

CBSE Test Paper - 05
Chapter - 12 Consumer Protection

1. Which Act of consumer protection provides for the formation of 'Consumer Protection Councils' in every district and state of the country? **(1)**
2. Rita wants to buy a packet of juice. As an aware customer how can she be sure about the quality of juice she plans to buy? **(1)**
3. Consumers might be exploited by unscrupulous, exploitative and unfair trade practices. Give few examples of such practices adopted by sellers. **(1)**
4. Rahul Sharma purchased a car for Rs.25 lakhs from an automobile company and found its engine defective. Despite many complaints the defect was not rectified. He filed a case in the District forum. But he was not satisfied with the orders of the District Forum and decided to appeal. Suggest him the highest authority where he could appeal if not satisfied again by the decision of the next higher authority. **(1)**
5. Your mother purchased a washing machine for Rs.10,000 from an authorised dealer of the manufacturer with an oral guarantee that the machine will be replaced with a new one if any of its parts becomes defective with three months from the date of purchase. The motor of the machine was burnt within 15 days of its purchase. On complaining, the seller refused to replace the machine. Name the redressal agency under the Consumer Protection Act where your mother can file the complaint. **(1)**
6. Sulochana bought a geyser of a well known company trusting standardization stamp on the product and the manufacturer. The geyser, however, exploded immediately after installation putting her family and the electrician at risk. Sulochana took the matter to a consumer court, brought those responsible to surface, and demanded for a penalty and compensation.
In context of the above case:
 - a. Identify the consumer right being violated in the above case.
 - b. Identify the consumer right being mobilized by Sulochana in the above case. **(1)**

-
7. Rahul Arora purchased a machine for ₹1 crore from a company and found it defective. Defect was not rectified in spite of repeated complaints to company. Suggest to him the appropriate authority where he could file a complaint under Consumer Protection Act. **(1)**
8. Ved purchased some medicines worth ₹ 1000 for his wife from a chemist in the nearby market. But, he didn't take the cash memo for it from the chemist. After taking those medicines the condition of his wife deteriorated and she had to be hospitalized. Later on through a laboratory test it was certified that the medicines were spurious.
- Can he file a case against the chemist? Justify your answer with the help of a suitable reason.
 - State any four rights which a consumer can exercise in case of exploitation as per the Consumer Protection Act, 1986. **(1)**
9. Geetika booked two coach seats online through the website of a transportation company from Delhi to Nainital. As per schedule, its departure time was 9.30am. The description on the website stated that the coach would have full onboard services hosted by a steward with individual LCD screen preloaded with movies. One day before the trip, she was informed the departure time would be delayed by two hours as the bus had broken down. When Geetika finally boarded the coach, she was told that it was free seating despite having booked the seats online. She eventually had to sit in a seat that was dirty. She later realised that the LCD monitor screen at her seat was not working. Furthermore, there were no Wi-fi services as promised on board. After the trip, Geetika provided her feedback to the company and requested a refund for the unsatisfactory services rendered. Since the company refused to offer any relief, she has decided to file a case as it is an unfair practice for a business to make misleading or false claims in relation to a consumer transaction.
- In the context of the above case:
- Identify the responsibility of a consumer being fulfilled by Geetika.
 - According to you at which level of redressal machinery should Geetika file a case?
 - Suggest any two reliefs that the court may provide to Geetika in case it is convinced about the genuineness of the complaint. **(3)**

10. Abhishek bought a bottle of disinfectant spray from the nearby market. It had a knob which was to be opened in a particular way. However, there was no instruction on its package in this regard. Therefore, when he tried to open the knob in a casual way, some of the sprays flew in his eyes. This affected his vision.

In the context of the above case:

- a. Name the rights of the consumer being violated by the company.
- b. State any two directions which the consumer court can issue to the company after being satisfied with the genuineness of the complaint. **(3)**

11. The approach of Caveat Emptor has been changed to Caveat Venditor. what do the two approaches mean? Why such a radical change has taken place? **(4)**

12. Explain the following rights of a consumer:

1. Right to safety
2. Right to consumer education. **(4)**

13. Enumerate the various Acts passed by the Government of India which help in protecting the consumer's interest? **(6)**

14. State any six reliefs available to consumers on the complaint made by them under Consumer Protection Act. **(6)**

15. Giving any six points, explain the importance of consumer protection in India. **(6)**

CBSE Test Paper - 05
Chapter - 12 Consumer Protection

Answer

1. The Consumer Protection Act, 1986.
2. Rita should look for FPO mark on the packet of juice.
3. Defective and unsafe products, adulteration, false and misleading advertising, hoarding, black-marketing, etc.
4. The highest authority where he can appeal is National Commission.
5. As per the The Consumer Protection Act, 1986, She can file a case in District Forum for a claim limit upto Rs.20 lakhs.
6.
 - a. Right to safety(right to be protected against marketing of goods and services which are hazardous to life and property) was violated in the above case.
 - b. Right to be heard(the right to be heard and to be assured that consumer's interests will receive due consideration at appropriate forums) is being mobilized by Sulochana in the above case.
7. National Commission.
8.
 - i. No, he cannot a case against the chemist as he didn't take the cash memo for it from the chemist. A cash memo is the conclusive proof of the purchase of goods.
 - ii. The four rights which a consumer can exercise in case of exploitation are as follows:-
 - a. Right to safety
 - b. Right to Information
 - c. Right to Choose
 - d. Right to be Heard.
9.
 - a. The responsibility of a consumer being fulfilled by Geetika is to 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.
 - b. Geetika should file a case in District Forum. As the amount of the claim is less than Rs. 5,00,000 therefore, the case regarding her complaint be filed in District Forum also known as District Consumer Disputes Redressal Forum (DCDRF) as per the

Consumer Protection Act, 1986.

- c. The two reliefs that the court may provide to Geetika in case it is convinced about the genuineness of the complaint are as follows:
 - i. To refund the charges paid for the service.
 - ii. To pay punitive damages in appropriate circumstances.
10. a. The two rights of consumer being violated in the above case are Right to information (According to the Consumer Protection Act 1986, the consumer right is referred to as rights to the consumers to be informed about the quality, quantity, potency, standard and price of goods or services so as to be protected against unfair trade practices.) and Right to safety (According to the Consumer Protection Act 1986, the consumer right is referred to as 'right to be protected against marketing of goods and services which are hazardous to life and property').
- b. The two directions which the consumer court can issue to the company after being satisfied with the genuineness of the complaint are as follows:
 - i. Not to offer hazardous goods for sale.
 - ii. To pay a reasonable amount of compensation for any loss or injury suffered by the consumer due to the negligence of the marketer.
11. The approach of Caveat Emptor means 'Let the buyer beware' and approach of Caveat Venditor means 'Let the seller beware'. The change has taken place because a consumer is said to be a king in the current competitive market and all the marketing efforts of a firm revolve around him.
12. i. **Right to safety:**
 - a. Consumers have the right to be protected against the marketing of products and services which are dangerous or hazardous to their health, life and property.
 - b. For example, if electrical goods, chemical products, gas cylinders, pressure cookers etc. happen to have any manufacturing defect, these may harm the consumer resulting in injury to him or his death or damage to his property.
 - c. If, in spite of all the precautions, injury is caused, a consumer has the right to complain against the businessman and is entitled to claim compensation.
- ii. **Right to consumer education:**
 - a. The consumer has a right to acquire knowledge and to be a well-informed consumer throughout life.

-
- b. He should be aware about his rights and the reliefs available to him in case of a product or service falling short of his expectations.

13. The Indian legal framework consists of a number of regulations which provide protection to consumers. Some of these regulations are as under

i. **The Consumer Protection Act, 1986**

The Act provides safeguards to consumers against defective goods, deficient services, unfair trade practices etc. It protects the consumer from exploitation that business practice to make profits which in turn harm the well being of the consumer and society.

ii. **The Contract Act, 1872**

The Act lays down the conditions in which the promises made by parties to a contract will be binding on each other. It determines the circumstances in which promises made by the parties to a contract shall be legally binding. Under Section 2(h), the Indian Contract Act defines a contract as an agreement which is enforceable by law.

iii. **The Sale of Goods Act, 1930**

The Act provides some safeguards and reliefs to the buyers of the goods in case, the goods purchased do not comply with express or implied conditions or warranties of contract of sale of goods which is a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price.

iv. **The Essential Commodities Act, 1955**

It has since been used by the Government to regulate the production, supply and distribution of a whole host of commodities it declares 'essential' in order to make them available to consumers at fair prices. The Act aims at controlling, reduction, supply, distribution and price of essential commodities.

v. **The Agricultural Produce Act, 1937**

The Act prescribes grade standards for agricultural commodities and livestock products.

vi. **The Prevention of Food Adulteration Act, 1954**

The Act aims to check adulteration of food articles and ensure their purity, so as to maintain public health.

vii. **The Standards of Weights and Measures Act, 1976**

It provides protection to consumers against the malpractice of under-weight or

under-measure.

viii. **The Trade Marks Act, 1999**

The Act prevents the use of fraudulent marks on products and thus provides protection to the consumers against such products.

ix. **The Competition Act, 2002**

The Act provides protection to the consumers in case of practices adopted by business firms which hamper competition in the market.

x. **The Bureau of Indian Standard Act, 1986**

The bureau has two major activities: formulation of quality standards for goods and their certification through the BIS certification scheme. The bureau has also set up a grievance cell, where consumers can make a complaint about quality of products carrying the ISI mark.

14. Under this Act, remedies available to consumers are as follows:

- i. **Removal of Defects:** If after proper testing the product proves to be defective then the 'remove its defects' order can be passed by concerned authority.
- ii. **Replacement of Goods:** Orders can be passed to replace the defective product by new non defective product of the same type by any of the consumer courts or sometimes consumer grievances redressal cell of the seller.
- iii. **Refund of Price:** Orders can be passed to refund the price paid by the complaint for the product.
- iv. **Award of Compensation:** If because of the negligence of the seller a consumer suffers physical or any other loss, then compensation for that loss can be demanded for. If sellers ignores it for the same than consumer can file a case against the seller in special courts for consumers who buy or avail services. Consumer forums works under/as per Consumer Protection Act 1986 (CPA 1986). As per this act there are three commissions available for filing the suit against a seller named as District commission, state commission or national commission and at last supreme court as per the claim amount.
- v. **Removal of Deficiency in Service:** If there is any deficiency in delivery of service then orders can be passed to remove that deficiency. For instance, if an insurance company makes unnecessary delay in giving final touch to the claim, then under this Act orders can be passed to immediately finalise the claim.
- vi. **Discontinuance of Unfair/Restrictive Trade Practice:** If complaint is filed

against unfair/ restrictive trade practice then under the Act that practice can be banned with immediate effect. For instance, if any gas company makes it compulsory for a consumer to buy gas stove with the gas connection then this type of restrictive trade practice can be checked with immediate effect.

15. There are a number of products in the market which are injurious to the health of the consumer, adulteration, false weights, monopoly and unfair trade practice are some of the issues that need to be tackled and are to be addressed to protect the consumer against it. Consumer protection is important because consumers in any modern market economy often experience information asymmetry and a significant imbalance of bargaining power as compared to producers and sellers of products and services. The importance of consumer protection is being discussed below:

1. **From the Consumers' Point of view:** The importance of consumers' protection from the point of view of the consumers can be made clear with the help of the following points:
2. **From the Point of View of Business:** Business needs consumers as much as consumers need business. 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. Therefore, business should also join hands in protecting consumers' interest. Its importance is highlighted by the following facts:
 - a. **Consumers' Ignorance:** Generally, the consumers are not aware of their rights. It is only because of this ignorance that they cannot raise their voice against their exploitation rampant in the market. They bear this exploitation ungrudgingly thinking it as a part of the market. Hence, they remain inactive in this respect. Therefore, it has become necessary in public interest that they should be educated about their rights so that they become activated.
 - b. **Unorganised Consumers:** Consumers are unorganised and this fact alone highlights the importance of consumers' protection. A single consumer raising his voice against exploitation is not as effective as the voice of an organised consumers' body can be. So far the consumers have not shown such an attitude that they should raise their voice in an organised manner. Consumers' protection encourages the consumers to organise themselves.

-
- c. **Widespread Exploitation of Consumers:** These days consumers are being exploited on a large scale. For instance, there are many products that claim to make you fair or reduce your weight but when you use the products it does not provide what is promised. Following are some of the examples of their exploitation:
- a. Adulteration in consumers' products.
 - b. Inferior quality of goods and services.
 - c. Misleading advertisement.
- d. **Long Term Interest of Business:** Every business wants to enjoy long existence. This is possible only when business firms provide absolute satisfaction to the consumers. A firm that succeeds in satisfying the consumers, the consumers themselves turn to such a firm for buying their products time and again and they tell others also about their satisfaction. A satisfied customer with their word of mouth would make more customer and increase the consumer base. In this way, the number of customers for that firm goes up and the firm continues to live for a long time. Paying attention to the satisfaction of the consumers is nothing but consumer protection.
- e. **Business Uses Society's Resources:** Every business uses various resources, e.g., material, machinery, human, capital, etc. All these resources are supplied by society. From this point of view, it becomes the responsibility of business to provide better facilities to society. By doing this and through the medium of consumer protection business gets an opportunity to discharge its responsibility towards society.
- f. **Government Intervention:** By ignoring consumers' interest, business is almost inviting government intervention. For that business should design their trade practice in such a way which would be in the interest of the consumer. Government intervention in defence of consumers' interest is certainly a set back for any firm. This is why every firm wants to avoid such a situation. Such a situation can be avoided only if the consumers' interest is taken care of. Doing so means taking care of consumers' protection.