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CHAPTER XI    **SUMMARY AND SUGGESTIONS**

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### SUMMARY AND SUGGESTIONS

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#### S U M M A R Y

The findings of the survey have been put in a nutshell as follows:

#### PRICES:

"Maximum Retail Price". Four fifth of the Consumers surveyed read the maximum price printed on the packages. The word 'Maximum' in the price label unfortunately, becomes 'minimum' in retail pricing. Very rarely the goods are offered below the maximum retail price.

Reading maximum retail price before buying the goods is possible in self-service shops [Supermarkets], which are yet to progress in Belgaum. In the absence of such shops, the consumer reads the price recommended by the manufacturer and other details only after bring home the goods.

"Local Taxes:" 61 percent of respondents donot enquire about the percentage of local taxes added to the price of goods.

As a rule, various taxes should be exhibited visibly on the goods and displayed prominently in the shop. Only a few shops display boards or charts on local tax rates. It is very surprising to know that even some retailers are not aware of tax rates on different commodities. They charge a flat and exhorbitant tax rate on all goods whether they are entitled for a lower tax rate or tax exempted.

An objectionable feature is, for the same commodity of the same batch and year, two sellers charge two different prices in the same city.

Profiteering in the guise of local taxes is widely prevalent.

Bargaining: Bargaining on the price is in practice for loose goods, in bulk buying and for the goods bought from hawkers and peddlers. Bargaining ensures more bargaining power to the seller.

Free Gifts and Discounts: Although, people are aware of the fact that there are no 'free' things in business and that they are made to pay for the same, in one way or the other, free gifts, rebates and discounts continue to retain their domain.

#### EXPIRY DATE:

Majority [78.5%] of the consumers surveyed, make it a point to read the expiry date in case of medicines. Very few consumers know about expiry dates being printed on general consumer goods.

#### WEIGHTS AND MEASURES:

##### Verification of correctness of weights and measures:

In the absence of scientific instruments, it is difficult to verify the correctness of weights and measures. Consumers in one way or the other verify the correctness of weights and measures, specially when they buy refill packs or use empties of some definite measurement.

The weights and measures used by the shopkeepers are not doubted by most of the consumers in Belgaum. This speaks of dealer goodwill and consumer vigil.

Re-Verification of Weights: A need is often felt by the people to have some re-weighment or re-measurement facility by approved, non-business agencies for ascertaining the correctness of weights and measures of goods.

ADULTERATION:

There is a high degree of awareness among the consumers about the hazards of food adulteration. They are able to distinguish adulterated goods from unadulterated. They have knowledge about 'seconds' 'imitated' and 'spurious' goods. They have exemplary patience and are quite used to the use of adulterated goods.

AWARENESS AND ATTITUDE:

Insistence of Receipts: Receipt or bill is one of the documentary evidences for fighting the battle, if it is felt necessary. For keeping records of expenses, getting assured of quality and performance and returns or replacements, majority of them [70%] insist on the receipts.

In the purchase of 'Kirana', usually receipts are not given, if given, they are on plain papers and not in printed forms.

ISI AND AG. MARK: ISI has gained popularity with many consumers. AGMARK is yet to make its mark. Two thirds of the respondents associated ISI and AGMARK with assurance of quality.

Acts and Consumer Protection: Weights and Measures Act, Packaged Commodities Act and Essential Commodities are heard of by a large number of consumers. Consumer Protection Act, which is frequently referred to in newspapers and T.V. has gained recognition. The respondents, excepting a few, know only about the title and a point or two about these acts and they do not know anything beyond this.

Consumer Forum: A very large percentage [90.5%] of respondents are not aware of the existence of Consumer Forum in Belgaum. The existing forum is dormant and not at all dominant. The survey reveals the need for re-vitalising the present forum or establishing a new forum consisting of men of prominence and integrity.

Role of Voluntary Organisations: The Social Organisations like Lions Club, Rotary Club, Jaycees etc. occasionally take up matters of consumer interest. Their participation in the field of consumerism is not on regular basis.

Public Utilities and Consumerism: Some questions were asked on public utilities to know the extent of dissatisfaction and consequent complaints.

The replies reveal that a large number of them were irritated by the quality of service. Some of them felt like complaining. Only a few of those who felt like complaining, actually complained.

Autos and Excess Charging: Although nearly four-fifth of the respondents have been annoyed by over-charging by auto drivers, hardly ten percent of them actually made complaints.

This part of the study reveals that although the percentage of dissatisfied consumers is more, the percentage of them complaining is quite meagre.

Complaints and Consumer: Whether it is for over-pricing, under weights, or adulteration, most of the consumers avoid complaining for avoiding inordinate delays, harassment, long drawn and irksome procedures, lack of time and non-availability of information as to who to complain to . . .

T.V. and Consumer Protection: 'Rajani' a T.V. Serial of the past is still remembered by many. 'Grahak Upabhokta ka' had viewership because it was shown in the interval of Hindi feature films on Sundays. The consumer protection programmes of afternoon transmission like 'Grahak Jagruti'. 'Suz-Buz' were viewed by housewives mainly. The announcements of consumer rights are frequent and are seen by many.

#### SUGGESTIONS OF RESPONDENTS:

Respondents favoured a wide variety of suggestions. Formation of Consumer forum, consumer education, role of Social service organisations, prices to be uniform inclusive of local taxes, and Government machinery to be streamlined are some of the notable suggestions to put them in brief.

#### CONSUMER AWARENESS:

Application of Chi-Square tests in the present study indicates that,

- a] Awareness among consumers depends on education.
- b] the degree of consumer awareness doesnot differ between males and females and
- c] there is no difference in the consumer awareness between employed and household females..

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## SUGGESTIONS

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1] CONSUMER FORUM:

A well organised, non-violent, non-political, strong, steady, vigilant and widespread association of consumers is a sine-quo-non for consumer movement. A forum of consumers prevent business malpractices and fosters consumer welfare.

The consumer forum of Belgaum is not at all dominant. It is most unheard of and dormant. The present forum should be activated by infusing new blood in its activities, or a new forum should be formed by some people who are known for their eminence, trust-worthiness, integrity and prominence.

There should be co-ordination and unification between numerous consumer protection groups in the country.

2] BUYING GROUPS:

The consumers can arrest the mischief played by middlemen by resorting to group buying. About 15 to 20 families may come together and form a group to buy goods directly from producers or wholesalers.

The Grahak Panchayat of Pune is rendering a commendable service in this regard. Such groups are becoming popular in Bombay and other parts of Maharashtra and Gujarat. The buyers are benefitted in the form of avoidance of wastages [as goods are purchased only against orders], lower prices, accuracy in weights and measures and better quality.

Such buying groups are feasible in a compact city like Belgaum.

3] CONSUMER REPRESENTATION:

Consumers who are directly related or affected by the decisions of public utilities like railways, post and telegraph, water supply, electricity etc. are not adequately represented in the advisory committees.

There should be a proper representation of consumers or their associations on the committees of such undertakings.

4] THE PRESS:

The press should offer the columns for articles on consumer education and protection. It should publish readers letters relating to consumer grievances. Some of them can even have fortnightly columns on consumerism.

The press should scrutinise all advertisements with a view to reject unethical, misleading and false claim advertisements.

5] ACTING WISELY:

The consumers should act wisely especially in a situation of shortages. When there is an unusual price rise, they should search for substitutes, change their food habits, stop consuming avoidable goods or boycott to display united efforts.

6] CONSUMER EDUCATION:

a] Schools and Colleges: Consumer Education should become a part of curricula in the educational institutes. BUYMANSHIP should be taught to every student for developing informed, responsible and confident consumers. Teaching of civics is completely outdated and it should be improved to include in its fold consumer education as regards detection of adulteration, interpretation of advertisements, ensuring correct weights and measures etc.

b] Service Organisations: Active involvement of youth organisations like N.S.S. [National Service Scheme] is necessary to infiltrate into rural areas.

The social service organisations like Rotary, Lions, Jaycees, etc. should take up schemes for creating consumer awareness on regular basis. Debates, competitions, essay writing, projects, etc., can be used with astounding results in creating consumer awareness.

c] Consumer Education to Women: Women can be the torch bearers of this awakening movement because they are the actual buyers and users of items like groceries. Mahila Mandals are the effective tools for launching the schemes of consumerism like demonstrations, exhibitions, blending of opinions etc. Many frustrations and exploitations can be avoided by teaching women about their role in this regard.

d] ISI AND AGMARK: Quality consciousness can be created among the consumers by popularising the schemes of standardisation like ISI and AGMARK. There should be stiff procedures to take the offenders of these norms, to task.

e] Government: The Department of the Government connected with consumer welfare should organise exhibitions, demonstrations, seminars and symposia on the rights of consumers, ways of detecting adulteration, correctness of weights and measures, and ensuring congenial environment. These departments should educate consumers through the notifications, brochures and pamphlets about harmful, imitated and spurious goods.

The departments of the government and the local body are yet to create their impact of their existence in this regard.

f] Manufacturers: Manufacturers too, have a role in educating, their clientele especially when they face the problem of imitated or spurious goods. To take a recent example, M/s. Palmolive [India] had 14 spurious products of their make. On the market. To counteract this, a scheme was launched to educate consumers on how to detect a spurious product. from a genuine one.

The company had to give up the experiment half way as they found that the consumers began to suspect all Palmolive products as spurious. Nevertheless with the use of some strategy coupled with genuine interest, manufacturers can create loyal customers by educating them on different facets of consumerism.

g] Establishment of the Institute of Consumer Behaviour and Studies : Institute of Consumer Behaviour and Studies should be set up at the national level to train people to impart consumer education.

#### 7] PACKAGES:

All packages should bear the details as required by Packaged Commodities Act.

The declaration of quantity on the packages should not be qualified by the use of words like 'when packed' 'not less than', etc. because they donot inform the weights correctly.

There should be adequate provision to guard against loss to the consumer due to loss of moisture or other causes during intervening period of date of manufacturing and date of sale.

MAINTENANCE OF PRICE!

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SINCE WE MADE THAT PUBLIC  
ANNOUNCEMENT, THE SIZE OF OUR  
SOAP HAD TO BE REDUCED  
TO THIS

The use of words like 'giant', 'family size', 'economy pack', etc tend to exaggerate ideas as to quantity and should not be allowed to be used.

Misleading Packaging: A Consumer can be protected against packaging, which is not in proportion to the contents- like bottle with a false base, tin which is one-fourth empty, giant packs- only by his own awareness. The retailers can play the role of adviser to the consumers in this regard.

8] PRICING:

a] Unit Pricing: Proliferation of package size has made it virtually impossible to compare prices of similar products. It should be made statutorily compulsory to mention the price of the product and the price expressed in rupees and paise per ounce, gram or other standard quantity measure. Where the commodity is sold in kolograms, the unit price should indicate price per one hundred grams .

Unit pricing and packing in round quantities like 100 ml, 100 gms. etc. facilitate calculations and price comparisons.

b] Maximum Price and Minimum Price: Maximum price printed on the packages, unfortunately, becomes 'minimum' to the consumer in retail pricing. The responses in the survey indicate that there should be 'minimum price' also printed on the packages. But fixation of minimum price violates the provision of Section 30 of MRTP Act.

A definite price should be recommended on the products instead of determining the range of prices like maximum or minimum.

c) Wholesalers to determine prices for their zones: The wholesalers should prescribe the prices inclusive of taxes at which the goods should be sold by the retailers in their respective areas. This may, to a certain extent, reduce the problems of price differences and arbitrary pricing. This practice is followed by Hindustan Lever Ltd., Tatas and Philips India through their wholesalers.

9] LOCAL TAXES:

It should be made statutorily obligatory for the retailers to display prominently the local tax rates on different commodities.

Local tax rates should be notified periodically through news papers and magazines for the information of the public in the same way as the railway and bus time tables are announced.

As observed by the All-India Consumers Conference held at Surat in November 1976, to create harmonious relations between consumers and the shopkeepers, a simple formula as under should be accepted by the concerned authorities for local taxes.

I] Essential Commodities	No Tax
II] Non-Essential articles	X %
III] <sup>u</sup> Durable but non luxury consumer Item	Y %
IV] Luxury item	Z %

One of the major considerations in deciding the tax structure should be to make it simple and convenient to both consumers and retailers.

Local taxes should not become axes on consumers incomes by their manipulation by the trades.

Price to be inclusive of Taxes; The extent of manipulation and confusion is considerably reduced if the prices recommended are inclusive of taxes.

10] CASH MEMOS:

The government and the consumer organisations should persuade the consumers through different media like Newspapers, Slides, Pamphlets, etc. to insist upon receipts from the shop-keepers for all items specially when the amount of purchases exceeds, say Rupees Ten.

11] WEIGHTS AND MEASURES:

There is a large scale adoption of fraudulent methods of weights and measures especially by peddlers and hawkers. The sentences imposed by the courts on the offenders are very lenient.

There should be increase in the number of enforcement staff to deal with frauds of weights and measures. The minimum punishment for offenders should be drastically increased.

Re-Weighment Facility: The department of Consumer Protection and Legal Metrology [formerly known as Weights and Measures Department] should instal modern and scientific weights and measures equipments at some appropriate places in the market. There should be meant for verification of weights and measures of goods in case of doubt. the department should issue a certificate of the exact weight or measure for a nominal fee.

Another alternative for this is the department should authorise the service and non-business organisations to instal such facilities for re-weighment of re-measurement. The social organisations have financed many telephone booths. On an experimental basis the re-weighment facilities should be installed near some such telephone booths.

12] PREVENTION OF ADULTERATION:

For arresting food adulteration the suggestions mentioned below are worthwhile:

a] Each district should have a fully equipped laboratory with a Public Analyst.

b] Mobile laboratories should be set up wherever feasible to analyse samples on the spot and punish the offenders.

c] Mobile Inspection Squads should be created for effective vigilance, checking and collection of samples.

d] The Central Food Laboratory should issue a monthly magazine so as to acquaint the consumer forums with new methods of detecting adulteration of food.

e] Each manufactured product should specify the dates of manufacture and expiry as in case of medicines.

f] Wide publicity should be given to the names and addresses of persons, firms and corporations convicted under Prevention of Food Adulteration Act, so that they are objects of Public censure.

g] Government, local bodies and non-official bodies should launch intensive and extensive education programmes to create awareness about the hazards of food adulteration and detection of adulteration.

h] There is a necessity of streamlining and modifying of all laboratories in hospitals, universities and colleges with facilities for handling samples under Prevention of Food Adulteration Act to facilitate speedy and effective analysis of samples.

13] PUBLIC DISTRIBUTION SYSTEM:

There should be amplified, meaningful and effective public distribution of foodgrains, pulses, edible oils, etc., through a proper network of Government Approved Fair Price Shops.

14] GUIDANCE FOR COMPLAINTS:

There should be sound guidance to the consumers when they wish to complain. Sufficient literature should be made available containing an exhaustive list of addresses where complaints can be lodged about their different problems. The complaints handling procedure should be simple, expeditious and indicative of deviations from the norms laid down.

Whenever a consumer makes a genuine complaint, there should be support from others also. Genuine complaints should receive appreciation from all.

15] MEDIA AND CONSUMERISM:

The newspapers, magazines, radio and television coverage on consumerism should be unbiased, educative and informative. The audio-visual techniques can be of immense use to all segments of the population.

16] CODE OF ETHICS FOR BUSINESSMEN:

The business firms should be aware of their social obligations. If all business units adhere to nine norms laid down by Fair Trade Practice Association [FTPA] neither do we need consumer movement nor consumer legislation. To make consumerism more meaningful the business firms should be made aware of their social Responsibilities.

17] SUPERVISORY BODY:

A group of social workers, retired judges and legal personalities should be formed to monitor the programmes of consumer protection and to act as observers, educators, moderators and motivators.

18] CENSORSHIP:

There should be a sort of Censor Board to check misleading, false exaggerated and unethical advertisements. Similarly no free gift scheme or any bargain be allowed to be introduced unless they are okayed by such board.

19] MAHATMA GANDHI'S CONTRIBUTION:

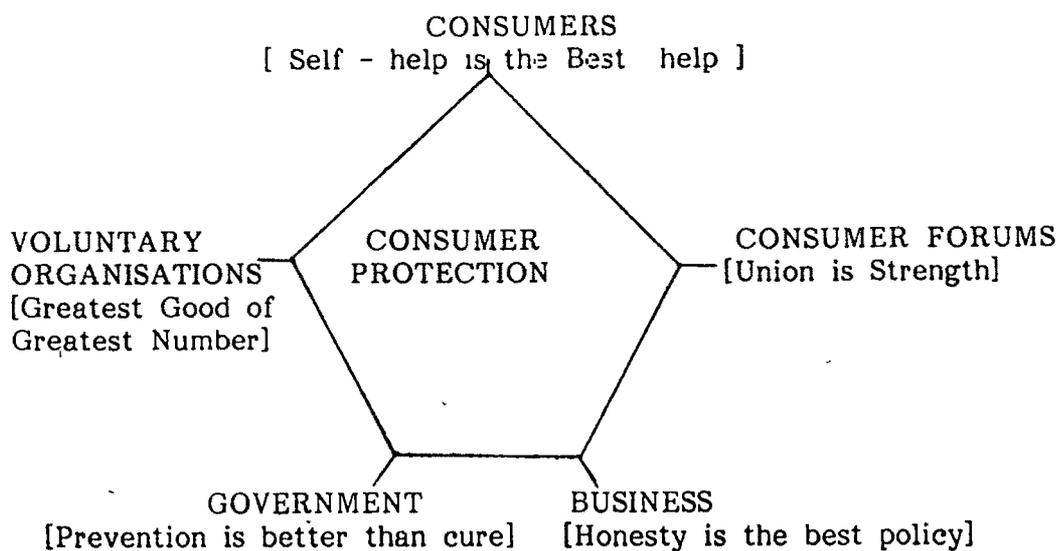
It is an irony of fate that although the basic concepts of consumers' expectations were spelt by Mahatma Gandhi much before renowned U.S.Consumer activist Ralph Nader came on the scene, the consumer movement in India is still in its infancy.

20] CONSUMERISM IS NOT CONTRARY TO BUSINESS:

It is necessary to dispel a false notion that the interests of the consumers and that of the business are conflicting in nature. The greatest asset of a businessman is to have a contented customer. He cannot satisfy a consumer unless he practices fair business. There is a need for co-operation between consumers and the businessmen.

## C O N C L U S I O N

Consumer Protection is the joint product of the efforts put in by consumers, their associations, business, voluntary organisations and the government, as is evident from the following diagram.



To conclude, the business circles should try to practice the following idea of Mahatma Gandhi,

" A CUSTOMER IS THE MOST IMPORTANT VISITOR ON OUR PREMISES. HE IS NOT DEPENDENT ON US. WE ARE DEPENDENT ON HIM. HE IS NOT AN INTERRUPTION ON OUR WORK. HE IS THE PURPOSE OF IT. WE ARE NOT DOING HIM A FAVOUR BY SERVING HIM, HE IS DOING US A FAVOUR BY GIVING US AN OPPORTUNITY TO DO SO"

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