Findings, Suggestions and Conclusion
The Summary of Findings, Suggestions
and Conclusion
CHAPTER - V
FINDINGS, SUGGESTIONS AND CONCLUSION

INTRODUCTION

The modern concept of 'consumer sovereignty' has become a universal phenomenon. It implies that consumers are the focal point of any competitive business. But, ironically, they are subjected to different kinds of deceptive practices such as escalating prices, misleading advertisements, under-weights adulteration, deficiency in services and so on.

The consumer movement that swept the world in the second half of the 20th century paved the way for the enactment of a large number of consumer protection laws. Consumer organisations in India and around the world began to play a significant role in creating awareness among the consumers. They are engaged in various consumer welfare activities such as creating consumer awareness and education, product appraisal, providing information for protection of consumer rights, handling consumer complaints and redressing their grievances.

The legislative measures introduced by a welfare state like India are indeed the legislative weapon in the hands of consumers to fight against the traditional and advanced methods of exploitation adopted by the business community. When honesty, probity and accountability have become rare commodities, authoritative intervention by the State becomes inevitable. The Consumer Protection Act 1986 is undoubtedly a comprehensive legislation intended to deliver cheap and speedy justice at the doorsteps of the aggrieved consumers. Considering the socio-economic background, it is common knowledge that the mere existence of the laws and enforcing machinery can hardly improve the lot of the majority of Indian consumers. Consumer problems become compounded and complicated when businessmen who are bent upon profit making at any cost, play the fool around the
consumers by adopting most advanced and scientific method of adulteration, unfair trade practices and the like. Against these ground realities, the researcher has chosen a study to examine the role played by the voluntary consumer organisations functioning in the Coimbatore District in protecting the rights and interest of the consumers. More over indepth analysis has been made to assess how far the legal aspects of The Consumer Protection Act 1986 are understood by the members of the consumer organisations and non-members and to what extent they are taking efforts in protecting their rights.

This chapter presents the summary of findings of the preceding chapters. Suggestion have been put forward for inclusion in the policy perspectives with regard to consumer protection at all levels.

**ORIGIN AND GROWTH OF CONSUMER MOVEMENT**

The origin of the consumer movement is found in the development which took place in American Economy from 1773 onwards. It was further intensified by the writings of various authors between 1900 to 1920. In America, Ralph Nadar played a significant role in giving proper direction to the consumer movement. Consumer protection was recognized as an important item on the political and social agenda of the developed as well as the developing nations. Legislative measures were introduced to mitigate the grievances of the consumers. The establishment of the International Organisation of Consumer Union was the first step in the field of consumer movement which helped in spreading the movement in different countries.

The history of the consumer movement in India goes back to ancient time. In Kautilya’s times necessary regulations were in force for the protection of consumer interest. The Muslims rulers in India also took care to protect the interest of the consumers. They introduced and strictly enforced various measures to control the price of certain commodities like cloths, sugar, dried fruits and oil.
Mahila Upbhokta Sangathan, was the first consumer organisation established in Lucknow. Consumer Education and Research Society Ahmedabad plays an important role in protecting the interest of the consumers.

In India, the enactment of The Consumer Protection Act 1986 gave much needed fillip to consumer protection. The judiciary also has contributed significantly by liberal interpretation of various provisions. The Consumer Dispute Redressal Agencies and the Consumer Protection Councils envisaged in the Act awakened consumers and paved the way for the existence of voluntary consumer organisations.

FUNCTIONING OF THE VOLUNTARY CONSUMER ORGANISATIONS

Voluntary consumer organisation: refers to the organisation formed voluntarily by the consumers to protect their rights and interests. Majority of the consumer organisations both in rural and urban came into existence only after the year 1990 with the objective of creating awareness among public and also to give more attention to the common matters affecting the general public.

Most of the organisations both in urban and rural do not have their own accommodation and 75 percent of the urban and 80 percent of the rural consumer organisations are functioning in the residential buildings of their members without proper infrastructural facilities to carry out their work.

Majority of the urban as well as rural voluntary consumer organisations are not having branches in adjoining geographical areas and they are functioning in a particular locality where they have been registered.

In consumer organisations members are classified into ordinary members and life members. The percentage of life members both in urban and rural voluntary consumer organisations shows slight decreasing trend where as the
percentage of ordinary members are at increasing trend during the study period (1996-2000). The average number of members are around fifty in the case of urban voluntary consumer organisations and 30 to 34 in rural voluntary consumer organisations. There is no significant increase of members during the study period both in urban and rural voluntary consumer organisations.

Subscriptions from members and service charges from consumers form the income for almost all the consumer organisations both in urban and rural. It is understood that majority of the voluntary consumer organisations in urban and rural are not getting any financial aid either from central government or from state government. Since these associations are formed mainly to render service to the society only smaller amount was collected as subscription even though they have shortage of funds.

Consumer organisations are empowered to discuss and redress consumer grievances. Majority of the urban voluntary consumer organisations are handling individual matters where as in rural only 45 percent of the consumer organisations are handling individual cases and majority of the rural voluntary consumer organisations are giving more importance to the common issues affecting the public.

During the study period the consumer issues regarding adulteration of goods, under weights especially in fair price shops and retail outlets are handled both by the urban and the rural voluntary consumer organisations to a greater extent. In addition to this the lethargic attitudes of the panchayats, municipalities and corporation in sanctioning the house building plans, water connections are found to be settled by the urban and rural voluntary consumer organisations. Apart from this, complaints against private financial institutions and chit funds are also handled by the urban and rural organisations.
During 1996 and 1997 50 percent of urban voluntary consumer organisations and 62.5 percent of the rural voluntary consumer organisations had settled less than fifty cases whereas in the year 1998, 33.3 percent of the urban and 50 percent of the rural voluntary consumer organisations had settled more than 100 cases per year. During the year 1999 40 percent of the urban voluntary consumer organisations and 55.6 percent of the rural voluntary consumer organisations had settled more than 100 cases and during the year 2000 55 percent of the urban and 60 percent of the rural voluntary consumer organisations had settled more than 100 cases per year. The voluntary consumer organisations handling more than 100 cases per year had increased from year to year due to the increased awareness about consumer organisations among more number of consumers.

Majority of the urban and rural voluntary consumer organisations are rendering various assistance to their members as well as to the general public. About 75 percent of the urban voluntary consumer organisations and 70 percent of the rural voluntary consumer organisations are taking efforts to settle the consumer problems by convincing both the parties. 40 percent of the urban and 60 percent of the rural voluntary consumer organisations are appearing on behalf of the complainants before redressal agencies and all the voluntary consumer organisations are guiding the complainants to proceed with the matters.

Consumer organisations are expected to educate people about their rights and responsibilities through meetings, demonstrations house visits, radio talks, television programmes etc. But majority of the urban and rural voluntary consumer organisations have not taken any efforts to organise such programmes frequently even though they have stated this as one of their objectives. 30 percent of the urban voluntary consumer organisations and 80 percent of the rural
voluntary consumer organisations spend even less than Rs. 1000 for organising such awareness programmes.

In order to disseminate the right kind of current information to the public only a very few consumer organisations are releasing newsletters, pamphlets, periodicals etc. But 75 percent of the urban and 80 percent of the rural voluntary consumer organisations do not publish any such periodicals to spread news about consumer protection.

Event though 350 voluntary consumer organisations in Tamilnadu are members in FEDCOT 75 percent of urban voluntary consumer organisations and 80 percent of rural voluntary consumer organisations in Coimbatore have not obtained membership in FEDCOT there by, they are missing the opportunities to attend various training programmes organised by them.

25 percent of the urban and 20 percent of the rural voluntary consumer organisations are members in Coimbatore Consumer Protection Council. Thereby they are representing the problems of other consumer organisations and common public to the government.

Majority of the urban and rural voluntary consumer organisations are facing different types of problems while working to protect the interest of the consumers. Poor infrastructure, lack of funds and absence of well equipped laboratories to test the adulterated products are the problems expressed by 90 percent of the urban voluntary consumer organisations. 90 percent of the rural consumer organisations have stated that consumers are not submitting proper evidences to proceed with the complaints and 80 percent of rural voluntary consumer organisations expressed that poor infrastructure, lack of endurance on the part of the complainants, absenting from appearance are the other problems arising while dealing with consumer issues.
PROFILE, AWARENESS AND INVOLVEMENT OF MEMBERS OF THE VOLUNTARY CONSUMER ORGANISATIONS AND NON-MEMBERS

Profile of the members and non-members

Sex-wise distribution of the respondents reveals that among the total number of member respondents 87.3 percent of them are male and the remaining are female. It is learnt that in voluntary consumer organisations majority members are male. In the case of non-members 65.3 percent are female and the remaining are male respondents.

Age-wise classification of the respondents reveals that majority of the member respondents and non member respondents are in the age group of 21-40 years. 6.7 percent of the member respondents and 1.3 percent of the non-member respondents are in the age group of below 20 years.

Among the total number of member respondents 33.3 percent are educated up to graduate level. In the case of non member respondents 30 percent are educated up to post graduate level. 17.3 percent of member respondents and 8 percent of non-member respondents are educated only up to primary level.

44 percent of the member respondents and 22.7 percent of the non-member respondents are working in various organisations as employees. The occupational status-wise classification also reveals that 16 percent of the member respondents are business people, 12 percent of the member respondents are retired persons, 8 percent are students and 6 percent are house-wives and in the case of non-members, 21.3 percent are professionals and another 21.3 percent are students.

Majority of the member respondents (76.7%) and non member respondents (72.7%) are married.
Majority of the member respondents (46%) are in the income group of below Rs. 5000 and majority of the non-member respondents (32.7%) are in the income group of Rs. 10001-15000.

Majority of member respondents (60.7%) and non-member respondents (62.7%) belong to the backward community.

As in the case of voluntary consumer organisations the member respondents and non-member respondents are found to be more (66.7%) from urban area than from rural area.

Opinion about the services rendered by service sector organisations

Regarding opinion about the services rendered by the service sector organisations 55 percent of the member respondents and 41 percent of the non-members opined that they are not satisfied with the service of the private financial institutions. 51 percent of the member respondents are not satisfied with the services of the government hospitals. 25 percent of the non-member respondents are not satisfied with the services of the transport undertakings and 23 percent of the non-member respondents are not satisfied with the services provided by the electricity department.

Awareness and involvement of members and non-members

Both among members and non-members, majority of the respondents are aware of all the prevailing problems of the consumers in the society. 87.3 percent of member respondents are aware of The Consumer Protection Act 1986 where as only 62.7 percent of the non member respondents are aware of the Consumer Protection Act 1986.

66.7 percent of the member respondents and 50 percent of non-member respondents are aware of the ‘right to be informed’.
Among the Consumer Dispute Redressal Agencies functioning at National Level, State Level and District Level 87.3 percent of the member respondents and 52 percent of the non-member respondents are aware of the Consumer Dispute Redressal Agency functioning at the district level.

53.3 percent of the member respondents are aware of the ‘territorial limits’ to file a case where as among non-members only 28.7 percent of the respondents are aware of the jurisdictions. Similarly the percentage of the member respondents who are aware of pecuniary limits of ‘District Forum’, ‘State Commission’ and ‘National Commission’ are found to be higher than the non-member respondents.

Regarding various complaining aspects majority of the member respondents are aware of the legal procedure where as the majority of the non-member respondents are not aware of the same.

87.3 percent of the member respondents and 52 percent of the non-member respondents are aware that remedial measures are possible by filing a case in Consumer Dispute Redressal Agency. 60 percent of the member respondents and 70.7 percent of the non-member respondents are not aware that, Consumer Dispute Redressal Agency is having power to pass an order for ‘not to offer dangerous goods for sale’ and ‘to withdraw dangerous goods from sale’.

82 percent of the member respondents and non-member respondents are aware of The Prevention of Food Adulteration Act 1954. Only 30 percent of the member respondents and 42.7 percent of non-member respondents are not aware of The Drugs and Magic Remedies (objectionable advertisements) Act 1954.

Majority of the member respondents and non-member respondents are exercising their rights to protect themselves, whereas majority of them are not found to be responsible for correcting misleading advertisements, for claiming
compensation for the loss and for organising people to prevent errors or stop errors. Majority of the non-member respondents do not show any interest to attend the grievance day organised by the service sector organisations and no efforts are being taken by them to refer the matter to the Consumer Dispute Redressal Agency.

LEVEL OF AWARENESS AND INVOLVEMENT OF MEMBERS AND NON-MEMBERS

Awareness on consumer problems

In respect of the awareness regarding consumer problems 80 percent of the member respondents possess high level of awareness about consumer problems, 13.3 percent and 6.7 percent posses medium and low level of awareness respectively. Among the one hundred and fifty non-member respondents, 76.7 percent of the respondents have high level of awareness, 16 percent have medium level of awareness and 7.3 percent posses low level of awareness about consumer problems

Chi-square analysis reveals that age and educational qualification among non-members have significant association over awareness regarding consumer problems. The non-member respondents of 21-40 years of the age group are found to possess high awareness than the respondents of other age groups. The mean score for this group (30.69) is found to be higher than the mean score of other groups. It is significant to note that the respondents with higher educational qualifications possess high level of awareness than others among non-members. The mean score of the professionally qualified respondents (84.4) and postgraduates (81.85) are found to be higher than the mean scores of other respondents.

Awareness on consumer rights

52 percent of the member respondents possess high level of awareness, 4 percent and 44 percent posses medium and low level awareness respectively.
Among one hundred and fifty non-member respondents the level of awareness is high for 30.7 percent, medium for 9.3 percent and low for 60 percent.

From the chi-square analysis it is found that the educational qualification and location of the member respondents have significant association over awareness regarding consumer rights. Respondents with higher educational qualifications are found to possess high level of awareness on consumer rights among members.

From the location wise classification of member respondents it is understood that the respondents with high level of awareness is found to be more in rural group than in urban group even though the mean score of urban groups is found to be higher than the mean score of rural group.

**Awareness on redressal mechanisms**

In respect of the awareness on redressal mechanisms, 66 percent of the member respondents possess high level of awareness, 22.7 percent and 11.3 percent possess medium and low level of awareness respectively. 26.7 percent of the non-member respondents have high level of awareness. It is medium for 18 percent and low for 55.3 percent. Age, educational qualification and occupational status among non-members are the important factors having significant association over awareness regarding redressal mechanisms.

**Awareness on complaining procedure**

75.4 percent of the member respondents possesses high level of awareness about the procedures for lodging complaint. 19.3 percent and 5.3 percent of the respondents possess medium and low level of awareness. 33.4 percent of the non-member respondents possess high level of awareness about complaining procedure. The awareness is medium for 11.3 percent and low for 55.3 percent. The chi-square analysis reveals that the occupational status of the non-members has significant association over awareness regarding lodging complaints. Among

295
the respondents of different occupational status 82.1 percent of housewives and 65.6 percent of students are found to possess low level of awareness on complaining procedure. The mean scores of these groups (15-31 and 27-67) are lesser than the mean scores of other groups.

**Awareness on remedial measures**

In respect of the awareness regarding remedial measures 77.3 percent of the member respondents possess high level of awareness. 2.7 percent and 20 percent of the respondents possess medium and low level of awareness respectively. Among the non-member respondents the level of awareness is high for 38.7 percent, medium for 3.3 percent and low for 58 percent.

From the chi-square analysis it is found that the occupational status of non-members is the only factor which has significant association over awareness regarding the remedial measures. Among the non member respondents of different occupational status 55.9 percent of employees and 56.2 percent of professionals are found to possess high level of awareness about remedial measures. But 82.1 percent of housewives and 81.3 percent of students are found to possess only low awareness regarding the remedial measures available under the Consumer Protection Act, 1986.

**Awareness on other consumer protection legislations**

In respect of the awareness regarding other consumer protection legislations, among the total number of member respondents 74.6 percent possess high level of awareness. 12.7 percent possess medium and low level of awareness respectively. In the case of non-members, the level of awareness is found to be high for 71.3 percent, medium for 12.7 percent and low for 16 percent.

From the chi-square analysis it is found out that the occupational status of members is the only factor which has significant association over awareness
Regarding other consumer protection legislations. Among the respondents of different occupational status 82.4 percent of employees, 75 percent of professionals are found to possess high level of awareness about consumer protection legislation. The mean score value of the employees is 80.21 and of the professionals is 80.11.

LEVEL OF INVOLVEMENT OF MEMBERS AND NON-MEMBERS IN PROTECTING THEIR RIGHTS

80 percent of the member respondents have high level of involvement in protection. The same is medium for 17.3 percent and low for 2.7 percent of the respondents. Among the total number of non-member respondents the level of involvement is high for 84.7 percent and medium for 15.3 percent. None of the non-member respondents have low level of involvement.

The chi-square analysis reveals that sex, age, educational qualification, occupational status, income, marital status, community and location of the respondents have no significant association over involvement among members. Among non-members only occupational status has significant association over involvement and other factors have not exhibited any significant association for the same. Among the mean score values for different occupational groups the mean score value is found to be high for employees group which is followed by business people group. All the respondents of the professional group have high level of involvement in protection.

80 percent of the member respondents and 84.7 percent of the non-member respondents are found to possess high level of involvement. But from the mean score value of each involvement factor it is understood that majority of the respondents among members and non members do not give importance to correct the mis-leading advertisements, to claim compensation for loss and to organise people to resist and oppose wrong dealings. In the case of non member
respondents along with the above mentioned aspects majority of them are not giving due importance to take up the matter to the Consumer Dispute Redressal Agency.

THE LEVEL OF AWARENESS AND INVOLVEMENT BETWEEN MEMBERS AND NON-MEMBERS

Normally the members of the voluntary consumer organisations are expected to possess more knowledge on various awareness aspects considered in the study. From the mean score values of the members and the non-members it is understood that the level of awareness is high for the members than the non-members in various awareness aspects considered in the study. But the 't' test results reveal that there is no significant difference in the level of awareness between members and non-members regarding awareness on consumer problems and awareness on other consumer protection legislations. The rejection of hypothesis for other awareness factors namely consumer rights, redressal mechanisms, complaining procedure and remedial measures reveals that there is significant difference in the level of awareness between members and non-members regarding these aspects. The member of the consumer organisations are found to have more awareness regarding the consumer rights and redressal aspects of Consumer Protection Act 1986 than the non-members.

Regarding involvement in protection no significant difference can be noticed between members and non-members. Even though the non-members are not aware of the legal aspects of the consumer protection Act 1986, their involvement in various aspects for protecting their rights is higher than that of the member respondents.

RELATIONSHIP AMONG AWARENESS AND INVOLVEMENT FACTORS

In order to understand the interrelationship between the various awareness factors and involvement factor simple correlation technique was used and its
significance was tested using 't' test at 5 percent level of significance. The results of the correlation analysis are as follows.

From the correlation matrix of the members it is understood that the correlation among various factors namely awareness on consumer problems, consumer rights, redressal mechanisms, complaining procedure remedial measures and other consumer protection legislations are significant and positive. The correlation between various awareness factors and involvement factor is also positive and significant. Hence it can be inferred that the member respondents, who are aware of one aspect of the consumer protection, are also aware of the other aspects and equally involved in protecting their rights. But from the correlation matrix of non-member respondents it is understood that the respondents who are aware of consumer problems are not aware of the redressal mechanisms, complaining procedure and remedial measures. It is also understood that even though they are not aware of the redressal aspects they are aware of their rights and other consumer protection legislations and thereby they are also involved in protecting their rights.

EQUALITY OF MEANS OF MEMBER AND NON-MEMBER RESPONDENTS REGARDING THEIR AWARENESS AND INVOLVEMENT

The analysis of variance, used to test the equality of the average level of awareness and involvement between various groups of the respondents reveals the following results.

In the case of member respondents significant difference in awareness and involvement is noticed among different age groups of the respondents and respondents of different location.

In the case of non-members, the respondents of different sex, varying educational qualification and occupational status differ significantly in awareness and involvement.
SUGGESTIONS

In the light of the findings briefed above the following suggestions are offered for improving the functioning of the consumer organisations and creating more awareness among consumers.

Suggestions for the effective functioning of voluntary consumer organisations

➢ Consumer groups must come forward to establish more number of consumer organisations both in urban and rural areas in order to look after the various problems of the consumers. They can form their own federation at the district level.

➢ Model and common by-laws for registration of consumer organisations should be made available in registrar’s office in the interest of uniform policies and practices.

➢ Conduct of consumer awareness programmes, consumer literacy programmes and enrollment of certain number of members may be made mandatory for every voluntary consumer organisation to get renewal of registration.

➢ Registration granted to voluntary consumer organisations which merely have a letter-head existence may be cancelled. Government may exercise some control and supervision over the affairs of the organisations and persons with adequate knowledge alone, may be allowed to act as office bearers.

➢ Inadequate finance is the main problem for all consumer organisations. Hence steps should be taken by the government to provide grants and aids to them based on their performance.
Consumer organisations can run co-operative bazaars, so that economical buying can be made and the products can be sold to members at normal profit. Consumer organisations can meet day-to-day expenses from their profit. They can also approach various funding agencies on project basis.

Government premises may be made available for the functioning of consumer organisations. Government should allow the consumer organisations to test the products at free of cost in the appropriate laboratories established by the government.

Consumer organisations in Coimbatore are not concentrating more in conducting awareness programmes. They can organise meetings, street plays and house visits. Release of newsletters, pamphlets, periodicals which contain consumer news will help to spread awareness. They can celebrate March 15th - world consumer day by organising competitions regarding 'consumerism' in schools and colleges.

Voluntary consumer organisations can take steps for publishing comparative product results, best products available in the market, day-to-day shopping problems, requisite advices and informations about various cases settled in Consumer Dispute Redressal Agency.

Voluntary consumer organisations can try to utilize electronic media for highlighting the consumer issues and consumer protection laws through regular programmes in both regional and national languages. Consumer activists and legal practitioners may be involved in informative consumer related discussions on television and radio and thereby consumers can be persuaded for filing complaints and resisting exploitation.
Consumer Education

Consumer education is an essential pre requisite for creating awareness among the consumers and protecting consumers.

➢ Consumer education may be included in the school curriculum

➢ The university grants commission may prescribe ‘Consumerism’ as a compulsory subject for all under graduate courses in universities and colleges.

➢ The important provisions of the Consumer Protection Act 1986 may be included in the syllabus for competitive examinations for employment in the government services and public sector undertakings.

➢ Consumer protection cell can be organised in schools and colleges to render free legal aid to the aggrieved consumers and to organise legal literacy programmes. Universities and colleges may be requested to arrange consumer awareness programmes as part of their N.S.S. and N.C.C. activities.

➢ A centre for consumer protection can be established at the university level, with the objective of creating awareness among students. The centre can impart consumer education and undertake research and extension activities. Financial assistance may be provided on project basis by the Department of Consumer Affairs, Government of India, through University Grants Commission directly.

Suggestions Towards Policy Perspectives

The researcher makes the following specific recommendations to policymakers for legislative and administrative measures to provide better protection to consumers.

➢ A uniform pattern of consumer education may be introduced throughout the country by including consumerism as compulsory subject in the school curriculum.
The government may provide adequate funds to universities and voluntary consumer organisation to undertake projects on different areas of consumer protection.

Section 2(1) of the consumer protection Act 1986 which defines 'service' may be suitably amended to include 'rendering of any service free of charge' because directly or indirectly every consumer is a tax payer and therefore every service is 'a paid service' and there is nothing called 'free service'.

'Justice delayed is justice denied'. In order to minimize large number of pending cases in the consumer Dispute Redressal Agencies government must take due care in filling the vacancies of presidents and members.

Appropriate centres can be established at all market yards or district head quarters to enable the consumers to test the goods purchased by them and check the weights and measures.

Studies can be undertaken to examine the efficacy of the existing consumer protection legislations including the consumer protection Act 1986 and the functioning of various redressal agencies there under. Studies can be made to explore the ways and means of educating consumers on their legal rights and responsibilities. Studies can also be undertaken on the role of government machinery, consumer protection councils to protect the consumers.
CONCLUSION

Voluntary consumer organisations in Coimbatore District are contributing more to the consumer protection by redressing the consumer complaints and working for the common interest of the public. But they have not taken due care to organise more awareness programmes.

Awareness of legal aspects of The Consumer Protection Act 1986 is found to be more among members rather than among non-members. Though non-members have taken due care to protect their rights they are not fully aware of the various legal aspects. So membership in consumer organisations has positive impact on the legal awareness.

It is earnestly believed that the present study will form the basis for further research in consumer protection and enable policy makers to take fruitful decisions on consumer protection. The researcher will have the satisfaction of presenting a comprehensive report on a subject of social relevance and commercial implications; if the findings and conclusion of this study contributes at least in small measure, to consumer protection by influencing policies and programmes at various levels.