

A Project Report on “Unaware Consumers and Consumer Rights”



Name: _____

School: _____

Year: _____ Class: 10th A/B/C/ _____

Submitted to: _____

Certificate

This is to certify that the Project work entitled “Unaware Consumers and Consumer Rights” is a bonafide record of independent project work done by _____ (Student name) under my supervision and submitted to _____ (School name).



OSWAAL BOOKS
LEARNING MADE SIMPLE

Signature of the Supervisor

Acknowledgement

I am using this opportunity to express my gratitude to my teacher _____ as well as our Principal _____ who gave me this golden opportunity to do such a good project on the topic, "Unaware Consumers and Consumer Rights".

I am thankful to everyone who supported me for the completion of this project and gave me their aspiring guidance, friendly advice and invaluable feedback during the project. I am sincerely grateful to all of my friends, co-partners, family and guide who shared their truthful and illuminating views on a number of issues related to the project by devoting their precious time.

Thank you,

Contents

1. Introduction
2. Objective
3. Who is a Consumer?
4. Consumer Protection and Common Problems faced by a Consumer in Market Place
5. Consumer Movement in India
6. Consumer Protection Act, 1986
 - 6.1** Three-tier System
 - 6.2** Consumer Rights
7. Learning to become a well-informed Consumer
 - 7.1** Consumer Responsibilities
 - 7.2** Quality Standard Marks
8. Conclusion



OSWAL BOOKS
LEARNING MADE SIMPLE

- 1. Introduction :** We go to market and buy a variety of goods and avail services required in or day-to-day life. In exchange of these goods and services, we pay money and derive satisfaction by consuming them. But sometimes, we feel dissatisfied due to poor quality, high prices, false promises made in advertisements, hidden information and costs, etc. and so on. This is done because we are not aware of our rights as a consumer.
- 2. Objective:** The objective of the project is to reduce consumer exploitation by making them aware about their rights as a consumer.

3. Who is a Consumer?

Under the Consumer Protection Act, a consumer is defined as:

- (i)** Any person who buys any goods for a consideration, which has been paid or promised, or partly paid and partly promised, or under any scheme of deferred payment. It includes any user of such goods, when such use is made with the approval of the buyer, but does not include a person who obtains goods for resale or any other commercial purpose.
- (ii)** Any person who hires or avails of any service, for a consideration which has been paid or promised, or partly paid and partly promised, or under any system of deferred payment. It includes any beneficiary of services when such services are availed of with the approval of the person concerned, but does not include a person who avails of such services for any commercial purpose.

4. Consumer Protection and Common Problems faced by a Consumer in Market Place

Consumer protection refers to the measures adopted to safeguard the interest and rights of consumers and to help them in getting their grievances redressed. Consumer protection means protecting the consumers from unscrupulous, exploitative and unfair trade practices of a seller or a producer for maximising their profits.

The importance of consumer protection from consumer's point of view can be understood from the following points:

- **Consumer's Ignorance:** In the light of widespread ignorance of consumers about their rights and reliefs available to them, it becomes necessary to make them aware about their rights and redressal available.
- **Unorganised Consumers:** Generally in India, though we have NGOs and Consumer organisations, consumers are not organised. Thus, to protect and promote their interest, adequate consumer protection is required.
- **Widespread Exploitation of the Consumers:** Unaware, ignorant consumers might be exploited by marketer and thus, consumer protection provides safeguard to the consumers from such exploitation.

Consumers face problems in market place due to some common malpractices by shopkeepers which are given below:

- Sale of adulterated goods i.e., selling goods by adding something inferior to the product being sold
- Sale of spurious goods i.e., selling something of little value instead of the real product
- Sale of sub-standard goods i.e., sale of goods which do not confirm to prescribed quality standards
- Misleading advertisements i.e., false claims made in advertisements by marketer

- Overcharging of price i.e., selling product at price which is higher than MRP
- Fake scarcity to rise the price and black marketing by hoarding of products
- Sale of defective goods

5. Consumer Movement in India

During 1960s, in India, the consumer movement were originated as social force to protect the interest of consumers against the malpractices adopted by marketer.

Some of the main reasons for Consumer Movement were:

- Lack of legal system to protect the consumers from exploitation in the marketplace
- Rampant food shortages
- Black marketing
- Hoarding
- Adulteration of food and edible oil

Till the 1970s, objectives, set at the time of origin, were not achieved as consumer organisations largely engaged in writing articles and holding exhibitions. Then, they formed consumer groups to look into the malpractices in ration shops and overcrowding in the road passenger transport.

Till the 1970s, consumer organisations were largely engaged in writing articles and holding exhibitions. They formed consumer groups to look into the malpractices in ration shops and overcrowding in the road passenger transport.

More recently, India witnessed an upsurge in the number of consumer groups.

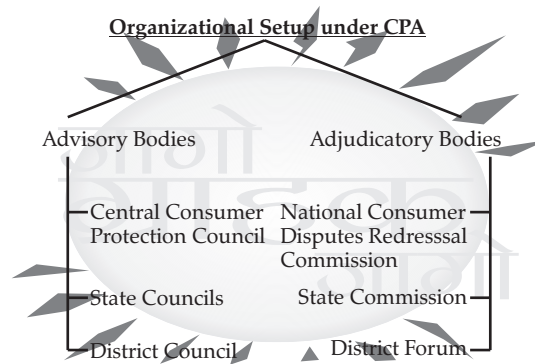
6. Consumer Protection Act, 1986

Consumer Protection Act, 1986 was passed in year 1986 and was enforced from July 1st 1987 with the motive to protect the interest of consumers from being exploited by shopkeepers or markets to maximize profits which ultimately harm the well-being of the consumer and society.

This Act teaches the consumers to make right choices by educating them about their rights and responsibilities of being a consumer and make them aware that how to seek redressal if they face any kind of exploitation.

This Consumer Protections Act, 1986:

- applies to all goods, services and unfair trade practices unless specifically exempted by the Central Government
- covers all sectors-private, public or co-operative
- provides for establishment of consumer protection councils at the central, state and district levels, i.e., three tier machinery system



6.1 Three-tier System

District Forum

- A complaint can be made to the appropriate District Forum when the value of goods or services in question along with the compensation claimed does not exceed ₹ 20 lakh.
- The appeal against the orders of the District Forum can also be filed before the State Commission.

State Commission

- A complaint can be made to the appropriate State Commission when the value of goods or services in question along with the compensation claimed exceeds ₹ 20 lakh but does not exceed ₹ 1 crore.
- The appeal against the orders of the State Commission can also be filed before the National Commission.

National Commission

- A complaint can be made to the appropriate National Commission when the value of goods or services in question along with the compensation claimed exceeds ₹ 1 crore.
- An order passed by the National Commission in a matter of its original jurisdiction is appealable before the Supreme Court.

6.2 Consumer Rights

A consumer is an important participant in the market. In case of consumer exploitation, the rights of the consumer must be protected. There are six consumer rights as mentioned in the regulatory Consumer Protection Act of 1986.

Right to Safety

- Consumer has a right to be protected against marketing of those goods and services which are hazardous to life, health and property.
- This states that consumer has a right to get protection against the risks caused due to the use of substandard products or products that do not confirm to the safety norms.

Right to Choose

- This right gives the freedom to the consumer to choose goods or avail services from a variety of products at competitive prices.
- As per COPRA, to enable the consumer to make the right choice, the marketers should offer a wide variety of product in terms of quality, price, size etc.

Right to be Heard

- If a consumer feels dissatisfied with a product or a service, he/she has a right to file a complaint and to be heard in consumer court.
- It is because of this reason, many firms have set up their own consumer service and grievance cells.

Right to Seek Redressal

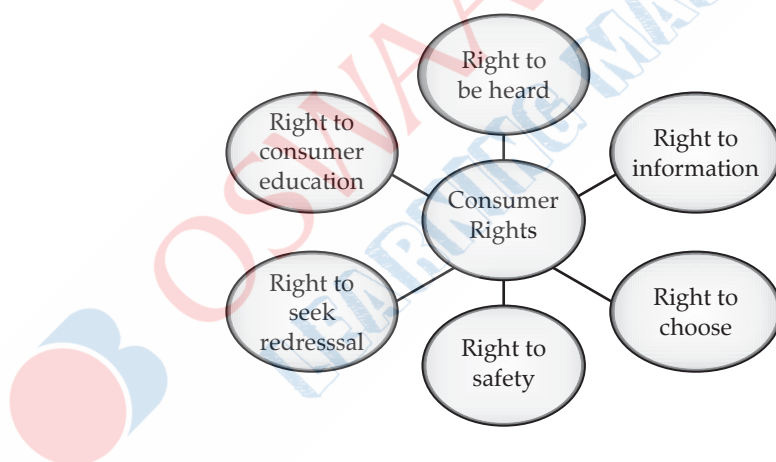
- The consumer has a right to get relief in case the product or service falls short of his expectations.
- The Consumer Protection Act provides relief to customers such as replacement of product, removal of defect in the product, compensation for any loss or injury suffered by the consumer.

Right to be Informed

- The consumer has a right to have complete information about the product he intends to buy such as ingredients, date of manufacturing, price, quantity, etc.
- It is because of this reason that the legal framework in India requires the manufacturers to provide such information on the package and label of the product.

Right to Consumer Education

- A consumer has a right to acquire knowledge on matters regarding consumer protection and their rights and to be a well-informed consumer.
- A consumer must be aware about the rights, responsibilities and reliefs made him/her available in case of a product or service falling short of his expectations.

**7. Learning to become a well-informed Consumer****7.1 Consumer Responsibilities**

A person must his/her responsibilities to become a well-informed consumer. A person, as a consumer, should make every effort to educate himself/herself about his/her rights.

Responsibilities that a consumer should discharge while purchasing, using and consuming goods and services:

- Be aware about various goods and services available in the market so that an intelligent and wise choice can be made.
- Buy only standardised goods as they provide quality assurance. Thus, look for ISI mark on electrical goods, FPO/FSSAI mark on food products, Hallmark on jewelry etc.

- Learn about the risks associated with products and services, follow manufacturer's instructions and use the products safely.
- Read labels carefully so as to have information about prices, net weight, manufacturing and expiry dates, etc.
- Assert yourself to ensure that you get a fair deal.
- Be honest in your dealings. Choose only from legal source and discourage unscrupulous practices like black-marketing, hoarding etc.
- Ask for a cash memo on purchase of goods or services. This would serve as a proof of the purchase made.
- File a complaint in an appropriate consumer forum in case of a shortcoming in the quality of goods purchased or services availed. Do not fail to take an action even when the amount involved is small.
- Form consumer societies which would play an active part in educating consumers and safeguarding their interests.
- Respect the environment. Avoid waste, littering and contributing to pollution.

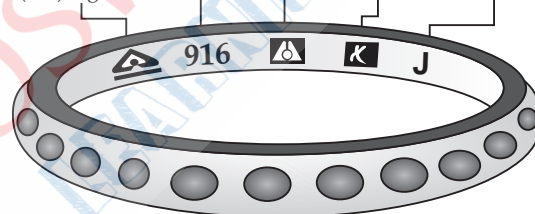
7.2 Quality Standard Marks

A quality mark gives consumer a visual and easily identifiable quality assessment tool, originating from a reliable source. Government of India has introduced some quality standard mark for almost all the products. A consumer should check for these marks before buying any commodity or product from market place.

Hallmark: It is a certification scheme issued by Bureau of Indian Standards to judge the purity of gold and silver jewellery. It is applicable for gold since April, 2000 and for silver since 2005.

WHAT JEWELLERY HALLMARKING DENOTES

The Bureau of India Standards (BIS) logo	Purity of gold	Assay Centre	Jeweller's identification mark	Year of hall-marking
--	----------------	--------------	--------------------------------	----------------------



AGMARK: It is a certification scheme issued by Directorate of Marketing and Inspection of the Government of India for agricultural products. It is applicable since 1937 and was amended in 1986. Agricultural products having this mark, ensures that given products conform to a set of standards.



ISI Mark: ISI Mark is a certification mark for industrial products in India issued by bureau of Indian Standards. It is applicable since 1955. It is both mandatory or voluntary. Thus, if a person wants to purchase an electronic item/industrial items from the market place, he/she should make sure that the product has ISI mark.



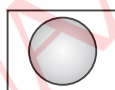
FPO Mark: FPO mark is a mandatory certification mark for all the “processed fruit products” in India issued by Ministry of Food Processing. It is applicable since 1955. This mark proves that product is not harmful from any aspect for the human health and life and produced or manufactured under a clean and safe environment.



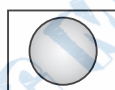
Eco mark: Eco mark is a certification scheme issue by Bureau of Indian Standards for the eco-friendly products. It is applicable since 1991. Product having this mark conforms the set of standards and proves that the product has least impact on eco system.



Vegetarian and Non Vegetarian Marks: It has been made mandatory by the Indian Government for packaged food products sold in India to have a green symbol for vegetarian products and red/brown symbol for non-vegetarian products in order to distinguish between them. It is applicable since 2011.



Green



Brown/Red

FSSAI: FSSAI stands for Food Safety and Standard Authority of Indian. It is a certification mark for food items such as dairy products, fats, oil, fruits and vegetables, cereal products, meet products, fish and fish products, sweets and confectionery, beverages, etc. which proves that product is hygienic and meets the set of standards approved by Food Safety and Standards Authority of India (FSSAI).



8. Conclusion : It can be concluded that both Government and consumers should make efforts collectively to create awareness about the rights and responsibilities of the consumers and to reduce exploitation of consumers.

India has been observing 24 December as the National Consumers’ Day as on this date, Indian Government enacted Consumer Protection Act, 1986. There are today, about 20-25 well organised and recognized consumer groups in today out of 700 hundred. In India, after consumer movement, consumer awareness were spreading very slowly, but after the enactment of Consumer Protection Act, 1986, it took a little speed, though slowly in our country.

For the speedy process of the consumer movement, we require a voluntary effort and active participation of the people.