3.1 Introductory

The previous chapter has dealt with working of non-governmental organisations. The areas in which NGOs operate are precisely the areas which are by and large ignored or bypassed both by state and market institutions. It is not simply the failure of state or that of the market. NGOs are often very suitably placed to deal with such issues very effectively. Consumer movement is also one of the areas covered by NGOs. In this chapter, an attempt has been made to bring out the roles of voluntary consumer organisations in particular in safeguarding the interest of consumers.

An intelligent and an alert consumer is the backbone of a country’s economy. Who is a consumer? The word ‘consumer’ has wide connotations. The definition is not merely limited to a person who buys or uses goods and hires services. ‘Consumerism' is an all encompassing ideology. Thus every citizen of the country regardless of his/her social standing, every man, woman and child, student, teacher and technician, workers, entrepreneur and manufacture has, but one common interest. Everyone is consumer. However, the true consumer is one who being aware of his rights and responsibilities evaluates goods or services before using the same; is vigilant about the unsatisfactory quality of goods and services and is capable of combating unjustified price rise or injustice in a perfectly lawful manner. Consumer interest has an inbuilt identity with the interests of the country and society.¹

¹ G.A. Bhat and Mangla Khadilkar, Mumbai Grahak Panchyat Marches On, Mumbai Grahak Panchyat, Bombay, 1994, p. 3.
Since time immemorial, consumer exploitation has been all pervasive in society. We are familiar with the fact that consumers have got certain rights, about which they hardly remain conscious. Moreover, sellers often take advantage of their position. Thus due to the peculiar socio-economic conditions prevailing in our country, protection available to the consumers through market forces of competition has been possible only for a small group of consumers who belong to a higher income group. A large number of studies have shown that over 60% of consumers are dissatisfied with the present day standards of many durable and non-durable goods, however, only half of them actually complain to the retailers concerned.²

Consumer protection laws have originated and have developed as a natural response to the recognition of the rights of every consumer to be protected against exploitation and abuse by any manufacturer or supplier of goods or provider of services. As a matter of fact, traced with care, the idea of consumer protection can be found to have existed in every kind of social order and judicial mechanism, whether primitive or modern. However, the extent to which it has been emphasized and sought to be flourished has varied, depending upon the variations in circumstances.³

3.2 The Concept of Consumerism

Consumer protection is to protect buyer from the seller. In each and every day of our lives, we consume, use, or simply come into contact with countless different products. We should be able to assume that those products are safe. Not absolutely safe, that remains unattainable. The goods we buy have become increasingly more complex. Modern technology and mass-marketing techniques combined with high-pressure salesmanship and sharp advertising can confuse the consumer. It is not always possible or practical to examine or test things before buying. This is a pre-packed, ready-processed age where the gap between producer and purchaser has widened enormously. Very few traders actually manufacture, pack, distribute and sell their own goods as there is usually a chain of other people involved increasing the chances of something going wrong, thus we need an effective system of consumer protection to deal with any problems and, to help prevent them from arising again in the future. Consumers are mostly exploited on the grounds of short weights, poor quality of products,

confusion between new products and services etc. The programme of consumer protection is of special significance to all of us, for in a sense we are all consumers. Even a manufacturer or provides of a service is a consumer of some goods or services.\(^4\)

### 3.3 The Aims of Consumer Protection

Consumer protection policy addresses these issues in a variety of ways. In so doing, it recognizes, as pointed out in the United Nations Guidelines, that “consumers often face imbalances in economic terms, educational levels and bargaining power” and that consumers should have “the right of access to non-hazardous products, as well as the right to promote just, equitable and sustainable economic and social development”. Thus measures are adopted to attempt to ensure, (i) minimum levels of safety and quality; (ii) that consumers have adequate and accurate information to enable them to make informed individual choices; (iii) that high ethical standards are observed in the market place; and (iv) that consumers have adequate and enforceable legal rights when their legitimate expectations are not realized. This is done through a variety of legislative expectations are not realized. This is done through a variety of legislative and administrative measures, education and information programmes. Government can also become more responsive to the community at large by fostering ways in which they can become aware of the needs and expectations of their citizens as consumers. Indeed, the existence of a strong and active consumer movement assists governments in their efforts to improve the position of ordinary people, both in providing a perspective different from and, where necessary, countervailing to well organized and powerful interest groups, and also in playing a very practical role in helping to implement policy goals.

Although consumer protection has essential social and ethical dimensions, it has also got a vital economic impact, for if productivity is to be maximized and markets are to operate efficiently to the optimum extent, it is necessary that consumers be in a position so far as possible to exercise in the market place that “consumer sovereignty” which is often so lacking in fact, such economic development is ultimately in the interests of business as well as consumers for it is only thus that “fair and effective competition” can result in economic waste being avoided and the efficient and ethical being rewarded. Consumer policy by contributing to the production of safer and higher quality goods and achievement of greater economic efficiency has also direct implication for a country export performance. It thus

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becomes apparent that it is a fundamental misconception to regard consumer protection as being ‘anti business’ or ‘anti government’ - it rather promotes and support both good business and good government.\(^5\)

The ancient economists like *Kautaliya* and *Brihaspathi* laid down the rules for protecting the interests for both buyers and sellers. Thus, though the protection was available to the consumers even during the period of ancient India, but beginning of the 20th century particularly after the 1960s, consumerism has gained a greater momentum and in the year 1986. The Government of India enacted the *Consumer Protection Act*, 1986. There is a three tier consumer protection mechanism at the district, state and the national level. The number of NGOs and voluntary organisations have helped the Consumer movement in picking up its momentum in India, however, as compared to the western countries its awareness and growth as a social phenomenon is very minimal. Consumer protection is a newly, and sharply too, highlighted field of activity of state in India.\(^6\)

There are a good number of laws which have been enacted to protect consumer interests, and many consumer organisations are working for consumer protection and consumer awareness. However, relatively little is known about consumer’s attitudes towards market information, consumer’s right and responsibilities, packaging and labeling, laws and regulations drafted for consumer protection etc.\(^7\)

### 3.4 General Objectives of Consumerism

Consumerism is the discovery of the 20\(^{th}\) century. It is not a historical trait of human nature but is a product of capitalism, like marketing, consumerism is becoming a broadening concept. The term consumerism now includes concern for “health services, public utilities, transportation and automobile safety and urging consumer representation, consumer education and anti-poverty programmes”.

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‘Mary Gardiner Jones’ expresses it in this way. “What is now today about consumerism is the fact that consumer’s concern today is much more directly focused on the human values and environmental considerations involved in today’s economic problems of obtaining the highest quality goods at the lowest possible price. Thus the several objectives of consumerism are:

- To safeguard consumer’s rights;
- To protect and promote consumer’s interest;
- To preserve the balance in the buyer-seller relation in the market place; and
- To prevent consumer exploitation by unscrupulous trades.\(^8\)

### 3.5 History of Consumer Protection

Like most other social movements, consumer protection movement has also proved its strength. However this movement is different from other movements and organizations. It cares not only for the interests of consumers, but takes a wider and balanced view of the interests of both producers and consumers.\(^9\) As a matter of fact, consumer movement is as old as trade and commerce. Consumer protection, as known today, has its roots even in the daily lives of the Stone Age cave men. Consumer has been facing these problems not merely today, but even earlier since “unfair and deceptive trade practices are as old as the hills”, J.L. Nain, former Chairman of the Monopolies and Restrictive Trade Practices Commission rightly commented in the early eighties.\(^10\)

#### 3.5.1 History of Consumer Protection in India

Consumerism in India, like other developed countries, started much earlier. India was perhaps among the first few countries to enact legislation to protect consumers’ interests. The ancient economist like Kautilya and Brihaspathi laid down rules to safeguard the interest of buyers and sellers alike. During the period of the ancient Rome also, protection was available to the consumers. In recent times Swami Vivekananda declared that the ‘Consumer is King’ and Mahatma Gandhi was described as the world’s greatest consumer activist by Ralph

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\(^9\) G.A. Bhat and Mangla Khadilkar, 1994, p. 3.

Nader, the pioneering American consumer activist. The earliest effort to organize consumers in India was made in 1949-56.\(^{11}\)

In India, the consumer movement as a social force originated with the necessity of protecting and promoting the interests of consumers against unethical and unfair trade practices. The movement initially reflected the outlook of consumers that characterised traders and manufactures as people who bothered about their profits with scant regard for consumers' well being. Consumer resistance initially took the form of selective shopping. 'Buyers Beware' was the basic principle which governed the legal position of consumers. Gradually the movement found expression in efforts to bring pressure on business firms as well as government to correct business conduct which may be unfair and against the interests of consumers at large. Over time, it embraced the assertion of certain rights of individual consumers.\(^{12}\)

Consumer movement in India is as old as trade and commerce. In *Kautilya’s Arthashastra*, we can find references to the ‘concept of consumer protection’ against exploitation by the trade and industry, short weightment, adulteration and punishment for these offences. However, there was no organized and systematic movement actually safeguarding the interests of consumers. Further, an average Indian consumer was well known for his patience and tolerance. Perhaps because of these two traditional ‘traits’ and due to influence of the *Mahabharata*, the *Ramayana* and the *Bhagvad Gita*, he considered the receipt of defective goods and services as an act of fate, unfavorable planetary position in his horoscope or as the consequences of the wrongs committed by him in his previous birth.\(^{13}\)

Historically, consumer considerations date back to the Vedic age (5000 BC-2500 BC). The Vedic age in India was a glorious period of cultural evolution. Matters relating to civil rights and criminal offences are elaborately discussed in the Vedas. Four broad types of relevant criminal offences were prominent in the ancient period: (i) Adulteration of Food-Stuff; (ii)

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Charging of Excess of Prices; (iii) Fabrication of Weights and Measures; and (iv) Sale of Forbidden Articles. These exploitations came under the purusers of criminal offences.\footnote{Upbhokta Jagaran, Vol. 11, No. 4, December 2001, and Upbhokta Jagaran, Vol. 12, No. 1, March 2002.}

For all of these offences, statutory measures and punishments were recommended from time to time by the leading texts of the time. Some of the prominent texts of the time were:

(i) The Manusmriti (800 BC - 600BC);

(ii) Kautilya’s Arthashastra (400 BC - 300 BC): Kautilya wrote the \textit{Arthashastra}, a treatise on economics. His work is of great merit and originality and contains material of superb thought. Kautilya wrote the \textit{Arthashastra} in an elegant style. He dealt with administrative law, civil law, constitutional law, criminal law and international law;

(iii) \textit{Yajnavalikasmiriti} (300AD - 100 BC): It is very systematic and is considered to be an authority in the realm of Hindu Laws as well as of \textit{Vyavahara} (behavior) and personal rights of a man;

(iv) \textit{Naradasmriti} (100AD - 200AD): It has clearly delineated the channels of civil and criminal war;

(v) \textit{Brihaspatismriti} (200AD - 400AD): It gives an elaborate description of civil and criminal law. It mentions the offences very clearly and also mentions the punishment and penalty to be imposed on the violators of the law; and

(vi) \textit{Katyayanasmriti} (300AD - 600AD): It deals extensively with the substantial and procedural law as well as with the rules of evidence. Various other matters concerning judicial trial are also mentioned in this.

Cheating of any kind, be it selling counterfeit gold or adulterated commodities or unclean meat, was regarded as a crime and the culprit as severely punished. The \textit{Manusmriti} and \textit{Yajnavalikasmiriti} advocate maiming as one of the punishments. Malpractice of adulteration and punishment for the offence is also mentioned in the \textit{Arthashastra} and \textit{Yajnavalikasmiriti}. Adulteration of grains, fat, medicine, perfumes, salt, and sugar attracted severe penalty.
Manufacturing of interior quality or spurious gold and gems was also punishable according to *Brihaspatismriti*. Manufacturers of duplicate articles were also punished severely. Use of faulty scales and fabrication of weights and measures was a common criminal tendency among the trading community even in the ancient times. These texts paid special attention to this criminal trait. The *Manusmriti* provided that all weights and measures must be duly marked by the king and should be re-examined every six months. According to the *Arthashastra*, a superintendent of weights and measures was appointed to maintain control over fabrication of weights and measures. Constant watch and periodical checking was indispensable.

The *Arthashastra* provides that: (i) A trader is considered to be a cheat and will be fined heavily if found using unstamped weights and measures; (ii) Pressing and forging false weights and measures was also fined; and (iii) In case the trader used correct weights and measures, but through the trick of his hand lessened or enhanced the weight and measure of an article for his own benefit he was a greater offender than one who simply used false weights and measures and was penalized for this.

All other texts made similar special references to the rogues who forge weights and measures. *Arthashastra* expresses two other key areas concerning consumers: (i) Regulations concerning sale of animal flesh; and (ii) Obligation of professionals like artisans, craftsmen, washermen, weavers, goldsmiths, actors, and physicians.

Special attention seems to have been paid to the laws concerning traders dealing with meat etc. They were supposed to ensure the purity and freshness of the meat. If it did not meet the prescribed standards, not only were the consumers adequately compensated, but the traders even had to pay a fine to the king. This ensured the quality. If a seller cheated on the quantity by selling less than what he proclaimed, he was fined eight times the loss suffered by the consumer.15

During the Delhi Sultanate period, especially during the period of the *Khaljis*, it has been said that Sultan *Ala ud Din Khalji* (1296 A.D. to 1316 A.D.) had introduced strict price-control measures based on production costs. He had also established separate shopping centres in Delhi for grains, cloth, sugar, dried fruits, herbs, butter, oil, horses, slaves, cattle and other

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miscellaneous commodities respectively. \(^{16}\) Collection of tax was prominent. Independent reports on these shopping centres were submitted to the Sultan by the Market Controller, the State Intelligence Officer and Sultan’s secret agents. Even minor violations of the rules were not tolerated. Prices of all commodities, horses and cattle were fixed. Every merchant was registered with the Commerce Ministry. The shopping centres were under the control of the Ministry of Commerce.

The British regime (1765-1947) was concerned only with protecting and promoting the British interests. Therefore, their economic policies in India were more for their own benefit rather than for the welfare of Indians. Maintaining, law and order, tax collection and defense were the primary pre-occupation of the administration. The legislation enacted during this period was mainly aimed at serving the colonial rulers instead of people. The *Indian Penal Code*, 1860; *The Agricultural Production, Grading and Marketing Act*, 1937; The Dangerous Drugs Act 1930; *The Sale of Goods Act*, 1930; and the *Drugs and Cosmetics Act*, 1940 were enacted during the pre-independent period.\(^{17}\)

The independent India adopted a socialist pattern of society. Securing rapid economic growth and expansion of employment, reduction of disparities in income and wealth, prevention of concentration of economic power, and creation of the values and attitudes of a free and equal society, *inter alia*, have been the objectives of all our plans.

The Indian government, therefore, adopted planned development through industrialization and more specifically through Five Year Plans. It was necessary for the purpose of effective implementation of these plans to empower the government to control production, quality, supply and distribution. Therefore, the decade of 1950s saw the enactment of number of laws to safeguard the interest of consumers from various angles. In India, the development of consumerism largely took place in the 1960s and 1970s which reached to the middle class in the 1980s. The process of consumer protection started in the real sense in January 1986 with an All India Seminar held in New Delhi which was actively attended by the representatives of the state governments, voluntary consumer organization and central ministers. Yet it cannot be denied that efforts to protect the interest of the consumer had already started through

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\(^{17}\) “Is Consumer Really the King in India?” *Consumer Censor*, May 2010, p. 5.
earlier legislative attempts. However, it was not possible for consumers to afford the luxury of a tortuous expensive and time consuming civil litigation required for the enforcement of the rights provided under the general law of the land. The success of criminal prosecution under the general law due to judicial delay and lack of proof of the requisite mens rea was also doubtful.

In furtherance of these legislatives attempts, the Consumer Protection Act, 1986 was enacted for better protection of the interests of consumers and for redressal of consumers grievance. This law, as a matter of fact, meets the long felt necessity of protecting the common man from such wrongs for which the remedy under ordinary law for various reasons has become illusory. The Act does in as much as no court fee is payable. Parties need not to engage lawyers, they can present their case themselves or through any representative. A consumer has also an option to file a complaint through recognized consumer association. The major consumer organizations which are shoulderling made impact on the Indian consumer movement are the Madras Provincial Consumer Organization (1949) the Consumer Guidance Society of India (1966), the Consumer Education and Research Centre (1979), the Consumer Unity and Trust Society (1984), VOICE (1883), Common Cause (1981) and the Akhil Bhartiya Grahak Panchyat (1975).

The year 1986 will remain significant in the legislative history of India for extending the principle of focus and by allowing registered voluntary consumer organization to bring action under this Act and other laws.

The Consumer Protection Act, 1986 is a unique legislation. As a matter of fact, it is a path breaking legislation. Consumer Protection is quite a new area in our country. In consumer protection or consumer awareness, we are far behind the United States and the other Western countries. There has been tremendous upsurge of consumer activity in whole of the world especially in the developing and in the developed countries. Reasons for this tremendous upsurge are two-fold, namely, combination of new business methods and changing social attitudes.

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20 V. Balakrishna Eradi, 2005, pp. 6-7.
3.5.1.1 The Enactment of the Consumer Protection Act, 1986

The Consumer Protection Act, 1986 seeks to promote and protect the interest of consumer against deficiencies and defects in goods or services. It also seeks to secure the rights of a consumer against unfair or restrictive trade practices, which may be practiced by manufactures and traders. The provisions of the Act are compensatory in nature. There are various levels of adjudicatory authorities that are set up under the Act, which provide a forum for consumers to seek redressal of their grievances in an effective and simple manner. The consumer under this law is not required to deposit ad-valerian court fees, which earlier used to deter consumers from approaching the courts. The formalities of court procedure have been dispensed with a replaced with simple procedures as compared to the normal courts, which helps in quicker redressal of grievances.21

The Consumer Protection Act, 1986 is an important statute enacted to protect the interest of consumers and to provide simple, speedy, inexpensive and efficacious justice to the aggrieved consumers. The importance of it lies in promoting welfare of the society by enabling the consumer to participate directly in market economy. This magnificent piece of legislation has several laudable distinctive features. India is perhaps, the only country in the world to set up separate courts or tribunals to deal exclusive with the consumer disputes and a time limit has also been provided in the Act for the adjudication of consumer dispute with in a period of 90 days and 150 days where testing is involved. It also entitles the aggrieved consumer to write out the petition and file it before the ‘Consumer Disputes Redressal Machinery’ without spending anything on court fees and on engaging the lawyers. It confers six important rights on consumers with the avowed object of ensuring better protection and welfare. When this Act was originally enacted in the year 1986, it empowered the consumers to enforce these rights on individual bases and, therefore, applied in reality only to specific transactions between a buyer and a seller. However, the scope of these rights filing of class action complaints by group of consumers having a common interest/grievance. It is very gratifying to note that over one million cases have already been taken to the Redressal Machinery and preponderance of them have been resolved in favour of the consumers.

Deliberating on the importance of this Act, the Supreme Court has pertinently observed: “It attempts to remove the helplessness of rackets or a society in which producers have secured power to ‘rob the rest’ and the might of public bodies which are degenerating into storehouses of inaction where papers do not move from one desk to another as a matter of duty and responsibility but for extraneous considerations leaving the common man helpless, bewildered and shocked. The malady is becoming so rampant, widespread and deep that the society instead of fighting against it, is accepting it as a part of life. The enactment in these unbelievable yet harsh realities appears to be a silver lining which may in course of time succeed in checking the lot.

Thus the Act has been immensely beneficial to consumers in helping them to enforce some of their legitimate rights; nevertheless there is a common perception among the consumer organizations, consumer activists, consumers and legal scholars that a lot more needs to be done to ensure justice to the vulnerable and exploited consumer.\textsuperscript{22}

It may be mentioned at the task of consumer protection movement has to be well versed in various laws and not merely with the consumer protection Act, 1986. He should have knowledge laws relating to contact tort railways telegraphs. Telephones, post, Air Travel, insurance, Electricity, Water, Housing, Medicine, Motor, Banking, Finance, Engineering, Motor Vehicles, Hotel, Industrial, Cooperative, Entertainment, Tourism Agencies, Sales Tax, Central Excise, Limitation, Transport etc.\textsuperscript{23}

\textbf{3.5.2 History of the International Consumer Protection Movement}

The origins of social movements are many, but they do tend to be the products of their times more than the creatures of their leaders. Consumer activism has arisen at several times in this century in the U.S.\textsuperscript{24}

Today’s consumerism finds its origin in the late 19th and early 20th century marketplace in the United States. In the olden days, the principle of ‘\textit{Caveat Emptor}’ governed the


\textsuperscript{24} Paul N. Bloom, \textit{Consumerism and Beyond: Research Perspectives on the Future Social Environment}, Marketing Science Institute, Massachusetts, p. 63.
relationship between the seller and the buyer. In the era buyer and seller came face to face, seller exhibited his goods and buyer thoroughly examined them before purchasing them. Buyers were supposed to use all care and skill while entering into transaction with the sellers. The maxim relieved the seller of the obligation to make disclosure about the quality of the product. This was used as a shield by the seller in exploitation of the consumers. The rampant exploitation gave rise to the demand for protection of consumer rights and rise of consumer movement all over the world.25

Early consumer protection machinery was closely linked to the then existing units of local government. The primary units of pre-nineteenth century, local government were county and the parish. The concept of consumer protection to the thinking person, throughout the eighteenth century at least, would mean: (a) Protection from excessive prices levied on primary commodities; and (b) Protection from short measures.26

Consumer protection was mainly looked after by local government before nineteenth century. The Twentieth Century moved towards industrialization, urbanization, individualization, globalization and modernization. It progressed through developments and productions at mass scales of various goods, materials for utilizations with mass supplies for consumption for the users and the consumers. Productions, availabilities, affordability’s, publicities with assistances of the man power and purchasing powers brought in interdependence of sections of the human society all over the world. All these put together demanded studies and solutions.27

The United States of America has been leader in consumerism in the world since consumers first began to recognize that they had rights in the market place.28 The judiciary in the United States has been ahead of other western countries in recognizing and dealing with consumer problems. The American courts have increased the liability of strict two respects: (i) by moving from negligence liability to strict liability, and (i) by breaking the shackles of the privily of contract rule. Consumer movement is also strong in other European countries.

Consumer disputes encompass a vast range of subjects like credit billing, debt collection, warranties, automobiles, leasing, attorney fees, drugs, grocery stores, travel, health, mail orders, scamming, land sale scams, living trust scams, credit cards, works at home scams etc.\textsuperscript{29}

A reference to the history of this concept takes us to the United States of America to trade its beginning in the 1930s of the present century, passing through the stages of its development in 1940s losing vigour in the 1950s after with Ralph Nader’s single handed crusade against the mighty automobile industry this strengthens our belief that consumer protection should be conceived as a movement.\textsuperscript{30} The international consumer movement owes a lot to an American lawyer Ralph Nader. Ralph Nader in has done much to equate the term consumer with citizen.\textsuperscript{31} Nader began his law practice in 1958. He witnessed a large number of compensation cases for automobile accidents. He came to the conclusion that consumers were losing their lives because of unsafe automobiles. He made tremendous efforts for safe automobiles. He even served in the Government for some times in order to achieve car safety. However, his efforts were in vain. Ultimately he conducted a personal in-depth study of a car - ‘Coviar’ manufactured by the General Motors’ and published his findings in a sensational book entitle Unsafe at Any Speed in the year 1965. This book sent shock waves throughout America and Nader was an instant celebrity. He received support of many who like him, wished to protect consumer interest. Nader created a consumer movement and his followers came to be known as ‘Nader’s Raiders’. He used the attention as a forum to work for empowering citizens. With the commonplace tools of the law and public opinion, he took on other issues. In 1971, he founded Public Citizen, and over the years helped foster passage of more than 200 laws.\textsuperscript{32} Under his direction, consumer movement achieved unprecedented success. It is interesting to note how the consumer movement became a mass movement in recent decades. Although there were isolated consumer groups fighting for right, the idea of

\textsuperscript{29} V. Balakrishna Eradi, 2005, p. 8.


consumer rights being an integral part of every citizen’s daily life, become popular with the heroic fight of Ralph Nader.\textsuperscript{33}

3.5.2.1 The Bill of Consumer Rights

In his presidential campaign in 1960, John F. Kennedy promised the American people that he would support the consumer movement. He kept his word by getting the Consumer Right Bill passed on 15 March 1962. This Bill gave consumers the four basic rights:

- The Right to Safety;
- The Right to be Informed;
- The Right to Choose; and
- The Right to be Heard

To acknowledge this milestone of consumer movement, 15 March is recognized as the ‘World Consumer Day’ from the year 1983. Since 1961, about 13 Bills of consumer interest have been passed in America. In 1960, the IOCU (International Organisation of Consumers Unions) began functioning. In 1971, the word ‘Consumerism’ was included in Webster’s Dictionary for the first time.\textsuperscript{34} Consumers right are so easily available and in short period, for which a consumer should come forward and take and advantage at an earliest.\textsuperscript{35} More and more people, including Government began to see the necessity of emphasizing the rights of consumers and with it their responsibilities as well. The movement began to spread to Western Europe and then to Australia, Japan and then other parts of the world as of:

1900-09  The United States of America
1910-19  The Great Britain
1920-29  The Netherlands (1926)
1930-39  Norway (1939)
1940-40  Ireland (1942), Denmark (1947), the Federal Republic of Germany


\textsuperscript{34} G.A. Bhatt and Mangla Khadilkar, 1994, p. 4.

\textsuperscript{35} Mera Haq, Vol. 1, No. 3, March 2006, p. 2.


3.5.2.2  The United Nations Guidelines for Consumer Protection

In the history of the development of consumer policy, 9 April 1985 is a very significant date for it was on that day that the General Assembly of the United Nation adopted a set of General Guidelines for consumer protection. The Guidelines represent a “consensus of international opinion on what good consumer laws and practices should be and set out “an internationally recognized set of minimum objectives which consumers everywhere should be entitled to expect will be applied”. Due largely to growing interdependence of the world economy and international character of many business practices, there has been increasing recognition in recent years of the international dimensions of consumer protection. Consumer policy can no longer be viewed solely in national domestic term and adoption of the Guidelines marked a further recognition of this by the United Nation (UN).

The United Nations Guidelines are based on the philosophy that consumer protection is a basic right of all that it is even more vital for the poorest and most disadvantaged than for more affluent (sometimes involving life itself and should be seen as an integral part of the development process. It is in this context that the Guidelines assume their importance as

assisting countries to develop and evaluate effective consumer protection measures. In setting out a basic policy framework and stimulating further international co-operation they are a valuable aid to nations, especially developing nations, in setting priorities and ensuring that resources available for consumer protection are employed to maximum effect. They are also a tool for raising consciousness among business people and the general public of the needs for action. It should be noted that an important aspect of the Guidelines is their moral forces as representing an international consumer on minimum standards appropriate worldwide, which can assist governments in resisting any opposition particularly by business, whether local or transnational to what may be radical changes to previously accepted standards and patterns of behaviour.37

3.6 Reasons for the Slow Progress of the Consumer Protection Movement in India38

3.6.1 Docile Nature of the Consumers

It is said that a common citizen in India is by and large, a docile person. He takes the problems as Karma and does not complain much. This is largely due to lack of education which has not educated to know their rights which our laws have given. Education should make the people to learn that art of asserting their rights. We are more bothered about what other people think about us rather than what we think about ourselves or what we think about a problem facing us. A common man always afraid that if he does not succeed in an effort who, no one else has hitherto undertaken, he will be put to blame. This is the reason why common people refuse to take a lead in solving a social problem for they feel that if something went wrong, they would be held responsible for that, and they may lose face in the society, they often say, “I don’t want to cut a sorry figure before the people.” This fear of blame many a times prevents us even from asking a trader as to why there is a difference between the printed selling rates on an article and the actual price charged by him.

3.6.2 The Problem of Rationalization


Quite a number of times we justify our weaknesses. For example:

- If municipal water supply is irregular, we would say why not draw water from the well? The well water is good for health and it gives us good exercise. If a stream of dirty water from the gutter is over flowing onto the street, just leap over it. That is a good exercise and reduces the weight.

- Rich society also spoils the system. Because of their connections or wealth, they are able to meet their requirements without any trouble and they ignore social responsibility. For example (1) if electricity fails, they install generator set. (2) If water is not available either they create overhead tank or dig bore wells. (3) if public transport is not available, they use car or two wheelers. Thus the rich instead of fighting for consumerism, they spoil the system.

There is no end for this type of rationalization.

### 3.6.3 Apathetic Attitude of the Consumers

The apathy of consumers has slackened the growth of consumerism. For example it is common to find toothpaste coming out from the wrong end of the tube. Yet, how many consumers take the trouble of returning the tube or writing to the manufacturer? Since toothpaste costs very little, consumers tell that it is too minor to make an issue of. Complaints regarding delayed delivery of gas cylinders, faulty T.V. tubes, noisy refrigerators, adulterated petrol, excess billing by water and power bodies delay in encashment of cheques and demand drafts are a common affair. When it comes to the question of either writing a complaint or following it up with the dealer, most consumers choose the softer option of throwing up their hands in despair.

### 3.6.4 Increase in Population

The increase in population has put a tremendous pressure on the production of food articles and other services and public utilities. As a result, supplier of goods does not pay much attention the quality of goods. For example:

- Supplying substandard electrical goods which create electric shocks.
- Defective cooking gas cylinder- which leaks.
- Toys with sharp edges- which may cut the finger/skin of the child who plays with it.
- Misleading advertisement - tooth paste, soap, powder, glucose, horlicks, etc.
Defective Telephones.
Issuing of licenses to wrong persons.

3.6.5 Lack of Knowledge and Awareness

Many a time consumers just do not know the legislations that are available in India. For example: Vegetable oil should be sold only in kgs. Selling the same in litter is an offence. But common those traders sell edible oil in litres. Depending on the type of oil that is sold, the consumer may lose anywhere between 100 to 150 grams for the price he pays per kg of oil if the same is given in litres. Though some people know they are not showing any interest to exercise their rights.

3.6.6 Quality Marks and Expiry Dates

Many consumers are not aware that there things like “quality marks”, “expiry dates” etc, though many may not be able to identify them, yet they do not know that there are things like that which they should look into. Such marks on the products meant to protect the consumer’s interest. The following are the probable reasons:

- Lack of awareness about existence of consumer laws and rights.
- Majority of the laws enacted remained on paper.

Today, consumer education should get top priority, and probably it should be treated on par with adult education or on family planning education at the national level. Here educational institutions, government departments and the mass media should play a great role. It is reported that the Bharathidasan University in Tamil Nadu is offering the “Basics of Consumerism” as an optional subject at the undergraduate level. But this stray case cannot assure total awareness unless followed by other universities in the country.

3.7 Role of Government in Consumer Protection

The Department of Consumer Affairs under Ministry of Consumer Affairs, Food and Public Distribution is responsible for the formulation of policies for Consumer Cooperatives, Monitoring Prices, and Consumer Movement in the country and Controlling of statutory bodies like Bureau of Indian Standards (BIS) and Weights and Measures. Department fund the Voluntary consumer organisations to carry protection activities. A list of consumer organisations that have been granted assistance from consumer welfare fund during Standing Committee is published in Upbhokta Jagran (Journal published by Department).
3.8 Role of Voluntary Consumer Organisations in Promotion and Protection of Consumer Interests

(i) It is necessary to provide a measure of protection to consumer in relation to quantity, quality and prices of at least assenting consumer goods. The basic legal framework for providing such protection already exists. However, it needs to be reviewed and strengthened. Steps should also be taken for more effective enforcement of the laws and the various consumer protection measures. Besides, there is need for co-ordinate price policy in regard to important consumer goods in order to ensure reasonable prices of such goods;

(ii) Voluntary consumer organisations could help a good deal in ensuring effective functioning of the public distribution system and providing more effective consumer protection. There is, therefore need of promoting such organisations in both urban and rural areas. The major thrust of voluntary organisations should towards reaching the generality of consumers. Women should be actively involved in voluntary organisations. Where it is not practicable to organize consumer organisations, there should be no hesitations to utilize the service of established and reported social welfare organisations. In rural areas, local representative institutions like the Panchayats may be used to crate consumer awareness through meetings and disseminations of information of consumer interest;

(iii) Governments encourage formation of voluntary consumer organisations operating on a territorial basis. The Organisations should be preferably have specific area of operation capable of assessment of the impact of the programme undertaken;

(iv) In addition, voluntary organisation/societies which perform different welfare a activities including Mahila Mundals will also be encourage to undertake consumer protection work;

(v) Any organisation seeking under the scheme will fulfil the following condition eligibility:
(a) It should be voluntary organisation working for the promotion and protection of the consumer interest;

(b) It should have a legal status promoting the entrustment of public funds for the purpose. It should be registered society registration act, 1860 or any other statute;

(c) It should be non political, non-official and under a non priority management;

(d) It should have well defined objective for protection to the interest of consumer;

(e) It should not be run for profit to any individual of groups individuals but should serve the general public without distinction of casts, colours and religions; and

(f) Its statements of accounts should be audited by the authority;

(vi) Assistance shall ordinarily be given for specific projects of consumer movement and programmes of action and not for general up keep of an organisation. The following guidance eligible for assistance;

(a) Creating and strengthening Infra-structure for the promotion of consumer movement in smaller town and rural areas, provision for file projectors, public address system testing kit, library books etc.;

(b) Towards organizing consumer education program both inn urban and rural areas by exhibitions, talks, film shows, demonstrations and advertisement through mass media etc.;

(c) To undertake research and investigation in to consumer problems;

(d) To undertake testing programs regarding quality and quantity standardization for various consumer products;
(e) To organise seminars and workshops in areas of consumers education, consumer research and testing programme of consumer products;

(f) To undertake sophisticated and detailed testing of food and other consumer items regarding their quality, in laboratories recognize for the purpose by the competent authority; and

(g) Any other scheme or activity which directly or indirectly contribute towards consumer protection as may be considered appropriate by government from time shall be eligible for grant of assistance under the scheme.

(vii) Assistance may be provided to the extent of 100% of the specific project extent building for which assistance is sought for each consumer organisation;

(viii) Assistance shall not ordinarily exceed 50% of the cost, other than the capital cost of the specific projects for each consumer organisation;

(ix) The consumer organisation concerned should satisfy the competent authority that the remaining portion of the cost of the project will be met out of its own resources;

(x) Assistance under this scheme will be given to the consumer organisation only on furnishing a certificate to the effect that it was not/has not been sanctioned/seeking section, grant in aid for the same purpose by another Department/Ministry of the Central Government for the purpose to which the grant relates;

(xi) No portion of the grant will be spent for purpose other than those for which it has been sanctioned or diverted to other organisation unless specifically agreed to by the Central Government;

(xii) The organisation shall maintained an account with a nationalized/scheduled /cooperative bank or post offices in the name of the institution and not of any individual whether by name or by
designations. The account shall be operated jointly by the two office barriers to be nominated by the grantee organisation;

(xiii) The accounts of the organisation shall be audited by a Charted Accountant or a Government auditor immediately after the end of the financial year. The accounts of the grant shall be maintained properly and separately from its normal activities and submitted as and when required. They shall be always open to inspection by an officer empowered by the Directorate of Consumer Protection;

(xiv) The accounts of the organisation shall be open to test check by the Comptroller and Auditor General of India at his discretion;

(xv) The organisation shall submit to the Director of consumer protection, the audited statements of accounts in respects of the grant not later than 3 months from the date of the closure of the financial year i.e. 1st April to 31st March.

(a) Receipt and payment account of the as a whole for the financial year;

(b) Income expenditure accounts of the body as a whole for the financial year; and

(c) Balance sheet as at the end of the financial year for the body as a whole;

(xvi) The guarantee will submit to the directorate of consumer protection, copies of annual report of their activities for the grant has been sanctioned. Besides, it will furnish regular periodical reports about the progress of the activities and such other reports and statements as may be called for by the Directorate of Consumer Protection from time to time;

(xvii) No portion of the grant will be utilized to meet any other liability of the organisations;
(xviii) The organisation shall maintain an addicted record in form-GFI 13 of all assets acquired wholly or sustainability out of the governments grants and assets so acquired shall not, without the acquired approval of the government be disposed, utilize for purpose other than those for which the great has been sanctioned;

(xix) The utilized for the grant shall be refunded to the government to the end of the financial year;

(xx) The organization shall furnish a bond to the president of India in approved from for dew observance of the condition of the grant and, in the event of failure to do so, for refunding of the president of India the entire amount of the grant with interest thereon;

(xxi) No article shall be purchased involving foreign exchange of expenditure and no assistance for import of any article will be provide by the government;

(xii) When the central government has reason that the sanctioned money is not being utilized for approved purpose the payment of further instalment/ grants may be stopped and the earlier grants recovered;

(xxii) The organization shall submit to the directorate of consumer protection within 3 months of the close of the financial year in which the grant was utilizations certified along with the statement of expenditure and income signed by a character accountant to the effect that the grant sanctioned has been utilized for the purpose for which it was sectioned;

(xxiv) Consumer organizations seeking assistance should apply to the directorate with Consumer Protection of the Ministry of Civil Supplies giving details of the project for which assistance is sought in the Performa prescribed by the Directorate. For each object, there should be a separate application. The organization should furnish tighter with the application the following documents:
(a) Specific acceptance of all conditions mentioned in guidance for assistance under the scheme;

(b) An attested copy of Registration Certificate issued by the concerned Registered of societies;

(c) Latest Annual Report or a copy of the constriction of the organisation;

(d) Copies of audited statements of the accounts for the last 3 years;

(e) Name of the nearest branch of any nationalized/ scheduled/ co-operative banks or post offices with which the amount grant shall be kept; and

(f) Authorization for operating a bank account.

(xv) The consumer organizations desirous of seeking assistance shall apply to the directorate for registration of the organization and such application shall be made furnishing the particular given in 7.1 above; and

(xvi) There should be no deviation from the above procedure except in cases specifically exempted by a government.

The Indian consumer is subject to a far greater degree of exploitation at the hands of the trade than the consumer in western countries. It has been pointed out by Maitra Committee that one per cent error in the commercial transaction would cause the consumers an annual loss of Rs. 160 crores in India. As a matter of fact, consumers’ protection cannot be assured by mere legislation. But voluntary action is essentially required on the part of consumer. Therefore, in addition to legislation, consumers should establish their organisations to fight against unfair trade practices. Several guidance associations have been doing useful work in checking unfair trade practices like adulteration and use of inaccurate weights and measures. There are a number of organisations is not only to educate and guide the consumer movement a reality, through the co-ordinate efforts from all angles. As Jawaharlal Nehru once said: “Law and constitution do not by themselves make a country great. It is the enthusiasm, energy and constant effort of the people that make it a great nation.”
With the development of standardization and the consumer protection efforts of the government, the consumer organisations are in a better position to play an important role in protecting and educating the consumers. It has instilled confidence in the minds of the people and has made them feel that there is a responsive body for the efforts of consumers.

Organisations are not new phenomena in India. Voluntary efforts have always been an important aspect of Indian culture and social tradition. The need for organizing people into accredited association and their involved and participation in consumer protection have now been fully recognized. In the recent years, the organisations have increased in number, acquired greater signification for the redressal of consumer grievances.\(^{39}\)

As discussed in Chapter 2, a voluntary organisation in an agency which works for the welfare of a community in any given area out of its own volition. It may have a more formal structure. It is actually a group of well-trained, committed persons living in an area out of activity and dealing and interacting with the people.

A particular kind of consumer group a consumer action group has emerged in response to the consumerist movement.\(^{40}\) Voluntary consumers’ organisation refers to the organisation formed voluntarily by the consumers to protect their rights and interests. These have existed even before the advent of Consumer Forums. Their work has always been isolated and no efforts have been made to integrate the functioning of these organisations. Consumer organisations have their own way of dealing with consumer problems. But their main aim is to see that the consumer’s rights are upheld and his welfare is obtained.

The *Consumer Protection Act*, 1986 and the related legal framework have provided the bases for voluntary consumer organisations, popularly known as voluntary consumer organisations to create alternate forums for consumer complaint redressal. At such voluntary consumer organisations, a complaint is received and examined to see if it is a consumer dispute or not. If it is a consumer dispute and attempt is made to obtain the opposite party's response and then the mediate, a solution to the dispute. Manufactures, service providers and consumers alike, often prefers such organisations for dispute reduction, since they are easily accessible

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at free of cost and provide both parties, fire and provide both parties a 'win-win' situation.\textsuperscript{41}
Many consumer welfare organisations have sprung up in the country to help the state in its action for promoting their welfare or pull up the state for its inaction on the front of consumer protection. The consumer welfare organisations in India are also linking their activities with their international counterparts.\textsuperscript{42}

Another important aspect of the consumer organisations is that they try to solve the dispute before going to the consumer forums when approached for help. It is due to these facts that the government is encouraging the formation of consumer organisation in India. The public awareness of consumer forums has become possible with the establishment of consumer organisations. Releasing this fact the government of India has allocated funds for the use of voluntary consumer organisations to promote the objective of consumer awareness and consumer education.

A Consumer Organisation can be registered under the \textit{Companies Act}, 1956 or any other law for the time being in force such as the \textit{Societies Registration Act}, 1860, the \textit{Indian Trust Act}, 1908 or \textit{Cooperative Societies Act}. In any case, the purpose of forming such organisations should be for protecting the interest for the consumers. Consumer organisations function under different names such as consumer councils, Consumer Consultancy, Consumer Social Trust, and Consumer Guidance Society and so on.

Voluntary organisations render a very useful service to economy by making people aware of their rights and duties. Voluntary organisations play a vital role to serve economy in a variety of ways. Socially conscious and dedicated members of such societies greatly supplement the Govt. effort which alone is not sufficient to meet the social needs. Moreover imbalances in economy through consumer exploitation can be removed at two levels, namely, the NGO sector and govt. sector. There has been a considerable effort in NGO sector in co-ordinating their effort to fight for the cause of the consumers.\textsuperscript{43}


Consumer Advocacy Groups play significant role in empowering consumers particularly in matters connected with Telecommunications, Broadcasting and Cable services. As far as the voluntary consumer organisations who play the role of watch dogs of the consumer movement in the country.\textsuperscript{44} Govt. does many things, but cannot do everything. The arguments in favour of these agencies.

(i) They are able to encourage popular participation in consumer awareness. Govt. bureaucracy has in general failed to work with people;

(ii) Govt. bureaucracy has to work on the basis of rigid rules and regulations, VCO’s are more flexible in their approach and are work oriented rather than rule-oriented;

(iii) Voluntary consumer organisations have right kind of commitment and initiative to work with consumers. They are more responsive to the needs and aspirations of consumers. Govt. bureaucracy is more impersonal and self-interested;

(iv) Because of their moral commitment, voluntary consumer organisations show solidarity to the people and the client groups they serve. Their strength lies in informal structure of membership. Volunteer force and services on an honorary basis of most of the members distinguish their working style from govt. operations by salaried employees functioning within a hierarchical and rule bound structures;

(v) Voluntary Consumer Groups as third sector have the skill and motivation to organise and motivate consumers at the grass root level. They have been successful in organising consumers in urban areas to fight for their rights and apply pressure on other two sectors;

(vi) Voluntary Consumer Associations have greatly eased the burden of govt. expenditure by mobilising resources for development. Their success lies in their capacity to tap vast reservoirs of social energy not easily accessible to Govt. Organisations. or their private entrepreneurs;

(vii) Voluntary Consumer Associations are good for health of an economy as they raise awareness among its consumers about their rights; and

\textsuperscript{44} \textit{Upabhokta Jagran}, 12 March 1994, p. 3.
Bureaucracies are criticized for their lack of responsiveness to public services at the local level. Service responsiveness is better assumed when VCO’s who work in close association with the consumers who are in charge of behavioural change.

The United Nations Guidelines on Consumer Protection have also envisage a unique role to be played by the voluntary consumer organisations in the arena of consumer protection. Role of Voluntary Consumer Organisations as per the UN Guidelines is discussed as under: The Guidelines have influenced significantly the work of many consumer groups. Many examples exist of consumer organisation throughout the world using the Guidelines as a basis for urging their governments to introduce legislation for protection of consumer or to extend the scope of existing legislation. To cite just one such example, the Indonesian Consumers institution organized a local seminar on the Guidelines as part of its work for the extension of consumer laws in Indonesia. The moral force of the Guidelines as representing standards for consumer protection established by the UN is seen by such groups as giving a valuable impetus in raising the sensitivity of governments to essential consumer issues. Such use of the Guidelines is, of course, not restricted to consumer groups, as shown by action taken by the Japan Federation for Bar Associations in passing a resolution calling on the Japanese Government to enact laws to comply with the Guidelines and to regulate the export of harmful products or technologies which are prohibited in Japan. Other consumer organizations have used the Guidelines as a basis for enhancing public awareness of consumer issues, e.g. by translating and publicizing the Guidelines document. In Turkey a consumer protection bureau of the Confederation of Turkish Trade Unions, having produced a number of consumer protection programmes for television proceeded to develop a further programme dealing with the Guidelines.45

The consumer movement in India had its beginning in the early part of this century. The first known collective body of consumers in India was set up in 1915 with Passengers in Traffic Relief Association (PATRA) in Bombay. It was formed with a view to ameliorate the hardship and trouble faced by passengers travelling by railways in steamers and also to redress the grievances of Indian trading community. With this aim in view it planned to

create contract with concerned authorities to friendly establish a strong public body to represent the voice of commuters and the trading community.

Another organisation which started in 1915 and still in existence is Women Graduate Union based in Bombay. The principal object of the organisation was to provide opportunities and facilities for the impression of united opinion and concerted actions by the university women for the benefit and welfare of the members of all or any class and community of women. It has a number of committees which handle different products including area of consumer protection.

One of the earliest consumers co-operative was the Triplicate Urban Co-operative Stores (TUCS) stated in the late 40s. Its object was to make direct purchases of their requirement from the rational profit margin. Thus came into existence the present TUCS, a consumer’s store, owned, managed and controlled by its shareholders, for their benefit and series only.

The earlier consumer associations were mainly localized with restricted aims. The Indian Association of Consumer (IAC) was set up in Delhi in 1956, an all India association for consumer’s interest with government support. Many eminent luminaries were its founders. However, the IAC did not make headway in-spite of the lead taken by eminent personalities and then financial backing of the Planning Commission.

One of the voluntary organisations will very active since 1960 is the Gayatri Charitable Trust in Thanavli, Gujarat. It has over the years worked in various fields, one of them being consumer’s advocacy.

Jyoti Singh Grahak Suraksha Vibhag was founded in 1962 in Ahmedabad. The educational activities of the organisation are conducting workshop and seminars, educational and promotional talks, exhibition on consumer issues and distribution of pamphlets and kits. Yet another of early consumer-oriented organisation still in existence is the Bombay Civil Trust established by a group of eminent citizens of Bombay.

The first organisation to really make an impact was started by nine housewives. In 1966 the drought and the war with Pakistan had resulted in
scarcity of essential commodities and goods leading to rampant black marketing and food adulteration by dealers and trades. The nine housewives got together to inform, educate and organize consumers in order to protect their interests. They made an impact not through holding meetings or conferences or asking general questions but by testing the quality of items of daily use such as milk, oil, tea, etc. These activities gave the Consumer Guidance Society of India (CGSI) a real break which no amount of group meetings, exhibitions and printed leaflets could do.

In 1969 the Surat Consumer Association was formed to work in the areas of consumer advocacy, environment, food adulteration, health, legal redress, misleading advertisement, share market / Investors counselling and complaints handling taking cases to MRTP commission.

Inspite of so many organisations of the decade, it can be emphatically said that only one organisation made its impact, nationally and also internationally and that was Consumer Guidance Society of India [CGSI]. But it was clear that in certain pockets of the country the consumers were starting to become aware of their rights and would not accept just anything. It was a big step-beginning.

In the 1970s, the second consumer organisation which made an impact in the field of making the cause of consumer known throughout the country and the consumer movement, was the Karnataka Consumer Services Society (KCSS) formed in 1970. Unlike most consumer organisations which started because the founder were dissatisfied with a particular situation product or service, the KCSS was started, ten housewives who attended a programme on consumer information.

Each of the pioneering consumer organisation which have made a significant contribution to the consumer movement have had a different approach which made an impact on the consumer environment. The Visaka Consumer Council was one such organisation which started in 1973 in Vishakhapatnam in A.P. It started not to fight only against unscrupulous manufactures and traders but to represent the plight of the poor, ration card holders and LPG users.
The Akhit Bhartiya Grahak Panchayat (ABGP) started in 1974 in Poona began with the same aim as TUCS, that is to wage a war against exploitation by the traders. But their system of functioning was unique in that the member of the ABGP decided to use the same quality and type of a product, be it rice, soap or even a sari.

Another innovative scheme that the ABGP started was a “Grahak Sangha” of monthly purchases by a group of neighbours. Though this idea of Grahak Sanghas has not caught on everywhere but it has been quite successful in Bombay where the Mumbai Grahak Panchayat branched off away from ABGP in 1979. The MGP while continuing its Grahak Sangha has broadened its scope and activities and has moved into publicity and information about the consumer movement specially the decision of the consumer redressal forum and commissions. It has started consumer guidance cells in various districts. Through its various consumer-oriented programs it has attracted the attention of various consumers. One of the important issues was banning Brominated Vegetable Oil (BVO) in the MRTPC.

Another very significant organisation which had firmly established itself as an organisation basically fighting the consumer cause, is the Consumer Education and Research Centre, CERC, which started in Ahmedabad in 1978. It added a new dimension to the consumer movement. In Prof. Manubhai Shah, the Managing Trustee’s words – “There were many consumer protection groups before CERC was promoted in 1978. But it was the only organisation which has constantly used the legal machinery to bring about change. And some of our legal crusade have, I hope, created important legal precedents.”

In the 1980s, all sorts of people started consumer organisations. But there were activities and associations whose interest in the cause of consumers were sincere and like the pioneers described earlier, achieved a lot towards ameliorating the plight of the consumer. Most of these organisations had started in the early or mid-eighties. Jagrut Grahak, one such association based in Baroda, Gujarat was started in 1980 by ten retired professionals toconcertedly work in the gigantic task of consumer protection and enlighten
under difficult conditions and circumstances. They help consumers with problems mostly through negotiations, persuasions and compromises. It work in mutual cooperation and concerted action and approach with the other consumer organisations all over the country. Thus if grievances are relating to organisations, forms and companies outside Gujarat, they are carefully evaluated and then referred to the consumer bodies in different parts of the country according to their location and jurisdiction.

The Voluntary Organisation in the Interest of Consumer Education (VOICE) was founded when angry young students and teachers of the Delhi University could no longer stand the way consumers were being cheated and followed by not merely small companies like the TV manufactures but also by corporate giants like Bata, ITC, etc. they therefore took on companies individually in protest against unfair trade practices and won most of them. It took up various cases and advocated consumer causes before courts of law and thought parliamentarians. Its battle against TV companies resulted in prosecution of 44 leading TV companies. Among the other, VOICE, has taken on Maruti Udyog Ltd. And won its case in the Supreme Court against out of turn allotment of cars to VIP’s. It has made soft drink companies state in every advertisement that their drinks are artificially flavoured and contain no fruit juice or fruit pulp. They realized that mere fighting in the courts or lobbying through parliamentarians does not stop the consumer from being cheated and he still has to seek redressal and suffers. So they went about giving consumers information about the benefits or shortcomings of various products and brands which would give the consumer the edge over the seller, since he could make an informed choice.

The Consumer Unity and Trust Society (CUTS) while started in Jaipur in March 1984, made its impact not through handling of consumer complaints, nor through lobbying within corridors of powers, nor by taking the erring and recalcitrant product or traders to court but by effectively making use of media and though publicity. The strategy adopted was to shock the reading and the viewing public into a rude awareness of the plight of the helpless consumers especially when bodies such as the municipal corporation do nothing to remedy the situation. For example, the Calcutta Roads like the
roads in most cities were forever being dug up and left as such for days on end.

The Consumer Guidance Society of Jamshedpur was founded in 1984. The activity of the organisation is to inform, educate and organise consumers so as to enable them to protect their interest and assert their right as consumers.

Most consumer organisations find paucity of funds, the most hampering cause for their not being able to do as much as they would wish to do for the consumers. So they restrict themselves mainly to handling individual complaints. The Consumer Action Group (CAG) based at Madras was founded in 1985. Most of the issues that CAG tackled since its formation were concerning civic amenities, health and environment such as water shortage in Madras, chemical pollution in the Adayar river causing health and environment hazards, stoppage of air conditioners in movie theatres, problem of loudspeakers in residential areas and obscene hoarding etc.

H.D. Shourie, the Director of the Common Cause based at Delhi is well known in consumer circles as an incorrigible litigant. He does it primarily through his pen as well as taking up most of the problems and issues to the courts. Among other things he persistently brings up the fact that the government had not followed the provisions of the Consumer Protection Act, 1986 even three years after its passing. It was the writ petition submitted by the Common Cause which made the Supreme Court in September 1989 take serious note of the omission on the part of the states and union territories and directed that the quasi-judicial machinery provided for in the Act should be forthwith established and report submitted within the period of six weeks. In spite of this direction by the Supreme Court, not once but thrice as a result of continuous follow up by Mr. Shourie the Supreme Court in March 1990 felt constrained to issue contempt notices to three chief secretaries who had defaulted in submitting reports.

Another consumer activist who works primarily with his pen is R. Desikan of SMN Consumer Protection council, Madras. Desikan’s writing has become a force to reckon with writing regularly in the Madras edition of the Hindu especially on issues of consumer interests. Bombay Telephone Users’
Association (BTUA) was formed in 1985 because telephone subscribers in Baroda and Khar were receiving unjustified heavy bills and the most common complaint was that telephones were dead or held up for long period of time, in spite of repeatedly complaints and personal visits.46

Pressure groups are a well-accepted feature of the politics of western society, and among the strongest are those representing commerce and industry. If individual consumers combined in groups they could more effectively pursue their interests like other pressure groups. Other consumers could be sensitized to consumer problems and educated about their rights; resources and support could be given for consumers to enforce their rights; and pressure for change could be exerted on businesses and government. There are limitations on test cases in England, but some might be taken in the courts, for costs could be distributed and the precedent value of decision given greater weight than if individuals were bringing them. Even if test case litigation were ultimately unsuccessful it could be used to delay objectionable behaviour or to gain favourable publicity.

But are pressure groups representing the consumer interest a likely feature of the political scene? A number of writers take the view that consumer groups will spring up automatically to counter the power of business interests. A writer in the Canadian Bar Review puts this notion of countervailing power as follows:

Whenever there is a substantial concentration of power ... there is likely to develop a countervailing force representing an aggregation of individual interests. ‘Consumer’ groups will have their effect both in direct relations with suppliers and in influencing new government policy to regulate the corporations or other business organizations with respect to which the consumer groups may have conflicting interests.

By contrast, there are those who say that the consumer interest will always be poorly represented in society. Everyone is a consumer, and since the consumer interest is so diffuse and widely shared it should not be surprising that people have difficulty agreeing on what the consumer interest entails. In addition, people lack self-awareness of their role as consumers. Anthony Downs argues that people feel more intense about their role as income-earners because they earn their income in one area but spend it in many. Since those who stand to

gain most in an area but spend it in many. Since those who stand to gain most in an area are those who earn their incomes there, they will be the ones prepared to invest the money and expertise to influence government. And in most cases those who are prepared to invest the money and expertise to influence government policy in an area of production can deduct the cost from taxable income. Thus a business affected by a particular measure can afford to bring pressure to bear, but consumers with many other interests will have no over-riding concern impelling them to act. For this reason a consumer group in Australia proposed that the government should fund a special office of represent the consumer interest before the Prices Justification Tribunal: Manufacturers and unions have their vested interests well represented at hearings before the Prices Justification Tribunal. It is very hard for individual consumers and consumer groups to match that representation.

Furthermore, it is said that rational and self-interested individuals will not join a group purporting to represent the consumer interest, even if the collective benefits to be gained are greater than the total individual costs. An exception is if the group is small or if there is coercion or some other incentive to make them act in common. The ‘free-loader’ problem, as it is called, results because in large groups the contribution any one individual must make is most probably greater than the benefits to be received, and because in groups with many members it is unlikely that an individual contribution will make a difference. Olson writes:

Virtually no one would be so absurd as to except that the individuals in an economic system would voluntarily curtail their spending to halt inflation, however much they would as a group gain from doing this. Yet it is typically taken for granted that the same individuals in a political or social context will organize and act to further their collective interests. The rational individual in the economic system does not curtail his spending to prevent inflation (or increase it to prevent depression) because he knows, first, that his own efforts would not have a noticeable effect, and second, that he would get the benefits of any price stability that others achieved in any case. For the same two reasons, the rational individual in the large group in a socio-political context will not be willing to make any sacrifices to achieve the objectives he shares with others.

The truth probably lies somewhere between the proponents of countervailing power and those arguing that consumer bodies will never coalesce and have an influence. Certainly consumer bodies are comparatively small in relation to their potential clientele; they lack resources when compared with pressure groups representing business interests, and the very broadness
of the consumer interest explains in part the existence of several competing bodies each claiming to represent it. On the other hand a number of factors mean that the position is not totally without hope. People are not always completely self-interested. They very existence of some consumer groups testifies to the fact that there are individuals who are prepared to band together to further the consumer cause. There may be a number of conflicting consumer interests but representation is not impossible. Consumers have a number of identifiable interests in common: economic efficiency, diversity of purchasing choice, avoidance of monopoly profits and consumer fraud, optimal purchasing information and good quality products and services in relation to price. That consumer interests can conflict is hardly a conclusive argument that they cannot be reconciled or adequately represented.

There are incentives impelling representation of the consumer interest. Consumer organizations which do comparative testing, like the Consumers’ organizations which do comparative testing, like the Consumer’s Association, recruit members because they offer a benefit, in the form of information, which otherwise would be very costly for individual to obtain. Income from the publication of Which? enables the Consumers’ Association to carry on many other activities of benefit to customers. It is entirely rational for independent consumer advocates like Ralph Nader, who are financed from private sources and can make money from their publications on consumer protection, to devote their effort to exerting influence on behalf of consumers as a whole. In effect their motivation comes from their career orientation.

Representation of the consumer interest has also been fostered by government. One interpretation is that the consumer movement has had an impact on government in the last decade because the political parties have seen the issue as a vote-winner. Recognizing that consumer protection measures do not require a large public expenditure, the parties have competed with one another in new initiatives. Another interpretation is that consumer protection measures have often coincided with the economic policies of various governments which have been keen to further competition, to eliminate restrictive trade practices and to reduce inflation. As a corollary governments need the consumer viewpoint to be presented as a counter to business and trade-union pressure when they make policy in the areas of economic planning. Inherent in both interpretations is that the furtherance of the consumer interest has been largely dependent on political decisions.
3.9 Practicalities of Non-Governmental Organisations

While learning about the ways and means to empower a consumer, it was emphasized that consumers should come together to form an organisation to attend to their needs. Emphasis was also laid on the significance of the consumers combining together to form their own organisations so that they can tackle their local problems effectively because a single consumer by himself may not be able to bring a solution to his problems. When he gets the support of his fellows, he is in a better position to bargain. It goes with the popular saying ‘Unity is strength’ and “United we stand, Divided we fall”. Therefore, it is important that the consumers come together and form their own organisations to fight for their rights.

As per Article 19, Part III of the Indian Constitution all citizens shall have the right to form associations or unions to further their group interests, subject to any restrictions that may be imposed by the State in the interest of the sovereignty and integrity of India or public order or morality. Every citizen who is also a consumer can combine with other consumers to form associations, and exercise this right provided under the Constitution effectively, consider issues of common interest and work towards solving problems facing them.

In many colonies or residential areas, associations of persons or groups of persons are set up to look after the interests of that area or group. They might be working under different names such as Residents Welfare Associations, Associations for Consumer Guidance, Consumer Forum, Consumer Welfare Agency, Citizens Guidance Society, Residents Protection Agency, Centre for Investors Protection, Residents Union, Grahak Panchayat, Organisation for Consumer Protection and Education etc. They activities of these organisations, irrespective of their names, are focussed on the welfare of their members, who are ultimately consumers of one product or the other. Even if the association is of the producers or manufacturers of some products, their members are consumers of some other products. Therefore it can be said that organisations may have different names but their main work relate to the welfare of their members who are ultimately the consumers of one product or the other. We cannot imagine an association whose members are not consumers at all.

Thus it is clear that every one of us is a consumer and it is, therefore, important that we unite together to protect our interests. The efforts of consumers can be more effective only when they unite to work together. A consumer can learn from the experiences of the others only when they have a common platform to share their experiences. A consumer organisation is one such forum which can meet the needs of consumers of all kinds.
In India there is a great need for the consumer movement to grow further. Even though there are now more than 800 organisations all over the country, there are still many areas where consumers have not come together. There are a number of reasons for this. Consumers are mostly ignorant, illiterate, apathetic, non-resistant and are accustomed to accept whatever is given to them. Under these circumstances, it is no wonder that they could not come together to form Consumer Organisations. Absence of consumer organisations have led the sellers and manufacturers to practise all kinds of malpractices and exploit the consumer in all possible ways. It is, therefore, necessary that consumer organisations are set-up in every nook and corner of the country to reverse this situation.

To set up an organisation, the following details should be decided in the first instance: (i) Objectives; (ii) Membership; (iii) Emblem/Logo; (iv) Registration In addition to the above, other matters, like funds, premises, manpower etc. may also be taken up. Let us now discuss each one of these factors in detail. Registration of the organisation has a number of advantages.

- Citizens have more confidence in a registered organisation because their accounts are audited and their activities are transparent;
- A registered organisation is recognised legally as it is subject to some discipline;
- Registered organisations derive a right under the law to represent their case in the consumer courts; and
- Only the registered organisations can utilise the financial assistance give by the government and other voluntary bodies.

A consumer organisation can get itself registered either under the Companies Act, 1956 or under the Societies Registration Act, 1860. Only those organisations carrying on a business for profit are generally registered under the Companies Act. The Societies’ Registration Act 1860 provides for registering Societies formed for the promotion of literature, science or the fine arts, or for the diffusion of useful knowledge or for charitable purposes. As a consumer organisation is an association of consumers formed with the object of furthering the cause of consumers and to protect their interests, such an organisation can be registered as a society under this Act. Any seven or more persons may subscribe their names to a Memorandum of Association which contains the name and objects of the society, along with names and addresses and occupation of the governing body members of such society to whom the management of the affairs of the society is entrusted, can form the society shall also be filed along with the Memorandum of Association. Upon payment of the prescribed fee (presently
Rs. 50/-) the Registrar issues a certificate registering the society under the Act. All provisions of the Societies Registration Act will apply to the society registered under the Act. Incidentally, the Act was enacted to improve the legal condition of such societies.

The Companies Act 1956 under the provisions of Section 25, also provides for incorporation of a company with limited liability of its members for promoting art, commerce, science, religion, charity or any other useful object and which applies its profits to promote its objects, prohibit payment of any dividend to its members. Such a company will also be entitled to the privileges and be subject to all the obligations under the Act. As the statutory liability and compliance under the Companies Act is strict and procedure for registration is also elaborate, consumers organisations are generally registered under the Societies’ Registration Act as Societies.47

From the memoranda of association of various consumer organization, it is observed that they pursue various objective such as to infer, educate and organize consumers so as to enable them to secure, protect and preserve their interest and to assert right as consumer of goods and services in the society and provide a public forum for individual and to guide consumer to seek redressed from the appropriate authority. Besides these, one organization in engaged in providing a helping handicapped and poor people to get essential commodities and giving counselling to the unemployed youth to get self employment. Another organization is engaged in inculcating the habit of civic sense.

It is observed that most of the organizations are engaged in consumer welfare activity and they are providing various types of information for the consumer rights, handing consumer complaints and redressing their grievances.

The consumer organizations are pursuing the following objectives.

(i) It accelerates consumer awareness.
(ii) It publishes brochures, journals and monographs.
(iii) It collects data on different products and tests them.
(iv) It arranges talks, seminars, workshops and conference for the purpose of focusing on the problems of consumers and the relevant solutions.

(v) It encourages consumers to boycott goods which are defective and bad in quality, through confrontation and resistances.
(vi) It files suits, complaints and writ petition on behalf of consumers in the consumer forums.
(vii) It investigates the problems of the consumer.
(viii) It resists price-raging, prevents adulteration, prevents hoarding and black-marketing and checks under-weight selling.
(ix) It produces films on food adulteration, on the misuse of drugs and cosmetics, on the law for consumer protection and on the agencies consumer protection.
(x) It educates the consumer to help himself.
(xi) It educates women regarding consumerism.
(xii) It organizes exhibition to warn against spurious and adulterated products.
(xiii) It extends supports to government agencies to bring to book cases of adulteration, sale of hazardous products and other such malpractices.
(xiv) It educates consumers about prices, trade practices and so on through journals, meetings and conferences.
(xv) It promotes the networks of the consumer’s associations region wise and state wise along with the federation.
(xvi) It sets up voluntary complaints counters for consumer guidance and counselling.
(xvii) It motivates people to adopt socially desirable consume standards.
(xviii) It creates awareness among the people of their rights, strengths and responsibilities as consumers.
(xix) It educates consumer to protect and promote their interests.
(xx) It takes up consumer grievances with the appropriate bodies private and the government.
(xxi) It ensures correct weights and required standards in the quality of merchandise.
(xxii) It provides consumer guidance and to check adulteration, hoarding and black marketing.
(xxiii) It undertakes, initiate and aid investigations, research and scientific testing of all consumer products.
(xxiv) It ensures standards of safety and a healthy environment free from pollution.

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(xv) It collects and disseminate knowledge and information useful to consumers and to print and polish studies, periodicals, reports on all such literature that may be interest and relevance to the consumers and to consumer movement.

(xvi) It initiates public discussion on the subjects of public interest and make the authorities realize about people’s thinking.

(xvii) It provides public forum for individuals who are otherwise unorganized.

(xviii) It participates and promotes consumer protection activities through lectures, seminars, training programmers, public meeting, by organizing exhibitions and demonstration and writing articles and publishing reports.

(xix) It develops consumer resistance through mass demonstration, pick-eating and other action programmes.

(xx) It provides relief in case of natural calamities.

(xxi) The purpose affirmative action for the consumer action through litigation, public education of members of parliament and state legislative assembly, advocacy before administration.

(xxii) To study analytically and to research on the working of public utility services and monopolies.

(xxiii) To carry out academic/training programmes for workers and leaders of consumer protection.

(xxiv) To help people to take things in their hands and to seek redressed against acts involving arbitration, discrimination, aberration, aroma-lies and distortion, whether they emanate from the functionaries of the government or from municipal bodies or banks, insurance companies, airlines or any other authorities entrusted with responsibilities to words the public.

(xxv) To represents the government, semi- semi government and authorities on matters relating to the rights to individuals and society as a whole.

(xxvi) To apprise, undertake, aid and promote testing and evaluation of consumer products and services.

(xxvii) To take action on the complaints of members regarding goods and services.

(xxviii) To apprise manufacturers and producers of consumer goods and of the need and method of improving the quality and utility of these goods and services.

(xxix) To organize consumer forum the report and give option, and assist the society in the evaluation of quality, performance and stability of consumer products and services.
(xl) To encourage, promote and foster strong independent consumer movement in India by bringing together all consumer associations.

(xli) To provide a forum in which national and regional bodies working for the consumer may discuss their problems and work out possible solutions.

(xlii) To maintain effective links with government, semi-government and autonomous bodies and international organizations.

(xliii) To create awareness by dissemination information about the consumers’ movement in India and abroad.

(xliv) To make efforts to introduce consumer protection educational programmes in school, collages and in clubs and woman’s organizations.

(xliii) To provide special assistance to the old, handicapped and the economically backward with a view to bringing them on equal footing.\textsuperscript{49}

With consumer becoming more aware, consumer forums responding to complaints and the recognition that the consumer movement is not just a market-oriented on confined only to market place, many organization both government and non government organization (NGO) have been instrumental in the following developments\textsuperscript{50}:

- Setting up of complaint cells by corporate houses for direct interaction with consumers.
- Setting up of the securities and exchange board of India (“SEBI”) for investor complaints and protection.
- Equipping all stock exchanges with in house complaint redressed machinery.
- Railway claims tribunals
- MTNL telephone Adult
- Insurance claims tribunals
- Dark adulate for postal camp
- Advertising standards council
- High court bar council for complaints against lawyers


• State oil co-ordination committees
• Banking ombudsman
• Medical council
• Chartered accountants association
• Architects associations
• Directorate of public grievances
• Directorate general for complaints and registration under the MRTP commission
• Citizens’ charters
• Code for corporate governance
• Greening of UN guidelines for consumer protection

All these roles that consumer organizations are playing in society can be grouped under five categories, such as consumer awareness and education, product appraisal, networking with other consumer organisations, complaints, settlements and consumer research.

Voluntary Consumer Organisations have acquired momentum in the last few decades due to direct linkages with public and hence able to promote dialogue and enable participation of general masses. On a cost benefit analysis, voluntary organisation deliver services free of cost as compared to government machinery. Owing to their particular capabilities especially in the fields of consumer education, public awareness, and consumer awareness, etc. Voluntary Consumer Groups have done immense good to the economy.

Voluntary Consumer organisations have contested many cases before judicial authorities on behalf of individual consumers. Voluntary organisations have always effectively stressed the need for protecting consumer rights in the meetings of advisory councils, namely, Central Consumer Protection Council and State Consumer Protection Council constituted under the Consumer Protection Act, 1986. The achievements of some of the voluntary organisations may be highlighted.

As it has already been mentioned organisations like the CGSI, CERC, CUTS, Common Cause have played an important role in spreading consumer education, awareness an resistance. Also they have been active in guiding consumers. Apart from their consumer literacy campaign certain very
important issues have been taken up by these organisations in various courts and redressal agencies.

In an action by Common Cause almost three million pensioners benefited from three important decisions the organisation secured from the Supreme Court in relation to pensions. The organisations’ major achievement has been to secure amendments by the government of the relevant rules prescribing the mode of price printing on packages with the results that now the price, including local taxes is being printed on packaged commodities all over the country. Matters relating to various areas of inefficiency of the public sector functioning, as of electricity supply, telephone services, airlines, etc. have taken up for redressal of the grievances of the consumer. Cases were filed by the organisation for setting right the inadequacies of the quality control in manufacture of sensitive items such as intravenous fluids, removal of distortions and strict observance of orders for supply and sale of iodised salt.

Common Cause also involved itself deeply in the problems of consumerism in the context of implementations of the *Consumer Protection Act, 1986*. Omissions and delays in the implementation of the Act by the State government were highlighted in a writ petition, filed in the Supreme Court consequently the process of setting up of quasi-judicial machinery under this Act have been expedited.

Another Organisation Consumer Unity Trust Society, CUTS succeeds in getting a toxic addictive, brominates vegetable oil banned for use in soft drinks in 1990. The BOV episode triggered an amendment in COPRA empowering consumer courts to stop the sale of and the withdrawal of unsafe or hazardous goods from being sold in the market. By a class action petition under the *Consumer Protection Act*, the organisation endured the legal and human rights of nearly 800 poor victims of adulteration in Behala oil tragedy.

Another important point raised by the organisation in *CUTS v. State of Rajasthan* was whether the services rendered by the doctors in the government hospitals under CGHS schemes were free service or not. As is evident various individuals and groups have worked relentlessly for consumer rights through the decades and it has not been in vain. The results are to be
seen in the awareness that has been caused and the attention which the subject consumer protection base in rural areas and educate and spread awareness amongst the rural population. There is also need to professionally manage such organisations and have a monitoring body to exercise control over their working, finances and funding. They need to identify their working areas and then spread out through collaboration with other organisations. It will not be exaggerating if it is said that consumer movement has gained strength through the consumer organisations.  

3.7 Conclusion

Consumerism is a term crept into the legal regime in the recent era only, mainly with the industrial and capitalistic explosions. Today the consumer jurisprudence in India, with the lasted statutory precepts like the Consumer Protection Act, 1986, the Competition Act, 2002 etc. provides better room for protecting consumer interests. Indian consumer legislations have been much influenced by the international attempts and the development in Britain and United States. However, the history and mankind postulates that man has been a consumer from the very beginning itself. The legal concepts like ‘Consumer’, ‘Consumer Rights’, ‘Consumer Protection’ etc. might not be familiar to the earlier legal system; however, in any earlier civilized society or legal system, the law had always been there for anyone who used to be ‘the user of any article or service”, adopting the basic principles of criminal law, law of contract, law of torts and even the ground norm of the land. It is quite interesting to go through the evolution of consumer jurisprudence in the legal regime of India and it is more amazing to trace out its origin in the ancient Indian thought itself. This paper was just an attempt to find out the relics consumerism in the ancient philosophy of the land.

To conclude, I would like to mention that consumer movement in India is going through a ‘Silent Revolution’. It is not a small and inconsequential event that is happening. Public at large are cognizant about this radical reformation that is entering into their lives. With the qualitative and quantitative changes that the movement is bringing about the consumers are


slowly being able to organize themselves as a force to reckon with. However, the path to reach this stage has not been a bed of roses. It has been a long and lengthy struggle. Quoting Anwar Faizal, Head of IOCU (International Organisation of Consumers Unions) Penang, Malaysia, “It has been a struggle against bad businesses which puts profits before fairness and it was a struggle against inefficient, ignorant and, sometimes, even hostile public bureaucracies. Sometimes you get the worst of business and public enterprises locked in an arrogant and unresponsive entity, pretending to serve the public interest.” Consumer movement has braved many a rough weather and has emerged to be stronger for it. It has had its trials and tribulations along its journey. Movement on the whole has had quite a chequered career undergoing a ‘metamorphosis’ from polite submissions to militancy to redressal through consumer forums and redressal cells. Broadly speaking, the consumer movement has emerged through different stages mentioned herein before.

Consumer protection has an objective: to enhance the welfare of consumers. Accordingly, it is really just an essential part of a broader policy. In the future, it is essential that policies continue to evolve and international coordination and cooperation is strengthened so that new issues, such as the development of global economy, can be addressed as they rise. The global market has become a fact of life and unscrupulous traders have already begun to take advantage of the potential for scams that can be operated over internet. Governments of large countries and some private corporations such as the Electronic Commerce group have already begun to implement programmes to address these issues. Governments of small and developing countries need to recognize that the global economy is evolving very quickly. They need to establish that the global economy is evolving very quickly. They need to establish effective links with other consumer protection authorities and larger governments as a priority so that they can have some influences in the global economy and also to ensure that their local application of consumer protection law is comparable to the world’s practices. In this era, every consumer in his own interest has to realise his roll and importance in the right


perspective. In a competitive economic environment the consumer has to exercise his choice either in favour or against the goods and services.\textsuperscript{55}

The consumer movement in our country is in nascent stage and requires a big fillip to become a mass movement.\textsuperscript{56} Consumerism commonly known as consumer protection, which has gained momentum over the last few decades on accounts of the formation of large number of voluntary organisations all over the world.

The consumer organisations not only solve consumers’ cases but they also act as consultants, advisors and mediators for the consumers in many fields. They render general counselling on family disputes. They conduct workshops, seminars and training programmes to create consumer awareness. They file public interest litigation also. Some of the organisations work on a full time basis. A notable feature is that a few organisations and consumer activists in Tamil Nadu have received awards through the Government of India for their sincere efforts and great service. The study reveals that the number of organisations has been increasing from year to year. The cases field through these organisations have also increased due to the increasing awareness of consumers.\textsuperscript{57}

Despite available legal safeguards the consumer interest, it is appropriate to investigate and find out non-legal ways wherein consumer protection may be advanced. Like western countries, it is practicable that consumers can exercise good deal of influence by such created voluntary consumer protection groups which are known as pressure groups pressure groups are well accepted feature of the politics of western countries to protect consumer interests in all walks of life. Their functioning in the field of commerce and industry is very remarkable. The voluntary association of individual consumers more effectively pursue their interests. Results have been seen in favour. Not only this, they make may for others to do the same. Thus they sensitise other consumers about new problems and educate them about their rights. It becomes a resources and support for ether consumers to enforce their rights in doing so the

\textsuperscript{55} K. Srinivasan, “Consumerism” in India in the Next Millennium”, \textit{Upabhokta Jagran}, Vol. 9, No. 3, September 1999, p. 11.


first benefit the consumer avails is that the suit cost is distributed among the total number of group members. Secondly, group always has strong than individual and value of such judicial decision would of greater value. This system is known as test case litigation. Suppose in a test case litigation no success is obtained, still it may be very useful for having its favourable impact on public opinion to check and present like offending activities of the manufacturers and dealers. It will encourage further consumers to form pressure groups to raise their voice against the faulty dealers. Consumer groups will have their effect both in direct relation with suppliers and in influencing new govt. policy to regulate the corporations or other business organizations with respect to which consumer groups may have conflicting interest.\textsuperscript{58}