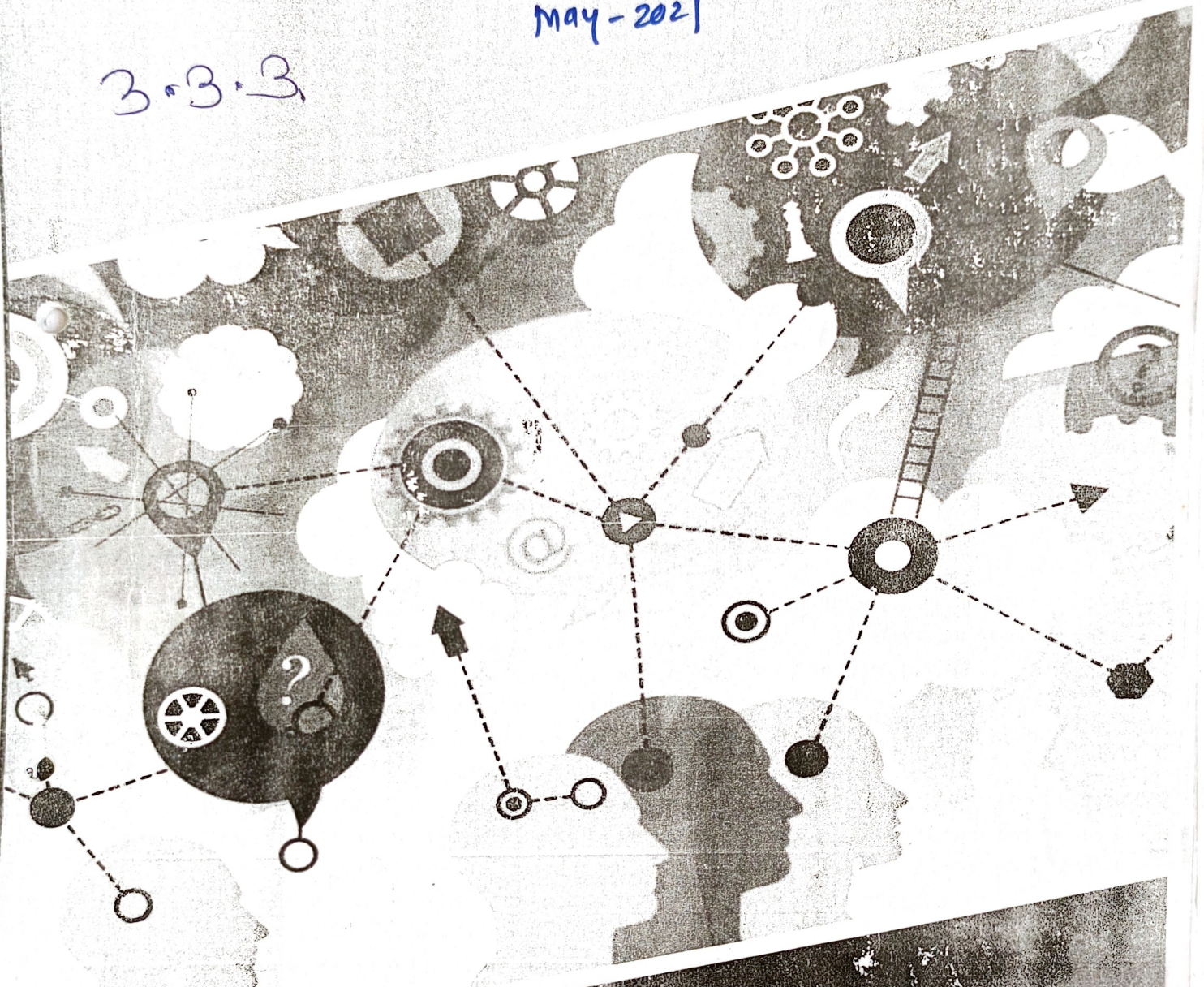


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# A Study of the Consumer Protection Act 1986.

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## Abstract

The present paper analyses the awareness level of consumers towards various consumer protection legislations enacted in India to protect the interest of consumers. Besides the protection granted under Indian Constitution, the Indian Government of India has passed a number of statutory regulations to and amended from time to time to put more teeth into the enforcement machinery to ensure better protection of the consumers' interests. Various statutes intended to protect the consumer against different forms of deceit, injury and exploitation were enacted. Nearly one third consumers were partially aware and slightly more than one third consumers never heard about these legislations. CPA, 1986 and Sales of Goods Act, 1930 got the highest scores of awareness among all legislations.

**Keywords:** Consumer, Consumer Awareness, Consumer Protection.

## Introduction

Various legislative or regulatory measures and non legislative measures were taken up by government, consumer organizations, consumer clubs, business houses and consumers themselves in the past to protect the interests of consumers. Some of these do not mention the consumer interests specifically but do provide consumer protection in some way or the other. Consumer protection is a group of laws and organizations designed to ensure the rights of consumers as well as fair trade, competition and accurate information in the marketplace. The laws are designed to prevent businesses that engage in fraud or specified unfair practices from gaining an advantage over competitors. Government of India has passed more than three dozen laws and amended them from time to time to put more teeth into the enforcement machinery to ensure better protection of the consumers' interests. The role of these laws to protect the interest of consumers has been far from satisfactory. This is partly due to the fact that the consumer is ignorant of the different laws, orders and rules in force. He does not really know that there are laws for consumer welfare. Even if he knows their existence, legal procedures are so complicated, irksome, expensive and time consuming that he gives up the idea of going to courts. When a consumer is aware about these legislations and other provisions and exercises them at appropriate time and place then it is very difficult for any business to exploit them. India is a big country where a majority of consumers are poor, helpless and disorganized. It is imperative to enforce consumer protection legislations strictly to check malpractices; adulteration and production of sub standard goods etc. It requires awareness on the part of consumers for proper enforcement of these laws.



## Review of Literature

The study needs to understand the gap in research hence the following significant work done on the various aspects of consumer protection and awareness by various researchers has been reviewed here.

**Sivaprakasam and Rajamohan (2001)** conducted a study which covers the awareness and attitude of rural and urban consumers and an appraisal of legal measures taken by the Govt. for consumer protection. The study was conducted at Tamilnadu. Quota sampling method was used for different areas of Tamilnadu. It revealed that the urban consumers have more awareness than rural consumers. The socio-economic factors like sex, marital status, age, educational qualifications, occupation and income have different role to play in relation to consumer awareness. The researchers have suggested various ways to improve the awareness of consumers, effective implementation of Consumer Protection Act (CPA), effective performance of CPA and effective functioning of VCOs. Nearly 60% of the respondents engaged lawyers and only 20.8% filed their cases directly.

**Kaur (2003)** conducted a study in Ludhiana city to know their awareness regarding Consumer Protection Rights, Acts, Consumer Protection Services, role of consumer protection organizations in empowering women consumers and to prepare guidelines (booklet) for empowerment of consumers. More than 80% of women were not aware of various consumer rights. Very few respondents sought justice for their grievances by approaching consumer courts. Awareness regarding various consumer protection laws was also very less. Nearly all the respondents (98.0%) were not aware of relief provided to consumers under CPA, 1986.

**Kaur, Dhillon and Batish (2005)** conducted a study to know the awareness of urban women regarding consumer protection legislations, services rendered by consumer welfare organizations and extent of utilization of these services by women. The total sample for the study comprised 250 women consumers of Ludhiana city. The results indicates that more than 80 percent of women were ignorant about consumer rights. Only 9.6 per cent of respondents were aware of CPA and District Consumer Forums, whereas just 3.2 per cent could tell about various non-government consumer protection organizations working in Ludhiana city.

**Mittal and Gupta (2013)** aimed to analyze the consumers' awareness and utilization of consumer rights given under CPA. Further, it checked the consumers' knowledge about documents required at consumer forums to file consumer cases. It was concluded that the level of awareness of consumer rights was high among the respondents. Respondents with high education level and high level of income were more aware as compared to those having poor education level and low income level. It was surprising to note that even the level of awareness of consumer rights was high but the utilization of these rights was not observed at very good level. It is evident from above literature that no comprehensive study was undertaken in recent past in Haryana on the opinion of consumers with respect to assessing the awareness of various legislations enacted in India to protect the interest of consumers. Objective of the Research This paper is designed to look into the problems and challenges in implementation of Consumer Protection Act in the state of Haryana.



Accordingly, the study seeks: To assess the awareness level of consumers towards various legislations enacted in India to protect the interest of consumers.

## The Consumer Protection Act

The Consumer Protection Act establishes a regulator for consumer affairs for the first time. The regulator shall comprise of a chief commissioner and other commissioners. The regulator shall have an investigation wing of its own. The major functions of the regulator shall be as follows:

1. Inquire or cause an inquiry or investigation to be made into violations of consumer rights or unfair trade practices, either suo motu or on a complaint received or on the directions from the Central Government;
2. File complaints before the District Commission, the State Commission or the National Commission, as the case may be, under this Act;
3. Intervene in any proceedings before the District Commission or the State Commission or the National Commission, as the case may be, in respect of any allegation of violation of consumer rights or unfair trade practices;
4. Review the matters relating to, and the factors inhibiting enjoyment of, consumer rights, including safeguards provided for the protection of consumers under any other law for the time being in force and recommend appropriate remedial measures for their effective implementation;
5. Recommend adoption of international covenants and best international practices on consumer rights to ensure effective enforcement of consumer rights;
6. Undertake and promote research in the field of consumer rights;
7. Spread and promote awareness on consumer rights;
8. Encourage non-Governmental organisations and other institutions working in the field of consumer rights to co-operate and work with consumer protection agencies;
9. Mandate the use of unique and universal goods identifiers in such goods, as may be necessary, to prevent unfair trade practices and to protect consumers' interest;
10. Issue safety notices to alert consumers against dangerous or hazardous or unsafe goods or services;
11. Advise the Ministries and Departments of the Central and State Governments on consumer welfare measures;
12. Issue necessary guidelines to prevent unfair trade practices and protect consumers' interest. The establishment of a regulator along with an investigative wing shall prove to be a major milestone in the protection of consumer rights.

## Conclusions and Suggestions

The present study dealt with the analysis of awareness level of consumer in respect of various legislations enacted in India to protect the rights of the consumer. Among the 16 prominent consumer protection legislations presented, nearly one fourth consumers were fully aware of these legislations. Nearly one third consumers were partially aware and slightly more than one third consumers never heard about these legislations. CPA,



1986 and Sales of Goods Act, 1930 got the highest scores of awareness among all legislations. Drug and Cosmetics Act, 1940 and Prevention of Food Adulteration Act, 1954 got moderate scores. Fruits Product Order, 1955 and Essential Commodities Act, 1955 got least score of awareness. In spite of various legislations enacted by government, it was consumers' ignorance which was posing the challenge for their proper implementation. Respondents also gave few suggestions when asked for suggestions for better awareness and protection of consumers. They suggested that Government must take necessary steps for strict implementation of laws. Something needs to be done for poor people as filing the case will increase the complications of their life. Modern consumer protection measures like websites, helplines must be given wider coverage in media including rural communities. A special T.V. channel on awareness to various laws can be started. Door to door campaign may be started to aware the consumers.

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