

Major Developments towards Consumer Protection in India

¹Ch.Ravi Kumar, ² Dr. D. Nageswara Rao

¹Research Scholar, Department of Management Studies, Acharya Nagarjuna University, Guntur.

E.Mail Id: chanduravikumarmtm@gmail.com

²Retd. Reader, Department of Commerce, Hindu College, Guntur

Abstract: *This paper surveys the major developments in the field of consumer protection in India since 1984, when the statutory provisions for regulating unfair trade practices were incorporated for the first time. Among the developments described in the paper is the strengthening of provisions for consumer protection through amendments to the Act regulating restrictive and monopolistic trade practices (the MTRP Act). Public-sector undertakings and co-operative societies have been brought within the purview of the Act, and consumers have obtained the right to participate in inquiry proceedings before the MRTP Commission.*

Consumers and their associations have been given the right to seek redress of grievances arising out of the violation of certain pieces of legislation, including the Drugs and Cosmetics Act. The Consumer Protection Act, 1986, was enacted in order to provide speedy and inexpensive redress of consumers' grievances. Redress can now be sought before any consumer court also for negligence or deficiency in medical services. The Bureau of Indian Standards Act, 1986, has strengthened the measures for the standardization and quality control of manufactured goods.

A Consumer Welfare Fund has been set up to provide financial assistance to voluntary

consumer organizations and for the general development of consumer movement in the country. A spurt in voluntary consumer organizations in different parts of the country can also be observed. Other developments include the establishment of a separate Department of Consumer Affairs in the Union Government and the setting up of a Consumer Product Testing Laboratory. The current investigation has been undertaken to seek answers to key aspects such as level of consumer awareness regarding legislation and organizations with the specific objective to assess the awareness of male and female respondents towards consumer legislation organization and consumer protection laws.

Key words: Consumer, Consumer Protection, consumer rights, consumer laws, COPTA, MRTP

1. INTRODUCTION

In the early times, consumer was considered as King of the market but in the contemporary society, consumers are no longer safe against the mal practices such as, substandard goods and unsatisfactory services. The consumer has every right to reject any product or services rendered by any manufacturer in the market and can mould them to produce goods of their choice. Indian Consumer are ignorant,

illiterate and do not know the role of consumption vis- a- vis economic system as well as quality of life. When they are ignorant of their rights, they cannot know their responsibility as consumers. Consumers in the market find themselves deceived by wrong weights and measures, adulterated and substandard products causing great damages to health. Neelkanta and Anand (1992) found that people prefer to absorb and endure the wrong done to them rather than fight against injustice. This is because consumers do not know the ways and means of facing them confidently. At present the consumer movement in India is in its infancy. Vast majority of the people are not even aware of consumerism as a movement

closely connected with the protection of their interest. Many constitutional provisions have been made by government to protect the consumers. Until and unless the consumers avail of these provisions, the protection of consumer becomes inevitable. There is a great need to make them aware of their rights and responsibilities. The current investigation has been undertaken to seek answers to key aspects such as level of consumer awareness regarding legislation and organizations with the specific objective to assess the awareness of male and female respondents towards consumer legislation organization and consumer protection laws.

Table 1: Score values for awareness level and for consumer protection laws.

Response	Awareness Level	
	High Awareness (Score Value)	Low Awareness (Score Value)
Always	2	0
Sometimes	1	1
Never	0	2
	Awareness regarding Consumer	Protection Laws (score values)
Fully	2	0
Partially	1	1
Nil	0	2

1.1 As Under section-6 of Consumer Protection Act, consumer has the following rights:

1. Right to safety: It is Right to safety against such goods and services as are hazards to health, life and property of the consumer. For example, spurious and sub-standard drugs ; appliances made of low quality of raw material, such as, electric press, pressure cooker, etc. and low quality food products like bread, milk, jam, butter etc. Consumers

have the right to safety against loss caused by such products.

2. Right to be Informed/ Right to Representation: consumer has also the right that he should be provided all those information on the basis of which he decides to buy goods or services. This information

relates to quality, purity, potency, standard, date of manufacture, method of use, etc. of the commodity. Thus, producer is required to provide all these information in a proper manner, so that consumer is not cheated.

3. Right to choose: Consumer has the full right to buy good or services of his choice from among the different goods or services available in the market. In other words, no seller can influence his choice in an unfair manner. If any seller does so, it will be deemed as interference in his right to choice.

4. Right to be Heard: Consumer has the right that his complaint be heard. Under this Right the consumer can file complaint against all those things which prejudicial to his interest. First three rights mentioned above (Right to Safety; Right to be Informed; Right to choose) have relevance only if the consumer has right to file his complaint against them. These days, several large and small organizations have set up Consumer service cells with a view to providing the right to be heard to the consumer. The function of the cell is to hear the complaints of the consumers and to take adequate measures to redress them. Many newspapers like The Economic Times have weekly special columns to entertain the complaints of the consumers.

5. Right to Seek redress: This provides compensation to consumer against unfair trade practice of the seller. For instance, if the quantity and the quality of the product do not confirm to the promise of the seller, the buyer has the right to claim compensation, such as free repair of the product, taking back of the products, changing of the product by the seller.

6. Right to consumer education: Consumer education refers to educate the consumer constantly with regards to their rights. In other words, consumers must be aware of the

rights they enjoy against the loss they suffer on account of goods and services purchased by them. Government has taken several measures to educate the consumers. For instance, Ministry of civil supplies publishes a quarterly magazine under the title "Upbhokta Jagran". Doodarshan telecasts programme titled "Sanrakshan Upbhokta Ka".

1.2 In addition to this six rights of consumer given by govt. of India, The United Nations organization also given two rights:

1. Right to Basic Needs: The Basic need means those goods and services which are necessary for the dignified living of people. It includes adequate food, clothing, shelter, energy, sanitation, health, care, education and transportation. All consumers have the right fulfil these basic needs.

2. Right to Healthy Environment: This right provides consumers the protection against environment pollution so that the quality of life enhanced. Not only this, it also gives stress that the need to protect the environment is for future generations as well.

II.CONSUMER'S RESPONSIBILITIES

The consumers have a number of rights regarding the purchase of things, but at the same time they have some responsibilities too. It means that the consumer should keep a few things in mind while purchasing them. They are as follows:

1. Consumer should exercise his right: Consumers have many rights with regard to the goods and services. They must be aware of their rights while buying. These rights are: Right to safety, Right to be informed, Right to representation, Right to seek redressal, Right to consumer education, etc.

2. Cautious consumer/ Do not buy blindly: The consumers should make full use of their reason while buying things. They should not take the seller's word as final truth. In other words, while buying consumer must get information regarding the quality, quantity, price, utility etc. of goods and services.

3. Filing complaint for the redressal of genuine grievances: It is the responsibility of a consumer to approach the officer concerned there is some complaint about the goods purchased. A late complaint may find that the period of guarantee/warranty has lapsed. Sometimes, consumers ignore the deception of businessmen. This tendency encourages corrupt business practices.

4. Consumer must be quality conscious/Do not compromise on quality: The consumers should never compromise on the quality of goods. Therefore, they should not buy inferior stuff out of greed for less prices. If the consumers behave like this, there cannot be any protection for them from any quarter. It is also the responsibility of the consumers only to buy goods with the ISI, Agmark, Woolmark, FPO etc. printed on them. All these symbols indicative of the good quality of the goods.

5. Advertisements often exaggerate/Beware of false advertisement: The seller informs the consumer about their things through the medium of advertisement. The sellers exaggerate the quality of their goods. Therefore, it is the responsibility of the consumers to recognise the truth of advertisement.

6. Do not forget to get Receipt and Guarantee/warranty card: One should always get a receipt or bill for the things purchased. In case a guarantee/warranty card is also

offered by seller, it should also be taken. In case the goods purchased are of inferior quality or some defects appears and bothers the customers, these documents will be of great help in settling all kinds of dispute with the seller.

7. Do not buy in hurry: The first important responsibility of consumers is that they should not buy in hurry. It means that the consumers should make an estimate of the things they want to buy their along with their quantity required by them. They should also take in consideration the place from where to buy the things.

III.MATERIALS AND METHODS

Descriptive type of research design was considered to achieve the objectives of present investigation. Structured interview schedule was used to record the data. A multistage random sampling technique with stratification at the household level was adopted to select sample. Commensurate with the set objectives and information (primary as well as secondary) available, various analytical tools were employed for the analysis and interpretation of the data. Male and female respondents classified the acts into three groups on the basis of the total assigned scores separately. The mean (\bar{x}) and standard Error (S.E.) were calculated to classify the acts into three groups-high, medium and low. The scoring of consumer awareness, legislations and consumer protection laws were carried out for arriving at the results (Table 1). Students t- test was applied to find out the significant difference between male and female respondents towards legislation and organization and consumer protection laws.

IV. RESULTS AND DISCUSSION

Majority of the respondents belonged to the age group of 36 to 50 years, both in case of the male 70 percent) and female 56 (percent). 54 percent males and 72 percent females were graduates. Seventeen percent male respondents were professional with post graduation, whereas, none amongst female

respondents were so qualified. Only 14 percent male and 8 percent female had their own business. (Table 2). Consumer legislation and organizations are necessary to reduce consumer exploitation. analyzed that unless consumer awareness is created the effort of the government and voluntary organization cannot achieve the desired results. Thus, the consumer education should be given the top priority.

Table2: Personal Characteristics of respondents

S.No	Male	Female	Total
1. Age (years)			
Below 35	5(10)	20(40)	25(25)
36-50	35(70)	28(56)	63(63)
Above 50	10(20)	2(4)	12(12)
2. Education			
Illiterate	0	1(2)	1(1)
Higher Secondary	6(12)	13(26)	19(19)
Graduate	27(54)	36(72)	63(63)
Post Graduate	17(34)	-	17(17)
3. Occupation			
Government Service	38(76)	7(14)	45(45)
Private service	5(10)	5(10)	10(10)
Business	7(14)	4(8)	11(11)
Not gainfully employed	-	34(68)	34(34)

Figures indicates the percentages of total sample in each category

V. AWARENESS REGARDING CONSUMER PROTECTION LAWS

Consumer protection laws can exercise more effectively towards rights and responsibility of consumers. According to Table3 majority of the male respondents were aware about the weight and measures Act, thus was placed in the high group. Household electric appliance order was placed in low group as least number of respondents was aware of this act. Various other acts viz. The Drug and cosmetic Act; Prevention of food adulteration,

food product order. The essential commodity Act.; Display of price order; the prevention of black marketing and maintenance of supplies were categorized in the middle group according to their scores regarding awareness of there acts. Majority of the female respondents were also aware about the weight and measures act, thus was placed in the high group. A very few respondents knew about the Display of price order, therefore it was placed in low group. Medium level of awareness was ascribed to various acts viz. The consumer protection act; food product

order; prevention of food adulteration; Electric appliance order. The prevention of black marketing and maintenance of supplies; the essential commodity act, as the female respondents were partially aware about these acts. Awareness regarding consumer protection laws in the male and female respondents showed significant difference (Table 4). The results indicated that awareness of the female respondents

regarding consumer protection laws was significantly less than their counter part male respondents. Consumer awareness level of respondents was examined by a study conducted by Dhir (1995). The findings reported were similar to present findings that 72 percent of respondents were aware of consumer protection act (1986).

Table 3: Distribution of the respondents according to their awareness regarding consumer protection laws.

S.No.	Acts	Total Scores In Descending order (Males)	Group	Females	Group
1	Weight and Measure Act	70]-----	High	42-----	High
2	The Consumer Protection Act	53-----	Medium	23-----	Medium
3	The Drug and Cosmetic Act	40-----	Medium	21-----	Medium
4	Prevention of food adulteration	37-----	Medium	14-----	Medium
5	Food Product Order	33-----	Medium	14-----	Medium
6	The essential commodity Act	31		7	
7	Display of price order	23-----	Medium	5-----	Medium
8	The prevention of Black marketing Maintenance of Supplies	22-----	Medium	4-----	Medium
9	Household Electric Appliances order	15-----	High	1-----	low

Males Mean(x)= 36; Standard Error(S.E.)=16.96; Sample Size(N)=50.

Female Mean(x)= 14.55; Standard Error(S.E.)=12.80; Sample Size(n)=50.

Table 4: Students t-test showing significant difference between the awareness level of the male and female respondents regarding consumer protection laws.

Variable (awareness level)	Mean value	t-calculated Value	t-tabulated value	Degree of freedom	Level of significance
Male	6.38	6.1037	1.99	98	0.05
Female	2.48	0	0	0	0

VI. SUGGESTIONS AND ANNOTATIONS

1. It is extremely imperative to encourage volunteers, who are gallant, audacious and forthright, concerned in consumer protection movements.
2. Organizations, NGOs, institutions and agencies allied to consumer movements should hearten administrative advocacy in settling consumer disputes so the hitch of case pendency and delay in case disposal can be avoided.
3. Govt. should come up with varieties of plans to establish and manage laboratories, equipped with latest available international standard technologies, for testing samples of consumer goods with a view to determining their quality, purity and relative merit.
4. Government should enter into treaties with various countries in order to ensure extra territorial operation of the act.
5. Government should be pro active towards the cunning policies of MNCs to exploit the consumer.
6. A heavy sum should be taken from the multination companies in the form of security money at the time of their establishment and incorporation.
7. Most of the Indian consumers know only COPRA but they are not aware about other laws and statutes which protect their right so along with the dissemination of COPRA consumer should be made aware about the existence of other laws i.e. MRTP, Essential Commodities Act 1955, Bureau of Indian Standard Act 1986 etc.
8. Government should make efforts to create a consensus for 'global consumer policy.'
9. Judicial activism should be increased in consumer related issues also and parental role should be played by the Supreme Court for consumer redressal agencies.
10. Administrative advocacy should be encouraged in order to reduce the burden of consumer redressal agencies.
11. Indian consumer suffers from lack of political willingness to enforce consumer rights emphatically. V.R. Krishna Iyer, former Chief Justice of India, expresses himself more stridently: "The country's greatest enemy is GATT and the pro-MNC politics...leading to decolonization of India...Their capacity to corrupt, terrorize, propagandize, destabilize, colonies and subvert...has been the disaster of our country and of many others. And who invites them into our hallowed Bharat? The greats who have taken the oath of office under the secular socialist constitution and worship Gandhi as the Father of the Nation![17]

VII. CONCLUSION

The main source of information regarding consumer organization and legislation for the male was printed media and for the females' friends and neighbors. Out of all consumer protection acts, most of the male and female respondents knew about weights and measures act and were least aware about Household electric appliance order and Display of price order respectively. More percentage of male respondents knew about consumer forum than female respondents. The main reason considered by female respondents regarding the unawareness of legislation and consumer organization was high degree of illiteracy, but it was not so for male respondents.

REFERENCES:

- 1]. R.Agarwal and P.Rajnish (1953), The Mother: Questions & Answers, (Collected Works vol.5, Pondicherry: All India Books)
- [2]. Meenu Agrawal (2006), Consumer Behaviour and Consumer Protection in India, (New Delhi: New Century Publication.)
- [3].Pardeep S Mehta and Dr Anant Sharma (1989), The Consumer- What to do? How to do?, (Jaipur, Consumer Unity & Trust Society 'CUTS').
- [4]. Prof. Praful Chandra (1994), Servants not Master.
- [5]Gupta M. and Ogale, N: Educational needs of consumers regarding consumer protection laws. Journal of Research. RA.U. Hissar, 18 (3): 236-241 (1988).

[6]John M.: Awareness of Consumer Responsibilities. M.Sc. thesis, (unpublished) M.S.University, Baroda (1974).

[7]Parmeshwar, K.R.: Protect consumer against quality tricksters. Yojana 32 (5): 29 - 31 (1988).Tamil Nadu Consumer journal

[8]Wolver Hampton Intellectual repository and E-thesis: Consumer protection awareness instatus Africa.

AUTHOR DETAILS



Ch.Ravi Kumar Research Scholar, Department of Management Studies, Acharya Nagarjuna University, Guntur.

E.MailId: chanduravikumarmtm@gmail.com