
CHAPTER IV RIGHTS OF CONSUMERS

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CHAPTER IV

RIGHTS OF CONSUMERS

"The true source of Rights is duty.
If we all discharge our Duties, Rights
will not be far to seek".

-- MAHATMA GANDHI

"There has been far too much emphasis on
rights and far too little on obligations;
if obligations were undertaken, rights
would naturally flow from them".

--JAWAHARLAL NEHRU

The concept of consumer rights was mooted on 15th March 1962 by John.F.Kennedy when he was President of United States of America.

15th March is celebrated every year as **Consumer's Day**.

The Chairman of Hindustan Levers Ltd., Mr. T. Thomas, pointed out rightly, "while the producer has the power or the right to design the product, distribute, advertise and price it, the consumer has only the power of not buying it"¹

Mr. Kennedy declared that every individual has a right to safety, right to be informed, right to choose and right to be heard.

Following are the rights of consumers:

1. **Right to Protection of Health and Safety.**

Consumer should be ensured of safety in respect of products purchased by him. There are unsafe products, unstated dangers in products performance and inadequate service after sale. Right to safety means protection against the marketing of goods that are unsafe to health or life.

A consumer can't see, smell, touch, or taste the radiation emanating from his television set or the pesticide residue in his food. Dangerous toys and unsafe tyres have been sold. It was on this point of dangerous products that today's consumerism was launched when Ralph Nader started his crusade to increase the safety of automobiles.²

With the advance of science and technology, consumer products have become highly complex and intricate.

While not directly related to product safety, a major product complaint is poor product quality backed up by confusing and worthless warranties.

Parts fall off cars, zippers jam, meat products are adulterated, commuter trains run late, telephones don't work, wash and wear clothing really needs ironing, appliances don't perform as advertised. Such occurrences are sufficiently frequent to arouse consumer wrath.³

Right to safety means right to be protected against the marketing of goods which are hazardous to life and property. The



RIGHTS OF THE CONSUMERS

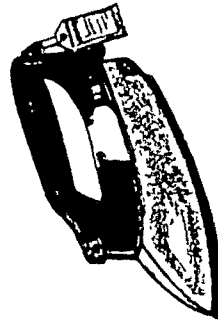


"LAWS AND CONSTITUTIONS DO NOT BY THEMSELVES MAKE A COUNTRY GREAT. IT IS THE ENTHUSIASM, ENERGY AND CONSTANT EFFORT OF A PEOPLE THAT MAKE IT A GREAT NATION"—

JAWAHAR LAL NEHRU

1. RIGHT TO SAFETY

Means right to be protected against the marketing of goods which are hazardous to life and property. The purchased goods should not only meet their immediate needs, but also fulfil long term interests.



Before purchasing, consumers should insist on the quality of the products as well as on the guarantee of the products and services. They should preferably purchase quality marked products such as ISI, AGMARK, etc.

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2. Right to be informed:

Right to be informed about the quality, quantity, potency, purity, standard and price of goods so as to protect the consumer against unfair trade practices.

Other than producing flashy advertisements, Indian Managers have accomplished precious little in this area. It was in fact the government who took lead in bringing out the Packaged Commodities Legislation of 1975. Every consumer has the right of receiving correct information on the following: Product identification; Product ingredients; Date of Manufacture; Quantity/volume sold; and date of expiry [if any]

Full information will enable consumers to exercise intelligently their decision to buy before they part with their money in exchange of goods. The consumer must be protected against fraud. Many times we have inadequate and misleading information, deceptive advertising, deceptive packing, misleading warranties, scanty information on product contents and operating, collusive pricing, deceptive credit terms, etc. The traders take undue advantage of consumer ignorance and he is deceived as to quality, quantity, price, weight, size and any other information involved in purchasing.⁵

Advertising and sales promotion activities have become traders bonanza. The seller should ensure that his advertisements mean what they say and they say what they really mean. Their advertisements should not cause the consumers to buy goods they do not want at prices they cannot pay and on terms they cannot meet.

Product Testing Lab:

The burgeoning consumer movement in the country will have added feather in its cap when the Consumer Education and Research Centre establishes a Consumer Product Testing Laboratory [CPTL] at Ahmedabad.

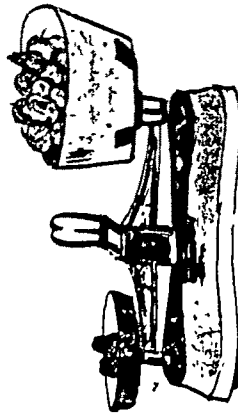
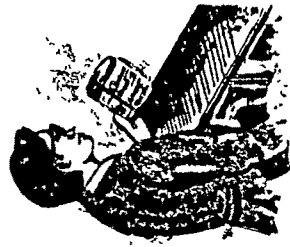
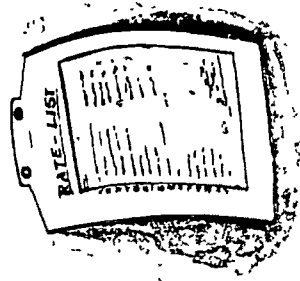
The main job of CPTL would be to analyse consumer products and rank them according to their quality, safety, pricing and performance. Products in three categories, namely, food, drugs, and domestic electrical appliances would be initially taken for analysis. The results would provide consumers comparable information on products that they would like to buy and help them make a sound choice.⁶

3. **Right to Choose:**

Milton Friedman of Chicago School of Economics and noble Laureate in Economics did yeoman service to the consumers enlightening about their right to choose.⁷ The choice reflects personal taste. Right to choose should be the keynote of dealers' policy. The widest possible selection of quality brand names at fair price should be offered

2. RIGHT TO BE INFORMED

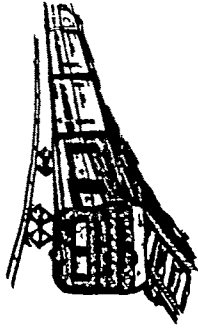
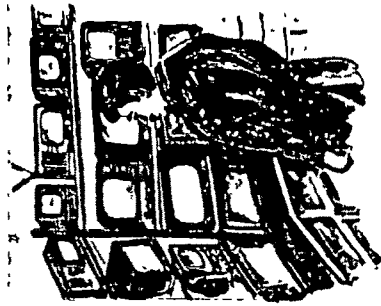
Means right to be informed about the quality, quantity, potency, purity, standard and price of goods so as to protect the consumer against unfair trade practices.



Consumer should insist on getting all the information about the product or service before making a choice or a decision. This will enable him to act wisely and responsibly and also enable him to desist from falling prey to high pressure selling techniques.

3. RIGHT TO CHOOSE

Means right to be assured, wherever possible of access to a variety of goods at competitive price. In case of monopolies, it means right to be assured of satisfactory quality and service at a fair price.



It also includes right to basic goods and services. This is because unrestrained right of the minority to choose can mean a denial for the majority of its fair share. This right can be better exercised in a competitive market where a variety of goods are available at competitive prices.

to the customers. It implies that monopoly is disliked by consumers. They want to exercise their option to choose a particular brand. If the market has ample quantity and variety of products at competitive prices, buyers have an opportunity of wise selection. Collusion among sellers, price fixing agreements among competitors, cartel, etc. cannot ensure wider choice to consumers.

The right to choose can be better exercised in a competitive market where a variety of goods are available at competitive prices.

4. The Right to be Heard:

Consumer has a right to register dissatisfaction and get his complaint heard and weighed. It means that consumers interest will receive due consideration at appropriate forums. It also includes right to be represented in various forums formed to consider the consumer welfare. If the right to be heard is denied to consumers there would be no body to listen to their complaints and the very purpose of granting them other rights would be defeated.

The right to be heard implies the existence of a legal framework and Government intervention to safeguard consumer interest. Many business firms are utterly indifferent to consumer grievances and protests.

The consumers should form non-political and non-commercial consumer organisations which can be given representation in various committees formed by the Government and other bodies in matters relating to consumers.¹⁰

As the consumers are not organised, the right to be heard like other rights remains only on paper. This right theoretically guaranteed in a democratic society, is rarely respected by manufacturers, distributors, traders and the Government. This right should not be viewed in a narrow sense, it has a wider connotation.

The right to be heard can be exercised effectively only if the consumers are properly organised and the government is responsive to their claims.

5. The Right to Seek Redressal :

This is a right to seek redressal against unfair trade practices or unscrupulous exploitation of consumers. It also includes right to fair settlement of the genuine grievances of the consumer. This is a right to expect every product to perform as advertised when it is used as directed. If the performance and quality is short of expectations, consumer has a right to redress. The product must be repaired, replaced or taken back by the seller.

Right to be heard implies the existence of a mechanism through which other rights can be asserted by ensuring the right of redressal of legitimate grievances..

A business firm should have consumers affairs department to receive customer complaints and problems and to resolve them amicably.

Chris Moore in his article, 'Handling consumer complaints' mentions that consumers complaints act as **information feedback**. If the company takes the decision to handle complaints properly, it may find itself in the happy position

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"THE YOUTH HAVE ALWAYS PLAYED A DOMINATING PART, FOR THEY CAN ADAPT THEMSELVES TO CHANGING IDEAS AND CONDITIONS FAR MORE EASILY THAN THOSE WHO HAVE GROWN OLD AND HARDENED AND FIXED IN THE ANCIENT BELIEFS"—
JAWAHAR LAL NEHRU

of receiving a bonus in the shape of an information feedback which may, in the long term, save the company money, avoid law suits, and help to build up an even better relationship with the consumer. A good complaint handling procedure helps in ensuring that such complaints are not received in future. ⁸

Any housewife can point to design weaknesses in her range of domestic appliances - weaknesses which reveal themselves only after months of regular use around the home and not after hours of testing in the laboratory. ⁹

The trick is of course, to take heed of them and correct the faults all the time.

When complaints stop altogether, it will be time for the company to worry, because writing is on the wall. For almost certainly, it will mean the business is dying. The consumers will have made the ultimate protest. They will have gone elsewhere. The business should advise customers on how to make a complaint should it be necessary

Consumers must make complaint for their genuine grievances. Many a times their complaint may be of small value but its impact on the society as a whole may be very large. They can also take the help of consumer organisations in seeking redressal of grievances.

M.R. Pai a leading consumerist says that "when one consumer asserts his rights and wants it to be extended to all, and not only for himself, there is a tremendous support from the public. No one can defy public opinion" ¹⁰.

6. Right to consumer Education:

The aim of education is to enable the modern consumer to identify his need and to choose wisely to get the best value of his money. Consumer education should help each person understand his own value system, develop a sound decision-making procedure in the market place and get the best buy for his money; understand his rights and responsibilities as a consumer and as a member of Society; and fulfill his role in directing his life as a complete citizen. ¹¹

Ignorance of consumers, particularly of rural consumers is mainly responsible for their exploitation. They should know their rights and must exercise them. Only then real consumer protection can be achieved with success.

A basic consumer education programme should include among other things the following:

- a] Every consumer should be taught how to plan effectively before he spends.
- b] Every consumer should develop the art of becoming skilled buyer.
- c] Every consumer should learn the importance of being an efficient user of goods and services.
- d] Every consumer should learn to manage his financial affairs.
- e] Every consumer should be conscious of his wider social and economic responsibilities. ¹²

6. RIGHT TO CONSUMER EDUCATION

Means the right to acquire the knowledge and skill to be an informed consumer throughout life



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Rights of the Consumers are enshrined in

THE CONSUMER PROTECTION ACT, 1986

The Act has been enacted to provide simple, inexpensive and speedy redressal to the consumers' grievances

"THERE HAS BEEN FAR TOO MUCH EMPHASIS ON RIGHTS AND FAR TOO LITTLE ON OBLIGATIONS; IF OBLIGATIONS WERE UNDERTAKEN, RIGHTS WOULD NATURALLY FLOW FROM THEM"— JAWAHAR LAL NEHRU

MINISTRY OF FOOD AND CIVIL SUPPLIES
DEPARTMENT OF CIVIL SUPPLIES
CONSUMER PROTECTION WING
KRISHI BHAVAN
NEW DELHI-110 001

7. **Right to a Physical Environment:**

The right to a physical environment that will enhance the quality of life, will considerably enlarge the scope and significance of modern consumerism. Air pollution, water pollution, food pollution, noise pollution are the legacies of reckless industrialisation. Each form of pollution destroys the social benefits already existing. The business must bear the social cost of its anti-social conduct of pollutions. Industry must ensure quality of community life by preventing or reducing the evil effects of pollutions. This is a right to insist that the air, natural resources of water and the environment shall not be polluted.

8. **Right to best value for money:**

- a] Right to reasonably good quality goods or services.
- b] Right to reasonable prices linked with such quality.
- c] Right to goods of assured weights and measures.

Responsibilities of Consumers:

Rights do not exist independently. The consumer responsibilities are as follows:

- 1] The consumers should not make vague or general complaints. but have a specific complaint, with supporting information and proof such as a bill.
- 2] The consumer should try to understand the viewpoint of the seller before making a complaint.
- 3] In some situations consumers have to co-operate with the

sellers. For instance, in observing a queue, or in a situation of coin shortage, using the coupons issued by Bus Transport.

4] Consumers, in asserting their rights should not inconvenience or hurt other sections of the public. For instance, Rasta Roko, Satyagraha, Dharna, Bandh, etc. are ways of expressing one's anger and generating enthusiasm for a cause among public, but they result in disrupting normal life of others. This is not justified.

5] The consumers should, as a rule, complain against a system and not attack individuals who are incumbents of posts.¹³

Sellers' Rights:

Sellers have the following traditional rights which are generally assumed in an economic system:

- a] to introduce any product in any size and style they wish into market place so long as it is not hazardous to personal health or safety or if it is, to introduce it with proper warnings and controls.
- b] to price the product at any level they wish provided there is no discrimination among similar classes of buyers.
- c] to spend any amount of money they wish to promote the product, so long as it is not defined as unfair competition.
- d] to formulate any message they wish about the product provided that it is not misleading or dishonest in content of execution, and

e] to introduce any buying incentive schemes they wish.¹⁴

On the other hand, buyers have the right -

a] not to buy a product that is offered to them,

b] to expect the product to be safe.

c] to expect the product to turnout to be essentially as represented by the seller.

Reviewing the above rights, it is felt that the balance of power lies with the seller in India.¹⁵

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