

CBSE Test Paper - 03
Chapter - 12 Consumer Protection

1. A consumer has a right to file a complaint and to be heard in case of dissatisfaction with goods or services according to the _____ **(1)**
 - a. Right to Seek redressal
 - b. Right to choose
 - c. Right to be heard
 - d. None of these
2. Who can file a complaint under the Consumer Protection Act, 1986? **(1)**
 - a. All of these
 - b. Any consumer
 - c. A legal heir or representative of a deceased consumer
 - d. Any registered consumers association
3. What is the importance of consumer protection from the point of view of a consumer? **(1)**
 - a. Consumer awareness
 - b. All of these
 - c. Protection against malpractices or exploitation of sellers
 - d. To organise consumer in the form of consumer organisations
4. Consumers should use ISI marked electrical appliance is an example of **(1)**
 - a. Right to choose
 - b. Right to be informed
 - c. Right to be heard
 - d. Right to safety
5. Name any two Non-Governmental Organisations (NGOs) which are working in India to protect and promote the consumer interests. **(1)**
6. What does Consumer Protection Act, 1986 aim at?
7. Geeta goes to a doctor to get herself treated for an injury in her hand. The doctor being her distant relative charged her nothing for the treatment. However, after a few days she develops an infection on the wound because the doctor didn't use sterilised

instruments. Later on, she is advised by the surgeon to get the infected finger removed. Therefore, she is very angry with the doctor.

In context of the above case: Can Geeta file a case against the doctor if she decides to take a legal action? Why or why not? Give a reason in support of your answer. **(1)**

8. Manuj bought a packet of chips from a local shopkeeper and found that the ingredients given on the label were not legible. He complained about it to the company. The company sent a written apology stating that they will make sure that existing packets are withdrawn from the market and new packets with legible labels are soon made available. State the consumer right which Manuj exercised. **(1)**
9. Aryan went to purchase a pack of chocolate for his son from a shop in the nearby market. Despite his preference to buy a pack of a particular brand the shopkeeper forced him to buy the pack of chocolate of another brand, by giving some odd justifications. After coming back home, Gaurav was feeling very dissatisfied.
 - a. Identify and explain the right of the consumer being violated in the above-mentioned case.
 - b. Briefly explain any two points highlighting the importance of consumer protection from the consumer's point of view. **(3)**
10. What is meant by a 'consumer' as per the provisions of Consumer Protection Act, 1986? **(3)**
11. Good Health Ltd, a pharmaceuticals company, has introduced mosquito repellent bands under the brand name 'Jaddu' in the wake of outbreak of Dengue in various parts of the country. The product attracted many people from all age groups, especially kids. However, the company failed to provide adequate guidance for the users on the label of the product in terms of time period of the effectiveness of the repellent band once its seal is opened. Because of this ambiguity, many buyers faced problems.

In context of the above case:

 - a. Identify and explain the consumer right which has been overlooked by the company.
 - b. Name and explain any two functions of the important product-related aspect

ignored by the company. **(4)**

12. Vastra Ltd. is engaged in the manufacturing of apparel. Over the years, it has become a popular brand due to its good product quality and exclusive designing. The company plans to open its own retail showrooms in metropolitan cities in India. In order to meet its financial needs it has offered for subscription an IPO of Rs.4 lakh equity shares in the price band of Rs.430 - Rs.445 each. As per the guidelines of SEBI, the company has provided a complete disclosure of the relevant details in its prospectus.
- a. Identify and explain the right of the consumer being fulfilled by the directives of SEBI in the above mentioned case.
 - b. Briefly explain any two points highlighting the importance of consumer protection from the point of view of the businessmen. **(4)**
13. What are various ways in which the objective of consumer protection can be achieved? Explain the role of consumer organisations and NGOs in this regard? **(5)**
14. Explain the rights and responsibilities of a consumer. **(5)**
15. Prakhar purchased an ISI mark electric iron from Bharat Electricals. While using, he found that it was not working properly. He approached the seller and complained for the same. The seller satisfies Prakhar by saying that he will ask the manufacturer to replace this iron. The manufacturer refused to replace and Bharat Electricals decided to file a complaint in the consumer court. Can Bharat Electricals do this. Why? Also, explain who is a consumer as per Consumer. Protection Act, 1986. **(6)**

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Answer

1. c. Right to be heard

Explanation:

- **The consumer has a right to file a complaint and to be heard in case of dissatisfaction with a good or a service.**
- It is because of this reason that many enlightened business firms have set up their own consumer service and grievance cells.
- Many consumer organisations are also working towards this direction and helping consumers in redressal of their grievances.

2. a. All of these

Explanation:

A complaint before the appropriate consumer forum can be made by:

- i. Any consumer;
- ii. Any registered consumers' association;
- iii. The Central Government or any State Government;
- iv. One or more consumers, on behalf of numerous consumers having the same interest; and
- v. A legal heir or representative of a deceased consumer.

3. b. All of these

Explanation:

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

- i. **Consumer awareness**: In the light of widespread ignorance of consumers about their rights and reliefs available to them, it becomes necessary to educate them about the same so as to achieve consumer awareness.
- ii. **To organise consumer in the form of consumer organisations**: Consumers need to be organised in the form of consumer organisations which would take care of their interests. Though, in India, we do have

consumer organisations which are working in this direction, adequate protection is required to be given to consumers till these organisations become powerful enough to protect and promote the interests of consumers.

- iii. **Protection against malpractices or exploitation of sellers:** Consumers might be Compensation for impurities in cold drinks exploited by unscrupulous, exploitative and unfair trade practices like defective and unsafe products, adulteration, false and misleading advertising, hoarding, black-marketing etc. Consumers need protection against such malpractices of the sellers.

4. d. Right to safety

Explanation:

- The **consumer has a right to be protected or right to safety** against goods and services which are hazardous to life and health.
- For instance, electrical appliances which are manufactured with substandard products or do not conform to the safety norms might cause serious injury.
- Thus, **consumers are educated that they should use electrical appliances which are ISI marked as this would be an assurance of such products meeting quality specifications.**

5. The two Non-Governmental Organisations (NGOs) working in India to protect and Promote consumer interests are

i. CERC (Consumer Education and Research Centre), Ahmedabad

ii. CGSI (Consumer Guidance Society of India), Mumbai

6. To protect and promote the consumers' interest through speedy and inexpensive redressal of their grievances.

7. No, Geeta cannot file a case against the doctor because she is not a consumer because she didn't pay for the services.

Because in case of services as per **Consumer Protection Act, 1986** a Consumer is person hires or avails of any services for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred

payment and includes any beneficiary of such services other than the person who hires or avails of the services for consideration paid or promised, or partly paid and partly promised, or under any system of deferred payment, when such services are availed of with the approval of the first mentioned person

8. Manuj exercised Right to seek redressal
9.
 - a. The Right to choose has been violated in the given case as Aryan was forced by the shopkeeper to buy a particular brand of chocolate.
According to the Right to Choose, as per the Consumer Protection Act, 1986 the consumer has a right to choose from a variety of products at competitive prices or the right to be assured, wherever possible, to have access to a variety of goods and services at competitive prices. Also, marketers should offer a wide variety of products to buyers.
 - b. The importance of consumer protection from the consumer's point of view is outlined below:
 - i. **Consumer Ignorance:** In order to remove their ignorance, it is essential that the consumers are made aware of their rights and responsibilities.
 - ii. **Widespread Exploitation of Consumers:** In pursuit of higher profits the businessmen are likely to resort to unfair trade practices like charging a higher price, selling adulterated products, deficiency in services etc. Thus, there is a need to curb this kind of widespread exploitation of consumers.
 - iii. **Unorganised Consumer:** We need a Consumer Organisation which can unify the consumers and help them seek relief with their consumer issues.
10. Under the Consumer Protection Act, 1986, the term 'consumer' has been defined as who buys any goods for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any user of such goods other than the person who buys such goods for consideration paid or promised or partly paid or partly promised, or under any system of deferred payment when such use is made with the approval of such person, but does not include a person who obtains such goods for resale or for any commercial purpose.
11. The Right to information is being overlooked by the company in the above mentioned case.

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- a. According to the Right to information, a consumer has the right to get complete information about the product he/she intends to buy including its contents, date of manufacture, date of expiry, price, quantity, directions for use etc. Also, as per law, it is mandatory for the marketers to provide complete information about the product/ service to the buyers.
 - b. The important aspect related to the marketing of products which has been ignored by the company is Labelling.

Labelling is the display of label in a product. A label contains information about a product on its container, packaging, or the product itself. It also has warnings in it. For e.g. in some products, it is written that the products contain traces of nuts and shouldn't be consumed by a person who's allergic to nuts. The type and extent of information that must be imparted by a label are governed by the relevant safety and shipping laws. Labelling is also an important part of the brand of the product and the company. It helps the product stand out in the market, and identifies it as a part of a particular brand. This is important in the era of high and intense competition.

- c. The two important functions performed by labelling are:
 - i. Describes the product and specifies its contents: Labelling provides information about the core function of the product i.e. how and why the product is likely to be beneficial to the prospective buyers. It educates them about the usage and precautions related to the product. It also gives detailed information about the ingredients of the product.
 - ii. Helps in identification of the product or brand: The label contains the logo, brand name, tagline, name and address of the manufacturer etc. of the product which helps in easy identification of the product.

12. a. The Right to information is being fulfilled by the directives of SEBI in the above mentioned case.

According to the Right to information, the consumer has the right to get complete information about the product that he/she may propose to buy including its contents, date of manufacture and expiry, maximum retail price, quantity, directions for use etc. Moreover, as per law, it is mandatory for the marketers to provide complete information about the product/service to buyers.

b. An analysis of marketing management has made it clear that consumer is a king pin in the market. The producer should produce goods keeping in mind the requirements of consumers and satisfy the consumer but it is observed that this obligation is neglected by some businessmen and they are involved in the unfair practices such as supply of substandard quality, adulteration etc. So there is need for consumer protection. Hence consumer protection means protecting the interest of consumer. The importance of consumer protection from businessmen's point of view is outlined below:

- i. Long - term interest of business: In order to ensure long term interest of business it is important that businessmen strive to earn profits only through consumer satisfaction. This will not only ensure the survival of business but also lead to its growth in the future.
- ii. Business uses society's resources: Since a business employs society's resources to create offerings so they need to safeguard the consumer's interests.

13. There are various ways in which the objective of consumer protection can be achieved

Role of Consumer Organisations and NGOs

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. **Self Regulation by Business-** Socially responsible firms follow ethical standards and practices in dealing with their customers. Many firms have set up their customer service and grievance cells to redress the problems and grievances of their consumers.
- ii. **Awareness Programme-** To improve the level of awareness among the consumers the government of India has initiated various publicity measures. It regularly brings out journals, brochures, booklets and various posters depicting the rights and responsibilities of consumers, redressal machineries etc. It observes World Consumer Right Day on 15 March and National Consumer Day on 24 December.
- iii. **Business Associations-** The associations of trade, commerce and business like Federation of Indian Chambers of Commerce of India (FICCI) and Conference of

Indian Industries (CII) have laid down their code of conduct which lays down for their members the guidelines in their dealings with the customers.

- iv. **Consumer Awareness-** A consumer, who is well informed about his rights and the reliefs, would be in a position to raise his voice against any unfair trade practices or exploitation.
 - v. **Consumer Organisations-** Consumer organisations play an important role in educating consumers about their rights and protecting them. These organisations can force business firms to avoid malpractices and exploitation of consumers.
 - vi. **Goods and Services Covered Under CPA, 1986-** The term 'goods' under this Act has the same meaning as under the sale of goods Act. Accordingly it covers all types of movable property other than money and includes stocks and shares, growing crops etc. The term 'service' means service of any description made available to potential users and includes banking; financing, housing construction, insurance, entertainment, transport, supply of electrical and other energy, boarding and lodging, amusement, etc. The services of doctors, engineers, architects, lawyers etc are also to be included under the provisions of Consumer Protection Act.
 - vii. Educating the general public about consumer rights by organising training programmes, seminars and workshops.
 - viii. Publishing periodicals and other publications to impart knowledge about consumer problems, legal reporting, reliefs available and other – matters of interest.
 - ix. 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.
 - x. Encouraging consumers to strongly protest and take an action against unscrupulous, exploitation and unfair trade practices of sellers.
14. The Consumer Protection Act provides six rights to consumers. They are as follows

Consumer Responsibilities

A consumer must be aware about these responsibilities while purchasing, using and consuming goods and services

- i. **Right to Safety:** The consumer has a right to be protected against goods and

services which are hazardous to life, e.g., sometimes we purchased the food items of low quality which causes severe problems. Thus, in this case, we should purchased good quality and FPO labelled products.

- ii. **Right to be Informed :** The consumer has a right to have complete information about the product, which he intends to buy including its ingredients, date of manufacture, price, quantity, directions for use etc. Under the legal framework of India manufactures have to provide such information on the package and label of the product.
- iii. **Right to Choose:** The consumer has the freedom to choose from a variety of products. The marketers should offer a wide variety of products and allow the consumer to make a choice and choose the product which is most suitable. ‘
- iv. **Right to be Heard :** The consumer has a right to file a complaint and to be heard in case of dissatisfaction with a good or a service. It is because of this reason that many enlightened business firms have set up their own consumer service and grievance cells.
- v. **Right to Seek Redressal:** The Consumer Protection Act provides a number of reliefs to the consumer including replacement of the product, removal of defect in the product, compensation paid for any loss or injury suffered by the consumer etc.
- vi. **Right to Consumer Education** The right of every Indian citizen to have education on matters regarding consumer protection as well as about her/his right is regarded as the last right provided by the Consumer Protection Act 1986. The right makes sure that the consumers in the country have informational programs and materials which are easily accessible and would enable them to make purchasing decisions which are better than before. Consumer education might refer to formal education through college and school curriculum as well as consumer awareness campaigns being run by non-governmental and governmental agencies both. Consumer NGOs, having little endorsement from the government of India, basically undertake the task of ensuring the consumer right throughout the country. India is found to be 20 years away from giving this right that gives power to the common consumer.
- vii. Consumer must be aware of all their rights.
- viii. Consumer must be careful while purchasing a product.

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- ix. He should file complaint for the redressal of genuine grievances.
 - x. Consumer must buy a standardised good.
 - xi. He should ask for a cash-memo on purchase of goods and services
 - xii. Consumer should have the Responsibility to Respect the Environment and avoid waste, littering and contribution to pollution

15. No, Bharat Electricals cannot file a complaint. This is because Bharat Electricals is not a consumer as per the Consumer Protection Act, 1986 because they bought the goods for resale purpose.

Under the Consumer Protection Act 1986, a consumer is defined as:

- i. Buys any goods for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any user of such goods other than the person who buys such goods for a consideration paid or promised or partly paid or partly promised, or under any system of deferred payment, when such use is made with the approval of such person, but does not include a person who obtains such goods for resale or for any commercial purpose.
- ii. Hires or avails of any services for consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any beneficiary of such services other than the person who hires or avails of the services for a consideration paid or promised, or partly paid and partly promised, or under any system of deferred payment, when such services are availed of with the approval of the first mentioned person but does not include a person who avails of such services for any commercial purpose. It may, however, be noted that "commercial purpose" does not include use by a person of goods bought and services exclusively for the purposes of earning his livelihood by means of self-employment.