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Class 12 commerce Sub. BST. Date 02.01.2021 Teacher name – Ajay Kumar Sharma CONSUMER PROTECTION

Question 2:

What are the various ways in which the objective of consumer protection can be achieved? Explain the role of consumer organisations and NGOs in this regard.

ANSWER:

Consumer protection refers to the making the consumers aware and educated about their rights and responsibilities and help them in seeking redressal for their grievances and complaints. Consumer protection is of prime importance for both consumers and business. The following are some of the ways in which the objective of consumer protection can be achieved.

- 1. **Self Administration by Business**: The business firms should realise that it is in their long-term interest to protect the interest of their customers. They must increasingly work towards their satisfaction. They must realise that satisfied customers not only lead to repeated sales but also spread the good word about the company and thereby, pull new customers for the business. They must follow ethical values and avoid any form of exploitation of the consumers such as unfair trade practices, adulteration, etc. In this regard, nowadays many business firms have set up grievance cells and customer care centres to redress the complaints of their customers.
- 2. **Formation of Business Associations**: In India, many business and commerce associations such as Federation of Indian Chambers of Commerce and industry (FICCI), Confederation of Indian Industries (CII) have been established that work towards consumer protection. They lay down guidelines for their members for the code of conduct for customer dealings.
- 3. **Consumer Education and Awareness**: Consumer education and awareness is one of the important steps towards consumer protection. A consumer must be well aware and informed of his rights as defined under the Consumer Protection Act. He must also be aware of the reliefs available to him in case of any form of exploitation under the Act. In addition, he must also be educated about his responsibilities so as to safeguard himself against cheating and exploitation. A well educated and informed consumer is able to make wise choices.
- 4. **Formation of Consumer Associations and Organisations**: An increasing number of consumer organisations and associations such as the Consumer Unity and Trust Society, Consumer guidance Society of India, Consumer Protection Council, etc. must be formed. These organisations work actively towards educating the customers and making them aware of their rights and responsibilities. In addition, they encourage

consumers to protests against any form of exploitation or cheating and also assists them in taking legal actions and seeking redressal.

5. *Role of Government*: Government plays an important role in consumer protection by enacting various rules and legislation in this regard. The Government of India has passed various regulations and legislation to provide for consumer protection such as The Consumer Protection Act, The Contract Act, The Trade Marks Act, The Competition Act, etc. Of these, the most important being the Consumer Protection Act. Under the Act a three-tier machinery comprising of District Forum, State Commission and National Commission has been set up that work towards the redressal of consumer grievances and complaints.

Role of Consumer Organisations and NGOs in Consumer Protection

Nowadays, consumer organisations and NGOs play an important role in protecting and promoting consumers' interest. Some of the important NGOs and consumer organisations include Consumer Coordination Council, Common Cause, Consumer Protection Council, Consumers' Association, Mumbai Grahak Panchayat, etc. The following are some of the functions performed by these organisations in regard of consumer protection.

- (i) **Consumer Education**: The NGOs and consumer organisations organise various training programmes and workshops to educate the consumer about their rights and responsibilities.
- (ii) **Publishing Journals**: In addition to the training programmes and seminars, they also spread awareness through journals and periodicals. These journals and other publications provide knowledge about various consumer problems, legal remedies available and other such matters.
- (iii) *Legal Assistance*: They also provide legal assistance and aid to the consumers and help them in seeking suitable redressal.
- (iv) **Encouraging Protest against Exploitation**: They encourage the consumers to protest strongly against any form of exploitation and unfair trade practices.
- (v) **Assistance in Filing Complaints**: They encourage the consumers to file complaints in appropriate forums and also file complaints on their behalf.
- (vi) *Taking Initiatives*: They not only encourage the consumers to register complaints but also take initiatives themselves in filing cases in the general interest of the public.
- (vii) **Testing Quality of the Products**: They carry out the quality tests for various products in laboratories and publish the results. Such results help the consumers in making informed choices.