
Consumer Protection in India

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ABSTRACT

This paper surveys the major developments in the field of consumer protection in India since 1984, when the statutory provisions for regulating unfair trade practices were incorporated for the first time. Among the developments described in the paper is the strengthening of provisions for consumer protection through the amendments to the act regulating restrictive and monopolistic trade practices. Public sector undertakings and co-operative societies have been brought within the purview of the Act, and consumers have obtained the right to participate in inquiry proceedings before the MRTP Commission. Consumers and their associations have been given the right to seek redress of grievances arising out of the violation of certain pieces of legislation, including the Drugs and Cosmetics Act. The Consumer Protection Act, 1986, was enacted in order to provide speedy and inexpensive redress of consumer's grievances.

Need for Consumer Protection

Various stratagems are being employed by manufacturers and traders to exploit the consumers. They are using the process of liberalization as a license. These processes have started demonstrating that amidst the present level of morality the interests of consumers are not safe in the race for showing more profits, making more money.

Increasing evidence has come to light wherein some manufacturers have resorted to reducing the quantity of product in the packages, sometimes playing also with the quality, showing slight reduction in the prices printed on the packages but camouflaging the fact that price reduction is totally out of line with the reduction of the quantity and quality. There has been increasing evidence also of cartels by manufacturers where they are cheating the consumers. Instances of certain inter-company mergers, and mergers with multinationals, have started blatantly hurting the interests of consumers.

In view of the above, much recent government regulation has stressed protection of consumers, while the attitude for many decades

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had been caveat emptor let the buyer beware. Consumer protection regulations are founded on the belief that consumer responsibility is unfair because businessmen are thought to be in a superior position when dealing with individuals and are able to take advantage of them. Consumer protection regulation is thus designed to protect consumers from the business sector; the legislation is designed to establish standards of business conduct in a number of areas. Many of the problems created by monopolies or externalities have encouraged various types of consumer protection regulation.

Approach to Consumer Protection

The approach to the protection of consumer interests in India has proceeded along the following three factors.

- By self - regulation on the part of the business.
- By the united and organized action of consumers.
- By enactment of laws in the interest of consumers without loopholes and proper implementation of such laws.

Legislative Measures

A number of statutory regulations have been brought out by the Government of India to protect the consumer's interests. These aim at:

- Controlling production, supply distribution, quality, purity and pricing of several goods and services.
- Providing consumers with suitable and adequate information about the availability and pricing of goods.
- Cautioning on unfair trade practices resorted to by unscrupulous traders and producers of goods.

These legislative enactments cover various aspects of consumer protection against health hazards, for safety and security, for purity and availability of products at reasonable prices, and so on.

In 1986, a comprehensive law was enacted by the Parliament conferring real and effective protection against various kinds of exploitations and providing for quick and inexpensive redressal of consumer grievances. The act is known as the Consumer Protection Act, 1986, or COPRA in short.

Consumer Protection Act, 1986

The Consumer Protection Act, as its Preamble says, is the Act to provide for better protection of the interests of consumers and for that purpose to make provision for the establishment of consumer's councils and other authorities for the settlement of consumers' disputes and for matters connected therewith. The Act applies to all goods and services unless specifically exempted by the Central Government.

Scope of the Act: The Act covers all the sectors whether private, public or co-operative and the provision in the Act are compensatory in nature. It ensures the following rights of the consumers:

1. The right to be protected against the marketing of goods which are hazardous to life and property.
2. The right to be informed about the quality, quantity, purity, standard and price of goods so as to protect the consumer against unfair trade practices.
3. The right to be assured, wherever possible, access to a variety of goods at competitive prices.
4. The right to be heard and to be assured that consumer's interest will receive due consideration at appropriate forums.
5. The right to seek redressal against unfair trade practices or unscrupulous exploitation of consumers.
6. The right to consumer education.

The Act envisages establishment of Consumer Protection councils at the Central and State levels whose main objective will be to promote and protect the right of the consumers.

Provisions of the Act: The Act provides speedy and inexpensive redressal of consumer grievances and for the purpose envisages three-tier quasi-judicial machinery at the National, State and District levels. At the National level, there is National Consumer Disputes Redressal Commission (known as National Commission); at the State level there is Consumer Disputes Redressal Commission (known as State Commission) and at the District level there is Consumer Disputes Redressal Forum (known as District Forum). The provisions of this Act are in addition to and not in place of the provisions of any other laws for the time being in force.

The Act, as amended in 1993, has laid down that a complain can be made to the court (designated as the consumer forum) in case an unfair trade practice is committed, the goods bought suffer from defects; the services hired or awaited suffer from any deficiency, excessive pricing or the sale of any hazardous goods. The complain can be made by any consumer or any consumer organization.

Limitations of Legislative measures in a country where most of the people are illiterate and live below poverty line, it is too ambitious to expect adequate knowledge of legislative provisions and their rights on the part of the consumers. The businessmen and industrialists on the other hand are always seriously engaged in finding out some loopholes or other in the consumer protection legislation that has been enacted to augment their profits in an undesirable fashion.

Further, mere enactment of any amount of legislation to protect the interests of the consumers by itself cannot serve the purpose. The machinery that is available at present for the redressal of the grievances

of the consumers is available mostly in urban areas. In rural areas there is virtually no mechanism for consumer protection. Even in some of the urban areas it is not so much effective as it should be due to various reasons. The crying 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 of the fraudulent businessmen and industrialists. Self-help is the best help. This realization must dawn on every consumer in the country. It is only then that the consumers in our country can find salvation from their problems. Legislation is no panacea for all the problems of consumers. They have to help themselves.

To sum up, it is not the legislation alone that we can depend upon for safeguarding the interests of the consumers. There should be more awareness, education, understanding and realization of the right and privileges on the part of the consumers and more than anything else a strong organization that will really help in building up a more effective consumerism in our country.

Food Safety and Standards Act

Initiating a new era in food safety, the Food Safety and Standards Act, 2006 came into force across the country from August 5, 2011 making it at par with the international standards. It will ensure improved quality of food for the consumers and censure misleading claims and advertisement by those in food business. The Food Safety and Standards Authority of India (FSSAI), established under the overarching legislation, will lay down science based standards for food items and regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption. As many as 22 States and Union Territories now have Food Commissioners in place as required under the Act, while seven are expected to do so by the time it is enforced.

Consumer Protection: Implications for Good Governance

An effective, efficient and fair implementation of the Consumer Protection Act is one of the conditions precedent for promoting the culture of good governance and thereby ensuring the better promotion and protection of consumer's rights. Generally speaking, the thrust of the good governance movement are efficiency, effectiveness, ethics, equality, economy, transparency, accountability, empowerment, rationality and participation. In view of these requirements of the good governance one can easily and with success establish the correlation with the concerns of Consumer Protection Law and Policies. From the point of view of the concerns of Consumer Protection Law, it may generally be emphasized that the concerns of consumers' rights protection are to ensure fair trade practices, quality goods and deficiency free services with information in regard to quality, quantity, potency, components and price with a view to provide opportunity to the

consumers in regard to their choices. In view of the remedies available to the consumers under the Consumer Protection Laws, there is no doubt that at the end of the day, if efforts of the operators of the law and agencies are genuine and there is a sense of commitment, the culture of good governance would pervade wherein the consumers would feel highly satisfied and there would be no real cause for making a complaint or showing their dissatisfaction in any way. Therefore, the proper and effective implementation of the laws, dealing with the protection of the consumer's rights would promote the cause and concern of the good governance.

Consumer Protection Movement- Future Direction

Consumer protection movement to be effective needs the proactive support of the government, business, organizations of civil society, educational and research institutes. The policies, schemes and programmes of the Government of India through the Department of Consumer Affairs are no doubt useful but their effectiveness finally depends on the involvement of the institutions and the people at large. A number of schemes have already been in operation such as Grahak Jagran, Consumer clubs in schools, promoting involvement of research institutions, universities, colleges, etc, in consumer protection and welfare, etc. Similar schemes and programmes are needed at the State Government level also to provide further impetus to the consumer movement in the country. Organizations of the civil societies are having special responsibility in this regard and so is the case of the educational institutions. Role of educational institutions in consumer protection movement may not legitimately be denied on any conceivable ground. Educational Institutions are, therefore, expected to play a positive role in promoting Consumer Protection Movement. There may be different ways to achieve the objectives of consumer education about their rights and interest. It is said that aware consumer is an asset to the society. Various methodologies are expected to follow such as, seminars, workshops, lectures, discussions, etc, in the area of consumer protection and welfare to give boost to the consumer protection movement in the country.

CONCLUSION

The efficient and effective programme of consumer protection is of special significance to all of us because we all are consumers. Even a manufacturer or provider of a service is a consumer of some goods and services. If both, the producers/ providers and consumers realize the need of co-existence, adulterated products, spurious goods and other deficiencies in services would become a thing of the past. The active involvement and participation from all quarters is necessary to see that the consumers get their due. The need of the hour is for total commitment to the consumer's cause and social responsiveness to consumer's needs. This should, however, proceed in a harmonious manner so that our society becomes a better place for all of us to live in.

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