CBSE Test Paper - 05

Chapter - 28 Consumer Rights

1.		w many countries and member organisations are under the umberalla of nsumers International? (1)
	a.	210 member organisations from 110 countries
	b.	over 250 member organisations in 120 countries
	c.	200 member organisations from 100 countries
	d.	225 member organisations from 120 countries
2.	Co	nsumers have the against unfair trade practices and exploitation. (1)
	i.	Right to seek redressal
	ii.	Right to safety
	iii.	Right to choose
	iv.	Right to be informed
3.	We	e find Agmark on (1)
	a.	Automobiles
	b.	Gas cylinders
	c.	Edible oil and cereals
	d.	Jewllery
4.	Th	e manufacturer of a multi-national wafer manufacturing company will have to
	ab	id by which principle before marketing its wafers in India? (1)
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- a. Right to safety
- b. Right to consumer education
- c. Right to seek redressal
- d. Right to be informed
- 5. MRP stands for (1)
 - a. Maximum Retail Price

- b. Market Retail Price
- c. Minimum Return Price
- d. Market retaining Price
- 6. What is Central Level Consumer Courts? (1)
- 7. Which right of the consumer is violated if seller is not providing full information about the product? (1)
- 8. Which mark is maintained for standardization of jewellery? (1)
- 9. Which right of the consumer is violated if the consumers are not allowed to get their claims settled against the manufacturers in case they are cheated or exploited? (1)
- 10. Where can a consumer go to get justice against unfair trade practices? Explain. (3)
- 11. Highlight any three problems which a consumer may face in the process of redressal. (3)
- 12. How do large companies manipulate the market? Explain with examples. (3)
- 13. Explain features of the Consumer Protection Act of 1986. (3)
- 14. How does exploitation of consumers take place in the market? (5)
- 15. Explain the different Rights of Consumers. (5)

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Answers

1. b. over 250 member organisations in 120 countries

Explanation: Consumers International is the membership organisation for consumer groups around the world. Founded on 1 April 1960, it has over 250 member organisations in 120 countries. Its head office is based in London, England, with regional officers in Latin America, Asia Pacific, Middle East and Africa.

2. a. Right to seek redressal

Explanation: Consumers have the right to seek redressal against unfair trade practices and exploitation. If any damage is done to a consumer, she has the right to get compensation depending on the degree of damage.

3. c. Edible oil and cereals

Explanation: The term Agmark was coined by joining the words 'Ag' to mean agriculture and 'mark' for a certification mark. This term was introduced originally in the bill presented in the parliament of India for the Agricultural Produce (Grading and Marking) Act.

4. d. Right to be informed

Explanation: The manufacturer of wafer company will have to abid by the right to be informed and provide the whole information on the packing of the product like ingredients maximum retail price, batch number, date of manufacturing, etc.

5. a. Maximum Retail Price

Explanation: A maximum retail price (MRP) is a manufacturer calculated price that is the highest price that can be charged for a product sold in India and Bangladesh. However, retailers may choose to sell products for less than the MRP.

6. These are courts which settle consumer disputes at national level. Central level

consumer courts deals with the cases involving claims exceeding Rs 1 crore.

- 7. Consumer's right to be informed is violated if the seller is not providing full information about the product.
- 8. Hallmark is the identification of standardized jewelleries
- 9. The right to seek redressal of the consumer is violated if the consumers are not allowed to get their claims settled against the manufacturer or are duped.
- 10. The consumers can take recourse to legal measures to get justice against unfair trade practices. For this reason the Consumer Protection Act, 1986 is popularly known COPRA was forumlated. Under COPRA there is a provision for three-tier quasi-judicial machinery at district, state and national level to redress consumer disputes.
 - i. The district level courts deal with cases of claims up to Rs 20 lakhs.
 - ii. The state level courts deal with cases of claim between to Rs 20 lakhs to Rs 1 crore.
 - iii. The National level courts deal with cases of claims more than Rs 1 crore.

 Consumers can appeal accordingly depending upon their degree of damage done by the product
- 11. The three problems which a consumer may face in the process of redressal are as under:
 - i. It may be expensive, as a consumer has to engage a lawyer.
 - ii. It may be time-consuming because these cases require time for filing and attending the court proceedings etc.
 - iii. If cash memos or receipts not issued, then it makes the collection of evidence difficult.
- 12. i. Big companies can manipulate the market by using unwanted advertisements which are often misleading.
 - ii. They also buy smaller companies who make similar products in order to have no or less competition.
 - iii. When there is a competition, they make the products available at a lower price in order to attract more consumers.
 - iv. They also criticize other corporations saying that their products are better than the rest.
- 13. Consumer Protection Act 1986, a major step taken in 1986 by the Indian government

was the enactment of the Consumer Protection Act, popularly known as COPRA.

- i. It applies to all goods and services.
- ii. It covers all sectors, i.e., private, public and cooperative.
- iii. This Act provides many rights to consumers. These rights are related to safety, information, choice, representation, redressal, education etc.
- iv. This Act provides safety to consumers regarding defective products, dissatisfactory services and unfair trade practices. So under the purview of this Act, there is a provision to ban all those activities which can cause a risk for the consumer.
- v. Established consumer protection councils at centre and state levels.
- vi. Under COPRA, three-tier quasi-judicial machinery at district, state and national levels was set-up for redressal of consumer disputes. The Act has enabled the consumers to have the right to represent in the consumer courts. The enactment of COPRA has led to the setting up of separate departments of consumer affairs in central and state governments.
- 14. A consumer is said to be exploited when he/she is cheated by the producer or trader into buying lower quality or adulterated goods for more money.

A consumer can be exploited in the following ways:

- i. Shopkeepers weigh certain products lesser than they should. They may weigh only7 kg and charge money for 10 kg.
- ii. Sometimes, traders add hidden charges.
- iii. The shopkeeper may sell defective and/or adulterated goods.
- iv. False information is given to attract consumers. For example, a company claimed that its powder milk was scientifically proven to be beneficial for babies and sold it in the market for years. However, it was later discovered that those were false claims and that the powder milk had never been certified by experts.
- v. Traders and producers might sometimes hoard goods and create an artificial scarcity in the market and then sell those hoarded goods at higher prices.
- vi. By providing unsatisfactory after sale services.
- vii. In businesses such as banking, insurance, mobile services and phones, medical facilities etc. the customer is lured by attractive but false and misleading advertisements. Many a time unaware customers get cheated.
- viii. At times, such goods are sold which cause physical as well as mental harassment.
 - ix. Sometimes, the sellers create artificial scarcity or do not provide complete

information before selling.

- 15. The different rights of the consumers which which emboldens the consumers are:
 - i. <u>Right to Safety</u>: A consumer has the right to be protected against the marketing of goods and delivery of services that are hazardous to life and property. Producers need to strictly follow the required safety rules and regulations. There are many goods and services that we purchase that require special attention to safety. For example, pressure cookers have a safety valve which, if it is defective, can cause a serious accident. The manufacturers of the safety valve have to ensure high quality.
 - ii. **Right to be Informed:** Consumers have the right to be informed about the goods and services they are going to purchase. The whole information includes price, batch number, ingredients, date of manufacture, expiry date and the address of the manufacturer.
 - iii. **Right to Choose:** Any consumer who receives a service in whatever capacity, regardless of age, gender and nature of service, has the right to choose whether to continue to receive the service.
 - iv. **Right to Seek Redressal:** Consumers have the right to seek redressal against unfair trade practices and exploitation or if any damage is done to a consumer. He has the right to get compensation depending on the degree of damage.
 - v. **Right to Represent:** the Consumer Protection Act (COPRA) has enabled the consumers to have the right to represent in the consumer courts. At times consumers are also assisted by the consumer forums or consumer protection councils on how to file cases in the consumer court.
 - vi. **Right to be Heard:** The consumer should be assured that complaints or grievances regarding a product or service will be considered.
 - vii. **Right to Consumer Education:** A consumer can be protected against frauds only when he knows that there is a law dealing with such malpractices. He should be aware of the rights and the remedies available.