

EFFECTIVENESS OF DISTRICT CONSUMER FORUM AMONG LAW SEEKER CONSUMERS

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Abstract:

This study was designed to be an exploratory research and aimed to examine the opinion of complainants regarding the effectiveness of district consumer redressal forum. Stratified random sampling technique was employed to collect the data from complainants of Consumer Forum situated at Civil Courts, in the Agra City of Uttar Pradesh, India. Data had been collected from 104 respondents through self-constructed questionnaire. The questionnaire comprised of 20 questions about the effectiveness of consumer forum. To analyze the effectiveness of 'Consumer Forum', the statistical tools of Percentage, Mean, Standard Deviation and Student t-test had been used. Statistical analysis of the data indicated significant differences in opinion regarding effectiveness of consumer redressal forum across different socio-demographic factors. The study revealed that different categories of respondents had different point of views. The study concluded that District Consumer Forum were not as effective as these were supposed to be and there was a great need of improvement for providing speedy, economic and convenient redressal to the law seeker consumers.

Keywords: Complainants, Consumer Forum, Redressal, Law Seeker Consumers

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INTRODUCTION

Consumer is the individual who compensates to consume the goods and services produced by a manufacture to satisfy the personal wants. Consumer is a backbone of national financial system and plays an imperative role in the development of a nation. Swami Vivekananda said “Consumer is a King.” It is a very common and important phenomenon but it is also pragmatic that the consumer is treated very badly or defectively by both public and private sectors. Consumers are being exploited by manufacturer and business men. Hence, most of manufactures and traders have been adopting unfair trade practices and cheat consumers for the purpose of promoting sale and profit. In such scenario, protection of consumers becomes very difficult and complex due to lack of information, knowledge and awareness. Therefore, the need for consumer protection arises because of the exploitation of consumer & the denial of consumer' rights in the absence of protective measures (Kulkarni& Mehta, 2013). To prevent and protect the interest of the consumers, by these types of unhealthy practices, the Government has passed the various Acts; of these Acts, Consumer Protection Act 1986, is one of the important Acts for favoring and protecting the interest of the consumers. Thus, Consumer Forums has been established in India by Indian Government under Consumer Protection Act 1986. Basically, the aim of consumer forum is to provide simple, less expensive and better protection of the interest of the consumers and to spare them from the harmful products as well as unfair or restricted trade practices. Its main function is to maintain the fair practices by the sellers towards consumers. Consumer forum also defend the basic privileges of the consumer, such as (1) Right to Safety (2) Right to Informed (3) Right to Choose (4) Right to be Heard (5) Right to be redressed, under the Consumer Protection Act.

Consumer forum provides equivalent opportunity to both of the parties to put forward their point of grievances before it. Initially, there was no court charge, but currently a nominal fee is payable while filing a petition. The complainants need not to appoint a lawyer or a legal representative and a complaint can be filed through mail. The procedure for dealing with a complaint is simple. It is working as a following three tier system (District, State and National) as quasi-judicial machinery.

- i) National Commission which deals cases with beyond one crore rupees,
- ii) State Commission which deals cases with below one crore rupees, and
- iii) District Forum which deals cases equivalent and below twenty lakh rupees.

Table 1. Fee Payable for Filing a Complaint		
S. No.	Total Value of Compensation Claimed	Amount of fee payable
District Forum		
1.	Upto one lakh rupees- For complainants who are under the Below Poverty Line holding Antyodaya Anna Yojna Cards	Nil
2.	Upto one lakh rupees- For complainants other than Antyodaya Anna Yojna Card holders	100
3.	Above one lakh and up to five lakhs	200
4.	Above five lakhs and up to ten lakhs	400
5.	Above ten lakhs and up to twenty lakhs	500
State Commission		
1.	Above twenty lakh rupees and up to fifty lakhs	2,000
2.	Above fifty lakh rupees and up to one crore rupees	4,000
National Commission		
1.	Above one crore rupees	5,000

Source: NIC Consumer Affairs (2015)

COMPOSITION OF DISTRICT FORUM

According to **section 10(1A)** of Consumer Protection Act, each District Forum consists of following members-

- A.** A person who is, or has been, or is qualified to be a District Judge, who shall be its president.
- B.** Two other members, one of whom shall be a woman, who shall have the following qualifications, namely-
 - i.** Be not less than thirty five years of age,
 - ii.** Possess a bachelor's degree from a recognized university,

iii. Be persons of ability, integrity and standing and have adequate knowledge and experience of at least ten years in dealing with the problems relating economics, law, commerce, accountancy, industry, public affairs or administration.

iv.

ESTABLISHMENT OF CONSUMER FORUM IN UTTAR PRADESH

Consumers Forums were established in Uttar Pradesh under Uttar Pradesh Consumer Protection Regulation-1987. First, the State government established a State Commission at Lucknow on 5 February 1988. District Forums were established at 12 divisional headquarters, viz. Agra, Bareilly, Moradabad, Lucknow, Gorakhpur, Varanasi, Faizabad, Jhansi, Kanpur, Nainital and Dehradun. On September 1991, 51 District Forums were established in rest of districts of then undivided Uttar Pradesh. Due to rising number of cases and for providing speedy settlement of disputes, one additional District Forum was established in the districts where numbers of cases were comparatively higher, viz. Lucknow, Moradabad, Agra and Bareilly on 7 September 1995. On 10th March 1997, some more District Forums were established, namely Ambedkar Nagar, Mahoba, SantRavidas Nagar, Bhadohi, Kushinagar, Padrauna and Udham Singh Nagar. In addition to this, seven more District Forums were also set up by issuing a notification in May 1998, namely, Rudraprayag, Kannauj, Auraiyya, Baghpat, SantKabir Nagar, Bageshwar and champawat, but posts could not be created for them. At present, there are 70 District Consumer Forum in Uttar Pradesh (Singh, 2012).

METHODOLOGY

The present study was designed to be an exploratory research. It is based on quantitative analysis. Both primary and secondary data had been used in the study. Primary data was collected from the complainants who had filed their cases with the selected district consumer forum placed at Diwani (Civil Courts), Agra by using stratified random sampling technique. Apart from this, the secondary data was collected from journals, books and websites.

SAMPLE

For the accomplishment of the objective, Agra city was conveniently selected for the study, their after researcher had randomly selected one consumer forum out of the two operating in Agra which is situated at Diwani (Civil Courts) and downloaded the list of complainants through a

specific website whose cases were fixed for hearing in the selected consumer forum. After that researcher had randomly selected 104 complainants (about 33%), out of the daily cause list of day of visit to the consumer forum for the collection of data.



Figure1: District Consumer Redressal Forum, Diwani (Civil Court), Agra.

TOOL

Self-constructed questionnaire was used to collect the data. The collected data were coded, tabulated and analyzed by using Percentage, Mean, Standard Deviation, Student t-test methods.

RESULTS

On the basis of objectives, analyses of the data were described below:

Table 2. Opinion of law seeker consumers regarding the effectiveness of consumer forum							
S. No.	Background Factors		Number (n)	Mean	S.D.	Statistical Values	
						t-value	Sig.
1.	Age	Up to 40 Years	48	42.23	5.40	2.009	<0.05
		More Than 40 Years	56	44.50	6.03		
2.	Sex	Male	91	43.05	5.51	1.986	<0.05
		Female	13	42.69	5.33		

3.	Qualification	Less Than Graduation	40	44.68	6.44	1.986	<0.05
		Graduation and More	64	42.69	5.33		
4.	Occupation	Service	34	41.29	5.51	2.710	<0.01
		Other	70	44.50	5.73		
5.	Annual Income	Up to 5 Lakhs	79	42.61	5.78	2.706	<0.01
		Above 5 Lakhs	25	46.12	5.25		

DISCUSSION AND INTERPRETATION

The data analyzed in table 2 was interpreted and discussed as under:

The data of table 2 makes it clear that statistical values of effectiveness of consumer forum among the subjects of higher age group had shown significantly higher mean values 44.50 and 42.23 respectively as compared to lower age group. It may be due to the reason that complainants of higher age group are more mature and aware as compared to the lower age group complainants to form their mind towards the awareness about the effectiveness of consumer forum. Therefore these results strongly indicated that district consumer forum was effective according to the subjects of above 40 years and less effective according to the subjects of up to 40 years.

According to the above table 2, the opinion of female subjects regarding the effectiveness of consumer forum had shown significantly higher with the mean values 46.23 against the mean values 43.05 respectively as compared to male subjects. It may be due to the reason that female consumers are more committed and have higher conviction in this legal process available to the aggrieved consumers, they were found to be more inclined to put their efforts to access the information regarding consumer issues. Therefore higher level of consumer interest of females

had resulted in their improved capacity to judge and form opinion on the effectiveness of the consumer forum.

Table 2 also explored that the subjects of less than graduation had shown significantly higher for the opinion regarding the effectiveness of district consumer forum with mean score 44.68 against the mean value 42.69 respectively of the subjects of more than graduation, this may be due to the reason that less educated subjects are more concerns of the ends rather than the means, they are more anxious of the effectiveness through remedies available to the aggrieved consumers rather than the procedures of getting them.

It is inferred from the table 2 that the subjects of other occupations were found to be higher mean scores 44.50 and 41.29 respectively than the subjects of service class occupation. The obtained t-value was significant at 0.01 levels. It may be due to the reason that the subjects of different occupational backgrounds such as business, students, housewife, agriculturist etc. are more aware and concerned towards the effective remedies available and financial relief through consumer forum.

It is justified from the table 2 that the subjects who were enjoying higher income were found to be higher mean values as compared to lower income subjects 46.12 and 42.61 respectively. The obtained data was significant at 0.01 levels. Therefore, results indicated that subjects of higher income hold better opinion for the effectiveness of consumer forum as compared to the subjects of lower income group.

CONCLUSION AND SUGGESTIONS:

Consumer Protection Act 1986 is the benevolent social legislation intended to protect the large body of consumers from unscrupulous practices of the tainted product and service providers. It has become vehicle for enabling consumers to secure speedy and inexpensive redressal of their disputes. It has been observed in the study that subjects of higher age group are more in favor of the effectiveness of consumer forum as compared to lower age group subjects. Results also indicate that female complainants hold better opinion for the effectiveness of consumer forum as compared to male subjects. It has been also found that subjects having higher income believed

the consumer forum to be an effective way of getting justice as compared to lower income group. On the other hand, according to the higher educated and services class respondents, Consumer Forum are not as effective as it is supposed to be. The ground reality of District Consumer Forum in Uttar Pradesh is excessive and unnecessary delay in providing redressal, improper and unfurnished infrastructure of Consumer Court, huge backlog of pending cases causing slow speed of disposal, internal conflicts between members of Consumer Forum, presently Consumers are getting dissatisfying responses from the Consumer Forums (Singh, 2012). Hence, Consumer Redressal Forum is playing an important role to protect the interest of consumers by providing quick justice to the affected consumers. However, there is still need to dispose of the pending cases as early as possible with the view to provide proper settlement of judicial cases related with grievances of consumers.

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