CHAPTER ONE

INTRODUCTION

1.1 Introductory

The growing interdependence of the world economy and international character of most business practices have contributed to the development of and to an increased emphasis on promotion and protection of consumer rights. Consumers world over are demanding value for their money in the form of quality goods and in the form of better services. Modern technological developments have no doubt made a great impact on the quality, quantity, availability and safety, both of goods and of services. However, the fact of life is that consumers everywhere still continue to be the victims of unscrupulous and exploitative trade practices. Exploitation of consumers assumes numerous forms such as adulteration of food, marketing of spurious drugs, dubious hire purchase plans, charging of high prices, supplying of poor quality goods and deficient services, selling goods through deceptive advertisements, marketing of hazardous products, black-marketing and many more. All these require a determined response in the shape of an organized consumer protection movement.

Like many other prominent social movements, consumer movement, too, is not a new movement. Instead, it is as old as trade and commerce are. Nevertheless, broadly speaking, the international consumer movement has its roots in the United States. In 1900, the American Consumer League was formed to tackle an increasingly complex market place following the famous industrial revolution. The movement gained considerable importance when Ralph Nader, also known as the ‘Father of the Modern Consumerism’, came on the scene with his famous crusade against the mighty US automobile industry. More and more people, including governments, began to see the necessity of emphasizing on the rights of consumers, and with it, their responsibilities as well. “If the consumers' interest suffers, the national interest suffers”, said the illustrious U.S. President, John F. Kennedy, while advocating the famous Bill of Rights for Consumers before the U.S. Congress on 15 March
Ten years later, the International Organization of Consumer Unions [(IOCU) - now called as the Consumers International], adopted March 15 as the ‘World Consumer Rights Day’ to be celebrated from the year 1983. In the year 1985, the IOCU achieved another milestone when its ten-year efforts succeeded with the United Nations General Assembly adopting the U.N. Guidelines for Consumer Protection - a tool for nations to adopt measures for protection of consumers, and for consumer advocacy groups to press their governments to do so. Since then, the consumer movement has never looked back.

The Indian consumer movement, too, is quite old. In Kautilya’s Arthashastra, one can find references to the concept of ‘consumer protection’, that is, against consumer exploitation by the trade and industry, short weightment, adulteration and punishment for these offences. However, at that time, unlike today, there was no organised and systematic movement actually safeguarding the interests of the consumers. Prior to the independence, the main laws under which the consumers’ interests were considered in India were: the Indian Penal Code, 1860 the Agricultural Production, Grading and Marketing Act, 1937; and the Drugs and Cosmetic Act, 1940. Even though different parts of India exhibited different levels of awareness, in general, the overall level of awareness was very low and inadequate. Further, an average Indian consumer was also well known for his patience and tolerance and because of these two traditional ‘traits’, he considered the receipt of defective goods and services as an act of fate or unfavourable planetary position in his horoscope.

Even during the 1960s and the 1970s, the concept of ‘consumerism’ in India was still in its rudimentary form. Consumerism in those days consisted mainly of some action by certain individuals, usually addressing their own grievances. However, the entire scenario changed in the 1980s when the Supreme Court of India gave individuals and the newly formed consumer groups an easy access to the law and introduced the concept of ‘Public Interest Litigation’. However, consumers had to approach the civil courts for redressal of their grievances which led to further harassment because of the cumbersome, expensive, and delaying procedure of civil courts. Thus, to overcome all these problems, the Consumer Protection Act, 1986 was finally passed by the Indian government. And the rest is the history.

The Consumer Protection Act, 1986 is one of the most important social welfare legislations enacted by the Indian Parliament to protect the interests of consumers in the country. When the Act was enacted in the year 1986 on the face of innumerable legislations on consumer
interests already existing in the statute book, a visiting consumer activist of USA had reportedly remarked that even the land of Ralph Nader did not have any such legislation so comprehensive and categorical as that of the Indian law. The legislation, no doubt, has the unique distinction of being the only one in the country enacted exclusively for consumers to protect their interests against defective goods and deficient services, even though a plethora of the existing legislations do have precisions to deal with consumer rights in different degree on specified matters. It has been considered indeed to be a consumer friendly law.

The Consumer Protection Act, 1986 was enacted with an objective to provide better protection of the interests of consumers, to make provision for the establishment of Consumer Councils and other authorities for the settlement of consumer disputes. This is indeed a unique and a highly progressive piece of social welfare legislation. The provisions of this Act are intended to provide effective and efficient safeguards to consumers against various types of exploitations and unfair dealings. Unlike other laws, which are basically punitive or preventive in nature, the provisions of the Consumer Protection Act, 1986 are compensatory in nature. It is a matter of great satisfaction that we can legitimately boast that we now have in India a statute that provides more effective protection to consumers than any corresponding legislation in force in the countries which are considered to be much more advanced and industrialized than our country.

The 1986 Act has been in operation for about 27 years. A number of deficiencies and shortcoming in respect of its operation have come to light thereby requiring amendments thrice, still leaving scope for further improvement. Notwithstanding the above facts, the 1986 Act is a handy weapon for consumers to ensure accountability of the producers of goods and providers of services. In one of the International Conferences on the subject of Consumer Protection held in Penang in Malaysia in the year 1997, the Indian Consumer Protection Act was described as one “which has set in motion a revolution in the field of consumer rights, the parallel of which has not been seen anywhere else in the world”. Following are some of the important features of the Consumer Protection Act, 1986:

(i) The 1986 Act applies to all goods and services unless specifically exempted by the Central Government;
(ii) It covers all the sectors - private, public and cooperative;
(iii) The provisions of the Act are compensatory in nature;
The Consumer Protection Act, 1986 which is considered to be one of the most benevolent and beneficent pieces of legislation ever passed by the Indian parliament enshrines the following basic and fundamental consumer rights:

(i) The right to be protected against the marketing of goods which are hazardous to life and property;
(ii) 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;
(iii) The right to be assured, wherever possible access to variety of goods at competitive prices;
(iv) The right to be heard;
(v) The right to seek redressal against unfair trade practices or unscrupulous exploitation of consumer; and
(vi) The right to consumer education.

The 1986 Act provides for the establishment of the Consumer Protection Councils at the national, state and district levels. The objectives of these Consumer Councils are to help the respective governments in adopting and reviewing policies for promoting and protecting the rights of the consumers. The composition of these Consumer Councils is broad based. The citizens and organizations representing different interest groups having implications for consumers' rights protection are members of these councils. One may like to add that the Consumer Councils are required to be constituted on public private partnership basis for better feedback and thereby review of the policy in the area of consumers' rights protection. The main objective of these Consumer Councils is to promote and protect rights and interests of consumers in the contemporary society.

It also provides for the establishment of Consumer Disputes Redressal Bodies established at three levels, that is, district, state and the national. They are known as District Forums, State
Commissions and National Commission. A District Forum is composed of the President and two other members (one of them shall be a woman). Every member of the District Forum shall hold office for a term of five years or upto the age of 65 years, whichever is earlier and shall be eligible for reappointment. Now graduation is the minimum educational qualification for a person to be a member of the District Consumer Disputes Redressal Forum.

The State Consumer Dispute Redressal Commission is presided over by a sitting or retired High Court Judge. The National Consumer Dispute Redressal Commission is presided over by a sitting or retired Supreme Court Judge. As regards the pecuniary jurisdiction, the District Forum can adjudicate on the matter upto Rs. 20 lakhs, State Commission upto one crore and National Commission above Rs. one crore. The proceedings before these adjudicatory bodies are regulated in accordance with the principles of natural justice.

At present 571 District Fora and 35 State Commissions are functioning all over the country besides the National Commission. Now State Commissions and the National Commission have also started sitting in Circuit Benches. It may, however, be highlighted that there are 253 vacancies of the Presidents and Members of the Forums in the entire Country. Now complaints filed are required to be accompanied with such amount of fee and payable in such manner as may be prescribed. Fee structure for the cases filed in the District Forums Commissions has been prescribed by the Ministry of Consumer Affairs, Food and Public Distribution by Rule 9A of the Consumer Protection Rules, 1987 as amended by the Consumer Protection (Amendment) Rules, 2005.

The National Commission, State Commissions and District Forums are required to decide a complaint, as far as possible, within a period of three months from the date of notice received by the opposite party where complaint does not requires analysis or testing of commodities and within five months if it requires analysis or testing of commodities. The appeals are allowed within 30 days against the order of the District Forum to the State Commission and against the order of the State Commission, to the National Commission. Appeal can also be preferred to the Supreme Court against the order of the National Commission within a period of 30 days. No appeal by a person who is required to pay any amount in terms of an order of the National Commission shall be entertained by the Supreme Court unless that person has deposited in the prescribed manner fifty percent of that amount or rupees fifty thousand,
whichever is less. Similarly there is a requirement for depositing Rs. 35,000/- and Rs. 25,000/- in case of appeals to National Commission and State Commission respectively.

From the various reports and feedback received by the Central Government, it is evident that many of the Consumer Forums have not been provided with adequate accommodation, infrastructure facilities and staff. In many State Commissions and District Forums, vacancies of Presidents / Members have not been filled up which adversely affects the disposal of cases. It should be remembered that the confidence of the consumer ultimately depends upon the successful functioning of the Consumer Forums / Commissions. It is, therefore, a matter of utmost importance that these agencies must function effectively, efficiently and without any interruption. For this to happen state governments are having definite role to perform.

With so many commendable provisions in the 1986 Act, consumer awareness is still a distant goal to be achieved. The ignorance of the most Indian consumers of their rights and remedies available is the single major obstacle in the growth of consumer movement. Mass education of the consumer is, therefore, very much necessary to make them conscious of their rights. In this regard, voluntary organisations have a major role to play to take up the cause of consumers most effectively. It is a fact that the trading community is well organised while consumers are still unorganized. It is due to their ignorance that leads consequently to their exploitation that continues to remain unchecked. The 1986 Act also stressed the role of voluntary organisations to educate the consumers to protect their rights and privileges.

The right to redress lead to the passing of the Consumer Protection Act in 1986 in India which has been defined as the 'Magna Carta' of consumers. However, the 1986 Act has certain glaring lacunae in it.

(i) Insufficient time with the Consumer Dispute Redressal Agencies to deal with the cases of consumer problems;
(ii) Cases are hurriedly decided;
(iii) Political touch in case of appointment of members to this machinery;
(iv) There is no provision for checking the activities of traders and their malpractices;
(iv) It can do nothing about restricting the inflation and price hike;
(vii) The Act has not clearly mentioned in relation to services provided by the municipal corporation, health services and other development authorities; and
(viii) There is no provision for giving interim relief or issuing interim injunction which may be necessary in same cases.

Thus, after going through all these provisions and deficiencies in the Consumer Protection Act, 1986 Act, an inference can be drawn that for proper implementation of the Act, as enactment of law alone cannot serve the purpose, we need some non-legal ways and measures. And when we talk of limitation on the part of government for proper implementation, then we have to open the option of non-governmental institutions, that is, about voluntary consumer organisations. For the purposes of attaining social welfare and to sustain society, need for formation of non-governmental groups or voluntary organisations is there. And we all know that voluntary consumer organisations have already played significant role in the past and even today, they are doing good job.

Thus, the present study purposes to examine the role of voluntary consumer organisations in the past, what they are doing today in this field and what more we can expect from them in future, because it is said that “Kaliyge Sangharhakti”, i.e., in this age of Kali, it is the organisational strength that matters. For consumers who find themselves individually inadequate to fight their battles, one easy recourse is to fight a collective battle, that is, through consumer organisations. There are a good number of them all over the country. Though not all are very effective, in their own way, many of them serve a purpose.

1.2 Object and Purpose of the Study

Any person, young or old, rich or poor, in every second of his or her life, is a consumer. The end purpose of all economic activity is to satisfy the consumer. In a developing country like India, a large portion of the population lives below the poverty line. Their purchasing power is also limited. It is thus the duty of the government and of all kinds of producers not only to be fair to its consumers in quality and price, but also to actively participate in the upliftment of society, while insuring certain basic rights to the consumers.

Thus consumer movement basically starts from the helplessness and anger of the citizens caused by social injustice, as history speaks, inequity between buyer and seller, a totally sellers' market, and unfair trade practices act as the ignition to the mass movement. Several
voluntary organisations in India have been endeavouring to create awareness amongst consumers and leading them in order to create a better environment.

The objective of the consumer movement is to protect consumers' interests. The alert consumer reacts and moves to change the situation to his/her advantage. Consumer organisations function as the spokespersons of the people. Consumer leaders are not made, they emerge out ordinary people and do act as the torch bearers of the peoples' movement against injustice.

The present study has examined and analysed the functioning of these groups in the past. We could state that these organisations have done wonderful jobs in the past. The study has predominantly dealt with actuality of their working. The researcher has selected 10 leading organisations in India and then collected relevant information on these consumer groups, such as address, head of institution, number of personnel, main areas of work, publications, annual budget, sources like funding and activities like-complaints handling, education, research, litigation, lobbying, boycotting, consumer advocacy etc etc.

An attempt has been made in the study to discuss and suggest certain measures for improvement in their working in future and what more role they can play in spreading consumer awareness and thereby strengthening the emerging consumer movement. The concept 'voluntarism' has also been dealt in the study. The study has also highlighted the adequacy or otherwise of the 1986 Act. The study has also focused on the problem of satisfying the consumer needs through non-legal way.

1.3 Significance of the Study

As mentioned earlier, one of the greatest achievements of the Indian consumer movement is the enactment of the dynamic consumer law, that is, the Consumer Protection Act. Coming roughly 39 years after independence, it has acknowledged the rampant consumer abuses, including those by the government owned public utility services like telephones, transport, power etc etc. These utilities, in the first place, were created as state monopolies ostensibly to protect consumers. The 1986 Act has encouraged active consumer bodies to demand, and perhaps see in the near future, independent Public Utility Regulatory Commissions to debate
costing, pricing and promote competition. This confidence emanates from the empowerment of voluntary organisations.

Though there are so many consumer organisations that exist all over India, it is regrettable that many of them are only paper organisations. The government having started a well intentioned scheme of Rs. 25,000 grants to the registered consumer organisations, a number of paper organisations have sprung up. Many consumer organisations are weak because of lack of dedicated workers. Accordingly, these voluntary organisations are facing so many problems like shortage of funds, disinterest and delay in getting judgment, lack of cooperation from forum officials, lack of co-operation from the complainant, inadequate staff etc.

The significance of the study lies in highlighting these defects, problems and suggesting solutions to all these problems. An attempt has also been made to study functioning of these organisations in actuality. And for this, the researcher personally visited all these organisations. In modern times, law is not only medium of communication, there has to be adjustment of law givers and law takers and these voluntary consumer groups do play part in this adjustment as my study shall demonstrate in the following pages.

1.4 Hypothesis for the Study

As mentioned earlier, the present study has essentially concentrated on the activities, role and performance of the voluntary consumer organisations in India. The main hypothesis of the researcher is that a voluntary consumer organization can not only represent a vulnerable consumer before various forums, it can also help a gullible consumer to initiate fight against unethical businessmen and traders as well as against the irresponsible service providers. This is quite evident that when compared to an individual consumer, a voluntary consumer organization that consists of consumer activists can launch a better crusade against unscrupulous traders and unethical service providers. This is what has been evident from the role played by the voluntary organizations in the arena of consumer protection. By way of visiting these organizations and by observing their day to day activities, the researcher got an insight as to whether these voluntary consumer organizations have really been able to champion the consumers cause in the past and to see as to what future has in store for these organizations. An analytical examination of their activities has enabled the researcher to
suggest as what further can and should these organizations do in order to get justice to the consumers.

1.5 Limitations of the Study

The information reported here is based on the field study done by the researcher in ten leading organizations of India which are purposively sampled and may not be representative of all consumer organizations of India. The study did have some limitations due to paucity of time and resources. Moreover, it is not possible to visit all consumer organizations as they are spread all over India (as mentioned earlier numbers of consumer organizations have mushroomed in India these days and some of them are only paper organizations but do not work practically). Therefore, the researcher proposed to do field study in the cities of Chandigarh, New Delhi, Jaipur, Lucknow, Ahmedabad and Mumbai. These are the major cities in the northern and the western India. Despite the limitations, the study still produced valuable information that should assist in the looking at role played by consumer organizations in promoting and consumer interest.

1.6 Data Base and Research Methodology

This exploratory study is descriptive, analytical and empirical in nature. The literature for the study has been collected from various sources. These, *inter-alia*, include books, law journals and periodicals, articles and research papers, newspapers and various other primary and secondary sources. Besides discussing the consumer movement, consumer behaviour etc. and role of consumer organisations in the past, endeavour has been made to collect data by personally visiting ten leading consumer organisations in the country to learn about their functioning and performance in actuality. To make the findings of the study to reach at meaningful conclusion, an attempt has been made to get information by interviewing prominent consumer activists to know their views, ideas, and suggestions with regard to the improvement in the day to day functioning of the voluntary consumer organizations. As little was known about the topic, the semi-structured interview method was used by the researcher. The reason to choose this method was to get even the intimate details from the consumer activists about consumerism. Moreover, adjustments could be made to ensure that interview styles were comparable and that the researcher could get same kind of information about these organizations.
During the field study, observation and field notes were also used to collect data like non-verbal communications, physical setting of consumer organizations and overall impressions and reactions. Documenting these sorts of details is critical as meaning can be expressed through vocal quality and body movements and not through words only. Publications of the leading consumer organizations has also been collected and critically examined. It may be appropriate to mention that analysis of data was an ongoing process during this research work as data analysis did not necessarily happen only after the data was collected; rather it happened all the way through the research process, when researcher made decision about questions to ask, which organization to choose for field study and so on.

1.7 Review of the Existing Literature

For carrying out a meaningful research, any researcher has to collect, condense and comprehend a vast amount of study literature that gives him/her an insight into what other researchers and scholars think about that particular topic. I am no exception. For the purpose of my study, I have consulted vast literature, some of the memorial lectures delivered by the eminent public men and jurists, various judgments delivered by the Indian Courts, reports of the various committees and commissions, law journals, collected relevant data from published as well unpublished sources from consumer organizations, discussed the topic with various academicians, legal luminaries, consumer experts/activists.

During all these years, I visited libraries of some of the prominent Indian institutions like the Indian Law Institute (ILI) New Delhi; the Indian Society of International Law (ISIL) New Delhi; the Supreme Court of India New Delhi; the Indian Institute of Public Administration (IIPA), New Delhi; the Indian Institute of Management (IIM) at Lucknow as well as at Ahmedabad; the Ministry of Civil Supplies, Consumer Affairs and Public Distribution, Krishi Bhawan, New Delhi; the Entrepreneurship Development Institute of India (EDI) Ahmedabad; the Consumer Education and Research Center (CERC) Ahmedabad; the Consumer Guidance Society of India (CGSI) Mumbai; the Mumbai Grahak Panchayat (MGP) Mumbai; the Consumer Unity and Trust Society (CUTS) Jaipur; the Ratan-Tata Library, Delhi University; the Department of Laws, Lucknow University, Lucknow; the A.C. Joshi Library and Library of the Departments of Laws, Panjab University Chandigarh; the Department of Laws, Punjabi University Patiala; the Main Library Punjabi University Chandigarh; the Rajiv Gandhi
National University of Law, Patiala; the Bhai Gurdas Library and the library of the Department of Laws, Guru Nanak Dev University, Amritsar.

During my visits to these libraries, I have also gone through a large number of books, dissertations, seminar proceedings, articles, write-ups, book reviews, reports, pamphlets, leaflets and newspapers, etc. It is, however, not possible to mention all of these. Although all these sources have been referred to in the bibliography, I have, however, endeavored to review some of the prominent sources in the following paragraphs.


Student Activism as an aid for inducing fundamental changes in democratic participation and institutions has been well established. The above book by Ralph Nader and D.K. Ross provides detailed guidelines on motivating and inspiring students to serve the community. A highlight of this book is that it advocates formation of Public Interest Research Groups (PIRGs) comprising students and professional experts for jointly pursuing pre-determined community goals. Some public interest problems that PIRGs could work upon are pointed out. It concludes that these agents, with the foundations already existing, can insure continuing effective citizenship participation, characterized by growth, vitality, and relevance. Models of PIRG budget, structure, time-table, petition and referendum, and seven informative appendices round off the book.


The purpose of Sherlekar’s book is to facilitate students in assimilating "regulation of trade practices" and "consumer awareness" in the Indian context. Inflation in India severely affects food, clothing, and housing; this breeds malpractices that consumers need to be conscious and cautious about and which warrant regulation. Business embraces manufacturing, industry, finance, banking, commerce, owners, employees, traders, consumers, society, and government, and hence has diverse obligations. Its dynamics, in terms of policy, practices, procedures, organization, scope, constituents, significance of marketing, selling, purchasing, financing imports and exports, and other functions, are dealt with. Aspects of sales contracts
(parties, price, quality, time, delivery, terms and conditions), standardization and grading (ISI, AGMARK), branding, packaging, labeling, marking (essentials, types, functions, advantages, need), hedging, speculation, forward markets (role, risk, need, uses/abuses), foreign trade (detriments, formalities, incentives, insurance, channels, promotion, credit and other financial services, etc.) are discussed. Trade practices are defined, described, and commented upon in the light of the Monopolies and Restrictive Trade Practices Act, 1969, the need for protecting consumers against hazards, adulteration, deceit, imitation, profiteering, and other threats is established. Options like consumer co-operatives, Ombudsman, education, legislation, business-self-regulation, etc. are also discussed.


The aim of the above mentioned book is to educate consumers about their rights and to help them in gaining redress facilities. It explains the meaning and concept of "consumer" and civil and criminal laws protecting consumer. It gives tips to consumers for buying the right goods of durable quality and suggests the course of action in case of faulty goods and services as provided under different acts. Different sections of the act are explained to disclose rights of consumers and provide guidance for purchase of goods like fireworks, cars, medical products, etc. The text deals with various types of credit facilities available to individuals like bank loans, credit cards, their rules, agreement making or cancellation, and course of action under the Consumer Credit Act, 1974. Reference is made to the services of hotel, dry cleaners and others in the context of consumer rights and the right course of action along with the right agencies to be consulted. The rules, procedures, and acts related to financial schemes are mentioned. It deals with the problems, solutions, offences, and penalties related to inertia and pyramid sales.


The present work examines the implementation of consumer protection law by the consumer agencies. It outlines the background of the regulatory process and other activities of the agencies which implement legislations. It explains the process of enforcement of consumer laws in the light of the consumer complaints received by agencies. Achievements or activities of the consumer organisations is presented, which include their initiative to enforce laws and
punish the violators. The pattern of assisting consumers followed by agencies like the London Borough is described. The effects of enforcement of laws on business are discussed. The book explains breaches and the role of consumer law from business point of view. It explores the methods of setting complaints, costs, and procedures.

*Consumer Education: A Resources Handbook for Teachers, Consumers' Associations, London, 1979*

This book is aimed at sharpening the skills of youngsters and protecting them from being duped by corrupt industrialists. It gives a brief explanation of consumer education and suggests consumer-education related activities for the students. It provides information on organizations producing potentially useful resources and teaching aids. It also covers various consumer related Acts and Codes of Practice along with addresses of local, national, statutory, and independent consumer protection agencies, and books for future reference. Some of the important topics are budgeting, doorstep selling, energy, how to complain, labelling, market, research, pollution, standards, vandalism, weights and measures; Office of Fair Trading, the Price Commission, and Citizens Advice Bureaux.

*Robert Lowe and Geoffrey Woodroffe, Consumer Law And Practice, Sweet and Maxwell Ltd. London, 1980*

The present book focuses on the types of problems faced by a person who orders goods or services from a supplier and the remedies to these problems. Written primarily for the students of law, the book can also be of great use to those individuals who are called upon to advise on consumer problems. The book has been divided into four parts: the consumer and the civil law, the consumer and the criminal law, administration control, and special protection in credit transactions. It discusses issues like trade description consumer safety, crime and compensation the *Fair Trading Act, 1973*, agreements covered by the Act, control of business activities, and the EEC dimension. Selected codes of practice, addresses of trade associations sponsoring codes of practice, and a summary of consumer protection in the nationalized industries are given in the appendices.

*B.W. Harvey, Law of Consumer Protection And Fair Trading, Butterworths, London, 1982*
B.W. Harvey in his book investigates how law protects the consumers from unsafe products, qualitatively deficient goods and services, and fraudulent trading practices. It, *inter alia*, discusses historical, economic and philosophical background of consumer protection; patterns of consumer legislation in the United Kingdom and abroad; rights and remedies; the institutional framework of consumer protection; nationalized industries and the consumer; sale of goods and contract-based remedies; the supply of services; the enforcement of consumer rights; a survey of the protective legislations; consumer credit; fair tradings and competition policy; trade descriptions and bargain offers; food and drugs; and weights and measures.

**Ross Cranston, Consumers and the Law, Weidenfeld and Nicolson, London, 1984**

Ross Cranston is a leading international authority on the subject of consumer protection. His book is an exposition of consumer protection law of the U.K. It also discusses laws on consumer protection in the U.S.A., Canada, and Australia. It discusses consumer problems and suggests non-legal ways of promoting consumers interests through voluntary organizations. The book throws light on restrictions imposed by government regulations, controls, and commissions to prevent objectionable trading practices. It defines the responsibility of the manufacturer and retailer as regards the quality, safety, and quantity of goods. The rules, requirements, and penalties in case of violation of any of the relevant acts are given. It outlines the ancillary rules associated with services bought by consumers. Sufferers and victims of exploitation by sellers or manufacturers are advised of the action to be taken against them. Guidelines about credit facilities, their purpose, advantages, and regulation through the *Consumer Credit Act* 1974 are provided. It emphasizes that claims made for products should be honest. Special stress is laid on the sale, advertisements, and control of drugs under the *Medicine Act*. 1968.

**P. Leelakrishnan, Consumer Protection and Legal Control, Eastern Book Co., Lucknow, 1984**

P. Leelakrishnan’s book is a compilation of papers on the problem of consumer exploitation in India presented and discussed at a 'National Seminar on Consumer Protection and Legal Control' held at Cochin in 1981. The text has been presented in 9 parts. The introductory part
throws light on the general problems of consumers and various aspects of consumerism. Consumer protection prospects under the Indian Constitution, that is, the fundamental rights available to the Indian consumers and other principles followed by the state are analysed. The means (access) to justice, public interest litigation and the role of legal authorities in protecting consumers’ interests are enlisted in it. The extent of legal protection offered by legislative acts like; the Essential Commodities Act, the MRTP Act, etc. etc. to the consumers are widely evaluated and discussed, unfolding the meaning and means of consumer protection adequately. Remedies for the inadequacies of the legal Acts are also suggested. The regulatory steps taken by the state in the arena of consumer protection viz; price maintenance, proper distribution of goods and public entertainment services are highlighted in some papers. Consumer protection in industrial units constitutes another important aspect of states’ responsibility which it enacts through Acts like the Indian Companies Act, 1956, the Industrial Disputes Regulation Act, etc. etc. which control production, bonus, collective bargains and the like. The panel law regulates control over the food and drugs production and distribution to prevent adulteration. Information about the government's tax policy to balance the interests of the consumers and producers is provided in the last part.

I.S. Sundaram, Consumer Protection In India, B.R. Publishing Corporation, New Delhi, 1985

The mammoth size of consumers (over 700 million), overwhelming poverty, terribly low literacy / information level, lack of organization, and maddening diversity, impose severe limitations on effective consumer protection. It is accentuated by governmental nonchalance and obnoxious business practices like adulteration, hoarding, profiteering, and manipulative advertising. The book asserts the case for consolidating and promoting the movement in the light of intolerable exploitation. The action plan recommends the following: promotion / revamping of consumer co-operatives, (making them also produce essential goods), shifting the price control point from distribution to production, streamlining of the PDS, organizing consumer groups, and education programmes, promoting "Janata" shops/hotels, community kitchens (effective distribution of essential goods, food, etc. among the deprived strata) etc. The role, significance and functioning of Standards (ISI, Agmark), Protection instruments (MRTP), redressal agencies, Mobile Courts, District/State/National Commissions), and the government (budgetary-policy in relation to consumer protection are highlighted.

H.N. Giri’s book concentrates on protecting the Indian consumer with extensive case analysis, references to development in the western countries and remedy to protect the interests of consumers in India. It examines the current state of the law relating to the problems of false and fraudulent trade practices of manufacturers or dealers in food and drugs; evaluates the effectiveness of the existing legal mechanism in the light of current knowledge of the causes and treatment of disorder; studies and interprets factors which contribute to the perpetration of such offences; and considers the role of judiciary in executive control over these evils. Recommendations are also made for incorporation in relevant statutes. Legislations like the *Drugs and Cosmetic Act, 1949*, the *Dangerous Drugs Act*, 1930, the *Cigarettes Act, 1930*, the *MRTP Act, 1969*, the *Sale of Goods Act, 1930*, etc.etc. are also explained.


This is a comparative study of co-operatives in India and Western countries. The book is divided into four sections. The first section is a general survey of consumer co-operatives. The second section concentrates on the Rochdale pioneers and their achievements. The Rochdale pioneers, a group of simple workers, had formulated a few objectives and principles, some of which are applicable to India as well. These are, open membership, democratic control, united interest on dividend on patronage basis, sale at market price, and cash trading. The third section is an analysis of the growth of the consumer co-operative movement in UK, USA, USSR, and Sweden. The last section takes up the development of consumer co-operative in India, especially in Assam and Uttar Pradesh. Co-operatives in India were introduced when, in 1904, the *Co-operative Credit Societies Act* was passed. This was not the result of spontaneous growth but a way gain relief from inflationary tendencies.


The author in this book concentrates on the growth and development of consumer co-operatives in India and specifically in the state of Uttar Pradesh. The book also guides on
how to organize primary consumer co-operatives in UP, central consumer co-operatives wholesale stores, practices and problems of consumer co-operatives in the uttar pradesh and suggestions to overcome the handicaps of consumer co-operatives. Of special interest will be the notes on the U.P. co-operative federation and its activities, object of central consumer co-operative wholesale stores, arrangement of capital for primary consumer co-operatives, and practices and problems of consumer stores.


V.K. Aggarwal’s book is a descriptive analysis of the legal protection available to consumers in India. It critically evaluates the *MRTP Act* and the *Consumer Protection Act* in the context of restrictive/unfair trade practices and rights of the consumers. Presented in six parts, the text summarizes various sections of the above said Acts. Elucidation of the historical background of the Acts in India and similar legislations in different nations of the world like Belgium, Germany, and the United Kingdom, etc. etc. form the content of the introductory part. The scope, provisions and penalties under the MRTP Act, 1969 are examined closely. The legal rights of consumers and the establishment of the three-tier redressal machinery for remedial measures under the 1986 Act are stated in the text. The activities, powers and penalties imposed by the District Forums, State and National Commission are broadly notified and discussed. The concluding part provides reference material on the subject with inclusion of the latest amendments to the *Consumer Protection Act*, 1986 Act making the text up to date.


The *Consumer Protection Act* has been explained in detail in this book. The book is addressed to all types of consumers. It provides procedures for handling different types of complaints on drugs, trade practices, advertising etc. A brief idea about the activities of the voluntary consumer organizations, international agencies, Consumer Protection Councils, their procedures, funds and members is provided. The law is applicable all over India except in the state of Jammu and Kashmir. The features, objectives, penalties, and functions of the District Forum and the State Councils are sketched. The method of appealing in courts and tribunals is discussed along with the ways of enforcing orders. The book expands the
meaning and scope of the terms used in the Act. The rights of consumers are discussed with regard to services of banks, insurance companies, etc. etc.


The book traces briefly the evolution of consumer law and states its development in the USA, U.K. and India. It gives the profile of Indian Consumer and highlights major consumer problems arising out of operation of public utility services (Railways, Road Transport, Air Transport, Telephones, Banking Service and Insurance) which are peculiar to India due to monopolization of production, distribution and control of some essential goods and services by the state. The author critically examines utility of certain doctrines like the doctrine of caveat emptor and safeguards contained in *Sale of Goods Act* like conditions and warranties, implied conditions, implied undertakings as to title, implied condition relating to description, implied condition as to merchantable quality and fitness of purpose, and suggests some reforms for protection of consumers, particularly in relation to exclusion of liability in contracts. There is a lively discussion on 'Consumer Credit' with special reference to 'Hire Purchase Agreements'. The book devotes one lengthy chapter on Tort Based Remedies for 'defective consumer products' with emphasis on 'product liability'.

Remedies under the *Monopolies and Restrictive Trade Practices Act* covers one full chapter giving details about the categories of restrictive trade practices and unfair trade practices with a critical examination of the case law. Procedures followed by Consumer Disputes Redressal Agencies, the District Forum, the State Commission and the National Commission. Chapter VII deals with the Criminal Law and Consumer Protection. It critically examines the essential features of the *Essential Commodities Act*, the *Prevention of Food Adulteration Act*, the *Drugs and Cosmetic Act*, the *Standards of Weights and Measures Act* and the problems connected with their implementation and enforcement. The last chapter of the book contains discussion about the infrastructure of consumer protection both in the state and private or non-governmental sectors as also at the District Forum, State Commission and the National Commission. On the whole the work is a pioneering one on consumer protection and it will be found useful by consumer activists.

The above mentioned book by Dr. Gurjeet Singh is an authoritative reference book on the subject of consumer protection law in India. It is primarily an exhaustive but critical commentary on the *Consumer Protection Act*, 1986. The author has traced history of the consumer movement from the ancient times. He has highlighted the role of voluntary consumer organizations in getting the law passed from the Indian Parliament and then in highlighting the consumers’ grievances before the Consumer Disputes Redressal Mechanism. The author has also dealt with the non-legal measures like lobbying and boycotting in getting the consumer grievances highlighted at the appropriate forums. These tools indeed help the consumer organisations in their day to day functioning and in strengthening the consumer movement in the country. The chief advantage of the book is that it contains a very comprehensive bibliography. On the basis of that I could collect a sizeable amount of literature on the subject.


This handbook guides an aggrieved consumer about the right source of redress. It offers tips on wise-buying and informs about the rights of buyers/sellers as provided by the consumer law in the U.K. It covers relevant legislative Acts that offer the protection consumers the *Trade Descriptions Act, Consumer Protection Act, Food and Drugs Act, Weights and Measures Act* etc., stating the offences/remedies under them in the context of different consumer complaints. The introductory part explains the meaning of consumer law, its features, areas covered (goods, service prices etc.) and the basic difference between civil and criminal law. It gives advice about consumer transactions as well as on the right methods of complaining and enforcing one's rights as a consumer. Brief information about small claims courts, legal aid and arbitration is also provided in the book. Detailed information on the legal rules regarding purchasing are provided which indicates the right hours of selling, rights of buyers/sellers, care of other's goods, accidental damages, doorsteps sales, unsolicited goods etc. etc. Particulars about the prices of goods/services, criteria for price fixation, resale price maintenance, value added tax and other related issues are also discussed. In the context of consumers' safety, enlistment of safety labels, voluntary safety standards and safety standards
enforceable by law are discussed. Some important standards are British Standard Institute, Kitemark, and provisions under Consumer Safety Act against Hazardous products (chemicals, furniture, vehicles etc.) and Food and Drugs Act for prevention of contaminated food, protection against drugs/pesticides. Different types of contracts, legal liabilities of the parties, and issues of claims, product liability are thoroughly analysed. Problems of misrepresentation, defective goods, legal remedies of compensation/loss reduction and statement of relevant codes of practices in different goods/service form part of the text. It also deals with the deceptive trade practices-labeling, advertising and others as under the Trade Descriptions Act which regulate such practices. The duties of the enforcing officers are also pointed out. Information on different types of insurances like life insurance, home insurance, and their requirements, legal rules and redressal agencies is also provided. Consumer problems in credit transactions are dealt with in the last part viz; credit cards, licensing, referral agencies etc. as under the Consumer Credit Act.


This handbook aims at educating Indian consumers on the right methods of purchasing goods/services without being taken for a ride. It enlightens the consumers about the rights/remedies available to them under various circumstances. The book is divided into four parts. The introductory part offers guidance on choosing/buying good quality consumer products like canned food products, electrical appliances, utensils etc. at reasonable prices. The do's and don'ts in the case of each product are also mentioned. Directions for adequate utilization of public utility services like banking, postal services, ration shops etc. are elaborately touched upon. Information about the functions of the public utility services, hints on the right method of using the services, and addresses of central and state redressal offices of the relevant services also are included. The section on miscellaneous services focuses attention on problems related to health clubs, discount sales, restaurant services, and similar issues. Adequate action/warning against deceptive sales techniques are also provided. The last part enlists and discusses various Indian legislative Acts protecting the consumer viz; the Monopolies and Restrictive Trade Practices Act, the Consumer Protection Act; the Drugs and Cosmetics Act etc, including the rights and remedies available to the consumers under various sections of the Acts.

This is a workbook published by the Community Services Volunteers in the United Kingdom for educating youngsters about consumerism. It has been designed in the form of questions and answers. The objective is to create interest among youngsters about themselves, their environment, surroundings, people related to different walks of life etc.


This reference guide provides details on over 30 worldwide consumer organizations in terms of their names, IOCU-membership category, address-telephone-telex-fax, officers, year of establishment, own membership details, source of funds, staff, affiliations, principal areas of work, and publications. It is published annually by IOCU. The listing is alphabetic under each country. Addresses of regional offices, IOCU periodicals, IOCU functioning, and networks are also given.


This is a collection of papers prepared by the Regional Office for Asia and Pacific of IOCU, to provide resources for projects in areas of importance and interest to new consumer organizations. They provide an insight into consumer problems, record experiences of consumer groups, and circulate new ideas on consumerism for developing nations. The papers discuss the issue of solving the problems of poor consumers and organizing them to gain power and take action to solve them together. Guidelines for consumer action are listed. In this book, consumer education is recommended to be the best method of consumer protection. The papers account for the declining rate of breast feeding due to increased distribution of the infant formula and the consequence of malnutrition in infants. A discussion on the exhibition cum survey organized by the Consumers Association of Penag for testing and research is presented. Useful tips on setting up such workshops and testing labs are included, outlining important equipments, basic aims, planning etc. The method of forming voluntary consumer groups, their membership, recruitment, fund collection, objective and other essential information are provided.
Manubhai Shah, *Public Interest Groups And Developmental Journalism*, Consumer Education And Research Centre, Ahmedabad, 1981

This booklet contains the text of the speech given by Prof. Manubai Shah, Managing Trustee, CERC at Banaras Hindu University at a training programme on developmental journalism. Prof. Shah urged the journalists to take up the cause of public interest groups to help them achieve their objectives. According to him, public interest groups help the common man in bringing to the notice of the concerned authorities, the problems faced by him. To achieve this success, public interest groups need tremendous support from the media. They rely on publicity to make their cause known and as a pressure device. Newspaper can play a major role because of their ability to create an immediate interest and successive regular follow up. Prof. Shah's opinion is that the right to information and the right to expression are practiced very weakly in India, given to the outdated Official Secrets Act and relatively closed style of government. Strengthening these rights is another area of common interests to journalist and public interest group. Prof. Shah cited many examples throughout his speech to support his views. The booklet also contains a list of CERC's research publications.


This is a souvenir published by the Council For Fair Business Practices, Bombay at its workshop on "Consumer and the Law" held in 1980. The main objectives of the workshop were to ensure greater protection for the Indian consumer and to educate them of the existing law. It covers law and the consumer, shortcomings of consumer protection legislation, role of Maharashtra FDA in consumer protection, legislation to protect rights of the consumer, consumer protection under the *Prevention of Food Adulteration Act*, inadequacies of private law, the consumer movement, and an article in Hindi on the role of businessman, politicians, media, social workers, industrialists etc., in consumer movement.


This report is based upon the study of public interest Law movement in United States, Canada and U.K. by the author. The report is organised into 15 chapters which talk at length about the following topics:- public interest law groups, activist/church groups/ religious
establishments and Company Law in India, University Professors, involvement of students in the movement, public utilities and regulatory commissions, regulatory agencies, mobilization of funds, mobilization of media and public opinion, accountability, legal services, trade unions and public interest law movement, life insurance, clearing house, self help-non litigatory approach, the New York Lawyers for the public interest Inc. and others and conservative public interest law groups. The most significant lesson learnt by the CERC team was that any public interest issue has to be dealt with all the four frontiers simultaneously, namely public education of legislators, advocacy before administrators, litigation before the courts and media utilization for public opinion and pressures, so that one strengthens the other and gains of one approach are not lost by adverse decisions of the other. Prof. Shah realised that even in America, Public interest Law Groups has faced the persecutions at the hand of the authorities and vested interests. The report also contains a press note and a list stating the names of the organisations (with addresses) visited by Prof. Shah and Mr. Tanna.

D. Bijlani, Role of Mass Media In Consumer Education, Centre For Development Communication, Gujrat University, Ahmedabad, 1990

This dissertation assesses the potential of mass-media and their limitations. It defines consumer education and explains its significance; spells out the customer rights and responsibilities, discusses consumer movements abroad and in India; deliberates on the use of mass media for consumer purposes, and explores the possible constraints in the process. It is suggested that consumer groups need to maintain close liaison with media; provide factual, unbiased information for public interest; and take advantage of public service advertising over TV and AIR. It asserts that consumer groups and the mass media must work hand-in-hand, appreciating their common interests and respective constraints.

A.J. Rebello, Un Moving Tale of Consumer Forums, The Indian Express, 22 April, 1989

This article throws light on the slackened pace of the Department of Civil Supplies in implementing and bringing to force its declaration of establishing Consumer Redressal Forums and Commission in the State of Gujarat. It brings out the facts behind the non-functioning of the forums. The reasons reflect the inadequacy of the state and the department. The non operation of the forums and the dilemma of appointing adequate members raises the
doubt that either the ministers have once again gone against their announcement or that there are deficiencies inside the department leading to such crisis.

Notwithstanding the above discussion and the review of literature, in my humble view, there has been some research gap as far as this important branch of law is concerned. A lot has been written on the topics like ‘Consumerism’ ‘Consumer Protection’, Consumer Protection Law’, ‘Consumer Behaviour’ etc. etc. However, not much has been written about the role of consumer organisations that they are performing in furtherance of consumer movement. Above all, nothing much seems to be available in the field with regard to the role that the consumer organizations are expected to play in furtherance and consolidation of the consumer protection movement in India. Thus, the researcher purposed to make sincere endeavour to cover this gap by way of conducting research and writing the present doctoral thesis. It is hoped that this modest attempt of mine, even though a drop in the deep ocean of consumer law, shall certainly enrich the literature on the subject and pave the way for the future scholars to work in this important and emerging area.

1.8 Major Research Questions

In my research work, I have made an attempt to answer the following research questions. An endeavour has also been made to deal with at least two research questions in each chapter.

(i) Which are the leading / prominent consumer organisations that are functioning for consumer protection?
(ii) What role voluntary consumer organisations have played in the past in area of consumer protection?
(iii) What role consumer organisations are playing at present in furtherance of consumer protection movement?
(iv) What are the problems that are being faced by consumer organisations in day to day functioning?
(v) What lessons can one draw on the basis of the study of these organisations?
(vi) What are the suggestions to make consumer organisations work efficiently?
(vii) What lessons can small consumer organisations can have from bigger organisations?
(viii) What is the future of consumer organisations in India?
1.9 Likely Contribution of the Study

Although a number of studies on the topic of the role of voluntary organizations in the furtherance of a particular social movement have been conducted and published, I have not come across any serious study on the topic chosen by me. Once I complete my study by way of visiting these organizations personally, I shall be able to add considerably to the existing literature on the subject and even leave some research gap to be followed and covered by the fellow researchers. It is indeed a challenge and I hope my fellow researchers shall accept it.

1.10 The Chapterisation Plan

**Chapter One** has dealt with the introduction and background of the problem. This chapter will contain the research problem, scope, purpose, importance, need and justification of the study and methodology of the research. Certain research questions have been identified which has been dealt with in the body of the thesis.

**Chapter Two** has been devoted to the study of NGOs. Besides narrating the law and the mandatory discussion on how to form and manage a society, a trust and a non-profit organisation, the chapter has discussed their role in the contemporary society. This chapter has also discussed importance, growth of NGOs.

**Chapter Three** has explored the role that consumer organisations are playing which can be grouped under five categories such as consumer awareness and education, product appraisal, networking with other consumer organisations, complaints, settlements and consumer research. This chapter has also dealt with consumer movement with special reference to development of consumer organisations in India.

**Chapter Four** has primarily aimed at the case study of ten leading consumers organisations. The researcher has selected the consumer organisations, those are actively involved in the consumer movement which include:

(i) Consumer Education and Research Centre (CERC), Ahmedabad
(ii) Consumer Guidance Society of India (CGSI), Bombay
(iii) Mumbai Grahak Panchayat, Bombay
(iv) Voluntary Organisation in the Interest of Consumer Education (VOICE), Delhi
(v) Consumer Co-ordination Council (CCC), Delhi
(vi) Consumer Unity and Trust Society (CUTS), Jaipur
(vii) CANTS Jaipur
(viii) Consumer Association, Chandigarh
(ix) Citizens Awareness Group, Chandigarh
(x) Indian National Consumer Federation, Lucknow

The researcher has personally visited these organisations to collect information and data about their functioning, problems, publications etc. This chapter explains actually what they are doing and which consumer activities they are carrying on.

**Chapter Five** contains a detailed discussion on the difficulties of these organisations. An endeavour has been made to highlight the defects, difficulties or problems that these organisations face while functioning.

**Chapter Six** is inter-connected with the chapter five. Researcher, after knowing the difficulties of these organisations, suggests certain tips for the improvement, proper functioning of these consumer organisations.

**Chapter Seven** summarises the major outcome of the research work and offers some suggestions following out of this.