

BUSINESSMEN FOLLOW A CODE OF ETHICS TOO

There is widespread notion that business and trade sectors have no concern for the welfare of consumers. It is popularly believed that business exists just to make money at the cost of consumers. While this may be true to a large extent, it is also true that the business community has made certain efforts to protect the interest of consumers and win their confidence.

The forum of Free Enterprise was the first to evolve a code of conduct for business, trade and professionals. Forty years ago, the forum formulated a code which called upon products which shall always be of the highest quality and at a reasonable cost.

The code says that products shall maintain a fair measure and guard against adulteration. It also says that customers are entitled to courtesy, promptness and good service and every endeavour shall be made to see that they receive them.

The 13-point engineering industry consumer code formulated by the Association of Indian Engineering Industry is more specific and covers subjects like warnings, warranties, advertisements etc., regarding safety, it says that safety norms should be as per accepted standards laid down by statutory bodies like the Bureau of Indian standards.

The codes call upon the industry not to use sex symbols unless relevant to the products and information of a misleading nature should not be given. It says that industries should ensure that they are following environmental protection norms as specified by the regulatory bodies.

However, the establishment of the Council for Fair Business Practices (earlier Fair Trade Practices Association) in 1966 was responsible for the active association of business and industry with consumer protection. Apart from listing out certain obligations for the members, the CFBP has taken several steps to promote consumer welfare.

According to his code of conduct of CFBP, members should charge only fair and reasonable prices and any change in prices should be brought to the notice of the consumer. It calls upon agents and dealers not to charge a higher price or to withhold goods in times of scarcity.

More importantly, the code of conduct says that members should not trade in spurious goods, adulterate goods, publish misleading advertisements and deal knowingly in smuggled goods. It asks members to maintain accuracy in weights and measures of goods.

The CFBP has taken several other steps to promote consumer welfare. It has set up a complaints cell to deal with public grievances. Along with the Consumer Guidance Society of India, the CFBP has framed a syllabus on consumer protection to be taught in schools. It has established an annual award for the best businessmen engaged in consumer protection. Its newsletter is very informative and

all members of the CFBP have been asked to establish complaints cells in their respective industries.

Established in 1985, the Advertisements Standards Council of India (ASCI) is another forum which is trying to promote consumer welfare through truthful advertisement. Whenever the advertisement is declared offensive or unfair, the council tries to influence the manufacturer either to discontinue it or modify it suitably.

The ASCI has established the Consumer Complaints Council (CCC) to receive complaints from the general public. Consumers who feel that the advertisement is not in good taste or unfair may write to the council along with a copy of the advertisement.

The Associated Chambers of Commerce and Industry of India (ASSOCHAM) is another body which has tried to make its members conscious of the welfare of the consumers. ASSOCHAM has set up a Consumer Affairs Committee (CAC) to propagate consumer awareness amongst its members. The aim of these committees is to enable consumers get their complaints redressed without approaching the consumer fora or the MRTP Commission.

Producers and traders in food products have come under one umbrella called the Confederation of Indian Food Trade and Industry (CIFTI) which has drawn up a code of ethics for food trade and industry.

The code says that manufacturers should ensure that the quality of good products manufactured or sold is as per the standards set by the Prevention of Food Adulteration Act. The code applies to all foods produced and distributed including imports and exports. Another code of CIFTI relates to proper labeling, limits for pesticide residues in food and nutritional claims.

None of these codes of ethics have legal sanction and consumers cannot get relief if these codes are violated by the members of the associations. However, some industries have taken steps to follow the code implicitly.
