

## Chapter 5

### Consumer Rights

#### ❖ Consumer Rights

They are the rights that protect the interests of the buyers and consumers of a commodity.

#### ❖ Need for Consumer Rights

- They are essential for protecting individual consumers who are cheated by sellers by the sale of defective products.
- They are needed for safeguarding the consumers against the unfair trade practices adopted by sellers. E.g. Selling goods at a cost higher than the maximum retail price, selling adulterated/defective goods etc.
- They are required for strengthening the consumers who are scattered as compared to the companies/sellers who are organized and powerful.

#### ❖ Consumer Movement

- Arose in India in 1960s in an organized manner.
- It arose because of the rampant food shortages, hoarding, black-marketing and adulteration of food items.
- **Methods of Spreading Awareness**
  - By means of articles in newspapers
  - Holding exhibitions
  - Conducting market surveys
  - Advertisements in print and electronic media

#### ❖ Consumers International

An international consumer rights organization under the United Nations.

- Coordinating body of about 240 consumer organizations from over 100 countries.
- Established in 1985 under the United Nations guidelines for consumer protection.

#### ❖ COPRA

Consumer Protection Act

- Enacted in 1986 by the Government of India.
- Established a system of three-tier consumer courts at the district, state and national levels for redressal of consumer disputes.

#### ❖ Rights of the Consumers

- **Right to be informed** about the particulars of goods and services. Every packaged commodity must indicate
  - Manufacturing date
  - Expiry date
  - Batch number
  - Address of the manufacturer
  - Directions for proper use

➤ Ingredients

- **Right to Choose:** Every consumer must have a right to choose whether he/she wants to continue to receive a particular service or not. No seller can force a consumer to buy anything which he/she does not want.
  - **Right to Seek Redressal:** Consumers have the right to seek redressal at appropriate forums in case of unfair trade practices. They can claim compensation for the damages suffered by them owing to the defective goods and services provided to them.
- ❖ **Right to Represent:** Consumers have the right to present their own case in the consumer courts or to engage an advocate.

**Jurisdiction of Consumer Courts**

- **District Consumer Courts:** Disputes involving claims up to Rs. 20 lakhs.
  - **State Consumer Courts:** Disputes involving claims between Rs. 20 lakhs and Rs. 1 crore.
  - **National Consumer Court:** Disputes involving claims of more than Rs. 1 crore.
- ❖ **ISI and AGMARK**

They are the standards provided by the Bureau of Indian Standards (BIS). They are a guarantee of the good quality of a product. These marks generate trust among the consumers regarding the good quality of a commodity.

ISI: Electrical appliances

Agmark: Food products

Hallmark: Gold and platinum jewellery

❖ **Problems in Consumer Redressal**

- A lot of time is consumed in the formal legal process.
- The consumer courts function like normal courts having complicated legal procedures.
- Consumer redressal has become expensive as consumers have to hire lawyers for representing their cases.
- The lack of evidence against sellers owing to non-issue of cash memos is an impediment in speedy disposal of consumer cases.

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