

CONSUMER PROTECTION IN URBAN HIMACHAL PRADESH: A CASE STUDY

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Introduction

Every one of us is a consumer. Right from the stage of embryo unto one's death and even after, all living beings are consumers.¹ Consumer is the focal point of all the activities. In fact, he is the very basis which supports superstructure of all operations in the society. ² Consumers are the largest economic group in every country. Consumers play a very significant role in the economic development of a country. In fact consumers are the pillars of the economy.³ We all are consumers and a conscious consumer is nation's wealth. But in the present socio-economic scenario, we find that consumer is a victim of many unfair and unethical tactics adopted in the market place. The consumer who was once the 'KING OF MARKET' has become the victim of it. He is not supplied adequate information as to the characteristics and performance of many consumer goods and suffers due to the unfairness of many one-sided standard forms of contracts. The Caveat Emptor-'let the buyer beware' doctrine of the law concerning the sale of goods, assumed that the consumer was responsible for protecting himself and would do so by applying his intelligence and experience in negotiating the terms of any purchase.⁴

The Indian Consumer Protection Act of 1986

The Indian legal system experienced a revolution with the enactment of the Consumer Protection Act of 1986, which was specifically designed to protect consumer interests. The Act is an important piece of legislation in safeguarding the interest of consumers.⁵ The Act is a comprehensive legislation with its main thrust on giving speedy redressal and compensation to the consumers.⁶ The Consumer Protection Act was passed on 5th December, 1986. It received assent of the President on 24th December, 1986. This Act

1 Consumer Education, "Consumer Protection" Quarterly publication of Consumer Educators Network (CENET), No.2, Consumer Rights Education and Awareness Trust (CREAT), Bangaluru, April-June, 2009, P.3.

2Sansar Singh Janjua, "Administrative Machinery for Consumers' Interests: An Analytical study" The Indian Journal of Political Science, Vol. LXVIII, No. 3, July-September, 2007, The Indian Political Science Association (IPAS), Meerut, PP. 523-532.

3 Asha Bajaj, "Consumerism in Haryana with special reference to the role of different interest groups" PhD Thesis, submitted to the M.D. University Rohtak, P.1.

4 Smith and Dennis Swann, "Protecting the Consumer an Economic and Legal Analysis" Consumer Protection in India, V.L.H. Publishers Pvt. Ltd. New Delhi, 2003, PP. 8-9.

5 Chandra Kant Sharma, "Consumerism and Consumer Movement in India" Role of Consumer Organisations in Consumer Protection, Kanishka Publishers, New Delhi, 1995, P. 32.

6 V.K. Agarwal, "The Consumer Protection Act, 1986" Consumer Protection in India: With Special Reference to Restrictive and Unfair Trade Practices, Deep and Deep Publications, New Delhi, 1989, P.467.

was amended in the year 1991, 1993 and 2002. The Act extends to the whole of India except the state of Jammu and Kashmir.⁷

Objectives of the Study

The study was focused on the prospects of the consumer protection in Shimla City of Himachal Pradesh. The main objectives of the study are:-

- To evaluate the changing profile of the consumers in Shimla.
- To study the level of awareness, of consumers on Consumer Protection Act, Consumer Rights and Consumer Courts.
- To evaluate the consumers behaviour and practices while purchasing goods or services.
- To draw conclusions from the study and suggest for better protection of the consumers.

Selection of the Study Area

The present study was conducted in the Shimla City of Himachal Pradesh. In Himachal Pradesh, there are 10 main towns and Shimla town shall be specifically selected as the sample because it is the largest town out of these and has the status of Corporation and is main trading center.

Methodology

The data required for study has been collected from both primary as well as secondary data. In the present study in order to collect the relevant information, the investigator herself developed and standardized a interview schedule for consumers and key officials. Hundred (100) sample respondents were selected as sample from general public from by random sampling. To analyse and interpret the collected data researcher was used the statistical technique as percentage (%). Analysis of data was done by counting the total number of responses regarding each statement separately. These frequencies were turned into percentage and were interpreted. Data pertaining to opinion of general public regarding consumer protection agencies, Consumer Protection Act 1986 in Shimla city is analysed in following Tables

Table-1 :Purchasing of Domestic Goods from Specific Shopkeepers

Purchasing of Domestic Goods from Specific Shopkeepers	No. of Respondents	Percentage
Yes	40	40%
No	60	60%
Total	100	100%

Source: Primary Data

The above table clearly indicates that 40% respondents of total sample population sated that they purchase domestic goods from specific shopkeepers because of

⁷ Sukanta K. Nanda, "Rights of the Consumer vis-à-vis Medical Negligence and the Consumer Protection Act" NYAYA Deep, The Official Journal of NALSA, vol. IX, Issue-3, July 2008, PP. 41-43.

reasonable/fixed rates, better quality of goods, known to us/friendship, facility of home delivery, attractive packing, nearest to home etc.

Purchase of Quality Goods

We buy a variety of goods and services in our day-to-day life. Whatever we buy we pay for it and derive satisfaction from its consumption and use.

Table -2 :Purchase of Quality Goods

Purchase of Quality Goods	No. of Respondents	Percentage
To Large Extent	50	50%
To Some Extent	30	30%
Occasionally	20	20%
Not at All	–	–
Total	100	100%

Source: Primary Data

Analysis of table reveals that 50% of respondents purchased quality goods to large extent. While 30% stated that they purchase quality goods to some extent because of high prices. But 20% respondents purchase quality goods occasionally because quality goods are out of their reach.

Vigilant During Purchase

In today's changing market scenario, there is an increasing necessity of empowering the consumers through education and motivation regarding their rights and responsibilities. He/she should be equipped to be fully vigilant.

Table -3 :Vigilant During Purchase

Vigilant During Purchase	No. of Respondents	Percentage
To Large Extent	25	25%
To Some Extent	65	65%
Occasionally	10	10%
Total	100	100%

Source: Primary Data

Table 3 clearly indicates that 65% of respondents were remain vigilant to some extent while purchasing and 25% remain vigilant to large extent. Only 10% were remain vigilant occasionally and did not bother and just purchase and saw the quality/cost of the product at home. The table indicates that majority of respondents were remain vigilant and shows concern about quality, quantity, purity, packing, MRP, expiry date etc. to some extent.

Asking for Cash Memo/Bill

Along with cost consideration, consumer must be cautious of the quality of the product and cash memo of the purchased goods.

Table -4 :Asking for Cash Memo/Bill

Asking for Cash Memo	No. of Respondents	Percentage
Yes	33	33%
No	67	67%
Total	100	100%

Source: Primary Data

The table depicts that 67% respondents did not ask for cash memo/bill and only 33% of respondents ask for cash memo/bill. The table indicates that majority of respondents were not aware about the importance of cash memo/bill because of which they did not file a complaint in case of any defect and unable to get required benefit/relief.

Demand of Guarantee/Warranty Cards

A warranty (also called a guarantee) is an assurance about the quality of goods or services we buy and is intended to protect us if something we purchase fails to live up to what we were promise.

Table -5 :Demand of Guarantee/Warranty Cards

Demand of Guarantee/Warranty Cards	No. of Respondents	Percentage
Every Time	30	30%
Some Time	60	60%
Not at All	10	10%
Total	100	100%

Source: Primary Data

The table reveals that majority of 60% respondents stated that they demand Guarantee/Warranty cards some time not usually. Only 30% respondents demanded Guarantee/Warranty cards every time they purchased. But 10% respondents were of the opinion that they never demanded Guarantee/Warranty cards because of their unawareness, illiteracy, ignorance, hurry etc.

Vigilant about ISI Trade Mark during Purchasing

With the objective of satisfying the consumer in terms of product quality, the Bureau of Indian Standards (BIS) has undertaken various quality marks like ISI, AGMARK, Hallmark etc.

Table -6 :Vigilant about ISI Trade Mark during Purchasing

Vigilant about ISI Trade Mark during Purchasing	No. of Respondents	Percentage
To Large Extent	65	65%
To Some Extent	30	30%
Occasionally	5	5%
Not at All	–	–
Total	100	100%

Source: Primary Data

The Table 6 indicates that 65% respondents were vigilant about ISI and other marks during purchase. The table also reveals that 30% respondents were remain vigilant about the ISI mark during purchasing to some extent. And 5% respondents were remain vigilant occasionally. The table shows that majority of people were remain vigilant about the ISI, Hallmark, AGMARK marks etc.

Influence of Advertisements on Consumers

Advertisement is the major source of marketing. Person from every age watch advertisements and advertisements puts an impact on consumer's mind.

Table -7 :Influence of Advertisements on Consumers

Influence of Advertisements on Consumers	No. of Respondents	Percentage
To Large Extent	60	60%
To Some Extent	20	20%
Occasionally	10	10%
Not at All	10	10%
Total	100	100%

Source: Primary Data

The table highlights the fact that out of 100 respondents 60% respondents were stated that they had purchased goods after been influenced by the advertisements. While 20% stated that they purchased because of the influence of the advertisements to some extent and 10% stated that they purchased occasionally because of advertisements. And 10% not influenced by the advertisements. An analysis of the table makes it clear that people buy products by being influenced by the advertisements.

Awareness Regarding Provisions of Consumer Protection Act

Consumer Protection Act can be described as common man's Civil Court and MRTP Act for the poor. The Act is an important piece of legislation in safeguarding the interest of consumers.

Table -8 :Awareness Regarding Provisions of Consumer Protection Act

Awareness Regarding Provisions of Consumer Protection Act	No. of Respondents	Percentage
Yes	40	40%
No	60	60%
Total	100	100%

An analysis of the table 8 reveals that the majority of people 60% respondents were not aware about the provisions of the Consumer Protection Act, 1986. Only 40% were aware about the provisions of Consumer Protection Act, 1986.

Awareness Regarding Rights of Consumers

In today's scenario it's quite essential that we should be always aware of our rights and duties.

Table -9 :Awareness Regarding Rights of Consumers

Awareness Regarding Rights of Consumers	No. of Respondents	Percentage
Yes	30	30%
No	70	70%
Total	100	100%

Source: Primary Data

The table reveals that the majority of 70% respondents were not aware about their rights as consumers despite the fact that most of them were well educated and qualified. The table shows that only 30% respondents were aware about their rights only because they have heard or read from somewhere like newspapers, books, magazines, friends, family, radio, television talks or some other sources.

Awareness Regarding Consumer Courts

The Consumer Protection Act, 1986 provides for the establishment of three- tier quasi-judicial machinery at the District, State and National level for redressing consumer grievances.

Table -10 :Awareness Regarding Consumer Courts

Awareness Regarding Consumer Courts	No. of Respondents	Percentage
Yes	52	52%
No	48	48%
Total	100	100%

Source: Primary Data

The above table depicts that 52% respondents told that they were aware of the consumer courts. While 48% respondents stated that they were not aware about the consumer courts.

Lodging/Filing of Complaint in Consumer Courts

For redressal of consumer grievances a complaint must be filed with the appropriate forum.

Table -11 :Lodging/Filing of Complaint in Consumer Courts

Lodging/Filing of Complaint in Consumer Courts	No. of Respondents	Percentage
Yes	45	45%
No	55	55%
Total	100	100%

Source: Primary Data

The above table shows that out of total 100 respondents 55% respondents opined that did not lodge/file complaint in Consumer Courts. While 45% respondents stated that they lodge/file complaint in Consumer Courts. The table depicts that majority of people did not file complaint because of the lack of initiative on the part of consumers to take action against suppliers/sellers.

Seeking Help to File/Lodge Compliant

The consumer court system of our country is one of the most putrid, decadent, impersonal and sluggish systems in the world.

Table -12 :Seeking Help to File/Lodge Compliant

Seeking Help to File/Lodge Compliant	No. of Respondents	Percentage
Yes	45	45%
No	55	55%
Total	100	100%

Source: Primary Data

An analysis of the above table makes it clear that 45% respondents form the total 100 respondents stated that they seek help to file/lodge complaint in Consumer Courts because of their busy schedules, most consumers avoid pleading by their own and take help from lawyers, NGO's, concerned governmental department, political leaders etc. Most of the respondents 55% did not file/lodge complaint because of their negligence, unawareness, lack of initiative (consumers avoid being involved in litigation for small amount), delay in decisions etc.

From the analysis and interpretation of the data it was concluded that, the sole concern of the Consumer Protection Act is the welfare of the consumers. Majority of respondents had opinion that they purchased domestic goods from different shopkeepers. People try to purchase quality goods but quality goods were out of the reach of normal persons because of increasing rate of inflation and unemployment. People were not aware of available redressal machinery and when they felt cheated they didn't know where to file their complaint. The importance of cash memo/bill was not realized by the consumers without which they did not file a complaint in case of any defect and unable to get required benefit/relief. People were remain vigilant about the ISI mark because of government's initiatives and awareness programmes. Advertisements put an impact on consumer's mind and people buy products by being influenced by the advertisements.

Findings

On the basis of study various findings came out. These findings are summarized as following:

- Majority of 75% respondents had stated that they found defect in purchased goods. Thus, the respondents felt cheated and didn't know where to file their complaint: to main supplier, shopkeeper and to consumer forum. That indicates that people were not aware of available redressal machinery.
- Majority of 65% respondents were remained vigilant and showed concern about quality, quantity, purity, influence of advertisement, attractive packing, MRP, expiry date etc. to some extent.

- Majority of 67% respondents did not ask for cash memo/bill. It may be because of the reason that they could save time and Value Added Tax (VAT) by not taking the bill.
- Majority of 60% respondents demanded Guarantee/warranty cards occasionally and not always. They did not demand Guarantee/Warranty cards because of unawareness, illiteracy, ignorance, hurry etc.
- Majority of 60% respondents had purchased goods after having been influenced by the advertisements.
- Majority of 60% respondents were not aware of the provisions of the Consumer Protection Act.
- The Consumer movement is still in the nascent stage in Shimla City as awareness about the consumer redressal forums and consumers rights remains low even in major town.
- Majority of 77% respondents had doubt about that the consumer courts helps the consumers to enjoy necessary powers and rights provided by the Consumer Protection Act.
- The people did not file complaint because of the lack of initiative on the part of consumers to take action against suppliers/sellers.
- The consumers seek the help to file/lodge complaint in consumer court because of their busy schedules, most consumers avoid pleading by their own and take help from lawyers, NGO's, concerned governmental department etc.
- The respondents were not satisfied with the Shimla city consumer forum's staff. It may be because of non-cooperative and unhelpful attitude of staff.
- Quality goods were out of the reach of common people because of increasing rates of inflation and unemployment.
- Business community lack ethical and legal obligations to maintain quality of the products or services.
- The consumer redressal agencies like consumer forum do not have requisite infrastructure, as a result forum is hamstrung functioning effectively.
- The annual report of the district is not up to the mark and not maintained separately.
- There is no active NGO spreading awareness about the consumer rights and redressal forums in the Shimla City.

Thus it can be concluded that the general public is not fully satisfied with the working of Consumer Redressal Agencies and the Consumer Protection Act. But despite of all these problems we cannot deny the fact that Consumer Protection Act is a mile stone in the history of socio-economic legislation and directed towards public welfare and public benefits.

Suggestions

Government should make efforts to aware the consumers about the available redressal machinery and their responsibilities. So, that the consumers keep it in mind that they should not buy inferior stuff out of greed for less prices and cooperative with the government.

It is necessary to educate consumers on their rights and responsibilities as consumers, to make them vigilant, rational and aware buyers.

Consumers in Shimla City prefer to take cash receipt/memo only to some extent. Always collect bill at the time of purchase because without it consumers will not be able to exercise their rights as a consumer and seek redressal before the consumer court.

The consumers should always demand Guarantee/ warranty cards from the shopkeepers because in case the goods purchased are of inferior quality or some defects appears and bothers the customers, this document will be of great help in settling all kinds of dispute with the seller.

The advertisement bombarded on the consumers make them quite confused and hence again a need for consumer guidance. Government should make a strict and effective policy to compel the company to provide information regarding price, quality, availability, nutritional contents about the product.

There is a great need to make consumers aware of their rights by organizing and conducting seminars, workshops and group discussions etc.

In order to make the Shimla City Consumer Forum's staff more cooperative, efficient and responsible there is urgent need to develop new norms of inspections, supervision and management techniques, in-service training etc.

Consumer Redressal Machinery/Agencies should be kept away from the politics. In the District Forum an environment should be created for the growth of independence and honest work.

The quality testing laboratories should be set-up in as many places in Shimla City as possible so that consumers have easy and free access to them.

In order to purchase quality goods the consumers should look for the standard quality certification marks like ISI, Agmark, FPO, Hallmark etc.

Consumers must be made to inculcate in themselves the habit of buying goods only after verifying the quality, purity, price, weight, packing, manufacturing date, expiry date etc.

In the interest of vast consuming masses, it is necessary to establish a new institution of Consumer Ombudsman.

To conclude consumer protection is equated with filing complaints in consumer forum and getting compensation for defective goods, products and for deficiency in service. The Consumer Protection Act, 1986 is a socio-economic legislation to protect and promote the interests of consumers in a unified and effective manner. The Act provides

effective, people oriented, broad based and efficient remedy to consumers against unfair dealings and exploitation.

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