

12. Consumer Education: Rights, Responsibilities and Protection Act

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12.1 Introduction:

consumer education plays a crucial role in empowering individuals to make informed decisions about their purchases. By understanding their needs and preferences, consumers can maximize satisfaction and avoid potential pitfalls like scams or purchasing unsuitable products. This knowledge ultimately contributes to an improved standard of living for citizens by promoting responsible consumption.

A consumer is an individual or entity that purchases goods or services for personal or household use, typically from producers or retailers in exchange for money or other forms of payment.

here are a few definitions of "consumer" from different authors:

- "A consumer is someone who pays money for goods and services." - Peter Drucker
- "Consumers are individuals or households that consume goods and services generated within the economy." - Paul Samuelson
- "A consumer is any person or group that uses economic goods to satisfy their needs and desires." - Philip Kotler
- "Consumers are the ultimate users of goods and services produced by firms in the marketplace." - Michael R. Solomon

These definitions capture the essence of a consumer as someone who engages in the exchange of goods and services to satisfy their needs or desires.

12.2 Consumer Education:

Inadequate consumer education can leave individuals vulnerable to exploitation and fraud in the marketplace. Without understanding their rights, how to evaluate products and services, or how to identify deceptive practices, consumers may fall victim to scams or make uninformed purchases. This highlights the importance of comprehensive consumer education programs to empower individuals to navigate the marketplace confidently and responsibly. Consumer education refers to the process of imparting knowledge, skills, and information to individuals to help them make informed decisions about purchasing goods and services.

It encompasses various aspects such as understanding consumer rights, responsibilities, product information, comparison shopping, budgeting, and financial literacy. The goal of consumer education is to empower consumers to make wise choices, protect themselves from fraud or exploitation, and ultimately enhance their overall well-being and quality of life.

Consumer education means to educate the consumers as to what, where, when, how and how much to buy and how to use what they have bought.

What to buy: Understanding what to buy is a crucial aspect of consumer education. Here's a breakdown of the process:

- **Identify Your Needs and Priorities:** Before making a purchase, it's important to identify your needs and priorities. Consider factors such as functionality, quality, price, and any specific preferences you may have.
- **Conduct Market Research:** Conducting market research involves gathering information about the product or service you intend to purchase. This includes understanding its features, specifications, available brands, pricing, and any relevant consumer reviews or ratings.
- **Compare Options:** Once you have gathered information about the product, compare different options available in the market. This comparison should consider factors such as quality, price, warranty, after-sales service, and reputation of the brand.
- **Make an Informed Decision:** Based on your research and comparison, make an informed decision about which product best meets your needs and priorities. Consider factors such as value for money, reliability, and long-term satisfaction.
- **Brand Selection:** Choose a reputable brand that is known for producing quality products and providing excellent customer service. Consider factors such as brand reputation, product reliability, warranty coverage, and customer reviews.

How much to buy: Purchase only the quantity you need, considering factors such as your actual requirements, available budget, and storage space. This helps prevent spoilage and wastage.

Where to buy: You can make purchases from various sources including retail shops, cooperative stores, company showrooms, authorized dealers, or wholesale markets. Choose a reliable and reputable source to ensure product quality and authenticity.

When to buy: Timing your purchases can be important. Some items, like fruits and vegetables, are best bought when they are in season to ensure freshness and lower prices. Others, like room coolers or woolen clothes, may be purchased during off-season or genuine discount sales to save money.

How to buy: Decide whether to make purchases in cash or on credit. Paying in cash typically results in lower costs, while buying on credit may involve paying more than the original price due to interest or fees. Analyze the terms and conditions of installment purchases carefully and choose the option that best suits your financial situation. Always ask for warranty cards and receipts to protect your consumer rights.

How to use: Before using any product or service, familiarize yourself with its proper usage by reading instructions carefully. If needed, ask for a demonstration of usage to ensure correct operation and avoid potential problems or safety hazards.

Following these guidelines can help consumers make informed decisions, minimize expenses, and maximize satisfaction with their purchases.

12.3 Need of Consumer Education:

Consumer education is crucial for several reasons:

- **Empowerment:** It empowers consumers to make informed decisions about products and services, ensuring they get value for their money.
- **Protection:** Educated consumers are better equipped to recognize scams, misleading advertisements, and unfair business practices, thus protecting themselves from exploitation.
- **Financial literacy:** It enhances financial literacy by teaching individuals how to budget, save, invest wisely, and avoid debt traps.
- **Health and safety:** Consumer education educates people about the safety and health risks associated with certain products, helping them make safer choices.
- **Legal rights:** Educating consumers about their legal rights and responsibilities helps them assert those rights in case of disputes with sellers or service providers.

Overall, consumer education plays a vital role in fostering a fair, transparent, and efficient marketplace. Consumer rights refer to the set of protections and entitlements granted to consumers to ensure fair treatment in the marketplace.

These rights are often enshrined in consumer protection laws and regulations, and organizations such as consumer advocacy groups and government agencies work to uphold and enforce them.

12.3.1 Some Key Consumer Rights Include:

- **Right to safety:** Consumers have the right to expect that the products and services they purchase are safe for their intended use.
- **Right to information:** Consumers have the right to receive accurate and complete information about the products and services they are considering purchasing, including ingredients, potential risks, and terms of sale.
- **Right to choose:** Consumers have the right to choose from a variety of products and services at competitive prices, without facing unfair or discriminatory practices.
- **Right to redress:** Consumers have the right to seek redress if they are dissatisfied with a product or service, including refunds, replacements, or compensation for damages.
- **Right to be heard:** Consumers have the right to voice their opinions and concerns about products and services, and to have those concerns addressed by businesses and regulatory authorities.

- Right to consumer education: Consumers have the right to access information and resources to help them make informed decisions and navigate the marketplace effectively.

Consumer responsibility refers to the duties and obligations that consumers have in the marketplace. While consumers have rights, they also have corresponding responsibilities to ensure fair and ethical practices. By fulfilling these responsibilities, consumers not only protect their own interests but also contribute to a more transparent, ethical, and sustainable marketplace for everyone.

12.3.2 Some key consumer responsibilities include:

- Being Informed: Consumers should take the initiative to educate themselves about products and services before making purchasing decisions. This includes researching products, reading labels, and understanding terms and conditions.
- Exercising Judgment: Consumers should use their judgment to assess the reliability and credibility of sellers and service providers. This involves being skeptical of exaggerated claims and seeking out reviews and recommendations from trusted sources.
- Making Ethical Choices: Consumers should consider the ethical implications of their purchasing decisions, such as the environmental and social impact of products and companies. Choosing sustainable and socially responsible products can help promote positive change.
- Using Products Safely: Consumers have a responsibility to use products and services safely and as intended. This includes following instructions for proper use, maintenance, and disposal to minimize risks to themselves and others.
- Resolving Disputes Responsibly: If consumers encounter problems with products or services, they have a responsibility to attempt to resolve disputes in a fair and reasonable manner. This may involve contacting the seller or service provider directly or seeking assistance from consumer protection agencies or organizations.
- Contributing to Improvement: Consumers can contribute to improving the marketplace by providing feedback to businesses, participating in consumer advocacy initiatives, and supporting policies and regulations that promote consumer welfare.

12.4 Consumer Problems and Challenges:

Addressing consumer problems often involves communication with the company or service provider to resolve the issue directly. If that fails, consumers can escalate the problem by seeking assistance from consumer protection agencies, filing complaints with regulatory bodies, or taking legal action through small claims court or other legal avenues.

Keeping thorough records of communications and transactions is essential for resolving consumer problems effectively.

Additionally, technological advancements in consumer protection tools and resources can help empower consumers to better navigate and address consumer problems.

12.4.1 Consumer Problems Can Encompass a Wide Range of Issues, Including:

- **Product Defects:** When a purchased product is faulty, damaged, or doesn't work as intended. This could include issues like broken appliances, malfunctioning electronics, or defective clothing.
- **Poor Service:** This includes situations where a service provider fails to deliver the promised level of service. It could involve subpar workmanship, delays, or incomplete services.
- **Billing Disputes:** When there are discrepancies or errors in billing, such as overcharges, unauthorized charges, or incorrect fees.
- **Misleading Advertising:** If a product or service is advertised in a deceptive or misleading manner, leading consumers to make purchases based on false or exaggerated claims.
- **Contractual Disputes:** When there is disagreement over the terms of a contract, such as a lease agreement, purchase agreement, or service contract.
- **Warranty Issues:** Problems arising from warranties, such as difficulty in getting warranty repairs, disputes over what's covered, or denial of valid warranty claims.
- **Limited Legal Knowledge:** Consumers may lack knowledge of their rights and legal avenues for addressing consumer issues, making it difficult to navigate disputes effectively.
- **Power Imbalance:** In some cases, consumers may feel powerless when dealing with large corporations or businesses with greater resources and legal expertise, making it challenging to resolve disputes on equal footing.
- **Identity Theft and Fraud:** Instances where personal information is stolen or used without authorization for fraudulent purposes, such as unauthorized credit card charges or opening accounts in someone else's name.
- **Technological Challenges:** With the increasing reliance on technology for shopping and transactions, consumers may face challenges related to online security, data privacy, and understanding digital contracts and policies.

12.5 Laws for Consumer Protection:

A. The Agriculture Products (Grading and Marketing) Act:

This act is designed to regulate the grading and marking of agricultural produce. The primary purpose of the act is to ensure that agricultural produce meets certain quality standards and is appropriately marked to indicate its quality and authenticity.

The act establishes the AGMARK standardization mark, which is given by the government to agricultural or farm produce. This mark signifies that the product has been tested for purity, graded according to its quality, and packed suitably. The act applies to a wide range of agricultural products, including but not limited to wheat flour, gram flour, honey, spices, ghee, and other farm produce. By regulating the grading and marking of agricultural produce, the act aims to provide consumers with assurance regarding the quality and authenticity of the products they purchase.

Through standardized grading and marking, the act helps protect consumers from purchasing substandard or adulterated agricultural products. The act likely includes provisions for enforcement mechanisms to ensure compliance with the grading and marking requirements. This may involve inspections, penalties for non-compliance, and other regulatory measures. Overall, the Agricultural Produce (Grading and Marking) Act plays a crucial role in safeguarding consumer interests and promoting the quality and safety of agricultural products in the market.

B. The Drugs and Cosmetics Act:

This is an important piece of legislation in India that governs the manufacture, distribution, and sale of drugs and cosmetics. It aims to ensure that only safe and effective products are available to consumers and that they are properly labeled and sold through authorized channels.

C. The Prevention of Food Adulteration Act:

It is designed to safeguard consumers from consuming adulterated or substandard food products. It establishes standards for food quality, hygiene, and safety to ensure that the food available in the market is safe for consumption. The act also lays down provisions for penalties against those found guilty of adulterating food products.

D. The Essential Commodities Act:

Empowers the government to control the production, supply, distribution, and trade of essential commodities to ensure their availability at fair prices and to prevent hoarding and black marketing. The act allows the government to regulate the production, supply, and distribution of certain commodities deemed essential for the well-being of the general public, as listed in the act.

E. Trade Practices (MRTP) Act and the Standards of Weights and Measures Act accurately:

The MRTP Act aims to prevent unfair trade practices and protect consumers from exploitation. The Standards of Weights and Measures Act ensures the use of standard weights and measures and mandates detailed labeling on products. Both are crucial in maintaining consumer rights and ensuring fair trade practices in the market.

F. The Fruit Products Order (FPO):

This is an important regulation in India concerning the quality and safety of fruit products. It sets standards for the production, processing, packaging, labeling, and marketing of various fruit products to ensure their quality and prevent adulteration. The FPO aims to promote the production of high-quality fruit products and protect consumers from substandard or adulterated products in the market.

H. The Consumer Protection Act (CPA):

This also known as the Consumer Protection Act, 2019, replaced the earlier Consumer Protection Act, 1986, and aims to strengthen consumer rights and protection in India. Here's a detailed overview:

The CPA covers all goods and services, including both tangible products and intangible services, as well as online transactions, making it comprehensive in its applicability.

a. Consumer Rights: The act recognizes the following consumer rights:

- Right to be protected against marketing of goods and services that are hazardous to life and property.
- Right to be informed about the quality, quantity, potency, purity, standard, and price of goods or services.
- Right to choose goods or services based on their preferences and needs.
- Right to be heard and assured that consumer interests will receive due consideration at appropriate forums.
- Right to seek redressal against unfair or restrictive trade practices, exploitation, or unscrupulous conduct of sellers or service providers.

b. Consumer Disputes Redressal Mechanism: The act establishes Consumer Disputes Redressal Commissions at the district, state, and national levels to adjudicate consumer complaints swiftly and efficiently. These commissions have the authority to hear cases, award compensation, and issue orders to resolve consumer disputes.

c. Consumer Protection Councils: The act provides for the establishment of Consumer Protection Councils at the district, state, and national levels to promote and protect consumer rights through advocacy, awareness campaigns, and educational programs.

d. Consumer Complaints: Consumers can file complaints under the CPA for defects in goods or deficiencies in services, unfair trade practices, misleading advertisements, and any other grievances related to consumer transactions.

e. Product Liability: The CPA introduces the concept of product liability, holding manufacturers, sellers, and service providers accountable for any harm caused to consumers due to defective products or deficient services. It enables consumers to claim compensation for injuries or damages suffered.

f. E-commerce Transactions: The act specifically addresses e-commerce transactions, providing guidelines for online marketplaces, sellers, and service providers to ensure transparency, accountability, and consumer protection in digital transactions.

g. Penalties and Compensation: The act imposes penalties on erring businesses for non-compliance with its provisions, including fines and imprisonment. It also empowers consumer courts to award compensation to aggrieved consumers for any losses suffered due to unfair or deceptive practices.

Overall, the Consumer Protection Act, 2019, strengthens consumer rights and provides a robust framework for consumer protection, enhancing trust and confidence in the marketplace.

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