

## DEVELOPMENTS IN INDIAN CONSUMERISM AND CONSUMER PROTECTION IN INDIA

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### **Abstract**

*This paper analyses 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. The process of development coupled with increasing liberalization and globalization across the country has enabled consumers to realize their increasingly important role in society and governance. However, concentration of the market power in the hands of a select few has affected consumers' behavior over time. In a developing country like India where the incidence of poverty and unemployment is very high and the level of literacy is very low, the people face a volume of problems, particularly in the context of consumer related issues. Unlike in the developed world, consumers in these countries have not been able to play a greater role in the development process. In this paper an analysis has been to explore the consumer protection and consumerism in India.*

**Key words:** Consumer Protection, Consumerism, Right to Safety, Consumer Education, Redressal.

### **Introduction-**

The consumers are lifeblood of the economic phenomenon. The object of all production of traders is to increase the number of consumer for buy the product. The redressal system for safeguard, promoting & protecting consumer welfare. Role of consumers is pivotal in success or failure of any business or trade. Because without the consumer there will no business survive in all over the world. In this research paper research is critically analyzing & examine nature of consumer protection & grievance redressed system for safeguard, promoting & protecting consumer welfare.

In India the consumer movement started since 1960 which travelled to reach to middle class consumers in 1980. For making consumer protection act commenced in January 1986. This act provides better protection of the interest of consumers & for that purpose to make provision for establishment of consumer councils & other authorities for the settlement of consumer disputes & for matters connected therewith. The Act provides expeditious & efficacious machinery for economical settlement of consumer disputes. This act comes into force since 24<sup>th</sup> December, 1986.

### **Object of the Consumer Protection Act-**

The object of the Act is for redressed of grievance of consumers. To protect the interest of consumers against the exploitation by traders or manufacturers. To protects the consumers from unfair trade, practices, exploitation by unscrupulous traders or manufactures to protect consumers from unfair trade practices, exploitation by unscrupulous traders or manufactures of goods. This Act provides three tier grievances i.e. District Forum at district level, State Forum at state level and National Commission at national level

### **Indian Historical Scenario of Consumer Protection-**

In ancient India consumer protection had deep roots in rich soil of Indian civilization in 3200 BC. The rulers were interested in regulating social conditions as well as the economic life of the people made many trade restrictions for protect and promote the interest of buyers.

Even in the ancient India Manu smriti describes socio political and economic conditions of society. The ancient law gives wrote on ethical trade practices. Such as code of conduct to traders and specified punishments to those who committed offences against buyers.<sup>1</sup>

Even in “Kautilya’s Arthashastra” is considering a prominent source describing various theories of statecraft and right and duties of subject in ancient society. Though its primary concern is with matters of practical administration protection of consumer have prominent place in Arthashastra that describes role and functions of state for regulating trade and prevention of crimes against consumers.

In medieval era the consumer protection has given preference by king. During Muslim rule prices of commodities were determined by local conditions. That means prices fixed by sultan.

In modern era, British period old traditional system replaced by legal system of India. They have introduced administer justice. In this era consumer interest provisions enacted such laws provided specific legal protection for consumers.

In free India, consumer protection legislations enacted. The Consumers Protection Act 1986 enacted for the protection of consumer interest.

### **Legal Aspect on Consumer Protection-**

#### **1. The Code of Criminal Procedure, 1973:-**

In this criminal law provides provision for protect the consumer. In section 153 of the code provides that a station-house officer of a police station without warrant enter any place within the limits of such station for the virtue of inspecting or searching for any weight so measures or instruments for weighing, used or kept and when there is reason to believe that in such place weights, measures or instruments for weighing or false.

#### **2. Indian Penal Code, 1860 (Section 272 to 276):-**

In sections 272 to 276 of this act provides prohibited adulteration in food or drink for sale, sale of noxious food or drink, adulteration of drugs, sale of adulterated drugs and sale of drug as a different drug or preparation and provided punishments in order to deter the criminal, dealing with adulteration of food or drinks, sale of adulterated articles, sale of drugs representing by them that are showing different drugs or preparation what they are in fact.

#### **3. The Dangerous Drugs Act, 1930:-**

This Act was checking the misuse of habit forming drugs like morphine and opium. Morphine and Opium might not become articles of common consumption, and use of those intoxicants was prohibited and restricted and it brought beyond the scope of consumers.

#### **4. The Drugs and Cosmetics Act, 1940:-**

This Act was passed for regulate the import, manufacture, distribution and sale of drugs. In this Act, license to manufacture or sell any of the articles mentioned in the Act, was made obligatory, so that common consumers may not be bluffed and be supplied proper drugs and cosmetics. Penalty for manufacture, sale etc. of drugs in contravention of this act which is provided in Sections 27 and 30. The Magistrate can impose enhanced penalties under Section 36.

#### **5. The Drugs Control Act, 1950:-**

The Act empowered the Government to control sales, supply and distribution of drugs and to fix the maximum price which may be charged for the drugs. The object of this Act is to ensure that certain essential imported drugs and medicines may be sold at reasonable price.

#### **6. The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954:-**

This Act prohibited advertisements of drugs for certain diseases such as blindness, heart disease, paralysis, etc. for saving the common consumers being duped and damaged in their health and life.

#### **7. The Prevention of Food Adulteration Act, 1954:-**

The Act protects the consumers from food adulteration. It prohibits the manufacturers from selling or storing to sell or distribute any adulterated food, misbranded food, selling food without license. Health authorities are given ample powers to check food adulteration in various fields.

#### **8. The Essential Commodities Act, 1954:-**

This Act provides for control of production, supply and distribution of essential commodities like coal, petroleum, adulterated food; (ii) any misbranded food; (iii) any article food for the import of which a license is prescribed, except in accordance with the conditions of the licence and (iv) any article food in contravention of any other provision of this Act, or any rule made there under. sugar, cement, kerosene oil, food grains, vegetable oils, drugs, soaps, matches, etc. Under the Act, the State governments have been delegated powers to ensure that the dealers display on their shops or business houses pricelists, stock position and issue cash memos. Also deterrent measures have been provided against economic offenders.

#### **9. The Trade and Merchandise Marks Act, 1958:-**

This Act provides the registration and better protection of trademarks and for the prevention of the use of fraudulent marks on merchandise. The object of the Act is to protect trade interests and prevents deception of consumers by misuse or abuse of trade marks.

#### **10. The Monopolies and Restrictive Trade Practices Act, 1969:-**

It protects the interests of the consumers in an indirect way from an adverse market. An institution under the name, the Monopolies and restrictive Trade Practices Commission has been created by the Act. The commission is given wide powers to investigate and make orders for modification or cancellation of restrictive trade agreements, having effect of the increasing of cost of production. The Act sought to confer an important right on an individual consumer and a voluntary consumers Association to file a complaint before the commission and of being heard by it on receipt of a complaint in this required in the Act, to institute regular inquiry

into any restrictive or unfair trade practice alleged by individual consumer association behalf of commission.

#### **11. The Standard of Weight and Measures Act, 1976:-**

The Act prohibits manufacturers any use of non-standard weight and measures. This Act along with standard of weights measures (packaged commodities) Rules, 1977, made it compulsory that the names and addresses of the manufacturer or packer, name of the commodity, net quantity, month and year of manufacture and sale price of the commodity to specified on the package.

#### **12. The Prevention of Black- Marketing and Maintenance of Essential Supplies Act, 1980:-**

This Act seeks to check black marketing of essential supply of goods by traders. It gives for severe punishments in case of violation of the provisions of the Act. It provides for detention of black marketing and maintenance of supplies of commodities essential to the community.

#### **13. The Consumer Protection Act, 1986:-**

This Act sought to provide better protection of the interests of consumers and for that purpose, made provisions for the establishment of consumer councils and other authorities for the settlement of consumer disputes and for matters connected therewith.

#### **14. The Competition Act, 2002:-**

This Act is replaced in the place of the Monopolies and Restrictive Trade Practices Act, 1969 and some other legislation. The aim of this Act is to develop competition between traders for the welfare of the consumers.

#### **15. The Food Safety and Standards Act, 2006:-**

This Act is enacted by the policy makers to ensure availability of safe and wholesome food for human consumption. The Parliament after holding that it is expedient in the Public Interest that the Union should take under its control the food industry. This Act applies to every undertaking, whether public or private, carrying out any activity, relating to any stage of manufacture, processing, storage, transportation and distribution of food, whether for profit or not. It also applies to any of the food services, catering services and sale of food and food ingredients.

#### **16. The Legal Metrology Act, 2009:-**

According to this act weighing or measuring the product in course of trade. State has undertaken to regularize the standard of weights and measures used to sell or distribute goods by weights, measure or number. This Act further bolsters the consumer interest by mandating the sellers to strictly abide by the rules and regulations of metrology

#### **17. Constitution of India:-**

The consumer protection Acts which are specifically deals with consumer protection there are some other provisions in the Indian Constitution which assists Consumers to protect their rights. Article 38, 39, 39-B, 42 and 47, 14, 249, 261 of the Constitution may be looked into for the assistance of Consumers. Even though the Indian Government has enacted various legislations for the welfare of the consumers, they are ignorant people and unaware of the rights and privileges provided to them by the various provisions. So they would not be in a position to combat the evil for the eradication of which the law came into existence. Also there

are certain other problems in the society which leads to deceive the ignorant consumers. When compared to the Western and European Countries, where the Consumerism had its origin primarily, in India the percentage of utilization of the respective provisions of the Act and various Laws are found to be minimal and Government is spending huge amount for the system built-up of the consumer grievances redressal but due to monitoring lapses of the implementing machinery resulting in clouds in smooth process of awareness built-up and its utilization.

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