

## CONSUMER EDUCATION IN INDIA

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### **ABSTRACT:**

*Without proper education a consumer cannot claim his right. This is the most important right a consumer that Right to 'Consumer Education.' This right contains the provision to acquire knowledge and skills needed to make informed, confident choices about goods and services, while being aware of basic consumer rights and responsibilities and how to act on them. The right to acquire the knowledge and skills necessary to be an informed consumer. The responsibility to take advantage of consumer opportunities. Take action by attending seminars and workshops, work to ensure consumer education takes place in schools. Consumer awareness and education is meant to ensure that the consumers have easy access to the knowledge and skills to be an informed consumer. Thus, the right to consumer education envisages the right to knowledge and skills needed for taking actions to influence factors, which affect consumers' decisions.*

**Keywords:** *Right to 'Consumer Education.'*

### **INTRODUCTION:**

There is no legal framework establishing the right to consumer education nor are there guarantees in the Constitution. The Union and state governments, however, have accepted the introduction of consumer education in school curriculum and progress has been made in some states. Furthermore, the Government of India, through the Consumer Welfare Fund (CWF), supports consumer educational programmes undertaken by consumer groups or state governments. The Consumer Club scheme was launched in the year 2002, with funding from CWF, has the objective to educate children about the rights of the consumers, protection of their rights, and to strengthen the consumer movement in the country. The media has also been playing an important role in this context. Consumer education faces the universal problem of matching limited resources against an infinite need. Moreover, in a large country like India, with multiplicity of languages, the problem is of larger dimensions.

**OBJECTIVE:**

To discuss about the consumer education scenario in India.

**METHODOLOGY:**

It is completely based on literature review related with the laws of India to educate the consumers.

**RESULT AND DISCUSSION:**

We live in a consumer society. Consumption is an important part of our everyday life and uses up a significant proportion of our money and of our time. This consumer society is changing very rapidly. Ever since the mid-twentieth century consumers have faced major changes in their lifestyles and consumption habits due to different cultural, social, economic and technical influences and factors. The increasing mobility of populations, production of new items and services, new purchasing Methods and information, availability modify perceptions and alter loyalties. This has lead to individuals constructing their identities in ways different from the past. Consuming is for most individuals a natural 'and accepted way to construct identity'. I am what and how I shop. This development has created the need for consumers who can interpret relevant information and corporate messages in order to make prudent choice. Yet, due to the enormous amount of products and services available and to the variation in the quality of products and services, consumers may not always be able to meet their personal needs effectively. Moreover, commercial development constantly creates new artificial needs. Not all consumers will critically filter messages from industry and from the advertising sector.

- (1) Consumer Need Consumer Education.
- (2) Consumer Need Information and Education.
- (3) Business Needs Consumer Education.
- 4) Society Needs Consumer Education.
- (5) Consumer Protection Laws and Consumer Rights:

The concern in the Indian Constitution for protection and promotion of an individual's rights, and for the dignity and welfare of the citizen makes it imperative to provide for the welfare of the individual as a consumer, a client and a customer. The rights under the Consumer Protection Act, 1986 flow from the rights enshrined in Articles 14 to 19 of the Constitution of India. The RTI, 2005 which has opened up governance processes of our country to the common public also has far reaching implications for consumer protection. The consumer protection policy creates an environment whereby the clients, customers, and consumers receive satisfaction from the delivery of

goods and services needed by them. Good governance requires efficiency, effectiveness, ethics, equality, economy, transparency, accountability, empowerment, rationality, impartiality and participation of citizens. The concern of consumer protection is to ensure fair trade practices; quality of goods and efficient services with information to the consumer with regard to quality, quantity, potency, composition and price for their choice of purchase. Thus, proper and effective implementation of consumer protection law promotes good governance.

Education is the most powerful tool for the progress of the country and is a social and political necessity. Education helps an individual—as a consumer—in making rational choices and protects him from trade and business-related exploitation. But more is needed for the effective functioning of the national market to create an increased level of awareness of consumer rights and for these consumers has to be educated about rights and responsibilities through concerted publicity and awareness campaigns.

*(i) The Indian Penal Code, 1860:* Section 264 to 267 of the Indian penal code relate to the fraudulent use, possessing and sale of false weight and the resulting punishment.

*(ii) The Indian Contract Act, 1872:*

The Indian Contract Act sowed the seeds of consumer protection. The Act deals with the buyer's right to annul agreement made without free consent and to claim damages for the loss and damage caused by breach of contract. But these contracts should be in writing; otherwise it would be difficult to prove the exact terms and conditions thereof, subsequently.

*(iii) The Poisons Act, 1919:*

The Poisons Act regulates the importation, possession and sale of Poisons and empowers notification of certain substances as poisons.

*(iv) The Dangerous Drugs Act, 1930:*

The Act seeks to centralise and vest with the Central Government the control over certain operations relating to dangerous drugs. It prohibits operations like, cultivation of the coca plant or gathers any portion of the coca plant, manufacture or possession of prepared opium, unless it is prepared from lawfully possessed opium; or import into India, export from India, transship or sell prepared opium. Further the Central Government exercises control over the production and supply of opium.

*(v) The Sale of Goods Act, 1930:*

Sections 12 to 18 of the Sale of Goods Act of 1930 provide consumers with certain basic rights in relation to the sale of goods.

**(vi) *The Agricultural Produce (Grading and Marketing) Act, 1937:***

Under the Act, the Central Government is empowered to make rules regarding prescription of grade designation as indicative of the quality of any scheduled article included in the Schedule to the Act.

**(vii) *The Drugs and Cosmetics Act, 1940:***

The main objective of the Act is to ensure that the drugs and cosmetics are of the required standards of quality, purity and strength and are packed in containers giving all necessary information about them and their manufacturer.

**(viii) *Fruits Products Order, 1946:***

The Fruits Products Order, 1946 provides for compulsory licensing of manufacturers of fruits and vegetable products to ensure minimum standards in respect of quality, packing, labeling and sanitary conditions. For production and sale of fruit and vegetable products like jams, jellies, squashes, pickles, processed vegetables and synthetic beverages licensing is compulsory. Manufacturers have to comply with conditions laid down for labeling, packing and marking as well as comply with the hygienic conditions and quality requirements.

**(ix) *The Drugs (Control) Act, 1950:***

The Act further provides power of search and seizure, of unauthorized drugs and disposal of drug offences. The Act seeks to ensure that certain essential imported drugs and medicines are sold at reasonable prices. The Act also empowers the maximum quantity of these products, which a person may possess.

**(x) *Industries Development and Regulation Act, 1951:***

The Act provides for the development and regulation of certain industries by licensing them; establishing development councils with very wide functions; empowering investigation and collection of statistics relating to industrial undertakings; and issuing control orders relating to supply, distribution and price of certain articles.

**(xi) *The Indian Standards Institution (Certification Marks) Act, 1952:*** It prescribes specification for most of the manufactured commodities, which are export-oriented as well as for the home market.

**(xii) *Prevention of Food Adulteration Act, 1954:***

One of the most harmful, deceitful and unfair trade practices indulged in by middlemen, which affects consumers badly is adulteration of foodstuffs, were also limited. The scenario, however, changed with the adoption of Sacher Committee's recommendations and thereby adding to the armory of powers of the M.R.T.P. Commission the authority to issue injunction in respect of monopolistic trade practices and also to award damages in respect of restrictive and unfair trade practices. The year 1984, thus, marked the beginning of a new era in the history of consumer protection in India. The objective of preventing concentration of economic power to the to the common detriment is sought to be achieved by the Central Government through examination of proposal for substantial expansion, establishment of new undertakings, mergers, amalgamation etc. registered under the Act.

**(xiii) The Code of Criminal Procedure, 1973:**

Section 153 of the Code empowers a station-house officer of a police station without warrant to enter any place within the limits of such station for the purpose of inspecting or searching for any weights or measures or instruments for weighing, used or kept and whenever there is reason to believe that in such a place weights, measures or instruments for weighing are false.

**(xiv) The Water (Prevention and Control of Pollution) Act, 1974:**

The Act prohibits or restricts the discharge of industrial waste into rivers, streams and wells, on order to prevent and control water pollution and thereby to maintain the purity of water. Both fine and imprisonment have been provided for the violators of this law.

**(xv) The Cigarettes (Regulation of Production, supply and Distribution) Act, 1975:** This Act aims to regulate the trade and commerce, production, supply and distribution of cigarettes. Smoking of cigarettes is harmful to health. It creates a health hazard for the smoker as well as those around him.

**(xvi) Standards of Weights and Measures Act, 1976:**

It prohibits the manufacture of non-standard weights and measures, storage and the use of non-standard weights and measures and counterfeiting of seals.

**(xvii) The Air (Prevention and Control of Pollution) Act, 1981:**

The Air Pollution Prevention Act provides for the prevention, control and abatement of Air Pollution. In case of contravention of any of the provisions of the Act, punishment and fine will also be imposed.

**(xviii) Household Electrical Appliances Quality Control Order 1981 and 1988:** The Act promulgated under Section 3 of Essential Commodities Act, 1955, prohibits the manufacture, sale and storage of 40 household electrical appliances (like rubber, insulated cables, electrical shaver, thermostat for the use of water heater etc.) if they do not confirm to the standards prescribed by the Bureau of Indian Standards. Further, the Household Electrical Appliances Quality Control Order, 1988 provides for compulsory certification of seven of these household electrical appliances namely electric iron, water heater, radiator, stove switches, three-pin-plug and sockets. This order safeguards the right to safety of the consumers covered in the Consumer Protection Act.

**(xix) The Narcotics Drugs and Psychotropic Substances Act, 1985:** This Act has consolidated and amended the Law relating to the narcotic drugs and made stringent provisions for the control and regulation of operations relating to narcotic drugs and psychotropic substances and other related matters.

**(xx) The Bureau of Indian Standards Act, 1986:**

The law was enacted in order to develop the activities of standardization, marking and quality certification of products. In this way the interests of the can be protected and promoted. The Bureau of Indian Standards has been

constituted under the Act. Section 10 lays down its functions. The Bureau may exercise such powers and perform such duties as may be assigned to it by or under the Act.

**(xxi) Environment Protection Act, 1986:**

The lacunae and procedural difficulties involved in implementing the various central and state anti-pollution laws led to the enactment by Central Government of the Comprehensive Environment Protection Act in 1986. The Act is the most comprehensive piece of legislation relating to environment as it (i) contains a very wide definition of environment (ii) empowers the Central Government to take strict actions and (iii) provides for penalties for various offences. The declared objective of the Act is to provide for the protection and improvement of environment and for matters connected therewith.

**(xxii) Consumer Protection Act, 1986:**

It may be mentioned at the outset that anyone interested in the task of consumer protection movement has to be well versed in various laws and not merely with the Consumer Protection Act, 1986.

He should have knowledge of laws relating to Contract, Tort, Railways, Telegraphs, Telephones, Post, Air Travel, Insurance, Electricity, Water, Housing, Medicine, Banking, Finance, Engineering, Motor Vehicles, Hotel Industry, Entertainment, Cooperative Societies, Tourism Agencies, Sales Tax, Central Excise, Limitation, Transport etc. There is no limit to subjects, which may come before a Consumer Forum / Commission for decision. In addition, one should also be well versed with the laws relating to unfair trade practice and restrictive trade practices.

Except for the Monopolies and Restrictive Trade Practices (MRTP) Act all the other Acts were mainly punitive and preventive in nature. The consumer could not seek remedy or redressal against the offending trader or manufacturer and negligent, careless providers of services.

• **ASPECTS OF CONSUMER EDUCATION:**

Consumer education is about living and sharing. It involves knowledge, skills, values and social responsibility. There are four aspects of consumer education.

1. **Informed Choice:** Consumer education must be functional.

2. **Value Systems:** Consumer education must include the development of a value system. We must learn how to share and care. Such education should enable consumers to consider seriously and carefully the environmental and social impacts of their economic decisions and the sustainability of the eco-system in supporting life on this planet.

3. **Recognition of responsibility and rights:** As consumers we want to buy goods that are safe, durable and at reasonable prices. As workers, we may be contributing to the production of shoddy goods, which are unsafe and unacceptable from an informed consumers 'perspective.

4. **Catalyst for Action:** Consumer education must catalyze action.

All governments should be urged to incorporate consumer education as a mandatory part of the basic school curriculum. Consumers International and its members should promote the importance of consumer education programmes both to government and international agencies, and develop greater contacts with the media and use it for implementing programmes.

In certain situations, consumer education is found in various subjects in the school curriculum. Some education authorities find this to be better way of conveying the Concept of consumer rights and consumer protection to students. In other situations, consumer education is an independent subject within the school curriculum. A critical analysis of different national school curricula however reveals that in certain situations, consumer education is totally missing or grossly misrepresented in school curricula. Education systems must reflect the demands of social justice; contribute to heightened social awareness, solidarity and organizational capacity, especially among the more disadvantaged sectors of society. Today, very young children have enormous direct and indirect spending power. Not only do they receive pocket money and birthday presents, but they influence parental spending on household goods and foodstuffs. Early consumer education is important in giving children the skills and knowledge to participate responsibly and effectively in the market place while also contributing to the development of sustainable consumption in the society. It is in school that civic awareness is shaped and schools are fertile ground for moulding the mind of future consumers. There is no doubt that the integration of consumer education into the formal school curriculum can be of immense benefit to societies. Students already make consumer choices in school cafeterias, canteens and local shops and kiosks. Students for example should be educated to distinguish the needs from wants, to budget their spending and to make informed choices about the goods they buy. Surely, the growing market products, services and advertising aimed at the young consumers makes consumer education in the formal schools all the more necessary. Furthermore, consumer education has been proven to be an integral contributor to the development of an individual. It is therefore absolutely necessary that universal provision of this vital knowledge be realized to ensure that all citizens have an equal start in life. It is from this understanding that the United Nations Guidelines for Consumer Protection stress the need to incorporate consumer education to become an integral part of the basic curriculum of the educational system.' Governments should develop or encourage the development of general consumer education and information programmes, bearing in mind the cultural traditions of the people concerned. The aim of such programmes should



be to enable people to act as discriminating consumers, capable of making an informed choice of goods and services, and conscious of their rights and responsibilities. In developing such programmes, special attention should be given to the needs of disadvantaged consumers, in both rural and urban areas, including low-income consumers and those with low or non-existent literacy levels. Consumer education should, where appropriate, become an integral part of the basic curriculum of the educational system, preferably as a component of existing subjects. Consumer education and information programmes should cover such important aspects of consumer protection as the following:

- a. Health, nutrition, prevention of food-borne diseases and food adulteration;
- b. Product hazards;
- c. Product labelling;
- d. Relevant legislation, how to obtain redress, and agencies and organizations for consumer protection;
- e. Information on weights and measures, prices, quality, credit Conditions and availability of basic necessities; and
- f. As appropriate, pollution and environment.

Governments should encourage consumer organizations and other interested groups, including the media, to undertake education and information programmes, particularly for the benefit of low-income consumer groups in rural and urban areas. Business should, where appropriate, undertake or participate in factual and relevant consumer education and information programmes. Bearing in mind the need to reach rural consumers and illiterate consumers, Governments should, as appropriate, develop or encourage the development of consumer information programmes in the mass media. Governments should organize or encourage training programmes for educators, mass media professionals and consumer advisers, to enable them to participate in carrying out consumer info.

- **GOVERNMENT SCHEMES FOR EDUCATING CONSUMERS:**

The Department of Consumer Affairs, Government of India, has introduced a number of schemes for spreading awareness among the Consumers and also educating them about their rights as provided in the Consumer Protection Act, 1986. The Department of Consumer Affairs has been assigned the prime responsibility of consumer education, protection and monitoring the prices and availability of essential commodities. The Department has launched a publicity campaign to create consumer awareness and strengthen the consumer protection mechanism. The other initiatives taken by the Department include: -



- Computerization and computer networking of consumer forum.
- Strengthening Consumer Forum.
- National Consumer Helpline
- Consumer On-line Research and Empowerment Centre.
- Goldhallmarking.
- Regulating future markets.
- Setting up of consumer clubs.
- Strengthening of weight & measurement organizations.
- Comparative testing of products.
- Laying down of standards through Bureau of Indian Standards.

However, the institutions of higher learning, particularly the research institutions and the universities have remained untouched by these schemes. There is no doubt that these institutions can play a meaningful role in creating awareness and also educating the young consumers about their rights and obligations as well as to fill the gap in terms of research studies in the area of consumer protection and consumer welfare. Therefore, the Department of Consumer Affairs, Government of India has launched a scheme to promote the involvement of Research Institutions, Universities and Colleges in consumer protection and consumer welfare.

***(1) Amount of Grant:***

Under the Scheme, grant will be sanctioned by the Indian Institute of Public Administration, New Delhi from the Consumer Welfare Fund to the Research Institutions, Universities and Colleges for undertaking research projects and the amount of grant will vary as per the requirement of the project, within the ceiling of Rs. 3.00 to 5.00 lakh per research project. The Scheme does not cover expenditure on basic infrastructure, building, foreign travel and purchase of major equipments. The Department of Consumer Affairs has initiated a large number of consumer centric schemes based on the following three fundamentals: -

- Consumer should be able to assert his/her rights- for this purpose he/she should be aware of what to expect from the service providers (including manufactured goods). This calls for increase in consumer awareness. The vehicle for doing so, inter alia, is to promote consumer movement so that it permeates into the mindset and thus consumer welfare becomes an integral part of public policy and functioning of the government, public and private sectors.

□ □ Standards and conformity Assessment– To enable the consumer to assert his/her rights it is necessary that he/she must be able to benchmark his/her expectations of quality services or products against certain pre-determined levels. That is where the installation of a comprehensive quality infrastructure with state of art integrated system of standards, legal metrology and conformity assessment aligned to the best international practices assumes a special significance.

□ □ Should the consumer find the quality of service or goods deficient when benchmarked with pre-determined or prescribed standards, he/she should have recourse to relatively inexpensive and quick method of redressal. This means that consumer grievance redressal mechanism is an integral ingredient in asserting consumer rights.

***(2) Strengths and weaknesses:***

The Department is small one compared to the task it has at hand. All activities affect the consumer finally in some way or other. As per Allocation of Business there are different ministries undertaking activities which has a direct bearing on consumer. There is no mandatory system to get prior clearance of this department before any new scheme or project is initiated. Consumer protection is still of a lower priority among the State governments. As a result sufficient funds are not allocated for infrastructure and other recurring expenditure. This affects implementation of schemes.

***(3) Learning agenda:***

Need to understand and find out the basic deficiencies in the enforcement of CP Act 1986 especially in the functioning of Consumer Forum and the councils at State and Dist. Level Enforcement of BIS standards and bringing more products and services under mandatory regime. Uniform implementation of weights and measures and upgrading of Regional labs to National accreditation status Understand best practices in other countries in providing consumer protection, product safety, ADR procedures.

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***(4) Role of Government:***

As awareness of consumer protection Act and other related Acts are very low among the consumers Government both Central and State Government have got a major role to play in this regard.

**CONCLUSION:**

Amendment of Consumer Laws Consumer laws need to be modified once in every 2 years according to the changes in the market. Penalties need to be increased higher to create fear among business organizations to go for exploitation and to raise the voice of consumers in the country. Government should emphasize universities to include consumer Acts and laws as a compulsory subject in Schools and colleges including professional and medicinal courses of various disciplines to create awareness among the students at their younger ages. It should allocate funds to conduct free seminars to create awareness among the general public at different places of urban, semi-urban and rural limits. The table below projects the number of Consumer Clubs in Government should create more awareness advertisement on consumerism and telecast it in all regional channels at frequent intervals to create awareness among urban and rural people. Steps taken by the Government in this regard are from satisfaction. Consumer magazines and newspapers need to be published and sold at all parts of the country to create awareness on the functioning of consumer courts, cases solved, giving details on number of cases filed each day, cases for trials, judgments should be published and like.

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