

## Unit-2: Market and Consumer Protection

Class: VII

Subject: Social Science - civics

### I. Choose the correct answer

- In which case a consumer cannot complain against the manufacturer for a defective product?
  - Date of expiry unspecified
  - Price of the commodity
  - Batch number of the commodity**
  - Address of the manufacturer
- Consumer's face various problems from the producer's end due to
  - Unfair trade practices**
  - Wide range of goods
  - Standard quality goods
  - Volume of production
- Consumers must be provided with adequate information about a product to make
  - Investment in production
  - Decision in sale of goods
  - Credit purchase of goods
  - Decision in purchase of goods**
- The system of consumer courts at the national, state, and district levels, looking into consumers grievances against unfair trade practices of businessmen and providing necessary compensation, is called
  - Three tier system**
  - One tier system
  - Two tier system
  - Four tier system
- Mixing other extraneous material of inferior quality with a superior quality material is called
  - Purification
  - Adulteration**
  - Refinement
  - Alteration

### II. Fill in the blanks

- A set up where two or more parties engage in **Exchange** of goods, service and information is called a market.
- In regulated Markets, there is some oversight by appropriate **Government** authorities
- Monopoly** refers to a market structure in which there is a single producer or seller that has a control on the entire market.
- COPRA** statue is regarded as the 'Magna Carta in the field of consumer protection for checking unfair trade practices.

### III. Match the following

- |                                       |   |      |
|---------------------------------------|---|------|
| 1. The Consumer Protection Act        | - | 1986 |
| 2. The Legal Metrology Act            | - | 2009 |
| 3. The Bureau of Indian Standards Act | - | 1986 |
| 4. The Essential Commodities Act      | - | 1955 |

### IV. Consider the following statements:

1. Tick the appropriate answer:

**Assertion:** In local Markets the buyers and sellers are limited to the local region or are

**Reason:** A market is not restricted to one physical or geographical location.

- (a) Both, A and R, are true and R is the correct explanation of A  
(b) Both, A and R, are true but R is not the correct explanation of A  
(c) If A is true but R is false  
(d) If A is false but R is true

### V. Answer the following questions

#### 1. What is market?

A set up where two or more parties engaged in exchange of goods, services and information is called a market

#### 2. What is market?

A set up where two or more parties engaged in exchange of goods, services and information is called a market

#### 3. List out the rights of consumers?

##### The Eight Basic Consumer Rights:

1. The Right to Basic Needs.
2. The Right to Safety.
3. The Right to Information.
4. The Right to Choose.

5. The Right to Representation.
6. The Right to Redress.
7. The Right to Consumer Education.
8. The Right to a Healthy Environment.

#### 4. Discuss about the role of consumer courts.

##### Consumer courts in India:

1. National Consumer Disputes Redressal Commission (NCDRC): A national level court works for the whole country and deals compensation claimed exceeds rupees one core. The National Commission is the Apex body of Consumer Courts; it is also the highest appellate court in the hierarchy. The commission is headed by a sitting or retired judge of the Supreme Court of India.
2. State Consumer Disputes Redressal Commission (SCDRC): A state level court works at the state level with cases where compensation claimed is above 20 lakhs but up to one core.
3. District Consumer Disputes Redressal Forum (DCDRF): A district level court works at the district level with cases where the compensation claimed is up to 20 lakhs.

#### 5. Write about the types of market and its functions.

##### On the Basis of Geographic Location:

- Local Markets: In such a market the buyers and sellers are limited to the local region or area.
- Regional Markets: These markets cover a wider area than local markets like a district, or a cluster of few smaller states
- National Market: This is when the demand for the goods is limited to one specific country. Or the government may not allow the trade of such goods outside national boundaries.
- International Market: When the demand for the product is international and the goods are also traded internationally in bulk quantities, we call it as an international market.

### On the Basis of Time:

- Very Short Period Market: This is when the supply of the goods is fixed, and so it cannot be changed instantaneously. For example the market for flowers, vegetables. Fruits etc.
- Short Period Market: The market is slightly longer than the previous one. Here the supply can be slightly adjusted. Example: The demand of fish, milk or egg,
- Long Period Market: Here the supply can be changed easily by scaling production. So it can change according to the demand of the market.

### On the Basis of Nature of Transaction

- Spot Market: This is where spot transactions occur, that is the money is paid immediately. There is no system of credit.
- Future Market: This is where the transactions are credit transactions. There is a promise to pay the consideration sometime in the future.

### On the Basis of Regulation:

- Regulated Market: In such a market there is some oversight by appropriate government authorities. For example, the stock market is a highly regulated market.
- Unregulated Market: This is an absolutely free market. There is no oversight or regulation, the market forces decide everything.

### On the basis of Nature of competition:

#### Monopoly:

Monopoly refers to a market structure in which there is a single producer or seller that has a control on the entire market. This single seller deals in the products that have no close substitutes.

#### Monopolistic Competition:

Monopolistic competition refers to a market situation in which there are a large number of buyers and sellers of products.