

National Consumers Day on 24.12.2015

INTRODUCTION

The nation celebrates National Consumers Day every year on 24th December, of every year. A citizen is a consumer by birth. The entire population of 125 crores in India constitutes the multitude of consumers. Consumers are basic to an economy, because in Keynesian economic parlance the aggregate effective demands determines the level of economic activities of a country. Therefore it is widely held that consumer is the king who oils the wheels of industry, commerce and business. Constitution of India guarantees to us and aims at both economic and social justice. In order to highlight the importance of consumer and to draw the national attention to the rights, welfare and issues facing the consumers, the National Consumers Day is celebrated every year.

Increasing consumerism is a strong indicator of a growing economy. It speaks of higher propensity to spend from the disposable income adding to the aggregate effective demand, which oils the wheels of investment, leads to increased spate of economic activities, growth in employment and increased income at the hands of consumers. Increased economic activities, though initially stokes rising prices and erodes purchasing power of the consumers, it smoothens once the increased investment results in flow of output in the economy.

An important aspect of growing economic activities has been the strides achieved in technology, boosting up trade and commerce on the newer platform of e-commerce/ online shopping rapidly. However, day by day, the consumers are exposed to newer and newer challenges. They run the risk of being swindled of their money, cheated with spurious and substandard goods, and their safety has been at stake.

Today the morning soup of NDTV news dished out information of police having arrested a criminal lady who defrauded crores of rupees of people who saved their money with her, lured by the promise of 5% monthly interest. The Sharada scam is also a glaring example. It is an irony that despite a continuous campaigning by the public agencies to make people/ consumers aware of the deceptive designs, they still fall a prey to such traps. Deficiency in service has been a common complaint of the consumers. Frauds in housing, education and other sectors have often led to a lot of resentment and litigations. Adulteration of food, edible oils, milk, milk products etc have also been a major concern for enforcement authorities, central or states.

PEOPLE'S PERCEPTIONS

An interaction with an average consumer brings to light the common perception that he is helpless at the hands of the industry and business and is at the receiving end. The common grievance is that the Government is doing nothing in this direction. For small grievances like overpricing, substandard and adulterated goods and deficiency of services for small purchases, they prefer to ignore than wasting time, energy and money hopping from one agency to the other in the absence of an efficient, convenient and user friendly mode to channelize their grievance and trust in the system to redress their grievances. It is only when the stake in the purchase is high, they write to the central government for redresses of all their grievances.

ROLE OF THE CENTRAL GOVERNMENT

In view of the aforesaid perception of the consumers, thousands of complaints are landing up at the Department of Consumer Affairs, the central department in the Government which has been assigned the task of determining policy framework, providing requisite legal and regulatory frame work and funding various government organizations engaged in implementation of the policy of the government and providing support to the voluntary consumer organizations running various schemes for the protection and welfare of the consumers as well for effective redress of consumer grievances. The Department of Consumer Affairs is not directly concerned with redress of the consumers' grievances. Generally the States and its agencies such as the Legal Metrology Organisation of the States, the Consumer Disputes Redressal Forums at district level, the branches of the Bureau of Indian Standards (BIS), the Food and Civil Supply Commissioners in the States and overall the entire State Machinery is directly involved in the protection of the rights , promotion of welfare and redress of grievances of the consumers as competent regulatory authorities.. Further, the Voluntary Consumer Organisations working in an area is most relevant to the protection of rights and welfare of consumers.

MAJOR STAKE HOLDERS IN ADDRESSING CONSUMER GRIEVANCES

In discharge of the role of the Central Government, the Parliament has enacted the Consumer Protection Act, 1986. It aims at speedy and inexpensive redress of consumer grievances. The Act provides for establishment of a Central Consumer Protection Council at the centre, State Consumer Protection Council in each State and District Consumer Protection Council at district level as advisory bodies to the government in the matters of protection and welfare of the consumers. Constitution of State Consumer Protection Council and District Consumer Protection Councils is the responsibility of the State Government. These are important organizations as the representatives of the consumers are associated at local level and the problems of the consumers at local levels are reflected in discussions in these councils. It provides an important platform for valuable inputs for the Government.

The Act provides for the following rights to the consumers:

- i) Right to be protected against the marketing of goods and services, which are hazardous to life and property. The purchased goods and services availed of should not only meet their immediate needs, but also fulfil long term interests. Before purchasing, consumers should insist on the quality of the products as well as on the guarantee of the products and services. They should preferably purchase quality marked products such as ISI,AGMARK, etc
- ii) Right to be informed about the quality, quantity, potency, purity, standard and price of good so as to protect the consumer against unfair trade practices. Consumer should insist on getting all the information about the product or service before making a choice or a decision. This will enable him to act wisely and responsibly and also enable him to desist from falling prey to high pressure selling technique.
- iii) Right to be assured, wherever possible of access to variety of goods and services at competitive price. In case of monopolies, it means right to be assured of satisfactory quality and service at a fair price. It also includes right to basic goods and services. This is because unrestricted right of the minority to choose can mean a denial for the majority of its fair share. This

right can be better exercised in a competitive market where a variety of goods are available at competitive prices

iv) Right to be heard is that consumer's interests will receive due consideration at appropriate forums. It also includes right to be represented in various forums formed to consider the consumer's welfare. The Consumers should form non-political and non-commercial consumer organizations which can be given representation in various committees formed by the Government and other bodies in matters relating to consumers.

v) Right to seek redressal against unfair trade practices or unscrupulous exploitation of consumers. It also includes right to fair settlement of the genuine grievances of the consumer. Consumers must make complaint for their genuine grievances. Many a times their complaint may be of small value but its impact on the society as a whole may be very large. They can also take the help of consumer organisations in seeking redressal of their grievances.

vi) Right to acquire the knowledge and skill to be an informed consumer throughout life. Ignorance of consumers, particularly of rural consumers, is mainly responsible for their exploitation. They should know their rights and must exercise them. Only then real consumer protection can be achieved with success.

To ensure that these rights of the consumers are effectively protected and any violation thereof by any one is adequately dealt with expeditiously and in an inexpensive manner, the Act also provides for a three tier quasi-judicial grievance redressal mechanism with National Consumer Dispute Redressal Commission at the apex, a State Consumer Dispute Redressal Commission in each State and a District Consumer Disputes Redressal Forum in each district. The provisions of the Act together with the rules framed under it provide for elaborate procedure regarding its functioning. The State Consumer Disputes Redressal Commission and the District Consumer Disputes Redressal Forum come under the State Government administratively though the overall judicial procedures are under the control of the National Consumer Disputes Redressal Commission (NCDRC), which is a quasi judicial organization under the Central Government.

The Bureau of Indian Standards (BIS) is an autonomous organization under the Department of Consumer Affairs. It formulates standards of various goods and commodities, services and process produced in the country in order to ensure quality assurance of the products to the consumers. The Central Government has enacted the Bureau of Indian Standards Act, 1986. It empowers the BIS to formulate standards, enforce the same and deal with violations thereof with the very purpose of promoting quality assurance, dealing with fake and spurious goods. BIS has a network of twenty five branches all over the country. It has a network of laboratories to test the conformity of the products to the standards, certifies, gives license for production of goods and grants permission to use ISI mark giving quality assurance of the product.

Under the Department of Consumer Affairs, there is also one organization namely National Test House with a pool of scientific talent to test the quality of a product vis-à-vis the notified standard on application from any applicant on payment of the prescribed fee as per the laid down procedure. Its service to the consumers in the area of testing of industrial products bears a lot of significance with five regional offices all over the country to cater to the needs of the industry/business/ consumers of the country.

There is a Legal Metrology Division under the Department of Consumer Affairs, which administers the Legal Metrology Act, 2009 and the rules framed there under such as the Legal Metrology (Packaged Commodities) Rules, 2011. This Division formulates the overall legal framework and regulatory provisions and these are implemented by the Legal Metrology / Weights and Measures Department of the State Governments through the network of its offices in the state. Legal Metrology essentially seeks to ensure that the quantity of goods/ services purchased by the consumers is the same as assured by the seller/ manufacturer and the consumer gets full value for his money. Also it ensures that the seller/ manufacturer declares the Maximum Retail Price (MRP) of the commodity inclusive of all and no commodity is sold to any consumer at a price above the MRP, which is punishable under the Act. A consumer can take up such complaints with the inspector of the Legal Metrology Department of the State Government at district level with the director at State level. The packaged commodity rules also provide that commodities can be sold in standard packs only and violation of the provisions attract penal provisions. It has a network of six Regional Reference Standard Laboratories in the country where the standards of legal metrology instruments are tested and calibrated.

Food adulteration is a big problem for the consumers. The Food Safety Standards Authority of India under the Food Safety Standards Act, 2006 under the Ministry of Health and Family Welfare determines the standards of food items, milk, milk products etc. and administers the same through the network of the Food and Civil Supplies Department under the Food and Civil Supplies Commissioner of a State. It can, suo moto or on a complaint, inspect the inventory of a manufacturer/ seller, collect samples, get it tested in a laboratory and institute penal proceedings against any manufacturer for violation of standards.

Further, different sectors have their own regulators under their respective statutes and rules like the Drugs Controller of India, Insurance Regulator, Banking Ombudsman etc. to address the grievances of the consumers. The Central Government has also enacted the Essential Commodities Act, 1955 and the Prevention of Black Marketing and Maintenance of Supplies of Essential Commodities Act, 1980. The implementation of these two statutes lies with the States who are the main players in controlling prices of essential commodities and preventing black marketing, over pricing and hoarding of these commodities. What is, however, required is awareness on the part of the consumers of their rights and the mechanism/ system available for ensuring enforcement of the same and get the grievances addressed. The Central Government is carrying out a comprehensive campaign through print, electronic and audio-visual mediums, providing funds to the State Government to carry out awareness campaign and penetrate deep into rural areas. Further assistance for forming Consumer Clubs in schools is provided by the Central Government to the States to spread awareness about the rights of the consumers and the mechanism available to enforce their rights and seek redress of their grievances.

The Department of Consumer Affairs provides financial assistance to the Voluntary Consumer Organisations running various welfare and awareness programmes from the Consumer Welfare Fund maintained primarily from the unclaimed money accruing to the account under the Salt Act being administered by the Revenue Department. Out of this Fund also a major part of corpus fund is provided to the States who add their contribution to it and create their own Consumer Welfare Fund. With the interest money that accrue on the corpus the States promote and support various consumer protection and consumer welfare programmes run by the Voluntary Consumer Organisations/ NGO in the States.

CONCLUSION

With the above legal and regulatory frameworks in place and the major stakeholders being the State Governments, the District Consumer Forums, the Legal Metrology Department of the State Governments, the Food and Civil Supplies Commissioners in the States, who are nearer to the consumers and can effectively address their grievances to these agencies, it is better that consumers address their grievances to these agencies who are directly concerned with implementation of the existing regulatory framework instead of addressing their grievances to the Department of Consumer Affairs. The National Consumer Helpline number and the State Consumer Help lines have been widely advertised by the Central Government and the consumers can register their complaints with the State Helplines in their local State language and get guidance for redressal of their grievances. It is, however, heartening to note that the Government of India has initiated a pilot in six places in the country in the name of Consumer Care Centre (Grahak Suvidha Kendra) which will primarily render assistance to the consumers to register their complaints and help them in getting their grievances redressed through modern electronic gadgets using the available technology.

It is also heartening that in a bid to make the Consumer Protection Act and the Bureau of Indian Standards Act sharper and comprehensive based on the experience of operation of the provisions of these Acts, two new legislations in replacement of the existing Consumer Protection Act, 1986 and Bureau of Indian Standards Act, 1986, have been proposed. Accordingly two Bills, the Consumer Protection Bill, 2015 and Bureau of Indian Standards Bill, 2015 have been introduced in Lok Sabha. These will, when enacted, strengthen consumer protection and consumer welfare significantly and in a more effective manner.
