
THE CONSUMER PROTECTION ACT- CORRECTIONS AND RECTIFICATIONS

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ABSTRACT:

The objective of this research paper is to understand the awareness of ‘**The Consumer Protection Act**’ and its effective execution to uphold the rights of the consumers amongst the graduate educated masses. Every human being is a ‘**Consumer**’. The consumer impacts and in turn is impacted by every economic decision whether taken by an individual or a group of people. The consumer is representative in every section of society with no distinction of class, caste, sex, profession, business, service.

Key words: Consumer, Protection Act

INTRODUCTION:

The term consumer is an inclusive definition “since for a living we provide our, services, our entrepreneur skills, to generate products, services that have economic value i.e. demand.’ This results in generation of revenue resources for ourselves, improves our economic ability to place demand for goods & services that have potential to improve our life style. This ultimately results to ‘**Consumerism**’.

Increase in consumer goods accompanied by rising incomes has accelerated consumerism and resulted in the need for consumer organizations to analyse the products and services and challenge rouse businessmen. Consumerism is a universal phenomena and our interdependence on different sections of the populous has made the consumer more vulnerable. Scrupulous businessmen have realized that the affluent community is easy preys to marketing their products/services.

The consumer finds himself a victim of unfair trade practices; be it adulteration of goods, use of technical jargons, false advertising, warranty in place of guarantee, deficiency in services etc... He is exploited as he is vulnerable due to lack of awareness, process, procedure that could be due to literacy levels or indifference. The nation’s progress is parameter on the basis of the extent in the true sense the protection that the consumer receives.

The Consumer Protection Act, 1986 is an important piece of legislation enacted to provide effective safeguards to consumers against various types of exploitations and unfair dealings that relies on mainly compensatory rather than a punitive or preventive approach. The consumer protection act has developed a well placed organizational setup both at the central, state level and district level for the redressed of consumer grievances and promotion of standard of goods and services etc... and for expediting an ‘inexpensive settlement’ of consumer disputes. To spread consumer awareness the government has established consumer protection council. Their success depends on consumer level vigilance about their rights and responsibilities.

An average Indian consumer is noted for his patience and tolerance. Perhaps because of these two traditional traits, he considers the receipt of defective goods and services as an act of fate or unfavourable planetary position in his horoscope.

Very often he is exploited, put to avoidable inconveniences and suffers financial loss. It is rather paradoxical that the customer is advertised as the ‘king’ by the seller and service provider; but in actual practice treated as a slave or servant.

The Consumer Protection Act, 1986, Amendment 2002 is a strong piece of legislation for consumers. Evidence of research in a very comprehensive way seems lacking. Literature seems to revolve on the structured organizational working mechanism for the Consumer Protection Act implementation and the loopholes that need to be plugged. Research on awareness seems to be multifold by most researchers, some focusing on geographic area, some on age groups et al. the field that remains largely unexplored is the need to study the awareness of a given class of people that has achieved the highest level of education that is graduation in the Indian context and exploring further based on their professional qualification skills and service that they provide their awareness and willingness to enforce their rights as enshrined in the Consumer Protection Act.

The objective being that the graduate educated masses come from various fields i.e. advocates that provide legal service, doctors that provide medical services, teachers that provide educational services, engineers involved with infrastructure and machine building, chartered accountants providing financial tax services, graduate bankers providing banking services and home makers that provide service to families.

Each of these educated masses found themselves performing dual roles one of producer of goods and services and the other of a consumer. Having knowledge of their individual professions, their awareness is sought to be gauged and their willingness to use the Consumer Protection Act as a tool to redress their grievance is sought to be monitored. The objective behind this research is ultimately to understand the area that needs to be strengthened that will make the Consumer Protection Act an effective tool if awareness and willingness can be made to complement each other.

The Consumer Protection Act being an excellent piece of legislation appears ineffective mainly due to its lack of use that is due to lack of awareness which is a consequence of illiteracy. This lack of awareness results into the consumer being directionless as to the path he needs to undertake to pursue if in case he is cheated, provided he knows that he has been cheated. It reinforces the need to educate the consumers by bringing about awareness and building up their attitude towards being willing to enforce their due rights.

Growth in economy has resulted in increase in the purchasing power of the middle class section. **'The literate graduate class'** which is the largest segment of the consumerist population. We have the intelligentsia who do not act in consortium in the spirit of the law; possibly being wise by getting things repaired incurring additional cost. Deficient services being reapplied & paid & obligating the providers of goods and services to do the same may be due to the fast paced life in the city, lack of time, burdensome responsibilities, work culture, income level accessibility etc.... This has necessitated the study of awareness about the Consumer protection act amongst this class.

HISTORICAL PERSPECTIVE:

Consumer movement or consumerism has been a sustained effort of the past civilization which continues in the present 21st Century. The consumer movement has been working relentlessly to position the customer in a strong bargaining position. In the past few centuries the religious heads or states dominated; having a major stake and say in regulating the affairs of the market with the central character the consumer lost out of sight. A fair price was of prime concerns in the past centuries to help consumers.

The Tudor dynasty brought about regulations in conduct in the medieval markets. To prevent monopolistic tendencies legislations were enacted to protect the consumer. The 19th century observed price controls to regulate prices, in the 21st century it revolves along a political agenda to heighten consumer conscience against rouge businessmen.

OBJECTIVES OF THE PRESENT RESEARCH PAPER:

- To study the importance of the Consumer Protection Act and its effective execution to uphold the rights of the consumer.

- To understand the ineffectiveness of the Consumer Protection Act.
- To understand the most likely amendments and measures to arrest the violations.
- To study the relationship between various professional classes and their awareness of consumer rights as enshrined in the Consumer Protection Act.
- To study the relationship between various professional classes and their willingness to execute their consumer rights if and when required.

UTILITY OF THE PRESENT RESEARCH PAPER:

- To check if there is any correlation between the type of profession, their awareness & willingness to implement the consumer rights.
- Understanding from conclusions derived the level of awareness in relations to their rights as a consumer being an educated mass.
- To find out as to why violations are not pursued by the educated consumers.
- To impress upon the stakeholders the need for pursuing consumer violations.
- An attempt being made to arrest the violations by suggesting simple do's and don'ts for the consumers before they make their final purchases.
- Any need for amendments in the act in terms of the organizational structure, methodology to be applied for filing the consumer grievances.
- Any need for amendments in compensation, fines, penalties, interest that will act as a deterrent for producer/seller/service provider & as an incentive for the consumers.

FINDINGS OF THE PRESENT RESEARCH PAPER:

The research has helped to conclude that there is no correlation between the type of profession and the awareness and willingness about the consumer protection act amongst the graduate educated masses. In other words we can say that, profession does not affect the awareness or willingness about Consumer Protection Act.

The findings show that the non awareness the non-willingness to fight when cheated is observed at 30% for graduate literate professionals this conclusively points towards indifference amongst the professionals. It appears fearful since if literate masses shudder and appear incompetent to take on rouge businessmen, then it will be nearly impossible to expect the illiterate/ undergraduate masses to act when cheated, amongst the graduate masses is very high across professions.

- **Graduate teachers** who are the educators and attitude builders that shape young minds in the development of the country are ignorant of the consumer protection are not acceptable.
- **Bankers** showed Non-awareness about consumer protection act as well as about their rights this disturbing as well, as they are a major constituent of the financial sector, and caretakers of our financial deposits, their ignorance can cause irreparable economic loss to their clientele. The findings showed an unawareness level of 63% average for the entire sample population but the most disturbing findings was that of all the professionals groups the
- **'Lawyers'** at 64.5% were equally unaware or should it be put as 'ignorant' that we do not require a legal luminary to lodge our consumer complaint under the consumer protection act. In fact this is the only Act that permits the complainant to represent and argue his case before the appropriate authority besides a special fund has been created which can be availed of by complaints to be used as fees to reimburse NGO groups that represent the complainants. It is specifically observed that the lawyers averaging 17% also shy away from complaining when cheated its really surprising they being in the profession of law.
- **Doctors** showed utter ignorance themselves abed indifference in guiding their patients about the Consumer protection act specifically at the time of purchase of medicines and their lack of willingness to pursue when confronted with contaminated products.
- **Chartered Accountants and Engineers** are negligent in their purchases and procurement of the documents and goods from the seller on their purchases and they are unwilling to pursue when short changed becoming indifferent may be due to lack of time or its monetary worth.

- **Homemakers** who are majorly involved in such situations would be most aware of the Consumer rights; but it's not the case as per the survey. In fact it shows that Homemakers show a relatively lower awareness and willingness about the Consumer protection Act. Emotional purchases are observed for the entire sample graduate population, which is not healthy. It is observed that the highest defaulters on awareness happen to be graduate homemakers in comparison to the other professions.

The younger age group is perceived to be skilled and knowledgeable with the use of new communication and technological skills but if we observe the relation between the 'age' and 'awareness about consumer protection act' and 'willingness about Consumer protection act' then we find that young professional consumers are comparatively not aware about consumer protection act and are reluctant to fight for their rights.

If we observe the case studies, we can conclude that most of the highly qualified consumers are ignorant that 'service' is also included as a consumption factor and thereby enforceable under consumer protection act.

Findings based on interview shows that the consumer courts have been taking unduly long periods of time in solving disputes at their level i.e. more than the period as stated in the Act. The mechanism of filing complaints being tedious causes tremendous loss of time to harried consumers due to the working hours of the consumer forums that need to be urgently revised so as to make it convenient for all class of consumers.

The infrastructure i.e. the number of forums as per the population density is found to be inadequate, specifically in metropolitan cities. The number of Presidents and members for the bench are found to be insufficient. The procedure and the process of accepting and admitting complaints are unduly botched with technicalities which makes consumer retract his complaint even though willing.

The retailer acts as the intermediary between the consumer and business men and this has resulted in containing the number of complaints in the consumer forums. The consumer's with their meagre resources find it difficult to fight against the rich, powerful, rouge businessmen who employ legal luminaries to defend them against consumer complaints thus acting as deterrents.

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The study helped in offering constructive and realistic recommendations to improving and bringing about awareness and willingness amongst consumers to make the Consumer Protection Act more effective and meaningful for the common citizenry.

Unawareness and unwillingness amongst literate graduate professionals calls not just a soul search about the dismissive method of spreading literacy but no education in the True sense but the introduction and execution of measures on a war footing in an ever evolving technologically changing environment. As a researcher some suggestions and recommendations that can be offered is threefold.

CONSUMER EDUCATION:

Children and teenagers needs to be the focus group for disseminating consumer education as they are vulnerable group that are targeted by rouge businessmen, as they are gullible and possess large amount of surplus funds. This group emotionally influences the purchase of their peers/parents and as this group will move into parenthood with the passage of time. Consumer education becomes all the more critical. Consumer education should be incorporated into educational program for lifelong

learning in their school/college curriculum and special credit points are awarded to those successfully completing it. The consumer education programs objective, content and delivery should keep pace with innovation in technology as purchases are moving on from physical markets to online marketing portals. All professional courses be it doctors, lawyers should be permitted to commence practice provided they have made themselves educated in Consumer protection act duly certified by a regulatory body. This will delete and diminish the rouge businessmen from the system.

CONSUMER EDUCATION FOR SUSTAINABLE CONSUMPTION:

The school/College curriculum should incorporate sustainable lifestyles and environmental consequences of the choices consumers make. The business community should be encouraged to educate consumers about their products ability to promote sustainability objectives with special incentives from the government and regulatory authorities.

CSR AS A TOLL FOR EFFECTIVELY IMPLEMENTING CONSUMER PROTECTION ACT:

Recommendation for amendment to Companies Act 2013: Social responsibility towards society can be complimented with goods and services that endure to enhance living standards without compromising with values and ethics in the interest of consumers. The Ministry of Law & Corporate Affairs should legislate in the interest of the consumer who is the **'with all'** and the **'thee all'** for obligating companies to comply with the rule 49 and rule 135 of the Companies Act 2013.

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