CHAPTER I

CONSUMER PROTECTION: A THEORETICAL FRAMEWORK

Business encompasses a number of activities. There was a time when manufacturing and retailing were considered to be, in a way, unconnected. But now the relationship between them has been identified. There are many business activities before the manufacturing begins and after a product is sold. The basic function of business is to identify and anticipate consumer demand; produce and distribute authentic goods and services in right quantities at the right time and at reasonable prices.

Consumer is the focal point part of the nation's economic cycle as other developmental activities centre around him. In a competitive economy it is the consumer who decides the success or failure of a business either by buying or not buying the product. This idea underlines the concept of "Consumer's Sovereignty". The modern marketing concept has recognised this right, and this is reflected in well-known statements like "Consumer is the King". But in reality, the consumer is not recognised as a king. The consumer is exploited in every possible way.

In a free, uncontrolled economy, a consumer determines the goods to be produced. He influences the price and determines where, when and how goods and services should be marketed. He determines not only the income of the business but also its success and survival. Hence business should have consumer-oriented marketing plans and programmes.
Consumer orientation is an essential ingredient of marketing. The modern concept of marketing emphasises that the marketing policies should be based on the needs of consumers and aim at achieving the organisational goal through consumer satisfaction and well-being.

Satisfying the consumer interest should be the objective of all business units, as it will create a sense of loyalty in the mind of the consumer to business organisations and their products. The consumer-oriented efforts of an organisation will lead to planning for cost reduction, adoption of new technologies and new ideas and strategies which are in the interest of consumers and the organisation.

But this marketing concept is seldom put into practice. Instead, consumers are cheated, misguided and exploited in many ways.

Marketing is a concept which includes a number of steps that bring about transactions between the buyer and the seller. The markets and products have increased in their complexity and scope. Therefore, buying practices have undergone drastic changes through the years. Technology has also brought in its wake a large variety of products and processes, which have changed consumption patterns from the natural agriculture produce to manufactured substitutes, which are transported and made available to consumers in distant markets. As a result, the consumers are often in

a maze and feel ill-equipped to make choices from a range of commodities of which they know very little.

Consumers are the largest economic group in any country. They are the central point of all economic activity. But the very same consumers are the most voiceless group especially in India. The consumer of today has no power to order what he desires. He dreams of a buyers' market where he can make his purchase at will. But wherever he turns he sees only a sellers' market. ³

Everyone is a born consumer, whether he is an industrialist, a producer, a trader engaged in any profession or service or belonging to any other class. Whether one is a producer or whether he renders a service⁴ the ultimate object of all production is to ensure consumption of goods and services to the satisfaction of the consumers. ⁴ These objectives can be achieved only when the products are of acceptable standard quality and are not produced and distributed with the only motive of making profits.

Today, an average Indian consumer is poor, illiterate, ignorant, apathetic or just defeatist and he continues to be at the receiving end. The manifestations of consumer neglect are evident in the adulterated food he eats, the spurious, unsafe and

sub-standard products he buys, in the repeated shortage of essential commodities due to black-marketing and profiteering and the hazardous drugs that are pushed through the counter. The consumer is the forgotten man of modern economy. He is the least organised and the most centrifugal element in the circle of investment, production, sale and consumption and he is generally taken for granted as one who has to buy anyhow in order to live.⁶

**CONCEPT OF CONSUMER**

The word consumer is self-explanatory and the literal meaning is "one who consumes" but as against a customer in the market place, a consumer has a wider and broader meaning. In traditional theory the consumer is considered to be well-informed about costs, price and quality of goods. But in the real world, things are different. According to Galbraith, consumer is a puppet and captive of business,⁸

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Adam Smith observed that, "Consumer is the sole end and purpose of all production and the interest of the producer ought to be attended to only so far as it may be necessary for promoting that of the consumer." Consumers are individual members of the general public, purchasing or using goods, property or services for private and not for professional purpose.

Any one who spends money or exchanges articles for goods and services may be called a consumer. He must be protected from unfair trade practices, in order to seek a healthy economy of the country and welfare to the consumer.10

Consumer can be defined as, an individual who purchases and uses products and services in contrast to manufacturers who produce the goods or services and wholesalers or retailers who distribute and sell them.

A consumer according to Collins English Dictionary is, "a person who purchases goods and services for his own personal needs." The Random House Dictionary defines consumer as, "a person or organisation that uses a commodity or services".

The consumer Protection Act, 1978 of Finland, defines "consumer' as "a person who acquires consumer goods or services primarily for his personal use or for use in his private household."\[1\]

The Consumer Protection Act, 1987 of the United Kingdom defines the term, 'Consumer as under:

a) A consumer in relation to any goods means any person who might wish to be supplied with the goods for his own private use or consumption.

b) In relation to any services or facilities means any person who might wish to be provided with any services or facilities otherwise than for the purpose of any business of his and

c) In relation to any accommodation means any person who might wish to occupy the accommodation otherwise than for the purposes of any business of his.\[4\]

Consumers can be divided into three categories:

Firstly, consumer who makes enough money on the products he produces and sells, enabling him to buy anything he wishes to use at any price.

14. Ibid.
Secondly, consumer who mainly represents the salaried class with limited resource available for consumer goods and services. This class also includes a very large segment of non-literate consumers, who are ignorant of the products they are surrounded by and feel frustrated by their inability to receive even essential services in time for survival.

Thirdly, the rural consumer is completely unaware of the trade practices around him and he tries to survive with whatever he can produce, being unable to afford even the bare necessities of life.5

Consumer Protection Act, 1986, of India, reveals that any person who buys any goods for a consideration is a consumer, but a person who obtains such goods for resale or for any commercial purpose is not a consumer and consequently he can not approach a consumer dispute redressal agency alleging any defect in the goods he had purchased.

From the foregoing definitions it is clear that consumer is a person or organisation who purchases or uses goods and services for his own personal needs but not for resale. He is the sole end for production or the producer. He is considered to be well informed about costs, prices and qualities of goods. He is an individual member of the general public. He may be a literate or illiterate, salaried class, rural person and so on.

15. Mohini Sethi and Premavathy Sethuraman, op.cit, p.3.
**Consumerism**

The term consumerism was first coined by businessmen in the middle of 1960's as they thought of the consumer movement as another "ism" like socialism and communism, threatening capitalism. The philosophy of marketing is based on consumer. The consumer is not only the heart of marketing but also the controller of marketing functions.

Consumerism is a movement that promotes the interest of buyers of goods and services. It strives to protect the consumer from unsafe or low quality products, fraudulent advertising, labelling, packaging and business practices that limit competition. It promotes adequate information about the producer so that consumer can take wise decisions in purchasing goods and services. Consumerism also tries to inform consumers of the effective means of obtaining compensation for damage or inconvenience caused by defective products and services.

Consumerism is not limited to organised efforts only but is a social movement seeking to augment the rights and powers of buyers in relation to sellers."

Consumerism is an organised effort of consumers seeking redress, restitution and remedy for dissatisfaction they have accumulated in the acquisition of their standard of living.  

Consumerism is the policy or programme of protecting the rights and interests of the consumer.  

Consumerism is a social force within the environment designed to aid and protect the consumer, by exerting legal, moral and economic pressure on business.  

Consumerism means that the consumer looks upon the manufacturer as somebody who is interested but who really does not know what the consumer's realities are: He regards the manufacturer as somebody who has not made the effort to find out, who does not understand the world in which the consumer lives and who expects the consumer to be able to make distinctions which the consumer is neither willing nor able to make.

17. R. Gopal and Bhatt op.cit, p.4.
Consumerism is a form of advocacy that seeks to protect and broaden the rights and powers of consumers. It is a demand that marketers should give greater attention to consumers’ wants and desires. It is a protest against abuses and malpractices in the marketing system.  

The environmental view of consumerism is one that is increasingly interwoven with and converging on common issues. It encompasses the evolving set of activities of Governments, business, independent organisations, that are designed to protect the rights of consumers. It is concerned with protecting consumers from all organisations with which there is an exchange relationship.

Consumerism provides business with a challenge to take effective measures and to reexamine its marketing philosophy, practices and programmes which affect short and long-run consumer satisfaction in a manner consistent with public welfare. So enduring is today's consumer protection movement that it can be counted on to operate as a major force of influence in the years ahead.

Consumerism involves the actions of individuals and organisations; consumer himself as buyer, Government as regulator of commerce and competitor in commerce and the businessman as a producer and distributor or seller of goods in response to consumers’ dissatisfaction arising from the exchange relationships.

21. N. Thanulingam, "Consumerism and Co-operation", Tamil Nadu Jou  
Consumerism is the public demand both for refinement in marketing practices to make them more informative, more responsive, more sincere, more truthful and more efficient and for a new concern with factors other than privately consumed goods and services, that determine the quality of life. The new growing interest for the quality of life translates itself into demand for more public goods and services such as better highways, more education, better transport, better environmental conditions, conversion of natural resources and so on. Thus it represents the vital aspects of socially responsible marketing.

NEED FOR CONSUMERISM

The need for consumerism has been primarily due to the indifference of the business community. The main aim of all business is to maximise profit. Consumers have not only been called upon to pay higher prices but also have to settle at lower quality, spurious, duplicate and adulterated products that are being sold through misleading and powerful advertisement media. Hence consumerism is required to protect consumer interest.

The producer has the power to design the product, distribute, advertise and price it, but the consumer has only the power of not buying it. One may argue that the producer runs his business with greater risks inspite of having several rights, because the veto power remains with the consumer. However the consumer often feels that while he has the power of veto, he is not always fully equipped to exercise it.

This situation may be the effect of lack of information, too much indigestible
information or even misinformation from one or several competing producers. Consumerism is like any other social movement. It has a big role to play in the world of business and as such it has to be studied.

SCOPE OF CONSUMERISM

Consumerism today includes three broad areas of consumer dissatisfaction and its remedial efforts. Consumerism involves discontent with direct buyer-seller exchange relationships, and between the consumer and the business firm. Marketing is the main target of consumer discontent with business. This is because marketing is the most viable part of a company's total programme and the easiest for consumers to reach.

The second area of consumer discontent extends beyond mere business. Consumerism extends to all organisations with which there is an exchange relationship. Consumerism therefore involves such diverse organisations as hospitals, schools and Government agencies.

The third area of consumer discontent involves the indirect impact that an exchange relationship has between two social units. In other words, an exchange between two people or groups can create a problem for the third group.

USES OF CONSUMERISM

Well-organised and dynamic consumerism may be expected to produce the following results:
i) Producers and sellers will not take the consumer for granted. When consumers strive to protect their rights, business will be compelled to shun its unfair trade practices.

ii) Consumerism will provide feedback for the business. It will enable the producers to understand the consumer's needs and wants. This will assist in the more effective implementation of the marketing concept or societal marketing concept, depending upon the nature of consumerism.

iii) Producers will be able to enlist the support of consumers to minimise the imperfections in distribution. Several times the supply position is made worse by hoarding and black-marketing by traders. The sellers have a tendency to charge a price which is higher than the actual by giving some reason or the other.

iv) Consumerism will make the Government more responsive to consumer interests, prompt it to take necessary statutory measures and make the required institutional arrangements to safeguard consumer rights.

ORIGIN AND GROWTH OF CONSUMERISM

During the late 1800's and early 1900's the sale of many impure and unsafe products led to an increase of consumer interest in legislation to bring about standards of quality. Some consumer groups existed in the United States as early as the middle of the 19th century. Formation of the National Consumer League in the USA in the year 1899 was an indication of the growing strength of the consumer movement. The Novelist Upton Sinclair wrote The Jungle' (1906), which described the filthy
conditions in the meat-packing industry. This book led to the passing of Federal Food and Drugs Act of 1906.\textsuperscript{8}

The growth of large corporations and monopolies also contributed to an increased interest in consumerism. These giant business companies lacked competition from other firms and so they regulated the supply of products and charged high prices for them. They also marketed many low quality products. In the late 1980's the Congress passed the first anti-trust and anti-monopoly laws to protect consumers from the powerful firms. Business also began to advertise extensively to distinguish their products from those of other companies. As a result, the consumer movement began to emphasize the consumer's right to have adequate information about products.

In 1929, Consumer's Research, a pioneer in product testing, was founded to provide testing and rating services for consumers. A group of employees from that organisation formed the Consumers' Union in 1936.\textsuperscript{24} The passage of the 1938 Federal Food, Drugs and Cosmetics Act was an important landmark in the growth of the Consumer Movement.

In the 1950's an unprecedented volume of federal legislation favouring consumers was passed. The food Additive amendment and the Textile Fibre Product Identification Act were passed during 1958. President John F. Kennedy formed the

\begin{itemize}
  \item \textsuperscript{24} Ibid.
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Consumer Advisory Council in 1962 and sent the first Presidential consumer message to the US Congress.25

In 1960, the International Organisation of Consumers’ Union was established in the Hague for the protection of consumers. Ralph Nader, a leading consumer in his book "Unsafe at Any Speed" (1965) maintained that many kinds of automobiles were unsafe. His book led to the National Traffic and Motor Vehicle Safety Act of 1966. This law established safety standards for motor vehicles. Nader and his group of investigations, often called Nader's Raiders, also increased consumer interest in the safety of other products.26

During the 1970's which was a period of inflation, consumers became increasingly interested in exercising their rights. Inflation helped the growth of consumerism because of the greater public concern with the cost and quality of products when prices went up continually. Consumer's boycott of beef, coffee and sugar succeeded in temporarily lowering the prices of those products in the mid 1970's.

Today, consumer groups play a larger role than ever before in supporting the inputs of consumers. Ralph Nader founded an organisation in the name of the public citizen, which conducts research on products, works to influence Congress and state legislatures and develops educational programmes for consumers.

OBJECTIVES OF THE CONSUMER MOVEMENT

The important objectives of the consumer movement are as follows:

1. To restore the balance in the buyer-seller relations in the market place.

2. To protect and promote the consumer's interest.

3. To safeguard consumer rights.

4. To prevent consumer exploitation by unscrupulous traders.

5. To represent consumer interest before the Government and pressurise the Government to provide a meaningful consumer protection through proper legislation.

6. To organise consumer resistance against unfair trade practices and create a strong public opinion in favour of fair trade practices.

7. To collaborate with Government and business centres for consumer protection.

8. To undertake programmes of consumer education, consumer information and comparative testing.

9. To ensure consumer-oriented practices of marketing programme by business enterprises, and

10. To redress the affected consumer through Governmental and non-Governmental organisations.
Consumer Movement thus represents an organised, collective and united effort to create a buyers' market for all mass consumption of goods.

**CONSUMER MOVEMENT ABROAD**

The Consumer Movement organised in the United States, was a countervailing defensive force to safeguard the interest of the consumers from the abuses of economically powerful sellers and it spread gradually to many parts of the world. In some countries it became a deep-rooted movement and in others a highly militant movement. The nations where the consumer movement has shown much strength are the United States of America, Britain, Germany, Newzealand, France and Japan. Developments and method of coping with it differed from country to country and awareness of consumers also varied from one country to another. It was neither exclusive to any specific country, nor was it confined to any particular continent. In fact, the consumer movement became a world-wide phenomenon.

In the United States, the business scene has witnessed three District Consumer Movements in the early 1900's, mid 1930's and in 1960's.

Housewives in England also faced the same situation of seller's sharp practices in the market place, although common law protected the consumers against

aggressive salesmanship, fraud and breach of promise. The British National Standard Institute in the UK played a significant role in protecting the interest of consumers, in 1925. Similarly consumer awakening was witnessed in Netherlands in 1926.

The several phases of the American Consumer Movement in mid 1930's was developed by factors like an upturn in consumer prices in the midst of the great depression. In 1935, a formal Consumers' Union came into existence, it established a laboratory for regular testing of as many goods as possible and published "consumer reports" there on. The Union also criticised misleading advertisements and challenged the manufacturers who made money from ignorant consumers.30

Consumer organisations came into existence in Norway and Ireland in 1939 and 1942 respectively. Norways' consumer body was not essentially different from that of the United States, although it did not define its policy in the same way as the American Consumers' Union did.

As in England, women's organisations in most of the European countries have been a mainstay of the consumer movement. Housewives took much interest in it. In addition to organisations like Japanese "Shufurens", there were other main Consumers' Unions, Grossroot Consumer Groups and the like. While functioning autonomously, they joined together from time to time, for joint action."

29. *ML* p.4.
31. Ibid., pp.578-579.
A "Retail Trading Standard Association' was formed in England to resolve disputes between retailers and consumers. Because of the rapid interest taken in the consumer's protection, a Committee was formed by the British Government in the late fifties to suggest desirable changes in the existing laws and to ensure further protection of the consuming public.

The Canadian Association of Consumers composed of women, deals with cases of products, packing, labelling, pricing and advertising. This amounts to the association being required to be consulted on any change in price, size and packaging of the products in existence or of the products that are likely to be introduced.

In Denmark, an aggrieved consumer can lodge a complaint with the Housewives' Consumer Council stating that he has been palmed with a defective product off by a certain company. The dissatisfied purchaser will get either replacement or free repair or his money back ultimately.

As early as 1948, the Danish Government Home Economics Council was created to promote healthy hygiene, standard nutrition and worthwhile household goods. In Belgium, a Consumer Council was set up in 1964, in order to look into the problems of the consumers. In France, a National Commission on Consumer Problems was established under the auspices of the Ministry of Finance and Economic Affairs.

comprising representatives of consumer organisations, manufacturers, distributors, educationists and the Government.

In South-East Asia, there are a number of well-established consumer protection organisations in 14 Asian and Pacific countries. The Consumer Association of Malaysia is well-organised, carrying out product test, publishing a number of worthwhile reports on products and selling techniques in developing countries and it has been responsible for promoting the consumers' cause.

The Women's Association in South Korea is the motive force behind the consumer movement. It considers the consumer movement as a human right's movement. The consumer movement in the Philippines celebrates at the end of October every year, "Consumer Protection Week" and provides product tests and the results are published periodically in a regular magazine.

**CONSUMER MOVEMENT IN INDIA**

A nucleus consumer organisation under the title "The National Consumer Service" was set up in 1963, in Delhi, as a wing of Bharat Sevak Samaj, a social organisation. Its main object was to collect market intelligence, to study the trend of rising prices, publish bulletins for information of the consumer and to agitate against malpractices of the trade. A few local councils and consumer groups affiliated to it were also set up in Delhi. Another consumer organisation popularly known as "Price Rise Resistance Movement" was started in Delhi in the year 1964. It held meetings to
protest against rising prices and formed special squads to keep watch on the price trend in different areas of the city.

In Kautilya's Arthashastra, several measures are outlined for regulating the activities of merchants, artisans and craftsmen. Kautilya has also dealt with, in detail, the punishments to be given to such persons for transgression of the trade law. A goldsmith who committed fraud in weighing, had to pay a fine of 200 panas for every 1/6th part of gold stolen from a consumer (pana being the currency in use at the time); for substitution of gold by cheaper metal, the fine was 500 panas and so on."

Consumer Movement in India, in the past, was weak against the giant manufacturers and traders and in the fight against unfair trade practices, consumers often lost due to lack of funds and official support. The Consumer Movement emphasises cooperative efforts by consumers themselves to protect their rights and interests in the market place against unfair trade practices. In India, the Consumer Movement has to awaken and organise the consumer and make him fight against his apathy, it has to enlighten the illiterate, the poor and the lower income groups to fight against adulteration, unfair prices, shortness of weights and measures. The value of strong and effective Consumer Movement has to be recognised by trade and the Government.

From 1980 onwards, the movement gained momentum. Then there were about 230 consumer organisations in the country, of which 45 per cent were in Gujarat, Karnataka, Andhra Pradesh and Tamil Nadu. Surprisingly in the largest State of Uttar Pradesh these organisations are only four in number. Among the cities Delhi with 14 organisation occupies the first place, followed by Ahmedabad, Hyderabad and Bombay.

**CONSUMER MOVEMENT IN TAMIL NADU**

Consumers in Tamil Nadu are not getting their due recognition with the result, they are relegated to a very low level and thus they are subjected to economic exploitation on a mammoth scale by unscrupulous businessmen who with selfish motive, indulge in restrictive and unfair trade practices. With the consumer exploitation rampant, the consumers are left with no other alternative except to protect their interests.

The first consumer movement was started in 1949 by a Gandhian in Chennai. Sometime later, a Consumer Protection Council was established in Chennai under the leadership of Sri. Rajagopalachari. The growth of these organisations was slow till 1980. In 1986, the Consumer Protection Act was introduced with other allied Acts. The consumers' redressal machinery was introduced at the District, State and national levels.

The Government of Tamil Nadu have constituted Consumer Redressal Forum in all the districts headed by a District Judge, with representatives from the
public and consumer protection activists, as members. The State Commission also was established in Chennai headed by a President and a few members. At present, there are 21 District Consumer Disputes Redressal Forums.

The voluntary consumer protection organisations number about 30 in Chennai City. There are more than 200 consumer organisations functioning under different names. These organisations have their own federation, called 'Federation of consumer organisations in Tamil Nadu' (FEDCOT). The Federation has 180 voluntary organisation as members. Its head office is located in Chennai. It imparts training to the members of the consumers' associations and creates consumer awareness among the public.

RIGHTS OF CONSUMERS

The charter on consumer rights has been drawn up to enable a human being to achieve social justice and economic equality. It seeks to redress the imbalances and conflicts among the people. The charter represents not one consumer fighting for his rights against any particular State or seller but the fight of the entire world community against exploitation.

The basic rights of consumers were first recognised and defined on March 15, 1962 by John F. Kennedy, the President of the United States of America, in his special message to the Congress on consumer protection. Four basic rights such as right to safety, the right to be informed, the right to choose and the right to be heard were incorporated in the UN Charter as human rights. Later the International
Organisation of Consumers Union (IOCU) and the Confederation of Indian Consumers' Organisation (CICO) added three more rights like right to healthy environment, right to consumer education and right to redressal.

In the National Convention of CICO held at Calcutta in 1991, a resolution was passed to press for the inclusion of another right, the right to boycott. Moreover, right to basic needs is the latest addition to the rights of consumers. These rights, declared and recognised internationally, add a new dimension to consumer protection. Each of these rights tries to widen the scope of consumer protection. The consumer rights are discussed in detail in the following paragraphs.

1. Right to Safety

It is a right to be protected against products, the production process and the marketing of goods and services that are hazardous to life and property. The emphasis is on consumer safety.

2. Right to be Informed

It is the right to be protected against fraudulent, deceitful and misleading informative advertising, labelling or other practices and to be given the facts on which to make an informed choice.

3. Right to Choose

Every buyer has the right to have access to products of varying qualities, prices, sizes and designs to choose from according to his needs and wants. This is the
right to choose products and services at competitive prices with an assurance of satisfactory quality and safety.

4. Eight to be Heard

This right assumes a significant place in law whenever there is a dispute against any individual in the society. This means the right to representation, so that consumer's interests receive full and sympathetic consideration against exploitative elements in the society. Whenever a seller sells goods to a buyer or whenever one renders service to another, it becomes his duty to give a patient hearing to the problems of the buyer or the receiver of the service.

5. Right to Consumer Education

It refers to preparing an individual to solve his problems himself. Through consumer education the consumer receives general education regarding consumer rights, law and philosophy of consumer protection.

6. Right to Redress

It is the right to be compensated for misrepresentation, shoddy goods or unsatisfactory services.

7. Right to Healthy Environment

This is the right to live and work in an environment which is neither threatening nor dangerous and which permits a life of dignity and well-being.
8. Right to Boycott

This is the right to boycott any goods or services or persons, in the event of a conflict with consumer interests.

9. Right to Basic Needs

It is the primary right of a consumer as a human being. The survival of an individual will be jeopardised if his basic needs are not met. Denial of this right results in the denial of the very essence of material life to consumers. The idea of consumerism starts from the act of consumption and the consumption priorities are meant for the fulfilment of the basic needs of an individual.

CONSUMER RESPONSIBILITIES

Consumer is not only given importance in terms of his rights but also he is expected to shoulder responsibilities. Every consumer should behave in a responsible manner while exercising his rights. The following are the responsibilities of the consumer.

1. He should make a plan of purchasing any goods. He should study the price range and the quality that he is looking for and whether they are acceptable to him.

2. He should feel free to choose the product from the variety available, according to his specific needs.
3. All buying decisions should be made by the consumer himself. He should not be influenced by friends, relatives, seller, advertisement and the like. It is his own responsibility to make his own buying decisions.

4. It is the responsibility of the consumer to make all his purchases at the right place to avoid unscrupulous traders,

5. While making a purchase, he should make efforts to obtain the information about the details of the product or the service for which he is going to pay a price and for accepting service, he should read and decide on the terms and conditions as specified by the person concerned.

6. It is the responsibility of the consumer to see that he buys only quality products sold in the market. He should avoid purchasing sub-standard products.

7. It is the responsibility of every consumer to keep the receipts and other relevant documents for future reference, especially for durable goods.

8. It is equally important that the consumer should not misuse his rights to exploit the seller. He should be honest in his claim such as the price he had paid, the place he had visited and the time of purchase and the quality of the product. He should make his claims within the period laid down for such complaints.

9. He should not show interest only in his claims, but also be willing to shoulder the responsibility of the claims of his fellow consumers.
10. He should not be indifferent to any malpractice on the part of the seller. He should point out the seller's mistake at the sale-point itself.

11. He should not buy more than his requirements which will lead to "hoarding". This encourages black-marketing of goods and he becomes responsible for such malpractices. He should buy the right amount of any goods according to his immediate requirements.

12. It is the responsibility of the consumer not to pollute his environment while disposing of waste material.

CONSUMER PROTECTION MEASURES

The Consumer Protection Act, 1986 (COPRA) was enacted in India to provide a forum for consumers for redressing their grievances. Under this, the Ministry of Civil Supplies, Government of India is the nodal agency for consumer protection. The Act provides justice for consumers through a three-tier grievance redressal machinery at National, State and District levels. The Act has emphasised speedier justice and non-cumbersome procedure. The Act also vests responsibility with the Central Government for setting up a Central and State Consumer Protection Council. The State and Union Territories are given the responsibility for setting up the State Commission and District Forums.

The performance of the grievances redressal machinery indicates the delay in disposal of cases at District, State and National level. Of the one lakh cases filed before the Tamil Nadu State Consumer Disputes Redressal Commission since its
inception in 1986, over 40,000 cases are still pending and nearly 2.5 lakh cases are pending at the district level forums. Some of the State Commissions failed to function on all the working days of the week. Over 5,000 cases are pending at National level as no sittings have been held during the last eight months. The failure to promptly fill up vacancies in the positions of presidents and members of the National and State Commissions and District Fora has resulted in accumulation of complaints at all levels.\textsuperscript{34}

**VOLUNTARY ACTION FOR CONSUMER PROTECTION**

Consumer protection cannot be assured by mere legislation and what is essentially required is voluntary action on the part of the consumers also. Besides legislation, consumers should organise themselves to fight against unfair trade practices. They should organise various services which include commodity rating, consumer education through publications, films and the like. They should promote buying grades and specifications from buyer's point of view, lend support and actively participate in evolving and shaping legislation favourable to the consumers and offer full support to Government authorities in bringing out business frauds and malpractices. They should organise seminars, conferences and conventions for exchange of views.

\textsuperscript{34} - The Indian Express (Madurai), dated 17th March, 1998, p.5.
CONSUMER WELFARE FOND

The Central Government has recently set up a "Consumer Welfare Fund" to which shall be credited the amount of excise duty which is non-refundable to the manufacturer or importer or the buyer. The main objective of the Consumer Welfare Fund is to provide financial assistance to promote and protect the welfare of the consumers and strengthen the voluntary consumer movement in the country, particularly in the rural areas. The quantum of assistance for an individual application will not exceed Rs.5 lakhs." The eligibility conditions to get financial assistance from the Consumer Welfare Fund are as follows:

a) Any agency or organisation engaged in the consumer welfare activities for a period of three years and registered under the Companies Act, 1956.

b) Any consumers' cooperatives specially for women, scheduled castes and scheduled tribes, organised at the village/mandal/samities level.

c) Any industry as defined in the Industrial Disputes Act, 1947 engaged in viable and useful research activities for a period of five years which has made or is likely to make, significant contribution to the formulation of standard makes of the products of mass consumption.

NATIONAL AWARD FOR WOMEN IN CONSUMER PROTECTION

To recognise the efforts made by women in the field of consumer protection and to encourage them to come forward and take up such activities in large numbers, the Ministry of Civil Supplies, Consumer Affairs and Public Distribution instituted in 1993 a scheme of national awards for consumer protection for women. Under this scheme, three awards are given, as prize money, Rs.20000, Rs. 15000 or Rs. 10000 along with a certificate of merit to women in recognition of the outstanding work done by them in the following fields.

a) Taking up important consumer cases.

b) Putting in special efforts for redressal of consumer grievances.

c) Bringing out the new ideas for consumer protection and safety from health hazards.

d) Promoting consumer movement especially in smaller towns and rural areas through exhibitions, seminars, demonstrations and the like.

e) Undertaking consumer research for investigating into specific consumer protection and spreading the massage of voluntary consumer movement.

SERVICE EXTENDED TO ACTUAL AND POTENTIAL USERS

The word service is extended not only to actual users, but also to those who are capable of using it. Hence the potential users are also covered an
protection from the redressal machinery, set up under the Act. The Act is extended to cover such facilities as banking, financing and so on, available to the consumer.

PROFESSIONALS UNDER COPRA

Professionals also come within the meaning of the Consumer Act. Even where goods are supplied for commercial purposes to a professional, if there was a warranty for its maintenance and proper working, the purchaser becomes a consumer in respect of the service rendered or to be rendered by the manufacturer or supplier during the period of warranty. A recent amendment to Consumer Protection Act (1993) paves the way for the inclusion of Doctors in the private sector and brings them under the purview of the Act.

REAL ESTATE AGENTS AND CONSUMER RIGHTS

Service rendered by real estate agents and property brokers clearly falls within the definition of 'service' under COPRA. A person who avails himself of their service is a consumer and he can approach the Consumer Disputes Redressal Forum, in case there is any deficiency in the service.

CONSUMER PROBLEMS

Profit-making in any business is not a crime and it is essential for survival and growth. The illegal profit-making or profiteering through questionable means like product-adulteration, fraud, inflationary acts like hoarding, speculation, black-marketing and so on is considered both anti-social and anti-national. The list of
instances and kinds of exploitation through malpractices adopted by businessman is a very long one. Some of them indicate the gravity of consumer exploitation, which proves the need for consumer protection. Lack of safety regulations, food adulteration, short-weights and measures, manufacture of spurious goods, blatant misleading advertisements, improper advertisement tactics and sale gimmics, unhealthy practices of powerful multinationals, massive profiteering and illegal trading are threats to consumer welfare. These certainly indicate the pressing and urgent need for consumer protection and consumer guidance in India.