

## Long Answer Questions

**Q. 1. Why are rules and regulations needed in the market? Explain with examples. [CBSE Delhi 2017]**

**Ans.** Need for rules and regulations:

- (i) Individual consumers often find themselves in a weak position. Whenever there is a complaint regarding a good or service that had been bought, the seller tries to shift all the responsibility on to the buyer.
- (ii) Sometimes traders indulge in unfair trade practices, such as when shopkeepers weigh less than what they should.
- (iii) Markets do not work in a fair manner when producers are few and powerful. A long battle had to be fought with court cases to make cigarette manufacturing companies accept that their product could cause cancer.
- (iv) Large companies with huge wealth, power and reach can manipulate the market in various ways. At times false information is passed on through the media and other sources to attract consumers.
- (v) Consumer is also exploited when buyers purchase in small amount and are scattered. For example, a company for years sold powder milk for babies all over the world as the most scientific product claiming this to be better than mother's milk. It took years of struggle before the company was forced to accept that it had been making false claims.

**Q. 2. How does a consumer exercise his right to be informed?**

**Ans. (i)** Manufacturers display the required information on the goods or medicines we purchase, because consumers have the right to be informed.

**(ii)** Consumers can then complain and ask for compensation or replacement, if the product proves to be defective in any manner.

**(iii)** For example, if we buy a product and find it defective well within the expiry period, we can ask for a replacement. If the expiry period is not printed, the manufacturer would blame the shopkeeper and will not accept the responsibility.

**(iv)** One can protest and complain if someone sells a goods at more than the printed price on the packet. This is indicated by the Maximum Retail Price (MRP). In fact, customers can bargain with the seller to sell at less than the MRP.

**(v)** In October 2005, the government of India enacted a law known as RTI or the Right to Information Act, which ensures its citizens all the information about the functions of government departments.

**Q. 3. What problems do we face in taking the consumer movement forward?**

**Ans.** The consumer redressal process is becoming cumbersome, expensive and time consuming.

Many times, consumers are required to engage a lawyer.

These cases require time for filing and attending the court proceedings, etc.

In most purchases, cash memos are not issued, hence, evidence is not easy to gather.

Moreover, most purchases in the market are small retail sales.

The existing laws also are not very clear on the issue of compensation to consumers injured by defective products.

After 32 years of the enactment of COPRA, consumer awareness in India is spreading but slowly.

Besides this, the enforcement of laws that protects workers, especially in the unorganised sector is weak.

Rules and regulations for the functioning of markets are often not followed.

**Q. 4. Trace the evolution of the consumer movement in India.**

**Ans. (i)** In India, the consumer movement as a 'social force' began with the necessity of protecting and promoting the interests of consumers against unfair trade practices.

**(ii)** Rampant food shortages, hoarding, black marketing, adulteration of food and edible oil gave birth to the consumer movement in an organised form in the 1960s.

**(iii)** Till the 1970s, consumer organisations were largely engaged in writing articles and holding exhibitions.

**(iv)** They formed consumer groups to look into the malpractices in ration shops and overcrowding in the road passenger transport.

**(v)** Because of these efforts, the movement succeeded in bringing pressure on business firms, as well as the government to correct business conduct.

**(vi)** A major step taken in 1986 by the Indian government, was the enactment of the Consumer Protection Act, 1986, popularly known as COPRA.

**(vii)** More recently, India witnessed an upsurge in the number of consumer groups.

**Q. 5. Write a note on Consumers International.**

**Ans. (i)** In 1985, United Nations adopted the guidelines for consumer protection.

**(ii)** This was a tool for nations to adopt measures to protect consumers and for consumer advocacy groups to press their governments to do so.

(iii) At the international level, this has become foundation for consumer movement.

(iv) Today, Consumers International has become an umbrella body of over 250 member organisations in 120 countries, in which India is one of them.

**Q. 6. How can 'Right to Safety' be practised?**

**Ans. (i)** While using many goods and services, we as consumers, have the right to be protected against the marketing of goods and delivery of services that are hazardous to life and property.

(ii) Producers need to strictly follow the required safety rules and regulations.

(iii) There are many goods and services that we purchase that require special attention to safety.

(iv) For example, pressure cookers have a safety valve which, defective, can cause a serious accident. The manufacturers of the safety valve have to ensure high quality. We also need public or government action to see that this quality is maintained.

**Q. 7. Why are quality measurements used?**

**Ans.** The quality measurements are used to satisfy a consumer.

(i) While buying many commodities, there is a logo with letters like ISI, AGMARK or Hallmark.

(ii) These logos and codification help consumers get assured of quality while purchasing the goods and services.

(iii) The organisations that monitor and issue these certificates allow producers to use their logos provided they follow certain quality standards.

(iv) Though these organisations develop quality standards for many products, it is not compulsory for all the producers to follow standards.

(v) However, for some products that affect the health and safety of consumers or of products of mass consumption like LPG cylinders, food colours, additives, cement, packaged drinking water, it is mandatory on the part of the producers to get their products certified by these organisations.

**Q. 8. COPRA has enabled the consumers to have the right to represent in the consumer courts. Explain how it benefits the consumers. [CBSE Sample Paper 2016]**

**Ans.** Under COPRA, a three-tier quasi-judicial machinery at the district, state and national levels was set up for redressal of consumer disputes.

The district level court deals with the cases involving claims upto ₹20 lakhs, the state level courts between ₹20 lakhs and ₹1 crore and the national level court deals with cases involving claims exceeding ₹1 crore.

If a case is dismissed in district level court, the consumer can also appeal in state and then in National level courts. Thus, the Act has enabled us as consumers to have the right to represent in the consumer courts.

It strengthened the Consumer Movement and provided the consumers with 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.

**Q. 9. Examine any three conditions which should be taken care of by multinational companies to set up their production units. [CBSE Delhi 2016]**

**Ans. (i)** Close to the market.

**(ii)** Skilled and unskilled labour available at low cost.

**(iii)** Government policies.