CHAPTER - 2

CONSUMER MOVEMENT
The objective of this chapter is to discuss the meaning and scope of 'consumerism' or consumer movement. A brief study of worldwide consumer movement is undertaken through available secondary sources, with a view to better understand development of consumer movement in India. The consumer movement in India will be studied in the areas of the role of government, i.e., legal system and other measures, consumer associations, and attempts at self regulation by Business. Only a few important voluntary Consumer Association have been discussed briefly due to constraints of the scope of the study. This brief background study will form basis for subsequent review of important laws having bearing on consumer, special issues of Consumer Interest and functioning of Redressal Agencies and Voluntary Consumer Associations in Chandigarh.

2.1 **Consumerism Defined**

There are several definitions of consumer movement or consumerism. The difference between them is largely a matter of emphasis and attitude. This will be clear from the analysis of a few definitions. According to Kenneth Damerson "The Consumer Movement may be described as the organisation, activities and attitudes of consumers in relation to the distribution of goods and services. It gives new emphasis to the consumer's right to full and correct information on prices, on quality of commodity and on costs and efficiency of distribution"\(^{15}\) The main emphasis here is on full and complete information.

\(^{15}\) Kenneth Damerson: The Consumer Movement: Consumerism: Gaedeke & Etcheson: Canfield Press, San Fransisco. (P-60)
Mrs Virginia H. Khauer\textsuperscript{16} describes Consumerism simply as "let the seller beware" in comparison to the age old "Caveat emptor" or let the buyer beware. Her emphasis is on improving the bargaining power of the buyer. Betty Furness,\textsuperscript{17} former Spl. Assistant for Consumer Affairs to President Johnson, and a strong consumer advocate, has defined consumerism as: "An effort to put the buyer on an equal footing with the seller. Consumers want to know what they are buying? What they are eating. How long a product will last. What it will not do. Whether it will be safe for them and/or the environment". According to Peter Drucker "Consumerism means that the consumer looks upon the manufacturer as somebody who is interested but who really does not know what the consumer realities are. He regards the manufacturer as somebody who has not made the effort to find out who does not understand the world in which the consumer lives, and who expects the consumer to make distinctions which the consumer is neither willing nor able to make. The issue of consumer protection is concerned with the fundamental nature of the seller-consumer relationship, and as such strikes to the very heart of economic basis of our society"\textsuperscript{18}.

David Swankin of Consumers Union of the U.S. Inc., in his discussion of consumer interest says that, "The consumer interest is not the interest of individuals as such, but of all citizens viewed from the

\textsuperscript{16} Buskirk and James T. Rothe: Consumerism - an Interpretation: Consumerism: Gaedeke & Etcheson: Canfield Press, San Francisco. (P-82)
\textsuperscript{17} Laurence P. Feldman: Consumer Protection: Problems and Prospects (P-4)
\textsuperscript{18} Ibid
point of view of consumption...... [it concerns] it self with the question of both the best use of productive resources from the point of view of consumers and also the matter of distribution of these resources... It should be considered at the highest levels of government, not only to increase consumption, but also to forcefully contribute to creating a better economic structure and thus contribute to the creation of a better society....... the consumer interest..... cuts across the entire spectrum of economic problems"19.

A careful analysis of all the definitions given hither to indicate that consumer movement concerns it self with improving the position of buyer/consumer vis-a-vis the seller/manufacturer in the sphere of production, and distribution of goods and services. Consumerism includes all the actions taken by consumers themselves, by government., consumer associations and by business. It is evident from the discussion that the bargaining power of consumer needs to be brought at the level of seller. This will obviously need efforts by government, business, consumer associations and consumer themselves.

2.2 Origin and Development of Worldwide Consumer Movement20,21,22

Development of Consumer Movement in the U.S.

The United States can be rightly called as pioneer in consumer movement. It was during the late 1800's and early 1900's the

19. ibid. (P-5)
   The Information on worldwide Consumer Movement, among others, was Primarily compiled from the following Encyclopedias.
sale of many impure and unsafe products in United States which led to increased legislation to establish standard of quality. The Sherman Antitrust Act (1890) was passed in response to the growth of combinations or trust in oils, whisky and sugar etc. This was followed by Clayton Act (1914). This was done to protect consumers from the abuses of large corporation and monopolies. This can be considered as the beginning of consumer era. A no. of writers called muckrakers exposed abuses by various companies. The Jungle (1900) by Upton Sinclair, described filthy conditions in the meat-packing industry. This book helped lead to the Federal Food and Drugs Act 1906. Increased control of business by government resulted in establishment of other agencies like Federal Communications Commission (FCC), the National Labour Board (NLRB) and Securities and Exchange Commission (SEC). The Food and Drug Administration (FDA) sets standards for Foods, Drugs, and Cosmetics, forbids distribution of adulterated products and requires honest labelling to ensure quality and safety.

Industrial expansion and the changes in technology resulted in new and increasingly complex products. This led to extensive advertising by business to distinguish their products from those of other companies. The consumer movement strengthened the demand for adequate information about products. Another book "Your Money's Worth" Published in 1927 by Stuart Chase and F.J.Schlink became an instant hit. It highlighted the confusion created by conflicting products.

claims and bright promises and it pleaded for impartial product testing agencies. In 1929, Consumers Research, Inc., was established by Schlink to provide testing and sailing services for consumers. The Inc. drives its income from subscriptions from fees for Consumer's Research bulletin, a monthly which gives reports of analysis of products tested.

During the 1950's and 1960, consumer awareness increased as a result of efforts by various crusaders like the author Vance Packard who wrote 'The Hidden Persuaders' (1957) and The Waste Makers (1960). He discussed about the sale promotion methods and techniques designed to increase the use of products and advertising to encourage people to desire various items. Ralph Nader, a leading consumer crusader pointed out in 'Unsafe at any speed' (1965) that many kinds of automobiles were unsafe. His book led to the National Traffic and Motor Vehicle Safety Act of 1966, which established safety standards for motor vehicles. Nader and his group of investigators, also helped in increasing consumer interest in the safety of other products. President John F. Kennedy in his first consumer message to the congress in 1962 enunciated four consumer rights - the right to safety, the right to be informed, the right to choose and the right to be heard. The legislation was subsequently developed to give effect to the bill of rights.

Inflation of 1970's made consumers sensitive about their rights, and helped in the growth of consumerism because of greater public concern about the cost and quality of products. Consumer boycotts of certain products like beef, coffee, and sugar succeeded in temporarily
lowering the prices of these products in the mid 1970's. During 1980's increased concern for health led consumers to demand more nutritional information on food packaging.

The consumer groups also played an important role in the development of consumers interest in protecting their rights. Consumer Federation of America (CFA) was established in 1968. It presents the view points of Consumers to Federal Agencies. It is a Federation of about 200 church, Consumer, Farm and Labour groups. The CFA holds an annual conference at which consumer experts, farm and labour leaders and government and industry officials discuss consumer problems. CFA publications include CFA news and CPS news letter. Public citizens an organisation founded by Ralph Nader conducts research on products, works to influence congress and state legislatures and develops educational programmes for consumers. The Conference of Consumer Organisations provides assistance in Organising Consumer Groups. The Office of the Consumer Affairs, United States is an agency of the U.S. Government. It analyses and co-ordinates all government activities in the field of Consumer Protection. Its role is mainly of advisory and informational nature. There is no authority to enforce specific laws of Consumers Protection. The Director of the agency serves the president as Special Adviser for Consumer Affairs. Consumer Product Safety Commission (CPSC) was established as an Independent Agency of the US government in 1972. It works to protect consumers from unsafe products. The commission promotes the Development of Voluntary Safety Standards by manufacturers. It establishes and enforces uniform Federal Standards for the content, construction and
performance of consumer products. The commission can call and recall, products that it considers hazardous. It can seize specially dangerous products or forbid their sale. The President appoints the five members to seven year term subject to the approval of the senate.

Development of Consumer Movement in Europe.24

Europe like the U.S. also faced the problem of extensive brand name advertising, packaging and labelling and ensuing the purity of Food and Drugs. The consumer protection movement developed on the similar pattern as in the U.S. both being Industrialised.

In 1960 the International Organisation of Consumers Unions (IOCU) was launched at a conference in The Hague. It is a non-profit organisation registered in Nether lands. The charter members were consumers union of U.S., Inc., consumers' Association, London; Australian consumers' Association; Consumenten Bond, The Hague, and Association des Consommateurs, Brussels. In Jan., 95 the name of IOCU was changed to Consumer International (CI). Today, Consumer International has over 200 members comprising small and large consumer organisations representing over 80 countries. The IOCU sought to become an authenticating body that would admit to membership only those organisations that accepted no income from advertising and were financially supported by either consumer or governments. It stimulated the

Interchange of techniques and test results among its affiliates, educational material and Established a Technical Committee to represent consumers or International Standardisation Bodies. One of the major achievement of CI has been its successful campaign for adopting by the UN the 1985 Guide Lines for Consumer Protection.²⁵

In Britain consumer testing is exclusively done by privately operated consumers associations. A research institute was established through grants which conducts investigations into government, professional and commercial services. A National Federation of Consumers Groups was established to help consumer groups to look into problems such as complaints, store services, and price comparisons. There is a Consumer Advice Centre in London. The Weights and Measures control is in the hands of local and country authorities in the U.K. The Board of Trade, regulates the consumer goods and services. Home Office deals with most of the safety aspects of consumer protection and the Min. of Health enforces the Food and Drug Act. In Britain there is a citizens' Advice Bureaux.

Forbrukerr adet, - a consumer organisation in Norway gets substantial government grants. This is operated by representatives of seven leading National Organisations. The testing agency also handles complaints and publishes a monthly consumer magazine. An Institute of Informative Labelling has also been established in Norway to foster the growth of quality marks. In Denmark, a governmentally operated advice centre and

a consumer testing organisation look after the consumer activities. The main concern of the advice centre is in the field of Nutrition and household equipment. The consumer organisation is jointly supported by its individual members as well as some 21 member organisations and the government. Austria's verein fur Konsumenten information issues a monthly testing publication and also operates a demonstration centre in Central Vienna. The main purpose of the centre is to afford an opportunity to consumers to view available brands and receive impartial guidance. Member organisations including the chamber of labour covers 80 per cent of organisation's budget, the government covers 10 per cent and the remaining 10 per cent is covered by individual members.

The European Bureau of consumers unions consists of 9 organisations from the 6 EEC countries. Its main function is to coordinate the activities different agencies / organisations functioning in the field of consumer protection in Europe. The contact committee of consumers of the European Economic Community; and the International Labelling Centre, which is linked with the International organisation for standardisation and the International flecultural technical commission are some of the more important ones in this field. The consumer Federations would also enable national groups to act jointly in consultation with the EEC. The Scandinavian Groups and Scandinavian Committee on Consumer matters coordinate their research and informational efforts. However, it is felt that a number of Competing Organisations often on political lines have weakened consumer movement in Europe. Belgium had two competing consumer groups and west Germany had two central organisations both
undertaking Consumer Testing. The Swiss had four competing consumer groups until the requirement for obtaining a government subsidy induced coordinated effort.

In many countries local associations are involved in product testing, these are governmental in West Germany, Scandinavia, France and Soviet Union. In Britain and Nether Lands these are privately operated. The development of consumer standards and consumer testing also extended to Eastern Europe i.e. Yugoslavia, and Hungary.

**Development in other Countries**

In Asia, Japan is the leader in the field of testing. Japan Consumer Association the Japan Housewives Association and Japan Consumers Union are all involved in the field. Municipal government also maintain advice centres in Tokyo and Osaka. In Japan housewives groups are active in testing and bringing pressure to bear through boycotts. Private cooperatives organised to prevent short weights, adulteration and other abuses. These have spread from Britain, Germany and Scandinavia to developing countries.

Australia and New Zealand have strong Consumer Organisation. The Consumers Institute of New Zeland receives a heavy government subsidy. The Australia movement is independent in character

and receives no government money. Local consumer movement exist in leading Australian cities.

2.3 Development of Consumer Movement in India

In India Consumer Movement is of a recent origin. It was only in the second half of the twentieth century that this consciousness started emerging despite the fact that people have been consumers from time immoral. The reason for the consumer awakening in India can be attributed to the acute shortages, shoddy goods, manipulative prices and near total immunity of traders and manufacturers against such malpractices. The focus on consumers gained in importance only after dissatisfied consumers started reacting and voicing their grievances against unscrupulous traders and manufactures of goods and provider of services.

Consumer in India is generally poor, illiterate and unorganised. The products have grown in form and complexity. Their technical nature makes the choice difficult needing fuller information. The buyer does not have the required information, time and competence to make a prudent decision. Independent and essential information thus becomes very necessary. Media plays a vital role in providing information to prospective buyers, the problem however is that the media can be manipulated by business. Advertising being a paid form of mass communication is obviously dictated by the advertiser. In India where a large percentage of population is below poverty line the plight of consumers who are exploited due to poor quality of goods and services and high
price can be well imagined. There is no law in India to regulate the price except for certain essential drugs and commodities. Under these circumstances, control by government, self regulation by business and industry and consumer resistance through boycotts become very important in the area of consumer protection. The litigation in India is time consuming and costly. It takes very long time for a case to be finally decided; this gives rise to the demand for better protection outside the court. The voluntary consumer associations can play a very dominant role in this matter.

**Legal Protection**

A few laws providing for protection to consumers were in existence before India became independent. The Indian contract Act, 1872, The Sales of Goods Act, 1930, The Agricultural Produce (Grading and Marking) Act, 1937, The Drugs and Cosmetics Act, 1940 are some of such laws which were already operative before India became independent. Our constitution has provided in Art. 46 that the state shall endeavour to promote the economic interest of the weaker sections of the society and protect them from all kinds of exploitation. This obviously includes consumer exploitation and protection. Art. 47 provides that it is the duty of the state to protect the health of its people and raise their level of nutrition and standard of living. Similarly Art. 39 provides that the state should ensure that the operation of economic system does not result in the concentration of wealth and means of production to the common detriment.
The Government of India has been very active in enacting consumer friendly laws. The Prevention of Food Adulteration Act of 1954, and The Essential Commodities Act of 1955 were the two earlier Acts after Independence. The purpose of these Acts was to ensure that the consumer gets unadulterated food articles and timely supply of essential Commodities. The Essential Commodities Act 1955 was found not to be very effective which led to the passage of Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act 1980. This supplemented the existing law. The Act provides for the detention of a person who is acting in a manner which might be prejudicial to maintenance of supplies of Essential Commodities. This power is exercised by Union/State Government, Distt. Magistrate and Commissioner of Police.

The Drugs and Cosmetics Act, 1940 protects consumers by providing for regulation of import, manufacture, sale and standards of drugs and cosmetics to ensure that these are of required standard of quality, purity and strength, and are prepacked in containers giving all necessary information about them and their manufacturer. To protect the consumer against the use of useless and harmful drugs, The Drugs and Magic Remedies (Objectionable Advertisements) Act, prohibits the advertisements of certain drugs like sexual stimulants or alleged cures for general diseases and diseases peculiar to woman etc. was enacted in 1954. This was followed by the enactment of The Indian Standard Institutions (certification of marks) Act, 1956 which provided for certification of marking scheme; this was later replaced by Bureau of Indian Standard Act, 1986. This is predominantly a voluntary scheme accept for some specified products like electrical appliances and certain baby food items etc. Monopolies and
Restrictive Trade Practices Act, 1969 was enacted to regulate monopolies and to prohibit monopolistic and Restrictive Trade Practices. Unfair trade practices were added in 1984 through amendment to the Act. The Act has been amended in 1991, whereby, the portion (Chapter-III) dealing with monopolies has been deleted. Now the Act primarily deals with monopolistic, restrictive and unfair trade practices, which are detrimental to the public at large. The main purpose of the Act was thus to protect the consumers from the abuses of monopolies and restrictive and unfair trade practices.

The Trade and Merchandise Marks Act, 1958 provides for the registration and better protection of trade marks. This was necessitated keeping in view the appeal and power of advertisements and to ensure that there is a deterrent for using false trade marks and trade descriptions. The Act thus protects both, owners of the registered trade mark and the public in general against the use of fraudulent marks on merchandise. There are three Acts governing Environment Protection i.e. The Water (Prevention and Control of Pollution) Act, 1974, The Air (Prevention and Control of Pollution) Act, 1981, and Environmental Protection Act, 1986. These Acts provide for prevention, control and abatement of pollution. The Environment Protection Act is in addition to the other two Acts and provides for protecting and improving the quality of environment and preventing, controlling and abetting environment pollution.

The Standards of Weights and Measures Act, 1976 was
enacted with the purpose of introducing standardisation in weights and measures used in trade and commerce. The Act provides protection to consumers against under weightment/short measure. The rules framed under the Act provide statutory regulations on packaged commodities, which are increasingly being sold of the self in prepacked condition. The Code of Criminal Procedure, 1973 entitles (Section 153) any officer in charge of a police station to enter, without warrant any place within limits of such station for the purpose of inspecting or searching for any weights and measures or instruments for weighing, used or kept therein and cease the same and send them to a Magistrate having jurisdiction in case of suspicion about their being false.

In 1986 a comprehensive and one of the most progressive law for consumer protection i.e. The Consumer Protection Act, 1986 was enacted. The main purpose of the Act is to provide for better protection to consumers by providing simple, speedy and inexpensive remedy. There is no court fee and the procedure is quite informal. A complainant can lodge a complaint on a plain piece of paper at the appropriate forum/commission himself. There is no requirement of hiring the services of any lawyer. The case is normally to be disposed off within a period of 90 days. A Quasi-Judicial three tier machinery i.e. Distt. Forum, State Commission and National Commission comprises the judicial setup. All registered consumer associations have been given the 'locus-standi' to represent the consumer cause. The Act is a milestone in the history of socioeconomic legislation in our country.
The courts have favourably interpreted the Statute keeping consumer interest in the forefront but, the problem always has been their implementation. The inadequacy of enforcing machinery in numbers and their lack of commitment and low integrity are cited as some of the possible reasons for such a state.

**Other Efforts by Government**

As we have seen the Government has enacted various laws which apparently provide adequate protection to consumer provided these are implemented earnestly. A few of the other steps taken by the government are discussed below:

1. **Consumer Welfare Fund**

   The Consumer Welfare Fund was created by the Central Government by amending The Central Excise and Salt Act, 1944 (1 of 1944) in 1991. Under the amended Act the money which is not refundable to the manufacturers etc. shall be credited to the consumer welfare fund. This money is to be utilised by the Central Government for the welfare of the consumers in accordance with the Rules framed by it. Under the Consumer Welfare Fund Rules, any registered agency/organisation which is engaged in the consumer welfare activities for a

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period of 3 years is eligible to apply for the financial assistance. Village/mandal/samiti level cooperatives of consumers; industries; State Governments etc. are eligible for seeking financial assistance from the Fund. The financial assistance is given mainly for preparation of publicity materials; setting up of facilities for training, research; community based rural awareness projects, and setting up of consumer product testing laboratories etc. The total quantum of assistance on an individual application does not exceed Rs. 5 lakhs (assistance will be limited to 90% of the approved cost). However, under the exceptional cases, 100% assistance can be considered.

According to a Department of Consumer Affairs and Public Distribution, Ministry of civil supplies, Consumer Affairs and Public Distribution, under the Consumer Welfare Fund, 231 proposals amounting to Rs. 22.3 crores have been sanctioned till Dec. 1996. The Central Government has sanctioned a one time grant of Rs. 61 crores to state Governments. to strengthen the infrastructure facilities of District fora and State Commissions.

2. Financial Assistance for Specific Projects

The Ministry has a scheme for giving financial assistance to voluntary consumer organisations where financial assistance to a maximum of Rs. 25,000 (on 75% grant basis) is given. In 1990-91 and 1991-92, approximately Rs. 1.80 lakhs and Rs. 1.6 lakhs were distributed. In 1993-94, more than Rs. 8 lakhs were given. In addition, it is also giving
financial assistance to them for specific projects.

The Ministry of Civil Supplies Consumer Affairs and Public Distribution has successfully registered with Ministry of Finance, department of Science & technology and other Ministries/Departments to get UNDP assistance for the consumer protection programmes. UNDP has agreed, as a first step, to release US$ 6.15 lakhs (in two phases) to Consumer Education and Research Centre (CERC), Ahmedabad to set up a laboratory to undertake comparative testing in respect of food items, electrical appliances and pharmaceutical. The laboratory is operational now and is functioning very well. Similarly, another consumer organisation “VOICE” undertook comparative testing in colour television, for which a financial assistance of Rs. 2.25 lakhs was provided to that organisation.

3. Training Programmes

Recognising the need and importance of training to promote awareness the Ministry organises and conducts training programmes with the help of well-known training institution /state government. to impart training to state government. officials, non judicial members of state commissions and district fora and member of voluntary consumer organisations.

4. National Awards

To encourage the participation of consumer organisations and youth in the field of consumer protection, the Ministry has instituted
two National Awards namely - National Award on Consumer Protection and National Youth Award on Consumer Protection which are given every year. In 1993-94, the Ministry started a new award scheme for women who have made outstanding contribution in the field of consumer protection.

5. **Publicity Measures**

   **A. Consumer Day Celebration**

   15th March is celebrated as World Consumer Rights Day all over the world and this day is observed in a befitting manner every year. In 1995, the main function was organised at Vigyan Bhavan where a special envelope was released and the special issue of magazine “Upabhokta Jagaran” was also released.

   **B. Audio Visual Measures**

   Doordarshan is regularly telecasting a fortnightly programme on consumer protection and a weekly programme “Apne Adhikar” is broadcast from 29 commercial broadcasting stations of AIR. Two film documentaries titled “Rights of Consumers” and “The Consumer Protection Act, 1986” One video documentary titled “Mubarak Kadam”, Five video quickies on “Rights of Consumer”, “How to make a purchase”, “Public Distribution System,” Weights & Measures” and “misleading advertisements” and A video documentary on “Misleading Advertisements” have been prepared. A quarterly journal titled “Upbhokta Jagaran” is brought out by the Ministry in addition to many
booklets and Pamphlets on consumer protection.

C. National Convention

The Ministry of Consumer Affairs organised a National Convention on Consumer Protection on 9th December, 1993. It was inaugurated by the then Civil Supplies and Consumer Affairs Minister Sh. A.K. Anthony, where Shri P.V. Narasimharao, the then Prime Minister gave the Valedictory Address. Topics discussed in the Convention were:

(i) Taking Consumer Moment to Rural Areas
(ii) Need for Training, Education and Creation of Awareness among Consumers
(iii) Liberalisation and Consumer Protection.
(iv) Structural/ Organisational changes required to make the redressal machinery more effective.

An all India Conference of Presidents/Members of State Commission was organised on 24.01.1994 by National Commission with the help of Ministry of Civil Supplies, Consumer Affairs and Public Distribution. The main theme of the conference was to discuss the problems of the functioning of Three Tier Redressal Machinery.

Meeting of the Central Consumer Protection Council (CCPC) are held regularly as required under the Act, The XV meeting of the CCPC was held on 25th January, 1994, and it was decided during a meeting to set up working groups for introducing the concept of Citizen Charter in India, Consider Code of Conduct for Consumer Organisations
and to implement the Report of Working Group on perspective plan.

The next meeting (XVI) was held on 8th June, 1994. The Committee recommended to constitute a working group to suggest suitable amendments to the Consumer Protection Act to make it more effective and the XVII meeting was held on 21st April, 1995, wherein the reports of a three working groups set up earlier were discussed.

6. Survey in the field of Consumer Protection

A survey was conducted by the ministry in consultation with Indian Institute of Public Administration (IIPA) to assess the impact of consumer protection programme on consumers and to study the functioning of Distt. Forum in five states.

7. Grievance Cells

The ministry has designated an officer of the rank of the Dy. Secy. as Director of Consumer Grievances. Some of the states have taken similar action on the insistence of the ministry.

Development of Consumer Association in India

Voluntary Organisations play a very important role in giving

impetus to consumer movement by taking up their cause at different levels. In India a few voluntary organisation came into being in the beginning of the century with the purpose of educating and protecting consumers. The first collective body of consumer in India was set up in 1915 with The Passengers and Traffic Relief Association (PATRA) in Bombay. The organisation is still functional, mostly looking into the problems faced by Bombay Commuters. It organises seminars and conferences and meetings with General Managers of Railways/BEST. Though it planned to be a social organisation with a national outlook and character but it had remained a local in character.  

The other organisations started in 1915 is Women Graduate Union (WGU) based in Bombay. It is affiliated to “Indian and International Federation of University Women” It is a member of Central as well as Maharashtra State Consumer Protection Council and also a member and on advisory board of "Council for Fair Business Practices". It has number of committees looking after different projects. Areas of consumer interests are food adulteration, advocacy environment, share market, Investor counselling, transport and complaint handling.

One of the earliest consumer co-operatives was the (Triplicane Urban Co-operative Stores) started in the late forties in Triplicane in Madras. The main aim of the Co-operative Society was to

32. ibid.
32a. ibid.
make direct purchases of their requirements and distribute among its members at a fair end rational profit margin. It has now 150 branches spread all over the city.

The Indian Association of Consumers was set up in Delhi in 1956, with Government Support. However, despite financial backing it did not make any headway according to Mrs Leela Jog founder secretary of the Consumer Guidance Society of India (CGSI).33

There are over 700 voluntary organisations working in the area of consumer protection in the country34, but only a few of them have really achieved excellence in the field. Indian Federations of Consumer Organisation, New Delhi founded in 1978 aims at bringing together all consumer associations in India, it provides a forum for discussion of problems faced by Regional and National bodies engaged in consumer movement, it thus has helped a great deal in encouraging and giving impetus to consumer movement in the country. It maintains effective contact with government, semi-government and autonomous bodies and international organisations and to conduct undertake and participate exhibitions, seminars and other consumer protection activities.35

Voluntary Organisation Information and Education (VOICE) a voluntary organisation founded by students and teachers of

33. ibid.
34. Directory of Voluntary Consumer Organisations : CERC, Ahmedabad
Delhi University is doing an excellent work. Dr. Shri Ram Khanna is playing a very dominant role in spearheading the movement. It has representatives on various official committees like The Central Committee on Food Standards, Electronics Test Lab Advisory Committee, Committee on Urban Waste Management and Committee on Issue of Fluoride in Toothpaste. It also organises seminars and workshops to educate the public about consumer rights. Affiliated to the International Organisation of Consumer Union (IOCU) in The Hague and interacts with National and International Consumer Organisations with a view to spread Consumer Education. The organisation took up number of important consumer issues with Supreme Court like stopping out of turn allotment of Maruti cars to VIPs, and the advertisement for contest (Bubble Gummers and Made for Each Other) on the ground of their being misleading through PIL. Another notable success of VOICE was to compel the Soft Drink Companies to write in their advertisement that their drinks are artificially flavoured and contain no fruit juice/ fruit pulp. A comparative study of colour TVs was conducted and a booklet “Consumer Buying Guide to Colour TVs” was brought out. The study was funded by UNDP.36

Common Cause, a registered Society with membership of about 5,000 and operating on all-India basis, has been engaged in taking up public causes for seeking redress for problems of the people. It has been laying emphasis on taking up common and collective problems of the people, A large number of individual problems of aggrieved citizens

are also being referred to it. Which are referred to the concerned department and organisation of government. The collective problems are taken to courts. A large number of writ petitions have been filed by the organisation in Supreme Court and Delhi High Court, and quite a few important cases have been taken to the National Commission established under Consumer Protection Act. A few writ petitions filed in the Supreme Court include, disruption of the work of courts by lawyers’ strikes, problem of accumulated backlog of cases in courts all over the country, malfunctioning of blood banks and the requirement of appropriate collection and testing of blood for transfusion purposes and inadequacies in the implementation of Consumer Protection. The issues taken up at Delhi High Court include the problems of conversion of leasehold properties to freehold, non-implementation of Apartments Ownership Act. A writ Petition filed against Delhi Electricity Supply Undertaking resulted in a beneficial verdict relating to bills based on defective meters. A major achievement of the organisation has been to secure amendment by the Government of the relevant rules prescribing the mode of price printing on packages with the result that now the price, inclusive of all local taxes, is being printed on packages, all over the country. Membership of the organisation is open to all. The organisation bring out a magazine 'common cause' once in two months which is very informative.  

Consumer Guidance Society of India (CGSI) Bombay has been established with the objective of protecting and promoting the rights and the interests of consumers, provide them with information and counsel.

It takes up their complaints with the offending party and/or the authorities and help them select goods and services which are a fair return for the money they spend. It brings out a monthly magazine 'Keemat' which contains very useful articles of consumer interest. N.G. Wagle the present chairman of CGSI, is very actively involved in consumer protection. He is a chemical technologist and a chartered chemist (Great Britain). He represents CGSI and the Association for Consumers Action on Safety and Health (ACASH) on various government bodies. Besides being the Chairman of CGSI, he is the Chairman of the Testing Committee and a member of the Publications Committee of CGSI. Consumer Guidance Society of India is the sole associate member of IOCU, from India.\(^38,39\)

The Consumer Education and Research Centre (CERC) is a Public charitable Trust, registered under the Bombay Public Trust Act, 1950, based in Ahmedabad. It is a non-political, non-profit making voluntary organisation devoted to consumer interest and is recognised as a research institute by the Central Government on the recommendations of the Department of Science and Technology. It is also recognised as a consumer organisation by the Government of Gujarat. CERC is a corresponding member of the International Organization of Consumers Unions (IOCU). Its managing Trustee Prof. Manu Bhai Shah who can be rightly called 'Ralf Nader' of India. CERC has its own testing centre with modern facilities for testing consumer products. It has done comparative

\(^38\) Dr. Gurbax Singh: Law of Consumer Protection: Bharat Law Publishers, Jaipur (P-42)

\(^39\) Various Issues of Magazine 'Keemat' Published by Consumer Guidance Society of India, Bombay.
testing for electric bulbs and more recently of different brands of Ampcillin. The centre has very well stocked library in the field of consumer education. Consumer confrontation a by monthly magazine gives the latest information through articles and reports.40,41

The role of Consumer associations have been recognised by Government and certain amendment to the existing laws were made to give locus standi to file complaints and petitions on behalf of aggrieved consumers. These associations can file complaints before the court under IPC and CrPC. with a few exceptions, even though they are not victims of offence under Art. 32 and Art 226 in the Supreme Court and High Courts Respectively in addition to MRTP Act, 1969 and Consumer Protection Act, 1986. Prevention of Food Adulteration Act, Weights and Measures Act, Drugs and Cosmetics Act authorise specifically consumer associations to initiate proceedings. The Code of Civil Procedure [Sec. 79] also provides that any other person on behalf of the persons wronged can initiate the proceedings with the permission of the court in case of 'public wrong'. The court can permit persons and organisations to address in the case of questions of law or of public interest are involved, the concept of public interest litigation is well established in India, this does not require to establish 'locus-standi'

41. Various Issues of Magazine Consumer Confrontation Published by CERC, Ahmedabad.
Self Regulations by Business and Industry

In addition to the concerted effort of the government and voluntary organisations to safeguard the interest of consumers certain section of industry also took initiative in setting up their Codes of Ethics for self regulations. A seminar held in 1966, at India international centre New Delhi spelled out that "the business in order to enjoy confidence and respect must discharge its responsibilities to all groups i.e., customers, workers, share holders and community. Every enterprise must, if it is to enjoy confidence and respect seek actively to discharge its responsibilities in all direction i.e., towards its Customer, Worker, Share holders and Community and not towards one group alone, or to one or two groups, such as shareholders are workers at the expense of consumer and community."

Council for Fair Business Practices (CFBP) established on 2nd October, 1966 promotes voluntary self-discipline in business. Setting up of the council is an unique experiment and a welcome step as it was formed by businessmen not for their own interest but for the protection of consumers. The council persuades leading business houses especially those manufacturing consumer goods to establish Consumer Affair Cells within their organisations with one of the function being to attend to consumer complaints. The main thrust of the activity of CFBP is directed

42. S.S Gulshan: Consumer Protection and Satisfaction Wiley Eastern Ltd. New Delhi (Pp 341)
43. ibid (P-342)
towards promoting an awareness of the need to accept and follow the Code of Fair Business Practices. With the Council's efforts, FICCI, in 1984 adopted the norms of business ethics and in 1985 it setup the Consumer Business Forum to mediate between the conflicting interests of consumers and business. Similarly, ASSOCHAM in 1988 set up a special expert committee on consumer affairs. In the words of Shri Rama Krishna Bajaj, whose brain child the CFBP in its original form as Fair Trade Practices Association was, "the council has been able to generate awareness of the need to adopt norms of self discipline though their effective enforcement still remains a distant goal."44,45

The Confederation of Indian Food, Trade and Industry (CIFFI) has drawn up a Code of Ethics for its members aimed at quality products.46 Similarly Confederation of Engineering Industry (CEI) has a code of ethics. These efforts are voluntary and no action can be taken against erring members.47

The Advertising Standards Council of India (ASCI) was incorporated in Oct '1985. It acts as custodian of ethics in advertising. The Consumers Complaint's Cell (CCC) comprising of 14 members drawn up from industry and public, 8 of whom are connected neither with

45. S.S Gulshan: Consumer Protection and Satisfaction Wiley Eastern Ltd. New Delhi (Pp 342)
46. abid (Pp 50)
47. The Code Published by Confederation of Engineering Industry March, 1989.
advertising nor the business community directly, examines the complaint received from individuals. The names of advertisers against whom complaints are upheld are made public. The advertiser may either agree to modify or withdraw his advertisement. There is a greater force though ethical with the ASCI to ensure that the code is implemented. Once an advertisement is considered unethical, media will not be willing to carry that. In 1990-91 the CCC met fourteen times and considered 283 complaints, of which 104 complaints were upheld by the CCC, of these about 22 advertisers did not respond to the notice or were untraceable. The ASCI has made its impact as an agency which is willing to monitor and regulate the type, content and quality of the advertisements. A number of organisations i.e. advertising agencies, members from the press and publishers and advertisers comprise the council.\textsuperscript{48,49}

\textsuperscript{48} Ms. Audrey Rebello: Societal Responce to Consumer Movement: Business: CERC, Ahmedabad (Pp 17-21)
\textsuperscript{49} S.S Gulshan: Consumer Protection and Satisfaction Wiley Eastern Ltd. New Delhi (Pp 343)