





# INTERNATIONAL JOURNAL OF BUSINESS, MANAGEMENT AND ALLIED SCIENCES (IJBMAS)

A Peer Reviewed International Research Journal

# FUNCTIONING OF DISTRICT CONSUMER REDRESSAL FORUMS IN PUNJAB WITH A SPECIAL REFERENCE TO FIVE DISTRICT CONSUMER REDRESSAL FORUMS

# ROHIT SADANA\*1, Dr. PARDEEP JAIN2

<sup>1\*</sup>Research Scholar, Dept. of Management & Humanities, SLIET Longowal, Distt Sangrur, Punjab India. Email Id: rohitsadana@gmail.com

<sup>2</sup>Professor, Deptt. of Management & Humanities, SLIET Longowal, Dist Sangrur, Punjab, India. Email Id: pardeep\_jain2000@yahoo.com



## **ABSTRACT**

It is a common saying that all businessmen/traders consider their consumer as a king. It simply means that the due importance that a consumer deserves is given to him and the fair trade practices are followed, but it is not true. If it was true then there must not be any deceptive advertisements, unfair trade practices. But all these unfair practices exist, this lead to requirement of redressal forums to take care of interests of consumers in a better manner. In this paper we have examined the functioning of District Consumer redressal forums with special reference to Punjab state. In addition to this we have examined the overall functioning and the performance of State commission as well as National Consumer redressal commission. This study had tried to analyse the situation that how speedy and timely justice is provided to the consumers. As far as ranking of redressal bodies on three levels is concerned in disposing of the consumer complaints, District Consumer Forums are best among three tiers of Consumer redressal mechanism.

Key Words: District Consumer Disputes Redressal Forum, Three Tier Mechanism, Consumer Protection, Consumer Rights, and Consumerism.

#### INTRODUCTION

Consumer all around the world and especially in India has certain rights against the unfair trade practices. In India Consumer Protection Act was passed in 1986 and certain rights were given to the consumers. Further to this a three tier quasi-judicial mechanism at National, state as well as district levels were established. The prime aim of all these forums is to provide timely solution to the consumer complaints/disputes.

This act is applicable on both goods as well as services. Any discrepancy in goods or services can be reported to the consumer forums by the consumers. The three tier mechanism of this Quasi-judicial system is as follows:



- 1) District Consumer Disputes Redressal Forum: In India there are 669 district forums. Basically the Consumer forum operating at the District level is known as District Consumer Disputes Redressal Forum. Under its jurisdiction, it can entertain consumer complaints where the value of goods/services including compensation claimed, if any is upto Rs Twenty Lakhs only. In Punjab there are 20 District Forums at present. The person who is eligible or is or has been or to be appointed as a District Judge is appointed head of the district forum. In addition to the president in the forum, there are two other members also.
- 2) State Consumer Disputes Redressal Commission: Likewise District forums, at the state level too there are Consumer redressal commissions; these are as State Consumer Disputes Redressal Commission. There are 35 state commissions in India. Under its jurisdiction, the state commission can entertain consumer complaints where the value of goods/services and compensation claimed if any up to Rupees One Crore. In addition to this the appeals against orders of District Forums can be made in the state commission only. The State commission is head by a person who is or has been a judge of high court. In addition to the president in the forum; there are two other members also.
- 3) National Consumer Disputes Redressal Commission: It was constituted in 1988. There is only one National redressal commission in India at the national level and it is called the National Consumer Disputes Redressal Commission. Its chairman is a retired or sitting judge of Supreme Court of India. Under its jurisdiction, it can entertain the complaints where the value of goods / services including compensation claimed, if any exceeds Rupees One Crore and also the appeals against order of State Commissions can be filed in the national commission. In addition to the president in the forum, there are four other members too.

## **REVIEW OF LITERATURE**

The review of the literature is helpful to researcher in finding the previous research work related to this study by the previous researchers. Also the review of literature tries to explore the unexplored or untouched area of the study. The functioning of District consumer forums was not studies by any researcher earlier. However the study of district forums in other states was done. The review of the literature is explained as below:

**Sen (2015)** suggested that to protect the consumer rights in a better manner, the functioning of District, State, National forums must be taped and video-graphed so that they could perform their function in transparent manner. Further to this more strengthening of the judicial system is to be done i.e. more staff should be provided to provide justice to all without any discrimination.

**Sundaram and Velmurugan (2011)**during a study reported that in India, the district forums are facing the shortage of judicial staff. India had come a long way since 1986, when the law was enacted. Now the government should take necessary steps to remove the prevailing deficiencies in the system. Further the consumer should be not only made aware but also empowered.

**Singh and Balachandram (1994)** during a survey reported that there is an undue delaying for disposal of the cases of the consumers. They further reported that there is an utmost requirement of an effective coordination and sincere efforts by all concerned to make redressal machinery more effective. There is need to educate the consumers regarding their rights and the redressal machinery.

**Sudan (2002)** in his study suggested the requirement for mobile consumer forums establishment. He further submitted that there must be a separate consumer affairs department. Further there should be fair appointment of permanent, knowledgeable and well educated members in the forum so that the functioning of the forum could be improved.

**Singh and Singh (2011)** during a study conducted in five districts of Haryana state reported that the prime factors behind less number of complaints registered by the consumers in various Consumer Redressal Forums are Lack of staff, Lack of facilities, other delay tactics and undue Delay in Authority appointment.



# STATEMENT OF THE PROBLEM

The consumer awareness levels and functioning of consumer Redressal forums has been studied by many researchers earlier too. However, the functioning of District Consumer Redressal forums in Punjab state is not studied yet. So, we decided to analyse the functioning of District Consumer redressal Forums with special reference to five district forums in Punjab.

# **OBJECTIVE OF STUDY**

The objective of this study is to review the functioning of five district Consumer Redressal forums under study.

#### RESEARCH METHODOLOGY

This paper tries to review the functioning of District Consumer Disputes Redressal Forums in Five districts of Punjab i.e. Amritsar, Jalandhar, Ludhiana, Patiala and Sangrur. These five District Forums were selected on the basis of presence of District in Malwa, Majha and Doaba regions of Punjab. It studies the three tier quasi-judicial machinery that is available to the consumers so that they could settle their complaints. The secondary data collected from the District Redressal forums is used for the purpose of this study. As per the principle of "Justice delayed is justice denied", the working of the consumer forums was analysed on the basis of pendency and disposal rates. If there is a pendency in a forum, it is the indication of the non-performance of the forum.

#### **RESULTS AND DISCUSSION**

# 1. Functioning of District Consumer Disputes Redressal Mechanism various states in India

While analysing the working of District consumer disputes Redressal Forum in all states of India, it was found that the number of pending cases across various District Consumer Disputes Redressal Forums in India as on July 31, 2017 were 302290, which was 7.57% of all the cases filed since inception. The overall disposal rate of the forum was 92.43%.

**Table 1: Functioning of District Consumer Disputes Redressal Forum** 

Particulars	Numbers	Percentage	
Total number of Cases Filed since inception	3995088	100.00%	
Number of Cases Disposed off	3692798	92.43%	
Number of Cases Pending	302290	7.57%	

However as far as disposal rate in Punjab is concerned, Out of total cases i.e.192830 filed since inception in District Forums, 97.15% were disposed and only 5489 i.e. 2.85% were pending. The disposal rate of all the district forums in all the states in India is 92.43%. Thus in terms of overall percentage disposal rate, the district forums are performing quite well. As per data available at the website of NCDRC, out of 669 District Forums, 640 are functional and rest 29 are non-functional. Further in these District Forums, 93 positions of Presidents and 294 positions of members are vacant.

# 2. Functionality of District Redressal Forums in Punjab

District Wise Analysis of the functioning of the Redressal Forums can be explained as follows:

#### 2.1 Amritsar District

As far as functioning of Amritsar District Consumer Disputes Redressal Forum is concerned, the disposal rate of the complaints varies from 38.60% to 64.94% during period of seven years i.e. from year 2010 to 2016. The year-wise details of the complaints filed and their disposal is in Table No. 2.

Table 2: The functioning of Amritsar District Consumer Disputes Redressal Forum

	Previous Year	Fresh Cases		Cases	Pending	Disposal
Years	Pending Cases	Filed	Total Cases	Disposed	Cases	Rate (in %)
2010	458	1401	1859	1008	851	54.22 %
2011	851	1162	2013	777	1236	38.60 %
2012	1236	954	2190	1075	1115	49.09 %
2013	1115	876	1991	1241	750	62.33 %



2014	750	686	1436	849	587	59.12 %
2015	587	722	1309	850	459	64.94 %
2016	459	687	1146	706	440	61.61 %

As far as vacancy positions are concerned, the position of the Chairman was vacant, however the members were recruited.

#### 2.2 Jalandhar District

During 2010-2016, the lowest disposal rate for Jalandhar District Consumer disputes redressal forum was 44.00% during the year 2011 and highest 69.48% during 2012. The year-wise pendency and disposal rates are as per Table 3.

Table 3: The functioning of Jalandhar District Consumer Disputes Redressal Forum

	Previous Year	Fresh Cases		Cases	Pending	Disposal
Years	Pending Cases	Filed	Total Cases	Disposed	Cases	Rate (in %)
2010	945	786	1731	972	759	56.15 %
2011	759	566	1325	583	742	44.00 %
2012	742	608	1350	938	412	69.48 %
2013	412	520	932	635	297	68.13 %
2014	297	464	761	520	241	68.33 %
2015	241	543	784	465	319	59.31 %
2016	319	505	824	365	459	44.30 %

Further to this one post of member at Consumer Forum is vacant.

# 2.3 Sangrur District

In Sangrur district, during time span of 2010 to 2016, the maximum disposal rate was of 90.00% during 2016 and minimum was 40.55% during 2015. The staff position of the forum was satisfactory. The detailed position is as given in Table 4.

Table 4: The functioning of Sangrur District Consumer Disputes Redressal Forum

	Previous Year	Fresh Cases	Total	Cases	Pending	Disposal
Years	Pending Cases	Filed	Cases	Disposed	Cases	Rate (in %)
2010	290	875	1165	835	330	71.67%
2011	330	1012	1342	629	713	46.87%
2012	713	612	1325	561	764	42.34%
2013	764	581	1345	1028	317	76.43%
2014	317	675	992	776	216	78.23%
2015	216	1779	1995	809	1186	40.55%
2016	1186	716	1902	1726	176	90.75%

# 2.4 Patiala District

As per data provided in Table 5, on careful study of data of Patiala District Consumer Disputes Redressal Forum, it was found that the highest number of cases were disposed in 2013 (84.65%) while lowest number of cases were disposed in 2013 i.e. 34.42%.

Table 5: The functioning of Patiala District Consumer Disputes Redressal Forum

	Previous Year	Fresh Cases	Total	Cases	Pending	Disposal
Years	Pending Cases	Filed	Cases	Disposed	Cases	Rate (in %)
2010	785	1156	1941	1141	800	58.78 %
2011	800	827	1627	799	828	49.11 %
2012	828	484	1312	756	556	57.62 %
2013	556	434	990	838	152	84.65 %
2014	152	367	519	410	109	79.00 %



2015	109	322	431	288	143	66.82 %
2016	143	502	645	222	423	34.42 %

Also one post of member in the forum was lying vacant.

# 2.5 Ludhiana District

In Ludhiana District Consumer Disputes Redressal Forum, the highest number of cases were disposed in 2010 (79.52%) and lowest disposal rate was during 2016 (49.60%). The details as per yearwise progress are in Table 6.

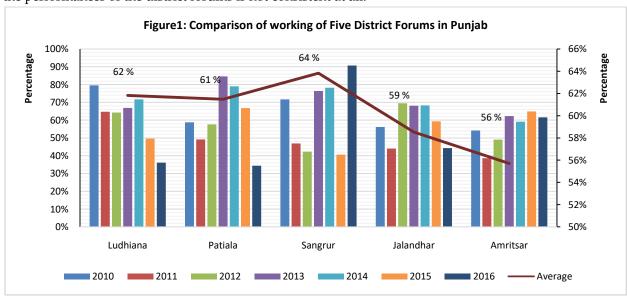
Table 6: The functioning of Ludhiana District Consumer Disputes Redressal Forum

	Previous Year	Fresh Cases	Total	Cases	Pending	Disposal
Years	Pending Cases	Filed	Cases	Disposed	Cases	Rate (in %)
2010	636	917	1553	1235	318	79.52 %
2011	318	904	1222	791	431	64.73 %
2012	431	1034	1465	942	523	64.30 %
2013	523	957	1480	990	490	66.89 %
2014	490	879	1369	981	388	71.66 %
2015	388	745	1133	562	571	49.60 %
2016	571	856	1427	515	912	36.09 %

Further one position of the member in the forum was lying vacant.

# 3. Comparison of the District Forums

On careful comparison of the data received from all the five district forums, it is evident that the performances of the district forums is not consistent at all.



As it is evident from Figure 1, there is big variation that lies for every forum during time span of 2010 to 2016. In this period of seven years, the overall disposal rate average is highest for Sangrur District, followed by Ludhiana and Patiala District. Amritsar district is at lowest as far as average disposal rate is concerned.

Further to this in a single year the highest percentage of disposal is in Sangrur District with 90.75% rate during 2016 and the lowest is 34.72% in Patiala District during 2016,

# **SUGGESTIONS**

The overall performance of the three tier redressal mechanism especially in Punjab in five district Consumer Disputes Redressal Forums is not satisfactory. There is an urgent need to draw due attention in this matter. The following measures are suggested to improve the efficiency of these redressal forums:



- 1. There should be at least one redressal forum in each and every district and that should be fully functional too.
- 2. Adequate staff should be allotted to forums. Vacant positions has a negative impact on the disposal rate. Even the number of members should be increased from the existing level of three to five in each District forum.
- 3. The forums should avoid unnecessary adjournments in the cases. It should be done only if it is very necessary. If the frequency of adjournment is higher, it brings delays in justice. So the adjournments should be sought only if the grounds are most genuine.

#### **CONCLUSION**

After the enactment of The Consumer Protection Act, 1986 to provide a simple, cost effective and speedy redressal for consumer grievances. Although so many years have passed but still the situations is not very favorable for the consumers in India. The disposal rate in the District Forums under study is not encouraging at all. If we compare the disposal rates of the complaints year-wise, it is found that yearly disposal rate is very poor. Even in some years the disposal rate is less than 50 %. There is an urgent need for speedy disposal of cases and to ensure adequate staff is posted in the forums, so that the consumer is given speedy justice.

#### **REFERENCES**

- [1]. Pande, Bhanu, Are consumer courts really serving the consumers? Economic Times April 11, 2001, Retrived From:

  Economictimes.indiatimes.com/articleshow/7959190.cms?utm\_source=content finterest&utm\_medium=text&u3tm\_campaign=cppst
- [2]. Sen, Sushil Kumar, Consumers' protection in India in changing economic scenario, Journal of Law and Conflict Resolution, March 2015, 7(2): 7-14.
- [3]. Singh, S. S. and Balachandram, M. K., Evaluation of the Effectiveness of the Implementation of the Consumer Protection Act, 1986, Survey Report, Indian Institute of Public Administration, New Delhi, 1994, May-December.
- [4]. Sudan, A.S., Activating consumer movement a study of district consumer redressal forum, Jammu, Indian Journal of Marketing, 2002, 22: 3-7.
- [5]. Singh, H. and Singh, M., Consumer Education & Awareness, International Journal of Research in Social Sciences, 2011,1(1): 167-182.
- [6]. Sundaram, N. and Velmurugan G., Judicial Consumer Disputes Redressal Agencies Under The Consumer Protection Act, 1986, International Journal Of Research In Computer Application And Management, 2011,7:74-77.
- [7]. Annonymous, Records of National Consumer Disputes Redressal Commission, New Delhi <a href="http://ncdrc.nic.in">http://ncdrc.nic.in</a> (as on 14.09.2017).

