CONSUMERISM
CHAPTER III

CONSUMERISM

3.1 Introduction:
3.2 Origin of Consumerism
3.3 Causes of consumerism
3.4 Consumerism Yesterday and today
3.5 Rights of Consumers
3.6 The international consumer Movement:
3.7 The UN Guidelines on Consumer Protection
3.8 Consumerism - Abroad
3.9 Opinion of Scholars:
3.10 Problems faced by Voluntary Consumer Organisations.
3.11 causes for consumerism not being powerful in India
3.12 Legislative Action by Government
3.13 Consumer Protection Act 1986
3.14 Studies Focused on Consumer protection act:
3.15 Some Reflections
3.16 Conclusion
3.1 INTRODUCTION:

The study of 'Consumerism' is a fascinating one and it is going to be an indispensable part of day-to-day affairs of all of us. Consumerism refers to the widening range of activities of government, business and independent organizations that are designed to protect individuals from policies that infringe upon their rights as consumers. The scope of consumerism is not limited to consumer goods only; it extends to services and even immovable property bought by the consumers. Further it not limited to simply getting a fair return on money spent, but is concerned with quality of life, as a whole. It is an opportunity, not a threat, to those who have ability and willingness to respond to consumer needs.

This chapter deals with consumerism and beginning and growth of consumer movement in other countries and in India.

3.1.1. Birds’ eye-view of consumerism:

The consumer protection movement popularly known as ‘Consumerism’ is of recent origin. It is a collective endeavour of the Consumers to protect their rights against capitalist and markets about products and services. Vance Pacard coined the term ‘Consumerism’ which was not put to use until 1964 when a variety of commentators identified it with a concern triggered by Rachal Carson and Ralph Nadar and John. F. Kennedy. It has laid a new emphasis on prices, on quality of commodities and cost and efficiency of distribution.

Intense competition generated a fundamental imbalance in the market place due to unscrupulous business practices being in direct conflict with the interest of the people. The variety of goods in the market place and the high expectations of the consumer are two aspects of our affluence and Consumerism spawned by that affluence.
This is considered as a 20th Century citizens revolt against the unresponsiveness of both public and private institutions to human needs. The last two decades have witnessed an over expanding interest in consumerism. One can see a wave of awakening and an upsurge of enthusiasm for the rights of consumerism. In the present economic and social scenario, the subject of consumerism is of vital concern and importance for every citizen of country as each one of them is a consumer in one form or the other. The consumers do not constitute a separate class. Everybody is included. Every one is a consumer, the young and old, the rich and poor, workers and idlers.

The consumerism is of such a wide magnitude and importance that it finds a conspicuous place in Encyclopedia Britannica.

"Widespread interest and concern about consumer protection and the growth of organizations whose objectives are to disseminate information about products and to persuade industry to provide better quality goods and services – both parts of a phenomenon usually described as consumerism- were largely developments of the 1960s and 1970s. It is true, however, that it is possible to point to common examples of laws in ancient cultures whose purpose was to protect the purchaser. These included proscriptions against selling short-weight or adulterated goods, medieval concepts of a "just price", and laws against usury and in the manipulation of markets. In some countries, legislation of the later 19th and early 20th centuries still serves as the basis of consumer protection, though such measures in the past were directed largely at marginal abuses or, in the case of more recent legislation, at products, such as food and drugs, that may constitute a threat to public safety if certain minimum standards are not observed.

It has been rightly observed by J. Mandanna that consumerism as a citizen activity towards fighting trade injustice and scrutinizing of public conscience.
According to Sherlekar S.A.

According to Sherlekar S.A. Consumer involves the action of individuals and organisations in response to consumer dissatisfaction arising from exchange relationship. In this respect consumerism is an attempt to preserve the free enterprise economy by making the market work better.

Joshi Naveen Chandra defines consumerism as a process through which the consumers seek redress, restitution and remedy for their dissatisfaction and frustration with the help of their organised or unorganised efforts and activities. In fact it is a social movement seeking to protect and augment the rights of consumer in relation to the producer.

According to Jag Parvesh Chandra the term consumerism is a convenient word for the sum total of consumer consciousness, awareness of his rights, annoyance with the rising prices, occasional irritation at the gap between poor performance and over promise, disillusionment with certain imbalances in the market place, dissatisfaction with the business practices. It is directly related to the objectives of fulfilling the minimum needs of consumers in terms of necessity, quality, purity and prompt services.

Philip Kolter, the renowned Professor of Marketing, defines “Consumerism is a social movement seeking to augment the rights and powers of the buyer in relation to seller”.

According to Bawa S.S. Consumerism nowadays includes many things within its compass. The scope of it today broadly envelops three aspects.

- Consumerism is in reference to protection of consumer against the clear cut abuses by the seller or protection against the exploitation by the businessmen.
- It is concerned with protection of consumers against other consumers and from all organisation with which there is an exchange of relationship.
• Consumerism has become wide enough to include protection against environmental pollution and declining quality of physical environment.

Consumerism is a very popular shibboleth in the realm of marketing. Just as the most talked and written about economic systems, ‘capitalism’ and ‘socialism’, the ‘consumerism’ is fast gaining currency with a difference that it is perceived as a “peoples’ movement” rather than a system. “Consumerism is well defined by Geoff Lancaster & Lester Massingham” “a social movement seeking to augment the rights and power of buyers in relation to sellers”. ‘Consumerism’ is interpreted as a ‘movement’ to protect the consumers against the exploitations they are subjected to in the market.

Peter Drucker (1969), commented that “.......... The only way one can really define (consumerism) within the total market concept is as the same of the total market concept”. He further explained, “Consumerism means that consumer looks upon the manufacturer as somebody who is interested but who really does not know what the consumers’ realities are. He regarded 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. Both of these definitions provide some insight into this current phenomenon referred to as consumerism. Consumerism is an activity which suggests that interest of consumers are being over-looked by manufacturers. It is felt that although manufacturers realises their interest in consumers, they are ignorant of consumers’ interest. In other words, consumerism is an attempt on the part of consumers to make manufacturers aware about their interest and reality.

It may be stated by the Researcher in a nut shell that consumerism is a growing social movement of consumers, by consumers, for consumers with no
political overtones which asserts the rights of consumers and seeks to protect these rights by

- Educating the consumers and mobilizing them to fight for their rights.
- Pressurising the Government to protect the consumer interest by guaranteeing their legitimate rights responsible.
- Making the business more honest, efficient, responsive and responsible.

The consumer movement is not an incident or campaign but a continuously involving process with inherent dynamism.

According to Burton Marcus, consumerism is an involving set of activities of Government, business, independent organisations and concerned consumers that is designed to protect the rights of consumers. It is a dynamic movement with an enlarging scope and changing spokesmen issues.

The history of consumerism and consumer rights can be traced back to the middle ages when trade became an organised activity. The advent growth of modern technology and democratic principles brought the concepts of consumerism and the rights of consumer to its full fruition.

Consumerism today includes three broad areas of consumer dissatisfaction and remedial efforts. The original, and still the major, focus of consumerism involves discontent with direct buyer-seller exchange relationships between consumers and business firms. The second area of consumerism involves such diverse organisations as hospitals, schools and government agencies. The third area of consumerism involves the indirect impact that an exchange relationship between two social units has on a third social unit.
3.2 ORIGIN OF CONSUMERISM

Consumerism is the discovery of the twentieth century. Two nations namely USA and UK have made pioneering efforts for protection of consumers’ rights. Consumerism first began in USA in the early 1900s, when the American Government introduced two acts namely. The Food and Drug Act (1906), The Meat Inspection Act (1906) and creation of the Federal Trade Commission (1914) for protection of consumer interest. Ever since then, more and more consumer Acts and Laws have been passed in USA, UK, and many other countries. The movement received further impetus when the American President John F. Kennedy (1962) sent an exclusive message on the protection of consumer interest to the Congress, in his address. The Presidential concern highlighted the primary rights – right to safety, right to be informed, right to choose, and the right to be heard. The term was not put to wider use until 1963 or 1964 when a variety of commentators identified it with the very visible concern triggered indirectly by Rachel Carson, and directly by Ralph Nader’s auto safety investigations and President Kennedy’s efforts.

3.3 CAUSES OF CONSUMERISM

All of us are consumers. Wherever we live and whatever we do, irrespective of age, sex, colour, or creed, makes us a consumer. Being a consumer we purchase and use goods produced by other members of the Society. And certainly each of us (as a consumer) has experienced the cumulative frustration associated with products that do not conform to expectations. In free market economy, it is said that consumer is the king. It is his rupee choice in the market, which decides success or failure of producers. He communicates his decision or wish through price consequently, the consumer plays a decisive role in the entire process. He is the one who is often cheated, he pays more and earns much less in real terms. His rupee vote does not come across in any rational manner to decide who should be producing what, consequently, the consumer is not playing a decisive role in the process.
So many times he faces frustration during purchase or consumption. This may be because of unjustified price, increase adulteration, underweight packaging, sub-standard products, or ambiguous warranties/guaranties. At all levels the consumers are exploited by the producers.

3.4 CONSUMERISM YESTERDAY AND TODAY

Consumerism is not a new phenomenon. In the early 1900s and again during the Great Depression in 1930s, there was a “consumer movement”. Efforts were made to protect the consumer from harmful products and from false and misleading advertising. Emphasis in earlier legislation was placed on the protection of competition. Today’s consumerism is made more likely to continue to grow because it has generated an institutional structure to support. Government agencies have been established to administer the consumer oriented laws and to protect consumer interests. The social activity of many businesses has increased, and various consumers and environment-oriented charged with preventing the appearance of misbranded adulterated food and drugs. The business community remained largely indifferent to consumer protection, however, and the consumer movement gradually abated.

Many people thought that consumerism would decline and even disappear, once the initial interest and support burned out. On the contrary, however, the fires of consumerism have continued to burn in the 1980s, although in a different form than in the 1960s and 1970s. Instead of marching the streets, today more people were working within the existing political, legal and social systems in order to bring about change.

Originally the consumerism “industry” consisted of a few organisations interested primarily in generating regulatory legislation. This industry has evolved into an enormous wing of organisations and institutions, each trying to serve the interests of consumers with its own distinctive set of offerings or bands.
Consumers in 1990s have started reacting in a wise variety of ways to vent their frustrations and to correct what they consider to be injustice. Reactions have ranged from refusing to buy a product at a shop at a certain store to burning of the inferior Products. Consumer as a group are more active politically than ever before.

Consumerism is a national problem afflicting every section of the society, men and women whether old or young, rich or poor, rural and urban, literate or illiterate. Consumer protection is a form of social action which is designed to attain the well being of one group within a society namely the consumers.

In India, consumerism encompasses the evolving set of activities of government, business enterprises and independent consumer organizations that are designed to protect the rights and interest of consumers. Consumer movement is a social and economic movement which seeks to protect the interest of the consumer against the unfair trade practices adopted by the traders.

Today it is politically popular to support a consumerism. Almost all the states and cities have created some kind of office for consumer affairs.

Today in India three factors are responsible for consumer revolution namely: (1) increase in purchasing power, (2) increase in the availability of consumer goods and (3) change in attitudes and beliefs of the Indian middle class. (Arora, 1995; Bhatti, 1989 p.96) thus consumerism is concerned with truth in advertising, safety and quality of ingredients and full and reliable labeling. It is related to direct selling and consuming public too. Its effects, therefore is essentially to direct the marketer from consideration of commercial gain to those of human welfare. Earlier consumerism involved protection of
consumers against overcharging, dangerous/false/fake issues of safety and deception that affect public at large. Because of this the new movement has added certain sociological aspects, it is aimed at improving health service, utilities, safety, consumer representation, purity, trust and social issues etc. (Sharma, 1995). Thus the ultimate goal of consumer movement is the observing or supervising of marketing system to improving position of individuals and public too (Patel and Trivedi, 1994).

3.5 RIGHTS OF CONSUMERS

It was president Mr. John F. Kennedy who introduced the Bill of Rights of the Consumer and gave an impetus to the international consumer movement. The day (March 15, 1962) that he announced the first Bill of Rights of the Consumer is celebrated annually as World Consumer Day on March 15. He promulgated the four basic rights of consumer. They are:

1. The right to safety
2. The right to be informed
3. The right to choose
4. The right to be heard.

The International Organization of Consumers Union at Hague added three more rights of consumer. They are;

1. The right to redressal
2. The right to consumer education
3. The right to healthy environment

Consumers in USA have tried to protect themselves by formation of various consumer organisations. Among them the American Association of University Women, The National League of Women Votes, The General Federation of Women's Club and Business and Professional Women's club are most important. Besides a few professional association like American Medical Association also render outstanding services to consumers.
Consumer movement took proper shape in Britain after second world war though a central organisation of cooperatives which was formed in the year 1869. Germany first regional consumers cooperative union was formed in 1864 though an earlier attempt in this direction was made in 1845. A Central organisation of cooperatives was established in Sweden though the movement has its inception in 1860. In Russia a Central union of consumers societies was formed in 1917 though the first attempt was initiated in 1864. Cooperative societies appeared in Poland in the second half of 19th century but their central organisation came into existence in 1908. Norvey had the beginning of consumer movement in year 1851 but its central organisation was formed in 1906. Switzerland got the momentum of the movement in the year 1865 though some attempts were made in 1847. U.S.A. has the origin of the movement in the year 1845 whereas in the European countries inception of consumer movement was found in France in 1835. Similarly the inception of this movement in other countries is found as: Belgium in 1848, Italy in 1854, Canada in 1861, Denmark in 1866, Netherland in 1870, and Finland in 1899. The International Alliance of consumer cooperatives was formed in 1895.

In most of the western countries Kenya and Malaysia, there is widespread public interest and awareness in consumerism and these are well organised and popular consumer movement such as OXFAM in England, INTERFAITH in U.S.A., the Environmental Liaison centre in Kenya and friends of Earth in Malaysia.

They have not only achieved remarkable success in their own country and also special for consumers in other countries. They are led by dedicated professional and public spirited individuals who give free advice on voluntary basis on consumer problems, worked effectively with trade and industry and helped their national government to formulate and implement appropriate policies.
3.6 THE INTERNATIONAL CONSUMER MOVEMENT:

The modern consumer movement has its roots in the United States whose consumers’ union is the largest consumer organization in the world with more than two million members. European organization and those in Australia and New Zealand emerged after World War II. These pioneers laid down the foundations of the international consumer movement. In the developing countries too, the spirit of consumerism was awakened and marked by the establishment of the Selangor Consumers’ Association in 1965. There are now thousands of groups in more than seventy countries many of which are affiliated to the International Organisation of Consumers’ Union (IOCU), which has grown from the five founding consumer groups in 1960- United States, Britain, Australia, Holland and Belgium. IOCU is an independent, non-political, non-profit making and non-commercial foundation. Its central office is at The Hague, Holland, and its Regional Office for Asia and the Pacific region is in Penang, Malaysia. As the IOCU also recognizes, international consumerism movement can be divided two categories—that in developed nations, and that in the developing ones.

The three broad areas of work with which IOCU concerns itself are as follows:

a. Promoting co-operation amongst members through the exchange of information, experiences and joint activities;

b. Expanding the consumer movement and nurturing young consumer organisations; and

c. Representing the consumer interest at international forums such as the United Nations.

It is principally concerned with promotion and securing of the eight famous rights of consumers – right to safety, information, choice, basic needs, consumer education, representation, redress and healthy environment. It has standing committees on testing, education and development and working
groups of health, library and documentation and air transport. It has also affiliation to international bodies such as the Economic and Social Council, World Health Organisation, United Nations Educational Social and Cultural Organisation, Food and Agricultural Organisations, International standard organisation etc. Its participation in certain international campaign networks has been of immense value.

3.7 THE UN GUIDELINES ON CONSUMER PROTECTION

Through the efforts of IOCU the attention of the Economic and Social Council was drawn to problems of consumer protection after extensive discussions ranging over two years, the Council submitted the draft Guidelines to the General Assembly of the United Nations which adopted them on 9th April, 1985. The adoption of these Guidelines unanimously is one of the greatest achievements of the international movement for consumer protection. In view of the rising power and control of multinationals, the Guidelines will effectively arm the Governments with moral authority to take measures of consumer protection. These Guidelines include adoption of measures for physical safety, promotion and protecting of consumer economic rights, distribution facilities for essential consumer goods and services, effective redressal machinery, developing education and the formulation of programmes of consumer interest. The objectives of the Guidelines have been defined in the book by D.N. Saraf as.

a. To assist countries in achieving of maintaining adequate protection for their population as consumers;

b. To encourage high levels of ethical conduct for those engaged in the production and distribution of goods and services to consumers;

c. To facilitate production and distribution patterns responsive to the needs and desires of consumers;

d. To assist countries in curbing abusive business practices by all enterprises at the national and international levels which adversely effect consumers;
e. To facilitate the development of independent consumer groups;
f. To encourage the development of market conditions.

3.8 CONSUMERISM - ABROAD

For discussing consumerism abroad an attempt is made by the researcher to discuss consumerism in China, Bangladesh, Sweden, USA, Britain and India.

3.8.1 Consumerism in China

China had adopted an imbalanced policy between consumer and producer goods output in which consumer goods production was limited in favour of producer goods. Thus, leading to scarcity of consumer goods, and implying that in China consumer protection or satisfaction has not been practiced. In early 1980s, things seemed to have taken on a fresh look in China. China underwent a profound transformation. The architects of the economic reform have, in fact, on various occasions stressed the need for China to use capitalist methods to help boost production. Limited production of consumer goods resulted in sale of poor quality products at very high prices and forced consumer purchase. A symposium reported a case of a company in Beijing, which forced consumers to buy 30 pairs of poor quality trousers if they wanted to purchase a 14-inch colour television. The Chinese Government has taken quick action in response to rising cases of business malpractices and their increasing profits.

China Consumer Council was established in December' 1984, to conduct regular checks on the quality, prices, safety, and hygiene of products to avoid sub-standard goods winding up in consumer's hands. After every checking programme, the council publishes the results to warn consumers of possible hazards. Secondly, the councils receive complaints and act as go-between in consumer disputes with producers and tradesmen.
Now much attention has been paid to the importance of legislation for protecting Chinese consumers. Government interference in China in marketing has given the consumer product satisfaction by providing greater choice to the consumers. Consumer protection has grown in China thus raising consumer awareness. Though it will take a preferable longer period to reach the level the public acceptance that is enjoyed in the west.

3.8.2 Consumerism in Bangladesh

There are many reasons responsible for the consumer exploitation in Bangladesh. The widespread illiteracy is one of the main reasons. The illiterate people do not come to know about the duplicate products, as they usually identify the goods by their looks and not by actual writing or trademark affixed on the goods. Secondly, the consumers are exploited because of their low purchasing capacity, most of the consumers choose the low priced goods. The dishonest traders take advantage of this habitual behaviour of the poor consumers and cheat them through fake goods. The poor implementation of the Act in Bangladesh is also mainly responsible for consumer exploitation. Finally, the industrial development in Bangladesh is still in its infancy stage, which could be one of the possible reasons for the consumer exploitation because due to lack of production the consumers are not getting sufficient choice of product so they are bound to purchase the same product, which is available in the market whether it is good or bad. The Government of Bangladesh has adopted some legislative measures from time to time towards protecting consumers from malpractices of the dishonest traders and manufacturers. The important legislations with regard to this include; Trade Marks, Act. 1940, Patents and Designs Act, 1911, Pure Food Ordinance, 1959, Standard of Weights and Measures Act.1982, etc. Though the Government has formed many effective Acts regarding consumer protection, but consumer is still exploited by the dishonest traders in Bangladesh.
3.8.3 Consumerism in Sweden

Consumer policy in Sweden is well established and can look back on a long tradition. In 1986 the Swedish parliament enacted a partial revision of consumer policy, with greater emphasis on matters of household economics, at the same time affirming the interrelationship of prices, competition and consumer policies. There are number of Acts such as, The Marketing Act, The Consumer Contract Terms Act, The Consumer Credit Act, The Food Act, The Chemical Products Act, The Consumer Sales Act, The Consumer Insurance Act, and The Door to Door Sales Act, and National Level Boards like National Board for Consumer Complaints, National Board for Consumer Policies, National Price and Cartel Office have been set up for consumer welfare in Sweden, which regulate the consumer protection. A Government committee has presented draft product safety legislation making it possible to obtain remedy with respect to hazardous products already available in the market. This remedy will take the form of withdrawal of the product, the issue of warning when a hazardous product has already reached the consumers, safety advice at time of purchase or a ban on sale. In the nut shell consumers are highly protected against any business malpractices in the country.

3.8.4 Consumerism in United States of America.

In the United States, consumerism has evolved through three distinct eras, the early 1900s, the 1930s to 1950s and the 1960s to the present. The first era concentrated on unsafe and unhealthy business practices. The second era centered on preserving competition. The third era has focused on a wide range of activities.

Late in 1965, consumer experienced frustration with deceptive and confusing packaging practice, particularly in food products. This led to the Fair Packaging and Labeling Act of 1966, which established some standards for the packaging and labeling of consumer goods, also providing for the setting up of voluntary uniform packaging standards by industry. In the past decades, several consumer protection measures had been taken out, the most significant development at the Federal level in the interest of consumers came into view in 1960s. In the year 1962, passage of the Kefauver – Harris Amendments to the federal food and drug and cosmetic act was cleared. This amendment established testing of drugs for efficacy as well as safety and also directed that drug label should show the common or generic name for the drug. New steps were taken in other fields such as the control of water and air pollution, recreation, transportation, communication, and public health. The year 1965 was a landmark for consumer protection when senator Abraham Ribicoff, assembled a senate committee to hold hearing on automobile safety. He disclosed what appeared to be amazing lack of concern on the part of auto industry executives about safety related design defects. Since then the consumerism is in a well organized form in the country as it had a dynamic past and today continues to evolve and change at an increasingly rapid rate.

3.8.5 Consumerism in Britain

In Britain the first concern for consumers came with the development of cooperative societies during the nineteenth century and their genuine preoccupation with the well being and opportunities for working class. During the Second World War the demand of the commodities was intensified thus the production was increased. But it (demand) went down in the post war period while the production shot up rapidly in comparison. This situation created some problems, which also affected the economic condition of the country. Soon after the people of England changed their life pattern. Now more and more people wanted costly and comfortable items in their home, they were ready to increase their expenditure on these luxurious items, like electronic goods,
vehicles, wine etc. As compared to the past consumers were now paying more attention on the quality because increased production gave them tremendous choice consequently, product availability was no more an important factor. This situation provided a strong background for British consumer movement. In other words consumerism in Britan is the result of the post Second World War economy and its problems.

The single date that can be put against the first development of the organized consumer movement in the U.K. is 1957, when a consumer Association had been formed. This association came into being to help consumers by providing impartial and technically based information on the ever – increasing variety of goods and services. The consumer association provided testing and other information about a wide range of goods and services to the consumers through its magazine. This magazine was concerned with middle class deliberations over which goods to buy and contained test reports about various consumer goods to assess their quality and suitability. For the first time, consumer had access to detailed information, which was not controlled by manufacturers or retailers.

Government was also keen to protect the consumer interest in U.K. The first time the Government took a consistent look at the legislative framework of consumer protection was when the Molony committee was appointed in 1959. It produced a substantial list of recommendations about products safety, standards and labeling marks, seals of approval, comparative testing, civil redress, trade descriptions, advertising and sales practices.

A further development at national level of consumer movement was the establishment of the National Consumer Council (NCC) by the Government in early 1975. This council added two new dimensions to the consumerist movement, first, to promote action for furthering and safeguarding the interests of consumers, second, the council makes representations of the consumer at
central and local government agencies, industry and any other quarter where
the consumer voice should be heeded including making representations on the
existing law and proposed legislation. Presently there are more than two
dozens consumer protection acts, various consumer associations, women’s
organizations, consumer councils, Government departments and other public
bodies are actively engaged in the interest of the British consumers.

3.8.6 Consumerism in India

While discussing consumerism in India researcher made an attempt to
through light on Ancient Indian Consumer Protection, Consumer protection
after independence.

3.8.6.1 Ancient Indian Consumer Protection

Historically speaking the consumer protection has much deeper roots in
the ancient Indian jurisprudence beyond the imagination of modern jurists,
law makers and policy planners. India has a long history of consumer
consideration dating back to the vedic age (5000 BC to 2500 BC)

Matters relating to civil rights and criminal offences are mentioned in
the Vedas. Four type of offences – adulteration of food stuff, charging of
excess prices, fabrication of weights and measures and selling of forbidden
articles, for which statutory measures and punishments have been
recommended from time to time in the leading texts of the times- The
Manusmrti (800 BC to 600 BC) Kautilya’s Arthashastra (400 BC to 300 BC)
Yajnavalkyasmrti (300 BC to 100 BC) Naradasmriti (100 AD to 200 AD)
Brihaspatismrti (200 AD to 400 AD) and Katyayanasmrti (300 AD to 600
AD).

Adulteration in consumer goods was prevalent in ancient India as could
be seen from the texts.
The Manusmrti and the Yajnavalkyasrtri recommended that a person who deals in false gold and one who indulges in selling unclean meat should be maimed and also be made to pay the highest amercement. Similarly a person should be punished for adulterating (marketable) commodities by a ‘fine of the first amercement’. The Arthashastra recommended imposition of a fine of twelve panas on a trader who adulterated grains, fats, medicine, perfumes, salt, and sugar and by mixing things of a similar nature. The Brihaspatismrti also contains instances of the practice of adulterating good articles with those of inferior quality and manufacture of false gold and gems. The deceivers who manufactured imitation articles of small value and caused them to appear very valuable were to be punished severely.

The Manusmrti prescribed that all weights and measures must be duly marked by the king and should be re-examined every six months. It prescribed weight and measures and balances used by the traders were to be reexamined and restamped by the offices at the end of four months to avoid fraudulent manipulation. The Naradasmrti made special reference to rogues who forged weights and measures. The Brihaspatismrti also mentioned cheats, forgers and fraudulent traders. The Katyayanasmrti imposed fines upon the traders who used false weights and measures. The Yajnavalkyasrtri mentions persons who made scales, royal mandates, measures etc. different from the general standard of the country.

The trading community in olden days used to exploit gullible customers by charging excessive prices. The Yajnavalkyasrtri stated that sale and purchase should be conducted daily as per the value fixed by the king and it was punishable to the demand a higher price, and the articles were to be forfeited to the king if any merchant dealt in forbidden goods. Kautilya’s Arthasastra is only classical text which mentions the ‘code of ethics’ of various professionals.
There were some steps taken for consumer protection during the Mughal times. It is said that Sultan Alaud- Din Khalji (1296 AD to 1316 AD) had introduced strict price control measures based on production costs. He had established separate shopping centers in Delhi – for grains, cloth, sugar, dried fruits, herbs, butter, oil, horses, slaves, cattle and miscellaneous commodities. The supply of grain was ensured by collecting tax in kind in the producing areas and keeping it royal storehouse. The prices fixed for the Delhi Market were applied in the provisional capitals and town. The shopping centre for general commodities was under the direct control of the commerce ministry. Prices and weights and measures were checked by the sending the children employed in the royal pigeon- house to buy petty articles.

The brokers had been given a special place in the market system. They arranged for the supply of goods as middlemen between the customers and small-scale producers. They controlled prices and the sale and purchase of commodities, exacting commission from both buyers and sellers.

During the British regime (1765 to 1947), also known as the ‘Colonial Era several legislation were enacted which will be dealt later, protected the overall public interest though not necessarily the consumer interest.

3.8.6.2 Post independence Consumer Movement in India

The post independence era witnessed a series of measures. India is still a developing country with the expectation of a few well organised consumer associations in some important metropolitan cities such as Ahmedabad, Bombay, Calcutta, Delhi and Madras. There are no viable and cohesive and powerful organisations which can act as watch dog to protect the consumer interests, express their causes and redress their genuine grievances.

The cooperative consumer movement has started in 1904 in India. It got spread and fluorides in Maharashtra. However, the emphasis was on
distribution of goods rather than on the ‘Consumer’. Naturally there was a need for strong consumer movement to protect the interests of the consumers.

Inspired by the consumer Rights Bill passed on 15th March, 1962 by the American President Sri John F. Kennedy and impressed by the Consumer problems some enlightened house wives formed the consumer Guidance Society of India in 1966. Similarly, under the able leadership of late Sri. J.R.D. Tata and Late Sri Rama Krishna Bajaj some progressive manufacturers and traders came together and formed the Fair Trade practices Association in Bombay in March 1966. These two very important events started the modern consumer Movement in India.

Thereafter in the year 1974 Sri Bindu Madhav Joshi started Akhil Bharatiya Gnahak Panchayat in Pune. This organisation shaped the philosophy of consumer Movement in Maharashtra. This organisation organised consumer agitations successfully.

From the middle of seventees voluntary organisations in the field of consumer protection have gradually but steadily been emerging in all parts of the country. At present there are over six hundred and fifty such organizations which render assistance to the consumer.

Voluntary Consumer Organisations are of two types

1. Organised by the Traders themselves such as the Fair Trade Practices Association.

2. Organised by the Consumers themselves which include consumer co-operative stores and consumer guidance and resistance organization.

**Fair Trade Practices Association:** Self-regulation is an obvious alternative to governmental regulations. The businessmen should prefer it as it relieves him from a lot of botheration. An effort to this direction is the establishment of Fair
Trade Practices Association on October 2, 1966 by some members of the business community of Bombay. The main objects of the association are to codify the existing fair trade practices, set up an effective machines for their implementation in an organised manner and thereby create greater public confidence in and goodwill towards the business community. The head office of the FTPA is in Bombay and branches at Ahmedabad, Delhi and Jaipur. There are adhoc Committees at Ajmer, Akola, Bhopal, Calcutta, Hyderabad, Indore, Madras, Nagpur and Poona.\textsuperscript{10}

A code was drawn out spelling out the several responsibilities of the members of the Association. It was made clear that anyone subscribes to the code had to adjure hoarding, avoid adulteration, refrain from putting misleading advertisements and refuse to deal in such goods.

Though the association’s aims are quite laudable, the achievements do not seem to be quite satisfactory. Moreover all these attempts have been limited to the metropolitan cities.

**Consumer Organisation:** The consumer have to be protected from the aggressive sales promotion efforts of the trading community. So there is a need of well organised, non-violent, strong, steady, vigilant widespread consumer organisations to promote and protect the consumer welfare and prevent the malpractices of unscrupulous retailers, quick profit seeking peddlars and unethical manufactures. This can be achieved through:

a. Consumer cooperatives;

b. Consumers associations.

**a. Consumer cooperatives**

Legislation can protect the consumers only from the exploitation but cannot ensure them the return from expenditure equal to their moneys’ worth. The consumers cooperatives only can give real protection. Consumers in India
organised their cooperative stores. The main object of these stores is to supply quality goods to its members at reasonable prices. These cooperative stores are managed on democratic principles. The legal cover to these stores was provided by the cooperative societies Act of 1912. Since then they have made adequate progress. The Central Government has been liberal in providing loans and advances, and subsidies to these stores this is stated by Shri B. Narayan11.

The main problem of these stores are the weak organisations structure, paucity of funds, inadequate and inefficient staff and lack of loyalty among the members.

b. Consumers' Associations

Protection to consumers can be obtained by the consumers themselves through various consumer associations. Attempts have been made to reorganise consumers groups to resist price hikes and bring pressure on business house to improve products quality.

Some of the prominent voluntary consumer organizations, which are involved in the work of consumer protection and in spreading consumer awareness are Consumer Education and Research Centre (CERC), Ahmedabad, Common Cause (CC) Chennai, Consumer Unity and Trust Society (CUTS), Jaipur, Consumer Guidance Society of India, (CGSI) Mumbai, Akhil Bharatiya Grahak Panchayat (ABGP) Pune, Consumer Co-ordination Council (CCC) Hyderabad, Consumer Rights Education Awareness Trust (CREAT) Bangalore, Voluntary Organisation in the Interest of Consumer Education (VOICE) New Delhi, Consumer Action Group (CAG) Chennai, and also besides these there are many other voluntary organisations involved in various activities retaining to consumer protection.

The various activities of these voluntary organisations are:
- Create awareness about consumer rights and educate the general public about consumer problems and remedies through seminars, workshops and training programme.
- Dissemination and spreading consumer education.
- Some of these voluntary consumer organizations have successfully used public interest litigations to enforce consumer rights in several cases. They have filed cases in law courts in the interest of the general public, not for any individual.
- Lobbying with the central and state governments for the better deal for consumers.
- Pleading for the amending of laws for better deal to the consumers.
- Publish periodicals and journals to disseminate information among readers about consumer problems, legal reporting and other emerging matters of interest. Most of these periodicals do not accept advertisement from business firms.
- Arrange comparative testing of consumer products through their own testing apparatus or accredited laboratories so as to evaluate the relative qualities of competing brands and publish the test results for the benefit of consumers to become informed buyers.
- Make suggestions and recommend steps which government authorities should consider on policy making and administrative measures adopted in the interest of consumers.

3.9 OPINION OF SCHOLARS:

Serious studies were carried out to ascertain the role of voluntary consumer organizations in consumer protection. Important among them include the works of Scaria Meledam, Srinivas, Subramaniam, Narayana, Sivaraman, Pushpa Girimaji, Rebello, Rama Rao, Seetha and Gurujeet Singh, Mona Mehra, Kamalun Nabi, Anthony, Sastry, Grant, Kumar, Basu, Anthony, Patwardhan, Saxena, Tripathi, Sahu, Khusro, Mukundan, Kaul, Satya Sundaram etc.
Mona Mehra\textsuperscript{12} consumerism in India should be developed as a social phenomenon and influence the business, cultures, management attitudes and government legislative and executive actions, Kamalun Nabi\textsuperscript{13} concludes in his study that as time passes, more business are learning that consumerism is not a passing phase and as the concept of buyers', market is no longer considered a taboo in India. Anthony\textsuperscript{14} stressed the need for a strong consumer movement to stand upto "distortions" in a free economy in the form of cartelisation and unfair trade practices.

Sastry\textsuperscript{15} concluded in his study that only a strong consumer movement would be able to exercise the needed pressure and get for the consumer, the protection and consideration which is rightfully due to him. Grant\textsuperscript{16} concluded that the Indian consumer movement is still groping in the dark and is nowhere near the take-off- stage. Kumar\textsuperscript{17} opined in his study that consumer movement continues to struggle to carve out a niche for itself in the Indian market, competent leadership and price – control mechanism. Soma Basu\textsuperscript{18} reported on the state of the consumer movement in the country today. The researcher states that the Indian consumer, by and large, continues to be ignorant about his or her rights, even though, there is a perceptive change for the better now, as compared to few years back. Still much needs to be done. Anthony\textsuperscript{19} stressed that consumer movement should be a people’s movement and not government sponsored.

Many authors have linked co-operative movement with the consumer movement. Patwardhan\textsuperscript{20} in his study observed that the co-operation has been recognized as one of the important systems of the Indian economy. The Indian Co-operative Movement is perhaps comparatively strongest and oldest among the developing countries. Saxena\textsuperscript{21} observed that consumer co-operative is a reaction to capitalistic objectives. Tripathi\textsuperscript{22} concluded that the battle of the co-operative consumer movement in helping every human being to live up co-operatively by enjoying all co-operative benefits is great. Sahu\textsuperscript{23} opined that
the consumer co-operation should not be confined to the field of distribution but should be extended to the areas of production as well. **Khusro**\(^{24}\) warned in his study that if public distribution system is weakened by harmful policies and burdened with over-regulation the blame lies surely on the policy makers and the regulators. **Mukundan**\(^{25}\) concluded that perhaps a realistic analysis will lead to the conclusion that democratic management failed due to the interruption, interferences and vested interests of the state level/ local politicians of our blessed democracy. The solution to many political, social and economic problems vest in price control. This problem could be solved by way of increasing production and making available the quality of goods to the masses at reasonable prices from the nearest distribution point. **Kaul**\(^{26}\) identified links between consumerism and the public relations. **Satya Sundaram**\(^{27}\) in his study identified that existence of different classes of consumers has been a major obstacle to consumer movement as sectional interests of these classes clash with each other.

**Scaria Meledam**\(^{28}\) concluded that the biggest hurdle for voluntary organizations especially at the initial stage is paucity of funds. **Srinivas**\(^{29}\) stated that the need of the hour is the organization of the consumers into powerful unions at various levels to protect their rights and privileges and safeguard themselves against the exploitation by the fraudulent businessmen and industrialists. **Subramaniam**\(^{30}\) cautioned in his study that care must be taken so that vested interests do not infiltrate into the consumer bodies. **Narayana**\(^{31}\) suggested in his study that there is need to strengthen voluntary agencies to protect the consumers. **Sivaraman**\(^{32}\) called for formation of active consumer groups to tackle the consumer problems in an efficient and organized way in order to strengthen the consumer lobby as an economic force to be reckoned with. **Pushpa Girimaji**\(^{33}\) opined that it is now time for consumer organizations and consumer courts to go deeper into the question of qualifying and quantifying the compensation that an aggrieved consumer is entitled to under Consumer Protection Act. **Rebello**\(^{34}\) opined that it is upto consumers and
consumer associations to awake, become more alert and make a noise in order to see that their rights are ascertained and really granted to them if they want the movement to catch on fast. **Rama Rao** concluded in his study that the concerted, united and organized stand by all consumer councils at all levels alone can really ensure the people the goods and services worthy of the price they pay and keep them happy in the long run. Only then consumer protection becomes a reality, otherwise a myth. **Seetha** forecasts that the strategy of the consumer groups will shift from lobbying with the government to litigation in consumer courts. **Gurjeet Singh** identified in his study that boycott is a powerful weapon in the armory of consumer organizations and if used intelligently and peacefully, it can act as an effective deterrent against consumers‘ exploitation by unscrupulous traders and businessmen.

### 3.10 PROBLEMS FACED BY VOLUNTARY CONSUMER ORGANISATIONS.

Although, these voluntary consumer organizations are involved in the various activities and functions for the betterment of consumers and to further consumer interest however their functioning is not always smooth and they are faced with certain time to time problems such as:

1. Lack of funding, financial resources to run specific projects in consumer interest.
2. Lack of co-operation on the part of funding agencies.
3. Lack of dedicated voluntary activities.
4. Lack of co-operation on the part of the government
5. Lack of co-operation on the part of consumers.
6. Lack of experts in the organization to ensure more exposure to knowledge and data base.

And besides these there are other problems also which these organizations have to face in their functioning.
3.11 CAUSES FOR CONSUMERISM NOT BEING POWERFUL IN INDIA

According to the researcher, the main causes for consumerism not being powerful in India may be stated in brief as follows:

1. Apathy or indifferent attitude of consumers against their own exploitation.
2. Tendency to support silently rather than resist against them.
3. Lack of rational thinking.
4. Lack of awareness about the existence of consumer laws & rights.
5. Lack of consumer education.
6. Majority of laws enacted remained on paper.

So there is an urgent need to develop awareness among the consumers to know about their rights, problems, responsibilities, legal protective measures etc. In this connection the researcher feels that consumer education should get top priority and it should be treated on par with adult education or on Family Planning Education at the national level. Here educational institutions, government departments in the mass media should play a significant role in this endeavour.

‘Consumerism’ as a movement to be effective, efficient and successful must be a movement of the consumers, by the consumers and for the consumers. The concept of ‘consumerism’ being a movement of the consumers, its success depends entirely on the awareness, consciousness and the responsibilities of the consumers when they act and react in the market.

The movement has taken up lead in India during recent years, but it could not cross the borders of urban mass and elite class of people. Manufacturers, Traders and Marketers think that consumer movement is a
force which work against them. They are not ready to accept that existence of consumer and their association is essential in every market.

Consumers by crying foul at marketers 'and producers' acts, seeing them as exploitation of them, are really kicking against the pricks. It seems that there is a feeling among consumers that they are destined to be exploited and nobody could help them. The crux of the matter is that there is a need to sensitize the consumers to the fact that the nemesis of consumerism is 'consumers'. "The fault, dear Brutus, is not in our stars, But in ourselves, that we are the underlings", (Shakespeare: "Julius Ceaser".1.2). Consumers should change to change the market (a kingdom of theirs). More than anybody else it is the consumer who should know that in the market "consumer is the king’ and to be a good he should desire to reign- not as a conqueror but as a lawful king. Holding the beautiful bird, the 'Consumerism', in their hands, the ‘consumers’ ask : "Is the bird dead or alive?". The only wise reply to them could be: “It is in your hands”, for they may wring its neck and kill it or they may let it free and fly.

According to the researcher, the development of consumerism in any country, whether it is developed or less developed depends on its economic environment and its major components. Therefore, it is clear that consumerism has not developed as much in developing countries as in the developed. In countries like Bangladesh, Pakistan, China and India most of the consumers are not able to bear their responsibility as a consumer which is the single largest obstacle in the growth of the consumer movement. In the developed countries like USA, UK, and Sweden, the consumers are highly aware about their consumer rights as well as towards their surroundings and their claims, along with strong consumer organizations to raise voices against market malpractices, which indicates that consumerism has acquired a level of maturity in the developed countries.
3.12 LEGISLATIVE ACTION BY GOVERNMENT

From time to time, acts containing principles to protect the interests of consumers have been passed and today, there are over 20 odd legislations that aim to regulate business practices of diverse nature so as to keep consumer unharmed from probable deception and exploitation\textsuperscript{38}.

These include:

1. The Law of Torts.
2. The Indian Contract Act, 1872.
5. Fruits Products Order 1946.
6. The Drugs and Cosmetics Act, 1946.
8. The Drugs and Magic Remedies Act, 1954.
3.13 CONSUMER PROTECTION ACT 1986

Before enacting the legislation, an All India Seminar was held in New Delhi in January, 1986 in which representatives of the State Government, voluntary consumers’ organizations & Central Ministers/Departments participated. Suggestions flowing from the seminar and those received from prominent persons working in the field were considered in a number of inter -- ministerial meetings. To decide about the framework of the legislation the consumer protection legislation and arrangements existing in this regard in other countries like U.S.A., U.K., Australia and New Zealand were also studied. Salient workable and guide features were adopted to suit our socio--economic conditions. It is high time to supplement the present Act with some other legislations as in England such as Trade Description Act, 1968, The Fair Trading Act, 1973 and The Consumer Safety Act, 1978.

The Consumer protection Bill 1986 was piloted in Lok Sabha on 9th December, 1986 by Shri H.K. L. Bhagat, the then Minister of Parliamentary Affairs and Minister of Food &n Civil Supplies. The said Bill finally received the assent of the President on 24th December, 1986. The Act came into effect from 1987, which aims to provide a better protection to the interests and rights of the consumers. It also seeks to provide a system for redressal of consumer disputes through establishment of consumer councils and authorities at different levels. The Act extends to the whole of India except the state of Jammu and Kashmir and applies to sale of all goods and services. An outstanding feature of the Consumer Protection Act, 1986 is that it applies not only to private sector and also to the public sector and government agencies as well. The provisions are in addition to, not inderogation of provisions of other laws. The Act is a comprehensive legislation with its main thrusts on giving speedy redressal and compensation to the consumers.

The Consumer Protection Act, 1986 provides for the establishment of Central Consumer Protection Council by the Central Government and State
Consumer Protection Councils by the respective state governments. The objects of the Central Consumer Council are to promote and protect rights of the consumers such as –

- the right to be protected against marketing of goods that are hazardous to life and property;
- the right to be informed about the quality, quantity, potency, purity, standard, and price of goods so as to protect the consumer against unfair trade practices;
- the right to be assured, wherever possible, access to a variety of goods at competitive prices;
- the right to be heard and assured that consumers’ interests will receive due consideration at appropriate forums;
- the right to seek redressal against unfair trade practices or unscrupulous exploitation of consumers;
- the right to consumer education
- the right to healthy environment.

Similarly, the objects of every state consumer council is to ensure the protection of the above rights of the consumers within their jurisdiction.

3.13.1 Redressal of Consumer Grievances

One of the important objectives of the Consumer Protection Act is to provide for an effective system of redressal of consumer grievances or disputes which arise between consumers and businessmen from time to time. The Consumer Protection Act provides for a three-tier consumer disputes redressal system encompassing the district, state, and national levels. The redressal system mainly consists of –

- “District Consumer Disputes Redressal Forum” to be known as District Forum in each district of every state;
- “State Consumer Disputes Redressal Commission” to be known as State Commission in every state; and
- "National Consumer Disputes Redressal Commission" to be known as National Commission.

A District Consumer Forum shall consist of (a) a person who is, or has been, or is qualified to be a district judge nominated by the state government, and who shall be its president, (b) a person of eminence in the field of education, trade, or commerce, and (c) a lady social worker. A district forum is competent to handle the consumer disputes involving the value of goods and services, or the value of compensation desired not exceeding Rs. 5 lakhs.

A State Consumer Disputes Redressal Commission shall consist of a person who is or has been a judge of a High Court, appointed by the state government, who shall be its president, and two other members, who shall be persons of ability or have shown the capacity in dealing with problems relating to economics, law, commerce, accountancy, industry, public affairs, or administration and one of them shall be a woman. A state commission handles the redressal of consumer disputes involving the value of goods and services or the value of compensation desired exceeding Rs. 5 lakhs and below Rs. 20 lakhs.

The National Consumer Disputes Redressal Commission shall consist of a person who is or has been a judge of the Supreme Court, appointed by the Central Government and two other members who shall be persons of ability and have adequate knowledge and experience and one of whom shall be a woman. The National Commission was established by the Central Government in August, 1988. The redressal of consumer disputes involving the value of goods and services or the amount of compensation desired exceeding Rs.20 lakhs will be handled by the National Commission.

The redressal system consisting of district forums, state commissions, and the national commission is different from the general courts. The three-tier redressal authorities are to be treated as quasi-judicial. An important facility
provided under this system is that complainant – consumer is not required to pay any kind of court fees for the redressal of the dispute under the Act. Further, having a lawyer to argue one’s case before the forum/commission is not compulsory. A complaint, in relation to any goods sold, or delivered, or any service rendered may be filed with a District Forum, or State Commission as the case may be, by –

- a consumer to whom such goods are sold (or delivered), or such services provided,
- any recognised consumer association, whether the aggrieved consumer is a member of such association or not, or
- the central or state government.

For the purpose of settlement of the Consumer dispute under the Act, the District Forum has been invested with the same powers as vested in a Civil Court under the code of Civil Procedure 1908, while trying a suit in respect of the following matters. Viz.

1. The Summoning and enforcing attendance of any defendant or and examining the witness on oath.
2. The discovery and production of any document or other material object produciable as evidence.
3. The reception of the evidence on affidavits.
4. The requisitioning of the report of the concerned analysis are test from the appropriate laboratory or from any other relevant source.
5. Issuing of any commission for the examination of any witness.
6. Any other matter which may be prescribed.

Besides, the Forum has the power to require any person to furnish such books, accounts, documents or commodities, the examination of which may be required for the purpose of the Act. It can also exceed the power of entry, seize and search of any premises. The District Forum is not a Court and is not bound
to follow the procedure prescribed for trial of action in codes not strict rules of evidence.

3.13.2 Remedial Action

If any of the consumer disputes redressal agencies is satisfied that any of the allegation contained in complaint is true, it shall issue an order to the opposite party (respondent) directing him to take one or more of the following courses of action.

a. To remove the defect pointed out by the appropriate laboratory from the goods in question;
b. To replace the defective goods with new goods of similar description which shall be free from all defects;
c. To return to the complainant the price, or as the case may be, the charges paid by the complainant;
d. To pay such amount as may be awarded by it as compensation to the consumer (complainant) due to the negligence of the opposite party (respondent).

In 1993, the Government has brought in some progressive amendments through an ordinance for amending –

a. The pecuniary jurisdiction of District Forum from Rs. 1 lakhs to Rs. 5 lakhs and that of state commission from Rs. 10 lakhs to Rs. 20 lakhs;
b. State governments are empowered to establish more than one District Forum in a district with large cities;
c. Aggrieved party can institute or lodge a complainant at any place where branch office of the opposite party is situated;
d. Right is granted to one or more consumers to institute a complaint where there are several consumers having the same interest;
e. Definition of unfair trade practices has been incorporated at length in the Act;

f. Use be consumer of goods bought and used by him exclusively for the purpose of earning livelihood in case of self-employment is excluded from the definition of commercial purpose;

g. Housing construction has been included within the definition of services;

h. The redressal machinery have been given additional authority and powers. They can issue an order to the opposite party directing him to remove defects or deficiency in the services in question, or not to repeat them, not to offer hazardous goods for sale, and to provide for adequate cost to affected parties.

Apart from the Government, the consumer should himself assert his right and protect himself against business malpractices. It is happy to note that various consumer movements have come up in different parts of the country and as of today; there are more than 600 consumer organisations working towards consumer protection. The consumer movement in India is certain to grow and become more powerful in the years to come.

3.14. STUDIES FOCUSED ON CONSUMER PROTECTION ACT:

Gurubux Singh 39 observed that the Consumer Protection Act seems to be in tandem with the provisions relating to unfair trade practices in the MRTP Act 1969. The Consumer Protection Act came as a fresh breath of air to democracy. T.N. Pandey 40 concluded in his study that within a short period since the Consumer Protection Act came into existence, there has been a tremendous impact and the new legislation has restored in a significant way, the prestige of the consumer who cannot be taken for a ride now.

V.S. Manium 41 observed in his study that Indian Consumer Protection Act of 1986 is a revolutionary piece of legislation since no where else in the
world had a statutory body been created, as has been done under this legislation, to hear and settle consumers' grievances not just against producers and manufacturers but even against government which is responsible for several major infrastructural services. Mehta\textsuperscript{42} in his study stated that COPRA is really a simple piece of legislation requiring more commitment to interpret it. The poor masses need to be protected from both the devil and the deep sea. Therefore advocacy can some times prove more useful than litigation. Venkateshan\textsuperscript{43} has traced controversy on the scope of applicability established the roots, there is a feeling a among certain groups that COPRA is being misused by consumers.

R.S. Pandit\textsuperscript{44} opined that the laws need to be made more stringet and the enforcement machinery should be made to perform its function honestly and diligently. Desikan\textsuperscript{45} while acknowledging the efficacy of the Consumer Protection Act, questioned whether government servants, public sector workers and management and private industrialists take the gauntlet. Kumar\textsuperscript{46} opined that consumer interest is integral to any socio-economic order especially under the MRTP Act and therefore, what deprives the consumer as a body or a fairly large number of them of the benefits from market affluence and completion may be regarded as injurious to the consumer within the meaning of Section 26–A if the Act. John Kenneth\textsuperscript{47} has expressed that the notion that the consumer is sovereign in the market economy will serve only those who believe in fairly tales. Swarup\textsuperscript{48} concluded that the amended Consumer Protection Act has made resolution of grievances easier but it has also clogged courtrooms with exaggerated claims. Shah\textsuperscript{49} expressed confidence that COPRA, 1986 is expected to play a key role, as unlike the existing laws, which are either permitted or preventive in nature, the provisions of the new Act are compensastory.

Pradeep\textsuperscript{50} opined that the existence of a good law like COPRA is not sufficient. What is required is awareness assistance from people well–versed in
consumerism. Raghavan\textsuperscript{51} feels that Consumer Protection Act is a mismash of good intentions and bad draftsmanship. It's most objectionable feature is the creation of cumbersome hierarchy. Desikan\textsuperscript{52} stated that, it is not right to bring to play emotions and sentiments while deciding upon the compensation. The time has come for the consumer courts in India to award adequate compensation but not as a dole considered under sympathetic circumstances. He also suggested that the decision of the District Fora, State Commissions and National Commission should not be challenged in court, for the purpose of COPRA is to give quick relief to the consumer. Sandhya\textsuperscript{53} suggested that whenever a consumer files a complaint before a consumer court against an individual or an organization, he has to claim specific relief or compensation for the inconvenience caused to him by the opposite party. Agarwal\textsuperscript{54} decreed in his study the tardy implementation of the Consumer Protection Act and the slow phase of the appointment of Judges in different courts in the country.

### 3.15 SOME REFLECTIONS

A decade experience of Indian society after passing of the Consumer Protection Act in December 1986 clearly brought out a remarkable change in the field of consumer movement. Today’s consumers are more aware and conscious of their rights and also known about the protection of their interests. The increasing number of consumer disputes coming to District Forums and State Commissions for Redressal stands as testimony to the dramatic change brought about by the Consumer Protection Act of 1986. In the much avowed task of consumer protection and Redressal of disputes, the role and performance of District Forums is commendable. However, still there is a lot of scope of improvement and the following steps may ensure a better protection to the consumers and strengthen the consumer movement in India in the days to come. It is revealed that Consumer justice is making progress steadily. The Judiciary is playing a dynamic role in promoting and shaping egalitarian Consumerism. It is always right to make a complaint with the authorities concerned, one should not hesitate to do so. Otherwise Consumer would never
be able to get justice. If not the Consumer will be harming his own interest and society to which he belongs. Only efficient, self interests or half informal people think otherwise. The rights given to the Consumer under the Act must be availed of. What is important is that the Act functions more on the principles of Natural justice than the rigid legal intercacies and interpretation. It largely depends on persons and the consumer organisation to make best use of the Act for achieving an optimum justice for the harrassed consumer community. It is hoped that the consumers will be alert and file their genuine complaints before the court.


“In fact, the law meets 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 importance of the Act lies in promoting welfare of the society by enabling the consumer to participate directly in the market economy. It attempts to remove the helplessness of a consumer which he faces against powerful business described as “A network 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 store house of inaction where papers do not move from one desk to another as a matter of duty and responsibility and for extraneous considerations leaving the common man helpless, bewildered and shocked”.

In this regard, the District Forum and the State Commission have recorded concurrent findings of fact. The State Commission also has not kept in mind the very object of the Act which was enacted to better protect the interest of the consumers. The Act is one of the benevolent pieces of legislation intended to protect a large body of consumers from exploitation. The provisions of the Act ought to be interpreted in a rational manner for achieving the objective set forth in the Act. The approach of the Forums has to be rational consistent with the purpose of the Act rather than technical. In *Secretary Thirumurugan Cooperative Agricultural Credit Society vs. M.Lalitha (Dead) through LRs. & Ors.* [(2004)1 SCC 305], this Court has expressed that “Having due regard to the scheme of the Act and purpose sought to be achieved to protect the interest of the consumers better, the purpose sought to be achieved to protect the interest of the consumers better, the provisions are to be interpreted broadly, positively and purposefully. This Court in *Lucknow Development Authority vs. M.K. Gupta* [(1994) 1 SCC 243 has observed that “it appears appropriate to ascertain the purpose of the Act, the objective it seeks to achieve and the nature of social purpose it seeks to promote as it shall facilitate in comprehending the issue involved and assist in construing various provisions of the Act effectively. To begin with the preamble of the Act, which can afford useful assistance to ascertain the legislative intention, it was enacted, ‘to provide for the protection of the interest of consumer’. Use of the word ‘protection’ furnishes key to the minds of makers of the Act. Various definitions and provisions which elaborately attempt to achieve this objective have to be construed in this light without departing from the settled view that a preamble cannot control otherwise plan meaning of a provision. In fact the law meets long felt necessity or protecting the common man from such wrongs for which the remedy under ordinary law for various reasons has become illusory. Various legislations and regulations permitting the State to intervene and protect interest of the consumers have become a haven for unscrupulous ones as the enforcement machinery either does not move or it moves ineffectively, inefficiently and for reasons which are not necessary to be stated. The
importance of the Act lies in promoting welfare of the society by enabling the consumer to participate directly in the market economy. It attempts to remove the helplessness of a consumer which he faces against powerful, business, described as, 'a network 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 or inaction where papers do not move from one desk to another as a matter of duty and responsibility but for extraneous consideration leaving the common man helpless, bewildered and shocked. The malady is becoming so rampant, widespread and deep that the society instead of bothering, complaining and fighting against it, is accepting it as part of life. The enactment in these unbelievable yet realities appears to be a silver which may in course of time succeed in checking the rot."

3.16 CONCLUSION:

The researcher is of the opinion that if the ethical sense dies in the heart of businessmen - no constitution, no law, no court can save it. It is only yourself that you have to find the ideals you are struggling to establish. No enterprise on the globe, at any moment can provide full satisfaction even to one consumer and thus the consumer satisfaction is a myth. Further, the researcher is that the success of any movement depends on various factors. One of these is role of voluntary organizations. A Consumer movement is also one of the movements which need to be supported and promoted by voluntary consumer organizations who are to take the message of consumer protection to the grass root level.

There is a definite and noticeable trend of consumer organizations and those involved in the Consumer Movement being sought after by the providers of services and goods, the regulators, the standard setting bodies, Govt. Departments and organizations, for getting involved in decisions and policies that effect consumers. It may not have reached upto the levels that some veteran consumer activists and well known consumer organizations may have
desired. However, the industry and trade no longer seem to be looking at Consumer Organisations as opponents with conflicting interests, but as partners for building up better mutual confidence and understandin.

Now that the Consumer Protection Regulations, 2005 have in Regulation 16 given recognition to the Voluntary Consumer Organisations for their right of appearance before the Consumer Forums, it is is expected that they will play their role effectively for the interest of the consumers.

References:


Soma Basu, (1993) "The Consumer is King or Isn't he?" The Hindu, April 19.


34 Rebello J, (1990) "Is Service Sector any Better?" Indian Express April 11.


36 Seetha, (1993) "Indian Consumers Coming into their Own", Hindustan Times, October 10.


51 Raghavan B.S., (1990) "Rights That are Illusory", The Hindu, March 15.


53 Sandhya Karnad Devaiah, (1993) "Amendments to Relief Claims Results in Case Dismasal", Indian Express, Nov. 16.