

Performance of Consumer Disputes Redressal Agencies in TN

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Abstract: This paper comprises three sections i.e. the National Commission, the State Commission and the District Forums. Disputes Redressal Agencies have been established under the Consumer Protection Act, 1986 and their composition, Jurisdiction, and appeal have been discussed separately. Apart from this, performances of the Redressal Agencies have also been examined for the period from 2003 to 2014. The study concludes with the fact that there is a critical need of settlement of pending cases at all the levels of the consumer disputes redressal agencies to facilitate the ultimate justice to the consumers. The researcher agrees with the common saying that justice delayed is justice denied.

Keywords: CPA, Consumer Disputes Redressal Agencies, National Commission, State Commission, District Forum.

I. INTRODUCTION

The Consumer Protection Act, 1986 is a milestone in the history of socio economic legislation in the country. An act to provide for better protection of the interests of consumers and for that purpose to make provision for the establishment of consumer councils and other authorities for the settlement of consumers' disputes and for matters connected therewith. It was enacted after an in-depth study of consumer protection laws of a number of countries an in consultation with representatives of consumers, trade and industry and extensive discussions within the government.

The main objective of the act is to provide for the better protection of consumers. Unlike existing laws which are punitive in nature, the provisions of this act are compensatory in nature. The act is intended to provide simple, speedy and inexpensive redressal to the consumers' grievances, and reliefs of a specific nature and award of compensation wherever appropriate to the consumer. The act has been amended in 1993 and 2002 both to extend its coverage and scope and to enhance the powers of the redressal Agencies.

The Quasi Judicial machinery is required to observe the principle of natural justice. They are empowered:

- To give relief of specific nature.
- To award wherever appropriate compensation to consumers. Non compliance of orders of these bodies is subject to Penalties.

Establishment of Consumer Disputes Redressal Agencies:

There shall be established for the purposes of this Act, the following agencies, namely:

- ❖ Consumer Disputes Redressal Forum to be known as the “**District Forum**” established by the State Government in each district of the State by notification:
- ❖ Provided that the State Government may, if it deems fit, establish more than one District Forum in a district.
- ❖ Consumer Disputes Redressal Commission to be known as the “**State Commission**” established by the State Government in the State by notification; and

❖ **National Consumer Disputes Redressal Commission** established by the Central Government by notification.

Objectives of the Study

- To study the functioning of Redressal Agencies working in Tamil Nadu.
- To study the settlement of complaints by these redressal agencies.
- To provide suggestions for improvements of functioning of Redressal Agencies.

II. REVIEW OF LITERATURE

D.P.S. Verma (2002) made an analysis on **performances of Consumer Forums**. He revealed some facts in his study i.e. since inception of Grievances Redressal Agencies until March 31, 2001, the various State Commissions had received 229,162 cases and 136,168 of filed case were disposed of, around (59%). In District Forums across the country, 1,411,662 cases were filed and 522,315 cases (37%) of them were disposed off. The National Commission disposed of 12,659 cases (57%) out of 22,275 cases during this period. He found that with increasing awareness created by the government, consumer associations and the mass media, the inflow of cases in the consumer courts was increasing day by day. A majority of cases (about 80 per cent) were decided in favour of (Consumers) complainants. More than 75 percent of the cases were related with services involving electricity boards, telephone corporations, housing boards, airlines, railways and road transport corporations, banks, finance companies and insurance companies. Rests of the cases were arisen out of the supply of defective products. He also found that developments in Consumer Protection in India despite comprehensive legislative measures, a network of consumer grievance redress agencies and consumer protection councils, is still a distant prospect. There was a heavy backlog of pending cases in Consumer Courts, particularly in the District Forum because it takes time more than prescribed in the CPA. Consequently, providing justice to large masses is indeed a formidable task. Consumer information and education programmes need to be further strengthened, particularly in the rural areas, which account for about 75 per cent of the total population.

Rosy Kumar, Advocate (2003) made the **study on ten District Consumer Forums situated in Delhi**. He stated that although Consumer Courts were established across the country to lighten the load of the judiciary and to provide speedy redressal to the consumers, but facts revealed under the study were entirely different. He found that more than 13,000 cases were still in pending in Delhi alone. According to the law, a case should be disposed of within 90 days, but judgments were not being delivered on time because there were thousands of cases in which proceedings had been going on for over five years. He also found out some reasons of such poor performance. The reason: inadequate infrastructure, shortage of staff, delay in appointment of presidents and members were some of the major concerns. He also stated that officials across the nine Districts admitted that the number of new cases being registered has shot up because of increased consumer awareness. The New Delhi Forum, for instance, registers about 250 new cases every month while the Qutub Institutional area Forum, registers close to 150. A 10th District Court is now constituted in South Delhi to share the burden of existing Courts. However, 2,400 cases were in pending in the former court, 2,000 cases were pending in the latter. He made some suggestions for improving the existing performance, such as, increase in number of Benches, promotion of Consumer Protection Act, speedy appointment of its members and clerical staff.

National Commission

The National Commission was constituted in 1988 by the central government. It is the apex body in the three tier judicial machinery set up by the government for redressal of consumer grievances.

- (a) **Composition:** It consists of a President and not less than four and not more than such members as may be prescribed, one of whom shall be a woman. The National Commission is headed by a sitting or retired judge of the Supreme Court.
- (b) **Jurisdiction:** All complaints pertaining to those goods or services and compensation whose value is more than Rs. One crore can be filed directly before the National Commission.
- (c) **Appeal:** An appeal can be filed against the order of the National Commission to the Supreme Court within 30 days from the date of the order passed.

Performance of the National Commission

The National Commission is the highest Consumer Court in the hierarchy of consumer disputes redressal agencies and this commission was established in India over State Commissions and District Forums under the Act, 1986. It functions

like the Supreme Court of India. Since 1987, this Forum has been functioning, but whether this Forum has been accomplishing its job or not has been analyzed. For assessing the performance, six year's working of this Forum was taken into consideration. Table 1 reveals the cases filed, disposed and pending in the National Commission during the period 2003-2014.

Table 1: Showing cases filed, disposed and pending position in the National Commission

Year	No. of Cases filed	No. of Cases disposed	No. of Cases pending	% of disposal
As on 2003	32910	24974	7936	75.89
2004-2005	35535	27729	7806	78.03
2005-2006	40867	32831	8036	80.34
2006-2007	45325	35596	9729	78.54
2007-2008	50656	41576	9080	82.08
2008-2009	56921	47304	9617	83.10
2009-2010	62320	54654	7666	87.70
2010-2011	67413	58836	8577	87.28
2011-2012	72863	63370	9493	86.97
2012-2013	78471	68241	10230	86.96
Upto 24.03.2014	87693	76314	11379	87.02
Mean	57361	48311	9050	

Source: Computed table, Annual Report from 2003 to 2014, Government of India, Ministry of Consumer Affairs, www.Fcamin.nic.in

ANOVA						
Source of Variation	SS	Df	MS	F	P-value	F crit
Rows	4.36E+09	10	4.36E+08	4.587695	0.001843	2.347878
Columns	1.45E+10	2	7.26E+09	76.38933	0.00432	3.492828
Error	1.9E+09	20	94975865			
Total	2.08E+10	32				

Based on the statistical result, the average cases filed is 57361, the average cases disposed is 48311 and the average cases pending during the period is 9050. The above difference in the mean score is statistically proved at 0.05 level using the Analysis of variance. Therefore the alternate hypothesis that there is a significant difference in no. of cases filed, disposed and pending during the period is accepted. This indicates the ups and downs or inconsistency in the speed of disposal. On the other hand, total no. of filed cases was consistently increasing. It is inferred from above analysis that the speed of disposal was not only slow and but also inconsistent. Hence, it is suggested that speed of disposal should be greater than speed of new registered cases. Only then, pending cases can be decreased.

State Commission

This is established by the state governments in their respective states. In India there are 34 State Commissions.

(a) **Composition:** It consists of a President and not less than two and not more than such number of members as may be prescribed, one of whom shall be a women. The Commission is headed by a person of the level of High Court judge.

(b) **Jurisdiction:** A written complaint can be filed before the State Commission where the value of goods or services and the compensation claimed exceeds Rs. 20 lakh but does not exceed Rs. One crore.

(c) **Appeal:** In case the aggrieved party is not satisfied with the order of the State Commission he can appeal to the National Commission within 30 days of passing of the order.

Performance of State Commission of Tamil Nadu

State Commission is a higher Consumer Court established over District Forums in India under the Consumer Protection Act, 1986 and this Court functions like high Court in a State. The table 2 reveals details of cases filed, disposed and pending in the State Commission of Tamil Nadu during the period from 2003 to 2014.

Table: 2: Showing cases filed, disposed and pending position in the State Commission of Tamil Nadu

Year	No. of Cases filed	No. of Cases disposed	No. of Cases pending	% of disposal
As on 2003	15154	11122	4032	73.39
2004-2005	15864	11916	3948	75.11
2005-2006	16916	13484	3432	79.71
2006-2007	18563	16440	2123	88.56
2007-2008	19282	16733	2549	86.78
2008-2009	20396	17791	2605	87.23
2009-2010	20852	18350	2502	77.85
2010-2011	21762	19028	2734	87.44
2011-2012	23339	21286	2053	91.20
2012-2013	24050	22064	1986	91.74
Upto 24.03.2014	25212	22866	2346	90.69
Mean	20126	17371	2755	

Source: Computed table, Annual Report from 2003 to 2014, Government of India, Ministry of Consumer Affairs, www.Fcamin.nic.in.

ANOVA						
Source of Variation	SS	Df	MS	F	P-value	F crit
Rows	1.48E+08	10	14827979	2.375533	0.047758	2.347878
Columns	1.92E+09	2	9.59E+08	153.597	0.00728	3.492828
Error	1.25E+08	20	6241960			
Total	2.19E+09	32				

Based on the statistical result, the average cases filed is 20126, the average cases disposed is 17371 and the average cases pending during the period is 2755. The above difference in the mean score is statistically proved at 0.05 level using the Analysis of variance. Therefore the alternate hypothesis that there is a significant difference in no. of cases filed, disposed and pending during the period is accepted. The percentage of disposal was low and due to lower percentage of disposal, pending cases were increasing, in other words, due to increasing pending cases, percentage of disposal was decreasing. In short, pending cases are increase in the every year due to slow speed of disposal. Hence, State Commissions should make efforts to increase the percentage of disposal.

District Forum

This is established by the state governments in each of their districts. In Tamil Nadu, there are 30 District Forums.

- (a) **Composition:** The district forums consist of a Chairman and two other members one of whom shall be a woman. The district forum is headed by a person of the rank of a District Judge.
- (b) **Jurisdiction:** A written complaint can be field before the District Consumer Forum where the value of goods or services and the compensation claimed does not exceed Rs.20 lakh.
- (c) **Appeal:** If a consumer is not satisfied by the decision of the District forum, he can Challenge the same before the State Commission, within 30 days of the order.

Performance of the District Forum of Tamil Nadu

The District Consumer Forum is the lowest Consumer Court in the hierarchy of the three redressal Forums. This Court functions like a Civil Court in a district. The table 3 reveals details of cases filed, disposed and pending in District Forums of Tamil Nadu during the period from 2003 to 2014.

Table: 3: Showing cases filed / disposal position in the District Forums in the state of Tamil Nadu

Year	No. of Cases filed	No. of Cases disposed	No. of Cases pending	% of disposal
As on 2003	73858	67432	6426	91.30
2004-2005	71563	65030	6533	90.87
2005-2006	76806	69880	6926	90.98
2006-2007	80864	73388	7476	90.75
2007-2008	84865	77615	7250	91.46
2008-2009	88434	81294	7140	91.93
2009-2010	90294	83558	6736	90.84
2010-2011	95576	89489	6087	93.63
2011-2012	99669	94948	4721	95.26
2012-2013	102229	96692	5537	94.58
Upto 24.03.2014	106274	99768	6506	93.88
Mean	88221	81736	6485	

Source: Computed table, Annual Report from 2003 to 2014, Government of India, Ministry of Consumer Affairs, www.Fcamin.nic.in.

ANOVA						
Source of Variation	SS	Df	MS	F	P-value	F crit
Rows	1.85E+09	10	1.85E+08	3.564626	0.007489	2.347878
Columns	4.54E+10	2	2.27E+10	436.3835	0.00318	3.492828
Error	1.04E+09	20	52033716			
Total	4.83E+10	32				

Based on the statistical result, the average cases filed is 88221, the average cases disposed is 81736 and the average cases pending during the period is 6485. The above difference in the mean score is statistically proved at 0.05 level using the Analysis of variance. Therefore the alternate hypothesis that there is a significant difference in no. of cases filed, disposed and pending during the period is accepted. It is, therefore, required to speed up the disposal of cases when only it would be possible to reduce the pendency.

Suggestions to the Consumer Disputes Redressal Agencies

- ❖ The study has revealed that many respondents are not at all aware of the location of the District Consumer Forum (DCF) in their district. And the number of respondents who approached the consumer forum for getting their grievances redressed is also very less. So the consumer forum has got a great responsibility to create awareness among the people about its existence.
- ❖ The consumer cases should be disposed of within the 90days as specified in the Act. But these forums do not complete the cases within the prescribed time limit. It takes a very long time in disposing the cases. So the forums should find ways and means to disposing the cases in time.

III. CONCLUSION

Although the structure of the Disputes Redressal Agencies is very well framed and these courts have been conferred with sufficient power to provide redressal to aggrieved consumers, the orders of Consumer Courts are not implemented on time because somewhere the Consumer Courts lack the executing power. As far as performance is concerned, the functioning of these Courts were examined for the period from 2003-2014. Comparatively, the speed of disposal of the District Forums was higher than that of the State Commissions. However, the speed of disposal all the Forums i.e. the National Commission, the State Commissions and the District Forums was low, in general but it was very low in case of the State Commissions. Although, the Consumer Protection Councils have been established according to the provisions of the CPA, their ultimate objectives remained unachieved.

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