

## Consumer Protection- A Case Study of Voluntary Organisations Role in Karnataka

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**ABSTRACT:** “Indian consumer is a grumbler and a silent sufferer” Indian consumer is exploited time and again by the unscrupulous business men of this country. Indian consumers are provided with the cheapest amenities and facilities in all walks of his life, Indian consumers are exposed to dirtier toilets and dirtiest platforms in the railway stations, bus stands and other public places. Indian consumers are taken for a ride by the utility providers such as telecom facility, electricity supply and water works. Indian consumer is made to drink the adulterated water and made to eat the adulterated and contaminated food. Indian consumers again duped by tactics such as price pegging, short weights and measurements and black marketing. Indian consumers were made to eat and drink which is not essential and desirable for them and they were made to buy because of the marketing strategies of the business men and these businessmen are hoodwinking the consumers of this nation. Hence, there is dire need to protect the gullible lot of this nation. Indian consumers rather become voiceless in front of organised tradesmen.

Hence Indian consumers need a sort of protection mechanism. Though time and again government of India is enacting numerous of legislation to protect the consumers of this nation, yet consumer protection has become a myth.

As a country, 50% of the Indian population is under educated. Roughly only 50% of the people are educated. Out of this 50% educated mass again 50% of the educated group is aware of these consumer rights. Out of this 50% which comes around 25%, only 50% of them that is 12.5% of the population are ready to fight for their rights. Out of those who are fighting in 12.5% only 50% that is 6.25% of the population of this nation are getting a sort of justice for their protest. Out of this 6.25% those who are trying to get justice for their rights only 50% of them are satisfied and the remaining 50% are not satisfied that is 3.125%. So, it can be roughly concluded that, the whole nation is at the mercy of the businessmen.

“Gone are the days of saying buyer beware (caveat emptor) these are the days of seller beware”. From the seller perspective the market should change. In the words of the Mahathma Gandhi as he has mentioned long ago “A customer is the most important visitor in our premises. He is not dependent on us, we are dependent on him. He is not an interception in our work; he is the purpose of it. He is not an outsider on our business; he is a part 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.” Even though in the Gandian era there were sayings regarding the protection of the consumer and interest of the public these businessmen are not yet implementing the mechanism to satisfy the needs of the Indian consumers. Therefore Voluntary association of consumers in order to protect their own interest and their own rights is very essential.

In this paper we have studied Role of voluntary organisation in protecting the interest of the consumers. A sample of organisations selected in Karnataka state.

**Keywords:** Consumer Protection, Voluntary organisation, Consumer Protection Act.

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### I. INTRODUCTION

Indian consumers are often called a grumbler and a silent sufferer as he is subjected to exploitation by unscrupulous marketers. Adulteration, price pegging, short weight and measures, miss information are some of the dubious tactics employed to hoodwink the innocent consumers. For this sad state of affairs absence of social responsibilities of businessmen appears to be a strong reason. The government time and again emphasises on consumer's welfare. Similarly, the trade associations and manufacturers' organisations speak of fair trade practices. In spite of these consumers are continues to be exploited.

Ever since the independence, Indian consumers have been exploited, extorted and higgledy piggledy the manufacturer and the businessmen. Consumers have become the victims of rapid growth of market and marketing strategies. As we know the markets have become a source of profiteering for business community. Every second businessman is trying to make use of the opportunity created by them, as a result consumers were forced to buy what is not required for them. Promotions and advertisement tactics of these business men made to believe the unrealistic and sham propositions. Though consumers are spending most of the earnings for their buying they are not obtaining what is required for them, on the other hand the window displays and other attractive information about the product are highly misleading the buyers. This makes them to feel that they are not satisfied.

In the process of meeting their needs or satisfying their wants buyers started consuming more and more which has created the manufacturer to sell more and more at regular intervals. Consumers started spending most of the earnings without bothering about their own rights and protection.

The government on its part has passed several pieces of legislations to protect the consumer interests and rights. Further, suitable machineries have also been created to supervise the implementation of the legislations. Prominent legislative enactments by the government includes Weights and Measurement Act, Bureau of Standard Act, Drug Control Act etc. these legislations aim at protecting the consumer as well as redressing his grievances. Strangely and unfortunately majority of the consumers, that to the educated group are ignorant of the provisions of these legislations. In addition to this, even those who are aware of these legislations fail to get redressed in time as the procedure laid down under these legislations are highly bureaucratic, time consuming besides very expensive. In the process, even with the existence of consumer oriented legislations, consumer has become helpless. Keeping these into inhalities and inadequacies in the aforesaid legislations government came out with a comprehensive piece of legislation incorporating the specific consumer rights and creating consumer redressal machineries in 1986. One of the prime objectives of this enactment is to protect consumer rights and to provide justice at the quickest possible time and provide justice with minimum cost.

Indeed government (governmental) efforts have confined only to passing legislations and create machineries there for. Consumer protection will be meaningful only when consumers' evince interest in protecting the rights. For everything government should not be blamed. There should be voluntary efforts on the part of the consumers as it is the consumers are ill organised. This situation is amply made used by unscrupulous traders. To ward off this situation there is need for the consumers to organise themselves. There arises the role of voluntary organisations in consumer protection. This made a group of awakened consumers to associate themselves to protect their rights and fight against the malpractices of the businessmen. As a result in the early 1980's organisations such as "AWARE", "CUTS", "AICAN", "VOICE" and "JAGRAHAN GRAHAK" etc., were established at national level. "CERC" is paramount organisation established by Prof. Manu Bhai Shah is doing a yeoman service in protecting the interest of consumers by educating the consumers and creating awareness.

According to ministry of food and civil supplies, there are about 2000 voluntary organisations in country, exclusively working in the area of consumer movement. Of course, these organisations have confined their activities in urban and semi urban area leaving six lakhs villages in the country in lurch. A random perusal of the objective of these organisations reveal that they have laudable goals like consumers educations in the form of creating awareness about consumer rights, redressal of complaints, product rating, product testing and product pricing etc.

Creating awareness about the usage of various products manufactured by unscrupulous business man of this country apart from creating awareness, consumer education is very essential as the consumers are not aware of their own rights in order to support its cause government of India also enacted a legal piece of protection by enacting Consumer Protection Act (COPRA) in the year 1986 exclusively to protect consumers.

Consumer education and awareness always go together like two face of the same coin. Once the consumers are educated they create awareness about their own rights among the fellow users.

Whether these organisations have sufficient infrastructural facilities including funds to attain the objectives or not is a mute question to be addressed. Again, whether the consumers are aware of these non-governmental organisations (NGOs) is another question. Even those who are aware it, whether they are making use of the services of NGOs or not is yet another questions. Further, those who avail the services are they satisfied with the performance of voluntary organisations is one more question. What perceptions the consumers, the business houses have on NGOs is an issue seriously studied by academicians in the last few decades. Keeping these issues in mind, in this paper authors have studied the role of voluntary organisations in consumer protection. Hence an attempt has been made to study the functioning of selected Voluntary organisations in Karnataka.

Though the numbers of voluntary organisations were established in India they could not come to lime light as their limitations were outnumbering their own merits. Though the early 1980's Karnataka witnessed

voluntary association of consumers established by Dr.Thirumala Rao, the organisation could not excel because of several limiting factors. The early 1990's personalities such as Mr. Nagaraja Rao and Bhamini V Shenoy have joined hands to fight against the social evil. These voluntary organisations are functioning in their own premises with self-administration. Though attempts have been made for "Product rating", "Product testing" and "product pricing" by these organisations they could not succeed as they do not own the required or sufficient laboratory.

This apart, they are making herculean efforts to educate the consumers by creating awareness through various audio and video plays. This involves huge expenditure as the budget of these organisation is confined to voluntary donations of the members. Some organisations are making genuine effort to create awareness through print media. These organisations are publishing weeklies, monthly magazines to educate the people but this is also not fully serving the purpose as they are unable to circulate to the large consumer groups.

## **II. REVIEWS:**

Dr. Abbokar Siddiq (2012) conducted a empirical study on the voluntary organizations role in protecting the consumers. The author emphasise on the functions , responsibilities ,duties and tasks of voluntary organization in educating the consumers on the consumer protection laws and rights. The research shows that only few people are aware about the laws and the voluntary organizations are restricted only for the settlement stage ,so the authors suggest that the consumer movement should become more knowledgeable movement among the consumers.

Amarjit Lal(2013),took a case study regarding the role of NGO's in solving the problems of the consumer in a district of Himachal Pradesh. Author has concentrated on the consumerism, consumer laws and protecting the consumers in the population explosive and market dominant environment of the district by taking into account the various consumer protection awareness programmes, acts and landmark cases implied in the district concentrating the people. He concludes that the NGO plays a prominent role in educating the consumers by creating the awareness among them.

Ravi Kumar et al. (2015), the authors evaluated the selected consumer awareness organization and suggested a guide lines by combining the key elements in each organization which helps to educate the people regarding the consumer protection act and other components of the market place beneficial to the consumers and for the betterment of the society.

Dr. M.A. Lokhande(2006) probes into awareness of the consumers in respect to the service providing industries and records the reactions of the consumers regarding the awareness level of the consumer protection act. The author conducted the research by administering the questionnaires to the selected respondents and concludes that the consumers have very low information about the law ,the various bodies of the government need to better co-ordination so they can reach the consumers in more efficient manner.

Dutt S.K. (1998) conducted a survey, which reveals that there are nominal VCOs in 532 districts in India. In majority of the districts, the number of VCOs is mere in count and the total of VCOs operating in the districts is not in balanced relation with the population of the area . The author analyses that the growth of VCOs is not sufficient and need to be promoted by the authorities.

### **Objectives:**

To study the role of voluntary organisations in enlightening customers in Karnataka and to identify the lacuna faced by these organisations in Karnataka.

### **Methodology:**

A study was explorative in nature and it was carried out in Karnataka, choosing randomly selected voluntary organisations situated in Karnataka. It is observed that, though the objectives of these voluntary organisations are clear, yet they lack the following;

- These organisations are located in or operating from residential accommodation of the members or of the office bearers.
- There are no separate establishment or exclusive building for functioning of these objectives.
- There are no exclusive personnel to operate the affairs of the organisations. These voluntary organisations are functioning only with the members and furthermore these members or office bearers are working during their free time. Hence, they cannot concentrate and focus more on its thirst area of the organisations.
- Voluntary organisations are not getting any kind of financial/monetary assistance. Hence, the members are contributing a portion of savings which is also a voluntary. As a result these voluntary organisations cannot mobilize huge money for day to day functioning.
- Members are functioning for the sake of functioning. Functioning of voluntary organisations require different expertise and professionals. As these voluntary organisations are operated at residences, with their

spare time. They cannot appoint experts, lawyers, scientists and technicians who can give expert opinion of various issues.

- Services of lawyers and legal experts are required to fight against the malpractices and acts of deception by the businessmen.
- Scientists and research experts are required to test the product and to rate the products based on the ingredients and performance for which these professionals need lot of money which easily not available.
- Even to test these, laboratories are required. Voluntary organisations cannot establish the lab of their own or cannot make use of the other labs as they require huge expenditures.
- Youngsters are not motivated to become the member and do the voluntary service. Hence, most of the Voluntary organisations are headed by retired persons only.

Mere enrolling as a voluntary organisation would not suffice the objectives of the organisations. Initially it is found that most of these organisations in the study area are only on papers. In many cases it is found that the addresses were not traceable. The researchers were astonished to find only name boards in few places. The study reveals the pathetic state of functioning of these voluntary organisations in Karnataka. It was observed that most of voluntary organisations are physically not performing any of the self-proclaimed objectives as they lack in basic amenities. Furthermore, these voluntary organisations are operating at the whims and fancies of the founder members. In the days to come these voluntary organisations would like to emerge as political platforms for these members. This was felt when physical evaluation of these organisations were made.

#### **Suggestions offered based on the study:**

Though the organisations are having primary objective to protect the interest of consumers in the following manner, they are not performing at the expected level. The expected activities of the voluntary organisations are enlisted below;

- Create awareness about; the product, usage of product, quality of the product, ingredients of product, price of the product etc.
- Create awareness about rights of the consumers including responsibilities.
- Creation of awareness about consumerism is possible with the following methods.
  - By conducting workshops
  - By publishing hand-outs
  - By public campaigning
  - By write ups in news paper
  - By radio broadcasting.
- Voluntary organisations should enrol ordinary, life and honorary members for execution of their objectives apart from institutional membership (CFTRI, DFRC etc.)
- Members may be employees, general category, specialists and youngsters.
- Voluntary organisations must consider the following goods and services for redressal
  - Eatables
  - Drugs
  - Electronic goods
  - Textiles
  - Financial services
  - Public utilities
- Voluntary organisation should receive and fight for;
  - Food adulteration
  - Short weights and measures
  - Poor quality and non-standard products
  - Hazardous product
  - Poor pre and post sales service
  - Gimmicks and pressure selling
  - Deceptive advertising
- Voluntary organisations should focus on generating revenue by membership fees, nominal charges for filing and generous contribution from the members of public.

### **III. CONCLUSION:**

Consumer protection in India certainly is “A myth and not a reality” as long as consumers are not awakened to protect their own rights. It is impossible for any organisation to enlighten the consumers. Consumers must join hands with voluntary organisations to protect themselves. Gone are the days of “Cavet

Emptor” and we are marching ahead towards “Cavet Vendor”. As long as consumers as citizens are not responsible to fight against injustice, it is very difficult to eradicate the pollutants of social marketing scenario. From these aforesaid paragraphs it is evident that consumer protection through voluntary organisations is in the nascent stage in Karnataka, although these voluntary organisations are advanced in rest of the country as well as the world. Consumerism should emerge as a movement to fight for common man’s safety and protection. Finally, as the famous saying of Swami Vivekananda goes, “Arise, Awake and Stop not Till the Goal is Accomplished”.

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##### **List of abbreviations**

1. Voluntary Organisation in the Interest of Consumer Education (VOICE)
2. Consumer Unity and Trust Society (CUTS)
3. Association of Women Against Raising Prices (AWARE)
4. Consumer Education and Research Centre (CERC)
5. All India Consumer Action Network (AICAN)

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