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## **RIGHTS AND RESPONSIBILITIES OF CONSUMERS**

We often come across many people who complaint of having been supplied with inferior or adulterated goods for which they have paid full price. Similarly some people are seen grumbling that they have paid full fare but the seats of bus and train provided were very un-comfortable. So many a times people do not get the full worth of their money. They do not have a right to get the full value of their money spent for the goods and services they want to avail of.

Sometimes, people themselves are responsible for the inappropriate goods and services that are provided to them. Many a times, they do not know full details of the products or services they are interested in. Sometimes, they take the delivery of goods or avail the services without caring for their quality. Is it not their responsibility to give full details of the goods and services required by them? In this lesson let us learn the details about the rights and responsibilities of consumers.



### **OBJECTIVES**

After studying this lesson, you will be able to:

- define the term consumer;
- distinguish between a consumer of goods and consumer of services;
- state the meaning of the term 'consumerism';
- explain the various rights of a consumer; and
- state the various responsibilities of consumers.

### **17.1 WHO IS A CONSUMER?**

Simply speaking, consumer is a person who consumes or uses various goods and services. Goods may include consumable goods (like wheat flour, salt, sugar, fruits, etc.) or durable consumer goods (like television, refrigerator, toaster, mixer, bicycle, etc.). Services that we buy may include electric power, telephone, transport service, theatre service, etc. Thus, a consumer is one who buys goods and services for use. If a retail trader buys goods (say stationery

items) from a wholesaler, he is not a consumer but a trader because he buys goods for resale.

Is the buyer, who is a consumer, only expected to use the goods? Not always. If you buy an exercise book for writing in it yourself, you are the buyer as well as user. Suppose your father buys food items, they are often meant for consumption by all members of the family. Or, when he buys detergent powder, it may be used by members of the family and any person who may be engaged in washing. So, a consumer buys goods which may be used by members of the family or someone else on behalf of the buyer.

Consumer is a person who buys goods or services to be used or consumed by himself/herself or by someone else on behalf of the buyer. Goods may include consumable items or durable consumer goods.

While services paid for may be transport, electricity, film-shows and the like. A 'consumer' may also be defined as "Anybody who chooses goods and services, spends money to obtain them and uses them to satisfy his/her needs".

Let us see what is the difference in position of a consumer of goods and that of a consumer of services. Services that we buy for our benefit may include transport service, like when we hire a taxi or auto-rickshaw, travel in a public bus or undertake rail journey to visit any place. If you have your own bicycle or scooter or motor-cycle, it may need repairs and you take it to a repairing shop. You pay for the service of the person who does the repair job. You are then a consumer of the service. Electricity or telephones that we use everyday either at home or at our work place are also services that we consume for which payment is made. A film-show seen for entertainment at cinema houses is also an example of service.

The main difference between goods and services consumed is that quality of goods can be physically verified before buying but the reliability and regularity of services cannot be verified before hand. For example, while buying a television you can have a demonstration of its functioning, picture quality, sound, etc. but you cannot verify whether the voltage of electricity supplied will be stable all the time. You can taste a sample of food item and then buy it or see whether fruits are over-ripe before buying. But you cannot verify whether a scooter or taxi driver will be cautious enough to avoid accidents or whether the clarity of sound and picture of a movie will be maintained throughout the show.

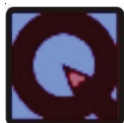
Besides, goods we buy can be consumed instantly or over a period of time. We can store cereals for a week or month, and a refrigerator can be used for several



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years with necessary repairs from time to time. But we cannot do so with (say) transport services or repairs, electric supply or telephone service or a film show.

**INTEXT QUESTIONS 17.1**

Answer the following questions using the words 'yes' or 'no'

- i. One who buys goods may or may not be a consumer. Is it so?
- ii. Is it correct to say that anyone who consumes food must be its buyer?
- iii. Can a shopkeeper be regarded as a consumer if he buys a readymade shirt for his own use?
- iv. I have paid membership fee to a public library and use it for reading books and journals. Am I a consumer of services?
- v. Your friend bought a story book and having read it, sold it to a bookseller selling secondhand books at a lower price. Is your friend a consumer?

**17.2 MEANING OF CONSUMERISM**

As a consumer, you must be using goods and services from time to time. You may be having the experience of being exploited by some or the other suppliers. Sometimes they over-charge or supply inferior quality of goods and services. It is difficult to stop such exploitation by any consumer single handedly. The intensity of such exploitation may be restricted if consumers become alert and collectively take a stand against such malpractices. Self-effort on the part of consumers for safe-guarding themselves is known as "consumerism".

Consumerism refers to a movement by consumers to ensure fair and honest (ethical) practices on the part of manufacturers, traders, dealers and services providers in relation to consumers. The movement may be regarded an attempt by individual consumer activists and consumer associations for creating consumer awareness about the malpractices in the market and finding ways and means to protect their interests.

This movement will be successful if consumers are aware of their rights and responsibilities while using goods and services. Let us learn about the various rights and responsibilities of consumers.

**Consumer Protection Act, 1986**

Consumer Protection Act provides for consumer protection more comprehensively than any other law. Consumers can seek legal remedy for a wide range of unfair practices not only with respect to goods but also for deficiency in services like banking, insurance, financing, transport, telephone, supply of electricity or other energy, housing, boarding & lodging, entertainment,

amusement, etc. This Act also includes provision for the establishment of consumer protection councils at the centre and the state. For the settlement of consumer disputes, the act has provided for a semi-judicial system. It consists of District Forum, State Commission and National Commission for redressal of consumer disputes. These may be regarded as consumer courts.



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### 17.3 RIGHTS OF CONSUMERS

You know that today consumers face various problems on account of competition in the market, misleading advertisements, availability of inferior quality of goods and services, etc. Hence protection of consumers' interest has become a matter of serious concern for the Government as well as public bodies. It is to safeguard the interest of consumers that Government has recognized certain rights of consumers. In other words, if consumers are to protect themselves from being exploited or cheated, they have to be given certain rights so that they are in a position to ensure that sellers of goods and service providers are more careful in dealing with them. For example, one of the rights of consumers is the right to choose. If you are aware of this right, you may ask for different varieties of the same product to be shown to you by the shopkeeper so that you can choose what you like. Sometimes, shopkeepers try to sell a particular brand of product on which they get higher commission on sale. It may not be of the good quality, or it may be available at a relatively lower price. This practice can be prevented if you exercise your right to choose the product and visit other shops if one shop does not have a large variety of the product.


Let us now discuss the various rights of consumers that are provided in the Consumer Protection Act 1986 :

- (i) **Right to safety:** Consumers have a right to be protected against marketing of goods which are injurious to health and life. As a consumer if you are conscious of this right, you can take precautions to prevent the injury or if injury is caused in spite of precaution, you have a right to complain against the dealer and even claim compensation. For example, if you buy any medicine, the pharmacy selling it can be held responsible if the medicine proves harmful because it was substandard. Again if gas cylinder is used for cooking, you have to check that it does not leak when it is supplied to you. If it starts leaking afterwards, the supplier will be liable to pay compensation if the leakage of gas leads to fire and causes injury or death to anyone.





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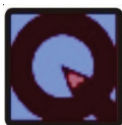
- (ii) **Right to be informed:** Consumers also have the right to be informed about the quantity, quality, purity, standard or grade and price of the goods available so that they can make proper choice before buying any product or service. Also, wherever necessary, the consumer must be informed about the safety precautions to be taken while using the product to avoid loss or injury. Taking the example of gas cylinder again, the supplier must inform the user to stop the flow of gas with the help of the regulator when it is not in use.
- (iii) **Right to choose:** Every consumer has the right to choose the goods needed from a wide variety of similar goods. Very often dealers and traders try to use pressure tactics to sell goods of inferior quality. Sometimes, consumers are also carried away by advertisements on the TV. These possibilities can be avoided if consumers are conscious of this right.
- (iv) **Right to be heard:** This right has three interpretations. Broadly speaking, this right means that consumers have a right to be consulted by Government and public bodies when decisions and policies are made affecting consumer interests. Also, consumers have a right to be heard by manufactures, dealers and advertisers about their opinion on production and marketing decisions. Thirdly, consumers have the right to be heard in legal proceedings in law courts dealing with consumer complaints.
 
- (v) **Right to seek redressal:** If and when any consumer has a complaint or grievance due to unfair trade practices like charging higher price, selling of inferior quality or unsafe products, lack of regularity in supply of services etc. or if he has suffered loss or injury due to defective or adulterated products, he has the right to seek remedies. He has a right to get the defective goods replaced or money refunded by the seller or dealer. He also has the right to seek legal remedies in the appropriate courts of law. Through this right the consumers are assured that their complaints will receive due attention. This right also provides for due compensation to consumers if they have suffered a loss or are put to inconvenience due to the fault of the supplier or manufacturer.
- (vi) **Right to consumer education:** To prevent market malpractices and exploitation of consumers, consumer awareness and education are essentially required. For this purpose, consumer associations, educational institutions and Government policy makers are expected to enable consumers to be informed and educated about (a) the relevant

laws which are aimed at preventing unfair trade practice; (b) the ways in which dishonest traders and producers may try to manipulate market practices to deceive consumers; (c) how consumers can protect their own interest; and (d) the procedure to be adopted by consumers while making complaints.



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Steps have already been taken by many consumer organisation to educate consumers through pamphlets, journals and posters. TV programmes have also come to play an effective role in this connection.



**INTEXT QUESTIONS 17.2**

I. Match the phrases under column A and B

**Column A**

**Column B**

- |                                   |   |
|-----------------------------------|---|
| (i) Right to be heard             | a) Seek legal remedy in court of law                      |
| (ii) Right to safety              | b) Consultation with consumers regarding policy decision  |
| (iii) Right to consumer education | c) Select the best quality item                           |
| (iv) Right to seek redressal      | d) Protection against marketing of hazardous goods        |
| (v) Right to choose               | e) Information about relevant laws of consumer protection |

- II. State which of the following statements are true and which are false.
- i) There is no need for businessmen to inform their customers about the quality of products because they can judge the quality themselves.
  - ii) Service providers are not responsible for allowing customers to seek remedies for poor quality of services supplied.
  - iii) Right to be heard will enable consumers to ensure due consideration of their interest at the appropriate forum.
  - iv) The right to be heard can effectively be exercised if the consumers are unorganized.
  - v) The consumer has the right to choose goods of his own choice and the business should give full freedom to consumers to choose.





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## 17.4 RESPONSIBILITIES OF CONSUMERS

There is a well known saying that ‘there cannot be rights without responsibilities’. Having examined the consumer rights and the purpose served by them, it is necessary to consider whether consumers should also be responsible enough to be entitled to exercise their rights. For instance, to be able to exercise their right to be heard, consumers should avail of the opportunities to know and keep informed about consumer problems. To exercise their right to seek redressal of complaints, consumers must take all precautions to choose the right goods at the right price and learn how to use the products to prevent injury or loss. Specifically, the responsibilities of consumers may include the followings:

- (i) **Responsibility of self-help** It is always desirable that a consumer should not depend on the seller for information and choice as far as possible. As a consumer, you are expected to act in a responsible manner to protect yourself from being deceived. An informed consumer can always take care of his/her interest more than anyone else. Also, it is always better to be forewarned and forearmed rather than getting remedies after suffering a loss or injury.
- (ii) **Proof of Transactions:** The second responsibility of every consumer is that the proof of purchase and documents relating to purchase of durable goods should be invariably obtained and preserved. For example, it is important to get a cash memo on purchase of goods. You should remember that in case you have to make any complaint about defects in goods, the proof of purchase will enable you to establish your claim for repair or replacement of the goods. Similarly, durable consumer goods like TV, refrigerator, etc. carry warranty /guarantee cards issued by the dealers. The cards entitle you to get the service for repairs and replacement of parts, free of cost during a certain period after purchase.
- (iii) **Proper claim:** Another responsibility that consumers are expected to bear in mind is that while making complaints and claiming compensation for loss or injury, they should not make unreasonably higher claims. Very often, consumers have to exercise their right to seek redressal in a court. There have been cases in which consumers claimed huge compensation for no apparent reason. This is regarded as an irresponsible act which should be avoided.
- (iv) **Proper use of Product/services:** Some consumers, especially during the guarantee period, make rough use of the product, thinking that it will be replaced during the guarantee period. This is not fair on their

part. They should always use the products properly. Besides the above responsibilities, consumers should be conscious of some other responsibilities. They should stick to the agreement made with manufacturers, traders and service providers. They should make timely payment in case of credit purchases. They should not tamper with the media of services, like electric and water meters, bus and train seats, etc. They should remember that they can exercise their rights only when they are willing to fulfill their responsibilities.

**Notes****INTEXT QUESTIONS 17.3**

- I. Which of the following statements are right and which are wrong?
- A responsible consumer is one who tries to protect his interest on his own.
  - A consumer should never depend on the seller for information regarding the quality of a product.
  - If I have purchased any product after due precaution, I cannot exercise my right to seek redressal.
  - There is no need to use product carefully during the guarantee period.
  - If as a consumer, I have suffered physical injury due to a defective electric heater and spent Rs. 5,000 on medical treatment, I should be entitled to claim compensation for Rs. 50,000.
- II. Multiple Choice Questions
- In which year consumer Protection Act was enforced?  
(a) 1972      (b) 1982      (c) 1986      (d) 1995
  - How many rights of consumers are provided under the Consumer Protections Act 1986.  
(a) 6      (b) 8      (c) 7      (d) 4
  - Responsibility of Consumer includes  
(a) Proper use of Product/Service  
(b) Right to Education  
(c) Must fight for its rights  
(d) Should always visit consumers courts
  - Consumerism refers to movement by  
(a) Government      (b) Society  
(c) Producers      (d) Consumers





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- v. Which right provides due compassion to consumers?  
 (a) Right to be informed      (b) Right to seek redressal  
 (c) Right to be heard      (d) Right to choose



**WHAT YOU HAVE LEARNT**

- Consumer is a person who buys goods or services to be used or consumed by himself/herself or by someone else on behalf of the buyer. Goods may include both consumable items and durable consumer goods, while services paid for may include transport, electricity, film shows and the like.
- Consumerism refers to a movement by consumers so as to ensure fair and honest (ethical) practices on the part of manufacturers, traders, dealers and service providers in relation to consumers.
- Rights of the consumers are (i) Right to safety (ii) Right to be informed (iii) Right to choose (iv) Right to be heard (v) Right to seek redressal (vi) Right to consumer education.
- Responsibilities of the consumers are (i) Responsibility of self-help (ii) Proof of transaction (iii) Proper claim (iv) Proper use of product/ services.



**TERMINAL EXERCISE**

1. Define a consumer.
2. Distinguish between a consumer of goods and consumer of service.
3. Describe the concept of consumerism.
4. As a part of their right to consumer education, what should consumers expect to be educated about ?
5. Explain the various rights of consumers.
6. Who is a consumer? What are the responsibilities of a consumer?
7. What are the documents a consumer should preserve after buying durable goods?



**ANSWER TO INTEXT QUESTIONS**

- 17.1** (i) Yes,      (ii) No,      (iii) Yes,      (iv) Yes,      (v) Yes
- 17.2** I.      (i) b,      (ii) d,      (iii) e,  
             (iv) a,      (v) c

II. (i) False, (ii) False, (iii) True,  
(iv) False, (v) True

**17.3** I. (i) True, (ii) True, (iii) False,  
(iv) False, (v) False

II. (i) c, (ii) a, (iii) a,  
(iv) d, (v) b

### ACTIVITIES FOR YOU

- Prepare a list of goods and services you are using in your day to day life.
- As a consumer have you ever faced any problem while buying goods and availing services? What action have you taken to protect your interest?



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