

2. Consumer Empowerment in India

Jithesh Mon Mullool

Assistant Professor,
Department of Management and Commerce,
Amrita Vishwa Vidyapeetham, Mysuru.

Neethu A. E.

Assistant Professor,
Department of Commerce,
Don Bosco Arts and Science College,
Kannur, India.

Abstract:

A fair and Effective implementation of Consumer Protection Act is of utmost importance to ensure good governance and thereby protect the rights of consumers. If the consumer's rights in relation to purchase and use of goods and services protected, there is no scope for complaints. This situation will ensure customer satisfaction. It is equally important that every customer should be aware of the Customer Grievance Redressal Mechanism. Redressal of customer complaints has also built into Consumer Protection Act. As per the Act, there are various forums where a consumer can apply for grievance redressal. A customer must make use of all the schemes and programs for grievance redressal initiated by the Government. Only when all the rights are exercised, the customer can reach the driving seat.

Keywords: *Consumer Empowerment, Consumer Protection Act*

2.1 Introduction:

Customers are the base of success of all the organizations. Identification and meeting of consumer needs should be the primary aim of any organization's strategy. If customers are the important factor for all stages of organizational process, it will lead to greater customer satisfaction and achievement of its long-term objectives. In this highly competitive era manufacturers are trying to maximise their profit by applying aggressive advertising strategy and marketing practices.

They are forgetting the rights of customers. So that it is very relevant for customers to be well informed about the product or services they are acquiring and protect their interest. Customer empowerment is very relevant because it creates customer loyalty. Before making big purchase, it is very crucial for a customer to check MRP and other product related matters.

In the case of consumer durables, it is more relevant to check date of manufacturing, date of expiry etc before purchasing the goods. Introduction of Consumer Protection Act in 1986 was the initial movement in India for consumer protection.

The government of India has also established various measures and standards for checking the quality of products and services like ISI, Hallmark for Gold ornaments and Silk Mark for silk products. Recently RERA has been introduced as a regulatory measure for protecting the customer from exploiting in the real estate sector.

The CPA 1986 being the foremost legislature for protecting the rights of the customers had become primitive and does not cover rapid changes in the field of consumer market places. So, it was replaced with Consumer Protection Act 2019

2.2 Consumer Protection in India:

In India, the need for consumer protection is paramount in the view of the ever-increasing population and the consequent need for many goods and services of which is no matching supply. India's increased consumer exploitation could be attributed to the lack of education, poverty, illiteracy, lack of information, traditional outlook of Indians to suffer in silence and their ignorance of available legal remedies in such cases.

Consumerism in India is old as trade and commerce. In Koutilya's Arthashastra, there are some references to the concept of consumer protection against exploitation through the manipulation of weights and measures, and adulteration. The same book also provides for the punishment for these offences. When a trader sells inferior commodities by misrepresenting them as superior one or adulterates grains, oils, salts, scents and medical articles with similar articles of lower quality, the said trader is not only to be punished with a fine but also be compelled to make good the loss.

It is the duty of the state to guarantee the right to live with human dignity, free from exploitation, of every one living in it. This right to live with human dignity is enshrined in the Indian Constitution and derives its life's breath from the directive principles of state policy.

According to article 38 of the Indian constitution, the State shall secure a social order for the promotion of the people's welfare and shall effectively work to achieve a "social order in which justice, economic and political, shall inform all the institutions of the national life".

In addition, the State has a duty to raise the level of nutrition and the standard of living to improve public health, and to prohibit consumption of intoxicating drinks or drugs which are injurious to health. This is considered as primary duty of the State.

In a way, every state needs to protect the rights of the consumer and to ensure the use of public utilities in the best possible manner. However, it cannot be ignored that in every nation, there are large segments of people who have insufficient resources to live reasonably good condition of health and decency. If one considers that the society in which they live in has the obligation to provide support and that support is not be seen as a privilege but as a citizen's right, it become imperative that this right be brought within the scope of any law which can be envisaged for consumer promotion.

2.3 Six Rights of Consumers:

Following are the six rights of consumers promoted by Consumer Protection Act

- The right to be protected against the marketing of hazardous goods and services
- The right to be informed about the quality, quantity, potency, purity, standard, and price of goods and services, so as to protect the consumers against Unfair Trade Practices
- Availability of a variety of goods and services at competitive prices
- The right to be heard at appropriate grievance redress forums
- The right to seek redress against Unfair Trade Practices and Restrictive Trade Practices or exploitation in any other way.
- The right to consumer education

2.3.1 Development of Consumer Protection in Indian Context:

- Passing of the Consumer protection Act in 1986
- Passing of the Bureau of Indian Standard Act 1986
- Setting up of the Department of Consumer Affairs in the Central Government, 1991
- Setting up of Consumer Welfare Fund in 1992 for supporting various consumer welfare scheme
- Strengthening the consumer protection legislation in 1993
- Further strengthening of C P A through wide range amendments in December 2002, with effect from March 2003.
- Establishment of Competition Commission of India and passing of Competition Act, 2002 w.e.f. March 31 2003
- Passing of Cigarettes and other Tobacco products Act 2003(Prohibition of Advertising cigarettes and other tobacco products and ban on the sale of tobacco products to minors)
- Setting up of the Food Safety and Standards Authority of India and Passing of the Food Safety and Standard Act, 2006, effective from August 2011
- Consumer Protection Act 2019

2.3.2 Analysis of Cases Disposed by Consumer Courts:

As per the information from the Department of Consumer Affairs, more than 80 % case was disposed in 2016 while during 2019 more than 75% case are disposed. And more than 4.8 lakhs cases are pending in various consumer courts, which is an alarming figure.

When the consumer courts were formed, the main purpose was to provide inexpensive and speedy redressal to consumers, where a consumer could itself plead his/her case in the consumer courts.

Since the law was complex in nature, many consumers started hiring lawyers and there were frequent adjournments by the consumer courts which started delaying the entire adjudicatory process. Analysis of data regarding number of cases disposed by consumer courts shows that the performance of District Consumer Forums was better as 92.05 cases were disposed of.

Table 2.1: Analysis of Cases Disposed by Consumer Courts

Name of Agency	2016		2017		2018		2019	
	Filed	Disposed	Filed	Disposed	Filed	Disposed	Filed	Disposed
NCDRC	7733	6070	10807	5899	9005	6378	623	355
SCDRC	32222	21773	34621	25875	28765	23304	2166	1530
District Forum	132462	113832	122225	107539	119653	96150	8519	6770
Total	172417	141675	167653	139313	157423	125832	11308	8655

Source: www.ncdrc.nic.in

Table 2.2.

Name of Agencies	Cases filed since inspection	Cases disposed of since inspection	Cases pending	% of total disposal
National Commissions	132596	111597	20999	84.16%
State Commissions	943620	818719	124901	86.76%
District Forums	4301258	3959149	342109	92.05%
Total	5377474	4889565	488009	90.925

Source: www.ncdrc.nic.in

2.4 Consumer Protection Act 2019:

The Consumer Protection Bill, 2019 has been passed by the Lok Sabha on July 30, 2019 and Rajya Sabha on August 06, 2019. This Bill was introduced in parliament by the Minister of Consumer Affairs, Food and Public Distributions, Mr. Ram Vilas Paswan.

The basic objective of the Consumer Protection Act, 2019 is to save the rights of the consumers by establishing authorities for timely and effective administration and settlement of consumer's disputes.

The most important feature of the new Act is the provisions for the establishment of a regulatory body, the central Consumer Protection Authority, with wide ranging powers to promote, protect and enforce the rights of consumers. The Authority will be headed by a commissioner and will have five Deputy Commissioners heading five bureaus dealing with

- a. Safety in goods and services
- b. Quality assurance and standards
- c. Enforcement of consumer protection laws
- d. Prevention of unfair trade practices including misleading advertisements
- e. Prevention of consumer detriments and unfair terms in consumer contracts

The Act also aims at improving the functioning of consumer courts and in addition, provides for the establishment of consumer mediations cells attached to the consumer courts at the district and state levels, for quicker resolution of disputes. The law also codifies the liability of manufacturer for the injury, death or any destruction of property caused as a result of a defective product. If enforced well, the proposed new law is sure to revolutionize consumer protection in India. Under the CPA 1986 central government or state government are empowered to file a legal case against manufacturers if they come across defective products, deficiency in service, unfair trade practice, or a restrictive trade practice. But till date we have found that hardly any case has been filed by the Government suo motu. Since the adjudication process in consumer courts is slow, setting up of mediation centres at District, State and National Commissions annexed to the consumer courts can play an important role in delivering justice.

2.5 Recommendations for Improving the Mechanism:

- Supplement the existing redressal system with an active ADR mechanism
- Integrate State Consumer Help lines and consumer Advice Centre to facilitate mediation

- Building a strong consumer information and advisory system
- Strengthening of the current system to make it more efficient for delivering speedier justice
- Effective implementation of CPA 2019 and take adequate measures to plug loopholes with a view to reduce delays and enhance its reach to new areas of consumer issues
- Information technology tools for better delivery of service
- Consumer education and proper awareness of building measures

There is still a long road ahead to ensure effective consumer justice. It is hoped that the CPA 2019 overcome the shortcomings of the existing law and the consumer forums will act expeditiously to end the heavy backlog of cases pending before them, so as to give a boost to the consumer movement in India. It is a known fact that without the people's active participation, the Government, as a lone body, cannot protect consumers from defective products. There are plenty of the laws to take care of consumers and their numbers are constantly increasing. However, it leaves much to be said that their effectiveness has to rely upon the alertness of consumers, and the sincerity of the authorities in their implementation.

2.6 References:

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