

Ch: 18 Price Rise and Consumer

ECONOMY

Class 10th GSEB

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1 Continuous Increase in Prices



4 More Investment & Jobs

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Price Rise

2 Moderate Rise is Good for Economy



3 Higher Profits for Producers



5 Rising Wages & Income



6 Better Living Standards

1. Rapid Price Increase



2. Excess Money Supply



Inflationary Situation

3. Too Much Money, Less Goods



4. Economic Problems



5. Hinders Development



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1. Increase in Money Supply



More Money Printed



Higher Govt Spending



Low Interest Rates & Easy Loans



2. Rapid Population Growth



Growing Population



High Demand for Food & Housing

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**Reasons for
Price Rise**



Supply Shortage



3. Increase in Exports



More Goods Exported



Less Supply in
Local Market

4. High Cost of Raw Materials



Costly Raw Materials



Rising Wages



Higher Production Costs

1. Black Money

- Income hidden to avoid tax
- Spent on Luxury Goods
- Increased Demand



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**Causes of
Price Rise**

2. Government Price Decisions

- Petrol & Diesel Price Hike
- Fertilizer Price Increase
- Rising Production Costs



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3. Natural & Human Factors

- Droughts & Disasters
- Wars & Strikes
- Supply Disruptions



4. Hoarding & Black Marketing

- Stockpiling of Goods
- Artificial Scarcity
- Goods Sold Illegally



Why Price Rise Should Be Controlled

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1. Impact
on Poor &
Middle Class



2. Decline
in Savings



3. Slowdown
in Industry & Jobs



4. Trade Deficit



5. Lower
Living
Standards



6. Rise in Crime
& Corruption



1. Monetary Measures



- Reduce Money Supply
- Increase Interest Rates
- Raise Cash Reserve Ratio
- Sell Government Securities

▶ *Less Money in Circulation*

2. Fiscal Measures



- Increase Taxes
- Cut Govt Spending
- Reduce Subsidies
- Impose Luxury Taxes

▶ *Reduced Demand*

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Steps Taken to Control Price Rise

3. Control on Capital Investment



- Restrict Luxury Investments
- Encourage Essential Industries
- Curb Speculation

▶ *Increase Essential Production*

4. Public Distribution System (PDS)



- Fair Price Shops (FPS)
- Subsidized Goods for BPL
- Government Subsidy

▶ *Support for Poor Families*

5. Administered Price Mechanism



- Fix Prices of Essentials
- Strict Stock Checks
- Anti-Hoarding Actions
- Price Control Laws

▶ *Prevent Unfair Pricing*

1. Every Person is a Consumer in Daily Life



2. Know Your Rights, Quality, Price & Weight



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3. Consumer Protection Movement



4. Ralph Nader Started in USA



Why Consumers Are Exploited

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1. Lack of Awareness and Illiteracy



2. Limited Information



3. Artificial Scarcity



4. Limited Competition



Reasons for
Consumer Exploitation

5. False Advertisements



Forms of Consumer Exploitation

1. Less Weight Than Printed



2. Overpricing



3. Adulterated or Duplicate Goods



4. Poor After-Sale Services



5. Poor After-Sale Services

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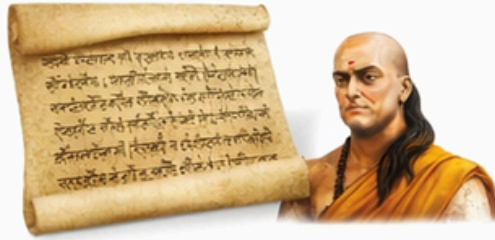
5. Defective Goods



6. False Advertisements



7. Negligence in Services
aer electricity, banking, insurance,
medical care



1. Kautilya's Arthashastra



2. World Consumer Rights Day



3. National Consumer Day (India)



4. Consumer Protection Act, 1986



5. Gujarat Consumer Protection Act, 1988

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Consumer Protection Act, 1986



Protects from
Unfair Practices



Covers Goods & Services
for Personal Use



Excludes Free
or Resale Goods



Complain if Defective
Products

2. Right to Information



Quality, quantity, price, purity, expiry date, usage

3. Right to Choose



Freedom to choose from a variety of goods at fair prices

1. Right to Safety



Protection from harmful and unsafe goods or services

4. Right to Be Heard



Express complaints and be heard

Rights of Consumers (6 Rights)

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6. Right to Consumer Education



Knowledge and awareness to become a smart consumer

5. Right to Seek Redressal



Compensation, repair, replacement or refund



**Prevents Cheating
& Exploitation**



**Improves Quality of
Goods & Services**



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**Importance of
Consumer Awareness**

**Promotes Fair
Trade Practices**



**Protects Health,
Money & Dignity**



1 Make the Right Choice

- Buy good-quality products at a fair price.
- Prefer items with ISI, BIS, AGMARK marks and branded electrical goods.



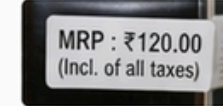
BIS

AGMARK



2 Be Informed and Alert

- Read labels, advertisements, instructions, price, warranty and expiry date carefully.
- Decide wisely using common sense.



3 Behave Responsibly

- Be polite, honest and fair while dealing with sellers and service providers.



5 Check Quality and Safety

- Do not compromise with quality, weight, safety or packaging of products.



Duties of Consumers



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4 Always Take a Bill and Warranty Card

- Ask for a proper receipt with date, signature and stamp.
- Keep bills safely for future complaints.



6 Avoid Unnecessary Buying

- Do not purchase unwanted goods due to ads, sales or influence of others.



7. Check Weights and Measures

- Use certified instruments.



8. Report Cheating Immediately

- Report fraud or adulteration.



9. Be Careful in Daily Services

- Verify gas, taxi, and fuel readings.



11. Join Consumer Organizations

- Join consumer groups.



Consumer Rights & Responsibilities



10. File Complaints when Needed

- Lodge complaints for poor services.



12. Spread Awareness

- Share information widely.



13. Participate in Awareness Programmes

- Attend seminars & campaigns.



12. Spread Awareness

- Share information widely.



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Measures of Consumer Protection

A. Three-Tier Consumer Courts (Tribunals)

Under Consumer Protection Act, 1986

1. District Consumer Forum



- One in each district
- Cases up to ₹20 lakh
- 571 forums in India

Appeal to
State
Commission

2. State Consumer Commission



- About 35 Commissions
- Cases ₹20 lakh to ₹1 crore

Appeal to
National Commission

3. National Consumer Commission



- Cases above ₹1 Crore
- Bench of 5 Members
- Appeal to Supreme Court

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Punishment & Fines
for Non-Compliance



Free Legal Aid for
BPL Families, Senior Citizens
& Disabled

1 Non-Political & Non-Commercial

Voluntary Organizations



2 Taluka, District, State & National Levels

Work at Different Levels



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**Consumer Protection
Groups**

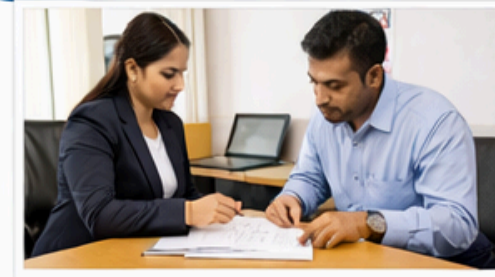
3 Spread Awareness

Consumer Rights & Duties



4 Help Consumers

File Complaints



5 Publish Magazines

Grahak Suraksha, The Consumer



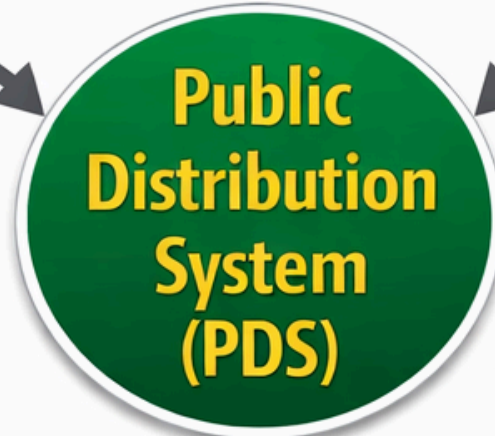
1. Fair Price Shops

Essential Goods at Subsidised Rates



2. Protecting Poor Consumers

From High Prices & Low Quality



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3. Preventing Hoarding & Black Marketing

Controlling Illegal Activities



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Standardisation Marks
(Quality & Safety)

Government certifies goods to protect consumers:

1 ISI / BIS
Industrial Goods



2 AGMARK
Agricultural Products



3 Hallmark (BIS)
Gold Jewellery



7 HACCP
Processed Food Safety



4 FPO
Packed Food Items



5 Woolmark
Woollen Products



6 MPO
Meat & Meat Products



8 ECO Mark
Eco-Friendly Products



1. ISO (International Organization for Standardization)



- Established in 1947
- Headquarters: Geneva, Switzerland
- ISO 9000 Series for Quality Management
- Sets Global Quality Standards
- Supports Industries & Institutions

2. Codex Alimentarius Commission (CAC)



**CODEX
ALIMENTARIUS**

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**International Organizations for
Standardization**



- Established in 1963
- Headquarters: Rome, Italy
- Joint FAO / WHO Initiative
- Sets Food Safety Standards
- Protects Consumer Health

Who Can File a **Consumer Complaint** ?

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1. Consumer Himself / Herself



**2. Central Govt., State Govt.
or UT Govt.**



5. Family Member of the Consumer



3. Registered Consumer Organisation



4. Representative Consumer



WHERE CAN A COMPLAINT BE FILED?

1

**District
Consumer Forum**



2

**State Consumer
Commission**



3

**National Consumer
Commission**



4

**Consumer
Court**



5

**Office of Legal
Metrology
(weights & measures)**



6

**Consumer
Society**



7

**Collector's
Office**



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1. Defective or Substandard Goods & Services



2. Services Not as per Agreement or Law



When can a complaint be filed?

3. Must be Filed Within 2 Years of the Problem



1. Write the complaint

(Handwritten, Typed or E-mail)



2. Mention Name, Address & Contact Number



3. Explain the Problem & Demand



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How to file a complaint?

4. Attach Copies of...

- Bill / Receipt
- Payment Proof
- Warranty Card



5. Do not Submit Original Documents



6. Pay the Required Fee

