (4) Three-tier Grievance Redressal Machinery
- (5) Simple and Inexpensive
- (6) Covers Goods and Services
- (7) Checks on Unfair trade practices.
- (8) Time Frame
- (9) Class Action
- (10) Check on Overcharging
- (11) Consumer Protection Councils

For explanation refer to page 37.

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Rights of the Consumers:-

The consumer protection act provides the following rights of consumers:-

(1) The Right to Safety:-

This is the right to be protected against the marketing of goods which are hazardous to life and property.

There are various risks involved in the consumption and use of products, such as food, drugs, toys, electrical appliances etc. For example, if gas cylinder not sealed properly may cause injury to life or even death. The consumers have the right to get protection against such risks.

(2) The Right to be Informed:-

The consumer has the right to be informed about the quality, quantity, potency, purity, standard and price of the goods he intends to purchase. It is the responsibility of the manufacturer to give complete information about the product, usage and the side effects and risks in the use of the product.

(3) The Right to Choose:-

The consumer should be assured access to a variety of goods at competitive prices. This means the seller should not use aggressive selling techniques to sell the product to the consumer. There should be freedom to choose from alternative products.

(4) The Right to be heard:-

The consumer has a right to register his

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dissatisfaction and get his complaint heard at appropriate forums. This right includes the right to make protest.

The above three rights are meaningless without the right to be heard.

(5) The Right to seek Redressal!

It means the right to get claims and complaints settled against manufacturers and sellers due to unfair trade practices and exploitation by them. The product must be repaired, replaced or taken back by the seller.

(6) The Right to Consumer Education!

According to this right, the consumer must be made aware of his rights and remedies available under different laws. This will help to make consumers conscious and protect themselves against frauds by businessmen.

With this, I am ending my topic here.

Write the answers of the following questions in your note-books

Ques 1. Give two objectives of Consumer Protection Act.

2. Explain the features of Consumer Protection Act.

3. Explain any two rights of consumers.

last page