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CONSUMER PROTECTION IN ANDHRA PRADESH – AN EVALUATIVE STUDY OF GRIEVANCE REDRESSAL MACHINERY



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ABSTRACT

In the recent times a lot of importance has been attached to the concept of consumerism. The growth indicators of the economy become meaningless when the consumers are still being exploited. Therefore, consumer protection and welfare should be focal drive for the growth perspectives. Unfortunately, the economic growth and consumer protection are in many areas are moving in the opposite directions. Even today large number of consumers are victimised to the interest of the minority sections of the society who deprive plans to exploit directly or indirectly the resources of large numbers through unfair means. This study will

ascertain the nature, type of complaints and the extent of claims instituted at the consumer forums and also assess the rate of disposal of the cases and the time taken by the Redressal Machinery in the state of Andhra Pradesh.

KEYWORDS : *Consumerism, Consumer Protection, unfair means, claims, consumer forums, Redressal machinery.*

INTRODUCTION :

Today the pace of development in all economic business throughout the world is becoming progressive and hence, there is a greater need for safeguarding the interest of the consumer's..Consumerism is a phenomenon that has been in the scene for many decades in one form or the other, the term consumerism appears to be associated with recent times. Consumerism is a social force, within the environment, designed to aid and protect the consumer by exerting legal moral and economic pressure on business.

In the recent times a lot of importance has been attached to the concept of consumerism. Consumerism as a movement has arisen to ensure fair and honest practices on the part of manufacturers, traders, dealers, and service providers in relation to consumers. It has grown into an organised effort of consumers seeking redress, resolution and remedy for dissatisfaction, which they have accumulated in the acquisition of their standard of living.

The growth indicators of the economy become meaningless when the majority of the

consumers of the economy are exploited. Therefore, consumer protection and welfare should be focal drive for the growth perspectives. Unfortunately, the economic growth and consumer protection are in many areas are moving in the opposite directions. Even today large number of consumers are victimised to the interest of the minority sections of the society who deprive plans to exploit directly or indirectly the resources of large numbers through unfair means. The need of the hour therefore, is to initiate measures for the protection of consumers.

NEED FOR THE STUDY

- In the contemporary society, consumers are not very much safe against the mal practices such as, substandard goods and unsatisfactory services.
- Indian consumers are ignorant, illiterate and do not know the role of consumption vis-à-vis economic system as well as quality of life. When they are ignorant of their rights, they cannot know their responsibility as consumers.
- Consumers in the market are deceived by wrong weights and measures, adulterated and substandard products causing great damage to health.
- Many studies observed that people prefer to absorb and endure the wrong done to them rather than fight against injustice.
- Many transactions between the seller and buyers have become unfair in terms of misleading, false deceptive advertisements, poor after sales services, under weights etc.
- Certain companies have capitalized the situation of shortages, false warranties etc.

Review of Literature: A lot of research work has been done by various scholars on different aspects of consumer protection like consumer awareness, consumer complaining behaviour, and functioning of consumer courts etc. Some of the significant work done on various aspects of consumer protection is presented as follows;

Murli Prasad Panta¹ studied the functioning of DCF's and State Commission of AP, on the basis of complaint disposal time, difficulties in filling complaint, number of appearances, educational levels of consumers, bribes paid to the consumer fora and engagement of lawyers. The analysis indicates that the effectiveness is purely based on the facts of the case and not on the engagement of lawyers by the complainant or by the educational background of the complainant. The delay in disposal of cases is caused mainly by delay in notices served, postal delay, delay in appointment of members and adjournments because either of the party was absent.

Renu Arora² studied about the type of action taken by consumer for dissatisfaction of day-today products. It showed that consumers in general, did not complain due to lack of time. The action further indicated that percentage of female consumers taking action is always more than males this is in contrast of the complaints at district forum where males dominated females in registering their complaints.

Sivaprakasam and Rajamohan³ studied 200 consumers both urban and rural areas who are beneficiaries of DFC and found that the age, educational qualification occupations and income of consumers influenced their awareness. Majority respondents opined that the DFC's had taken more than three months to redress their grievances. Hence it was inferred that forums were not able to dispose of cases as specified in consumer protection Act.

Cheena Gambhir⁴ investigated the problems relating to the organization and working of consumer grievance redressal agencies. It reveals that a large number of officials of the agencies are not clear about the goals they are expected to pursue. Further, majority of the members were of legal

background and the kind of experience they have acquired during their long innings in the courts as judges/advocates leave their imprints of procedural complexities of ordinary courts which are meant to impart quick justice to consumers.

Deepa Sharma⁵ study on the cases decided by various consumer courts-District forums, State, National Commission and the Supreme Court of India. It examined the extent of relief provided, time taken in disposal of cases, nature of complaints and types of product and services involved in the complaints. Majority of cases decided by DCF's, State and National Commission, the order was passed in favour of the complainant –consumer. A large majority of cases were filed in form of appeals instituted by opposite party rather than by original complainant.

Pushpa Girimaji⁶ study provides an exclusive insight into the functioning of consumer courts and the invaluable service they render to redress consumer grievances. The author has cautioned the aggrieved consumers by offering advice on the pitfalls to be avoided while making a complaint in consumer forums. The book is in essence, promises to be an everyman's guide to consumer awareness. D.N Saraf⁷ critically examined the basic principles of major consumer laws in the country besides giving a detailed commentary on the Consumer Protection Act. The author examines the mechanism for consumer protection and highlights the role of state agencies, self-regulation of business, role of voluntary agencies, consumer education and advocacy which includes role of media, lobbying, boycotts and demonstration and public interest litigation.

Rajendra Kumar Nayak⁹ study criticized the behaviour of Indian consumer holding them responsible for their exploitation. He argued that the legislative enactments aimed at protecting consumer interests are yet to become instruments of positive action. The author has synthesized law, policy, ideas and ideologies for developing a strong, viable and economically and legally oriented consumer protection system.

Ram Vats¹⁰ study focuses the concern of the consumers in the light of the rules laid down by the courts and redressal agencies, and also spotlights the areas which require reforms. The main aim of this book is to explain to the common, but educated consumer, the trader and the manufacturer their legal rights and obligations in the market place and vis-à-vis the persons and the agencies which provide important services to them.

Puspa, Grimaji¹¹ in the article discussed about functioning of consumer courts and cited an analysis done by the ministry of consumer affairs. The ministry has analyzed the reasons for poor functioning of these consumer courts and found the reason responsible for ineffective functioning of consumer fora.

Singh and Balachandran¹² study on the cases filed by consumers before district forums and state commissions to ascertain the different categories of consumers who availed the facilities of the grievance redressal machinery. It found that majority of the consumers both in urban and rural areas have not filed the cases mainly due to lack of awareness of their rights and remedies available to them under the Act. Absence of proper guidance and assistance from voluntary organizations and the fear of exploitation by advocates were some of the reasons for not approaching the consumer courts.

OBJECTIVES OF THE STUDY

- To ascertain the nature, type of complaints and the extent of claims instituted at the consumer forums.
- To assess the rate of disposal of the cases and the time taken by the Redressal Machinery in the erstwhile state of Andhra Pradesh.
- To evaluate the approach of the redressal machinery under the act in deciding various types of cases.

- To trace out the findings and draw conclusions of the study.

SCOPE OF THE STUDY

The study proposes to examine the nature and pattern of consumer complaints with the consumer redressal machinery of the selected districts in Andhra Pradesh. Two districts were selected from each region of the state i.e. Andhra, Telangana and Rayalaseema. It makes an analysis of the working and evaluation of the redressal machinery in respect of nature of complaints, products and services involved deficiency in services, nature of the orders passed and disposal rate of the cases.

METHODOLOGY

Data Sources: The study mainly depends on secondary data gathered from the following sources;

- 1.Original cases filed at Districts Forums, State Commission and National Commission.
- 2.Relevant Journals like Consumer Forum, Consumer Voice, Consumer cases, Volumes etc.
- 3.Department of Consumer Affairs, Ministry of Civil Supplies & Consumer Affairs, Government of Andhra Pradesh.

Sample Size & Selection:A sample of 200 cases was selected out of 578 cases decided by the District Forums of Andhra Pradesh during the period of 2007 to 2011. Two District Forums from each region of AP will be selected on the basis of materiality of facts pertaining to the provisions of Consumer Protection Act. The district forum to be chosen will be based on such issues as population, number of cases filed and disposed. Efforts will be made to select the district to be fairly representative of the region in AP .

Basic Reasons for Emergence of Consumer Movement in India

- 1.The acute shortage of essential consumer goods and the inflation in 1973-74 that caused emergence of consumer movement.
- 2.Indian Industry did not attain advancement in technology to produce wide range of alternative products.
- 3.In the past consumers were supplied with inferior quality goods.
- 4.Many products were containing health hazardous materials, which cause harm to mankind resulting in serious sickness.
- 5.In many instances consumers were exploited by misguiding or misleading advertisements with false information.
- 6.Artificial scarcity of essential goods by way of black marketing, and
- 7.Lack of efficient after sales services, improper attitude of the sellers and the marketing practices.

CONSUMERISM IN INDIA

Consumerism in India has already crossed its first and second stages, that is crystallisation and organisation stages. Though the latter has not been completely surpassed, the Indian movement has also stepped into the third stage that is initialisation. Sufficient consumer protection laws have been introduced and government intervention at both central and state level can be seen very well. A number of legal and institutional arrangements developed over the years directly or indirectly aim at safeguarding the interest of consumers. The central government has brought into effect a progressive and comprehensive legislation in the form of Consumer Protection Act, 1986.

Consumer Protection in India in a way can be called as government driven. If the legal system

and infrastructure provided by the government functions effectively, the Indian consumer would be left with only a few problems that can be solved by him. Unfortunately, the reality is on the other side. There are more than 35 legislations to protect the interests on various issues. Under each of the legislations machinery is established to implement the provisions of the law for consumer protection. Because of the poor execution of the laws, the exploitative activities of the business communities are continuing and the consumer suffering is increasing. Still many of the Indian consumers are habituated to lead their lives with defective goods and deficient services from public sector and private sector organisations, unsafe products, insecurity, failure of regulatory mechanisms, corruption, scams, emotional and misleading business advertisements etc. The low literacy levels, legal literacy in cities are keeping the consumers away from the legal system. Litigation is indeed frightening for a common man in view of costs, adjournments, delays, appeals, and above all the time involved in running around. Consumers at large, therefore, prefer to be away from using the mechanism available for redressal of their grievances and practices to absorb in silence.

CONSUMER PROTECTION COUNCILS:

The Consumer Protection Act, 1986 provides for the establishment of the Consumer Protection Councils at the National (The Central Consumer Protection Council), State (The State Consumer Protection Council) and District level (The District Consumer Protection Council). The objectives of these councils are to help the respective governments in adopting and reviewing policies for promoting and protecting the rights of the consumers. The composition of these consumer councils is broad-based. The citizens and organizations representing different interest groups having implications for consumer's rights protection are members of these councils. The Consumer Councils are required to be constituted on public-private partnership basis for better feedback and thereby review the policy in the area of consumer's rights protection.

CONSUMER DISPUTES REDRESSAL ADJUDICATORY BODIES

The Consumer Protection Act, 1986 envisages a 3-tier quasi-judicial system. There are Consumer Disputes Redressal adjudicatory bodies established at three levels i.e. District forum, State and National Commission.

- National Commission: The national commission is headed by either a sitting or retired Supreme Court Judge. It has four other members who are persons of ability, integrity standing and have adequate knowledge or experience in dealing with problems related to economic, law, commerce, accountancy, Industry, public affairs or administration. One of these members is a woman
- State Commission: The State Commission has a sitting or retired Judge of the high court as president and two other members, one of whom is a woman
- District Forum: The District Forum has a president a sitting or retired district judge with two members one of whom is a woman.

The financial ceiling for various bodies created under this act, viz. district forum, state and national commission are District Forum-Upto Rs.20 lakhs;State commission-Upto Rs.1Crore;andNational Commission -Rs.1Crore above

DISTRICT FORUM

The State Government is empowered to establish a Consumer Disputes Redressal Forum known as District Forum at each District. The State Government can establish more than one District

Forum in a District, in case the necessity is felt. The District Forum is the lowest in the hierarchy of the three tier-quasi-judicial systems.

Composition: Every District Forum consists of a President and two other Members. The President should be qualified to be or has been a District Judge. The two other members should be the persons of ability, integrity and standing. They must have adequate knowledge or experience, and capacity in dealing with problems relating to economics, law, commerce, accountancy, industry, public affairs or administration. One of the members shall be a woman. There are certain qualifications for the members of the District Forum. The qualifications are that the members should be at least 35 years of age, should possess a Bachelor's degree apart from being a person of ability and integrity and standing.

Jurisdiction of the District Forum

- 1)The 'District Forum' has jurisdiction to entertain complaints where the value of goods, services and compensation claimed (if any) does not exceed Rs.20.00 lakhs
- 2)A complaint can be filled in the District Forum in whose territorial jurisdiction the opposite party or parties, at the time of instruction of complaint, actually and voluntarily resides, carries on business, has a branch office or personally works for gain.
- 3)If any of the opposite parties does not voluntarily reside, carry on business, has a branch office or personally works for gain, the District Forum should grant permission or the opposite parties should concede to such an institution.
- 4)The complaint can also be filed before the District Forum in whose jurisdiction the cause of action, wholly or in part, arises.

STATE COMMISSION

The State Commission called "State Consumer Disputes Redressal Commission" is the second in the hierarchy of the three tier quasi-judicial system established under the Act. The State Commission is to be established by every State Government by issue of a notification to be published in the Official Gazette. It has the original as well as the appellate jurisdictions.

Composition: Each State Commission consists of one President and two other Members. The President should be a person who is or has been a judge of a High Court. The two Members of the Commission must be persons of ability, integrity and standing. They must possess adequate knowledge or experience or show capacity in dealing with problems related to economics, law, commerce, accountancy, industry, public affairs or administration, at least one of the members should be a woman. The 2002 Amendment has introduced certain qualifications and also disqualifications of members of State Commission which are similar to the changes made with regard to the District Forum.

Jurisdiction of the State Commission

Subject to the other provisions of the Act, the State Commission shall have jurisdiction to entertain complaints where the value of the value of the goods or services and compensation, if any, claimed exceeds rupees twenty lakhs, but does not exceed Rs.1.00 crore. There is no direct provision under the Act that deals with the territorial jurisdiction of the State Commission. A State Commission can exercise its original appellate or territorial jurisdiction only in respect of disputes arising within the State.

The State Commission is empowered to entertain appeals against the order of any District

Forum within the State. An aggrieved party may prefer an appeal against the order of a District Forum within 30 days of that order to the State Commission. The State Commission has the power to revise the orders passed by the District Forum can be challenged in appeal before the State Commission only. Similarly an order passed by the State Commission can be appealed only before the National Commission.

NATIONAL COMMISSION

The Act provides for the establishment of the National Commission by the Central Government by notification. It is the highest consumer disputes redressal forum among the three tiers established under the Act.

The National Commission consists of a Chairman and four members appointed by the Central Government. The Chairman must be either a retired or serving Judge of the Supreme Court and his appointment must be made in consultation with the Chief Justice of India.

The four other members should be the persons of ability, integrity and standing and they must have adequate knowledge or experience of problems relating to economics, Law, commerce, accountancy, industry, public affairs or administration one of whom shall be a woman. The Amendment of the Act made in 2002 imposed certain qualifications and disqualifications for members apart from providing that they are eligible for reappointment. It also provides for appointment of more than four members and for creation of Benches of the National commission.

Independence of the National Commission

A close study of the above rules and provisions makes it very clear that the Government intended to secure independence of the commission. Before assuming the office, the members of the National Commission have to give an undertaking that they do not and will not have any financial or other interests that would affect their functions. It is very gratifying to note that the Chairman or any Member should not hold any office for five years in any organization during his tenure. Any person contravening this provision would be committing an offence under the Act.

The Central Government may remove from office the Chairman or any Member of the National Commission who

- a) Has been adjudged as insolvent or
- b) Has been convicted of an offence which, in the opinion of the Central Government, involves moral turpitude or
- c) Has been physically or mentally incapable of acting as Chairman or the Member or
- d) Has acquired such financial or other interests that affect his function as the Chairman or a Member or
- e) Has so abused his position as to render his continuance in office prejudicial to public interest.

Jurisdiction of the National Commission

Subject to the other provisions of this Act, the National Commission shall have jurisdiction to entertain.,

- a) i) Complaints where the value of the goods or services and compensation, if any, claimed exceeds rupees one crore and
- ii) Appeals against the orders of any State Commission and
- b) to call for the records and pass appropriate orders in any consumer dispute which is pending before or has been decided by the State Commission where it appears to the National Commission that such State Commission has exercised a jurisdiction not vested in it by law, or has failed to exercise a

jurisdiction so vested, or has acted in the exercise of its jurisdiction illegally or with material irregularity.

Table-A.11
Overview of Consumer Complaints Filed / Disposed/Pending at the National Level
(as on 31.12.2011 since inception)

SL.NO	Name of Agency	Cases filed since inception	Cases disposed of since inception	Cases Pending	% of total Disposal
1	National Commission	72863	63370	9493	86.97%
2	State Commissions	561594	465478	96116	82.89%
3	District Forums	3101168	2853548	247620	92.02%
	TOTAL	3735625	3382396	353229	90.54%

Source:www.ncdrc.nic.in

Table A.1 shows the number of cases filed, disposed of and pending in the National Commission, State Commission and the District Forums upto the year 2011. The National Commission has the disposal rate of 87 per cent wherein 72,863 cases were filed of which 63,370 cases were disposed of marking a good beginning. Similarly, the State Commission of Andhra Pradesh since its inception showed a high disposal rate of 83 per cent disposal rate, with 46, 5478 cases disposed out of 5,61,594 cases filed. The District Forums revealed a higher disposal rate of 92 per cent of cases, with 28 lakhs cases being disposed out of 31 lakhs cases filed. The reason behind this high rate of disposal is because of the disposal of cases were within the stipulated time and the functioning of the forum with its full members.

Table-A-2
Cases Filed, Disposed and Pending in Erstwhile AP District Consumer Forums
(Period: From 2007 to 2011)
TELANGANA

No		Description	Name of the District Forum	Total
1	a)	Filing	ADILABAD	562
	b)	Disposals		521
	c)	Pending		41
2	a)	Filing	HYDERABAD - I	1744
	b)	Disposals		1658
	c)	Pending		86
3	a)	Filing	HYDERABAD - II	1846
	b)	Disposals		1460
	c)	Pending		386
4	a)	Filing	HYDERABAD - III	1862
	b)	Disposals		1485
	c)	Pending		377
5	a)	Filing	KARIMNAGAR	1053
	b)	Disposals		826
	c)	Pending		227
6	a)	Filing	KHAMMAM	1212
	b)	Disposals		1090
	c)	Pending		122
7	a)	Filing	MAHABOONNAGAR	629
	b)	Disposals		618
	c)	Pending		11
8	a)	Filing	MEDAK at SANGAREDDY	330
	b)	Disposals		322
	c)	Pending		8
9	a)	Filing	NALGONDA	378
	b)	Disposals		363
	c)	Pending		15
10	a)	Filing	NIZAMABAD	487
	b)	Disposals		414
	c)	Pending		73
11	a)	Filing	RANGAREDDY	998
	b)	Disposals		923
	c)	Pending		75
12	a)	Filing	WARANGAL	859
	b)	Disposals		542
	c)	Pending		317

ANDHRA

13	a)	Filing	East Godavari. - I at KAKINADA	403
	b)	Disposals		376
	c)	Pending		27
14	a)	Filing	East Godavari. - II at RAJAHMUNDRY	662
	b)	Disposals		592
	c)	Pending		70
15	a)	Filing	GUNTUR	1709
	b)	Disposals		1702
	c)	Pending		7
16	a)	Filing	KRISHNA - I at MACHILIPATNAM	289
	b)	Disposals		271
	c)	Pending		18
17	a)	Filing	KRISHNA - II at VIJAYAWADA	1473
	b)	Disposals		1403
	c)	Pending		70
18	a)	Filing	NELLORE	640
	b)	Disposals		510
	c)	Pending		130
19	a)	Filing	PRAKASAM at ONGOLE	1235
	b)	Disposals		1117
	c)	Pending		118
20	a)	Filing	SRIKAKULAM	695
	b)	Disposals		694
	c)	Pending		1
21	a)	Filing	VISAKHAPATNAM - I	1548
	b)	Disposals		1515
	c)	Pending		33
22	a)	Filing	VISAKHAPATNAM - II	1555
	b)	Disposals		1389
	c)	Pending		166
23	a)	Filing	VIZIANAGARAM	688
	b)	Disposals		676
	c)	Pending		12
24	a)	Filing	W.G at ELURU	1925
	b)	Disposals		1633
	c)	Pending		292

RAYALASEEMA

25	a)	Filing	ANANTAPUR	640
	b)	Disposals		616
	c)	Pending		24
26	a)	Filing	CHITTOOR - I	493
	b)	Disposals		490
	c)	Pending		3
27	a)	Filing	CHITTOOR - II at TIRUPATHI	576
	b)	Disposals		573
	c)	Pending		3
28	a)	Filing	CUDDAPAH	646
	b)	Disposals		643
	c)	Pending		3
29	a)	Filing	KURNOOL	872
	b)	Disposals		865
	c)	Pending		7

Source: www.scdrc.ap.nic.in

Table A.2 reveals the data of cases filed, disposed and pending at the AP District consumer Forums from 2007 to 2011 at three different regions of the erstwhile state namely Telangana, Andhra and Rayalseema.

The Telangana region has 10 district forums out of which Hyderabad District Forums I, II, and III showed highest number of cases filled and also disposed of with the reason that all the consumers are mostly educated and are aware of the consumer protection and the redressal machinery easily accessible to them. In each of these forums, more than 1700 cases were filled, more than 80 per cent disposed. A few district forums like Khammam, Ranga Reddy, Karimnagar, had cases filled in the range of 800-1000, more than 65 per cent cases disposed. The forums at Adilabad, Mahaboobnagar, and Nalgonda had high rate of disposal than other districts.

In Andhra region, out of 12 district forums 6 forums had more than 1200 cases filed of which 80 to 90 per cent cases were disposed. The remaining forums had an average of 350 cases and about 90 per cent were disposed. The Srikakulam, Vizinagaram and Machilipatnam district forums has high rate of disposal with less than 18 cases pending.

In case of the Rayalseema region, there is very high rate of disposal in all the four district forums, though the number of cases filled are in the range of 400 to 800 expect that of Anantapur with 24 cases pending.

From the above analysis, it is observed that Telangana and Andhra regions had higher number of cases filled. However, the Rayalseema region had very high rate of disposal in the state.

Table B-1
Sector wise Cases Disposed in AP State Consumer Disputes Redressal Commission
(Period: From 2007 to 2011)
(Figures Shows in Number & Percentage)

S.No.	Sector	Direct filed	Cases from District Forum	Total
1	Agriculture	37 14.40	47 2.01	84 3.24
2	Education	1 0.39	84 3.60	85 3.28
3	Medical	24 9.34	208 8.91	232 8.95
4	Financial Institutions	34 13.23	530 22.71	564 21.77
5	Insurance	99 38.52	546 23.39	645 24.89
6	Transport	2 0.78	64 2.74	66 2.55
7	Real Estate	32 12.45	338 14.48	370 14.28
8	Paid Services	16 6.23	326 13.97	342 13.20
9	Consumer Products	12 4.67	191 8.18	203 7.83
	Total	257	2334	2591

Source: www.scdrc.ap.nic.in

Table B.1 shows the sector wise cases disposed in the State Consumer Disputes Redressal Commission for the period 2007 to 2011. The sector wise classification is as per the existing practise of the state commission.

The Commission has nine categories of cases, viz – Agriculture, Education, Medical, Financial Institutions, Insurance, Transport, Real Estate, Paid services and Consumer Products. The Insurance and financial Institutions sectors had highest cases disposed with 25 and 22 per cent. Most of these cases were filed for the reason that consumers had to undergo lengthy procedures and more dependency on the business agents. The Real Estates and Paid Services followed next with 14 and 13 per cent. The real estate cases mainly dealt with frauds or delays in registration, lack of necessary approvals resulting delays in construction and delivery of assets. The paid services with 13 per cent cases mostly related to deficiency in services for power, post office, courier and telecommunications.

The other sectors which include agriculture reveals low of 3. 24 per cent is mainly due to lack of consumer awareness and education. The education sector also showed 3.28 per cent of cases disposed which related to issue of certificates and school recognition issues. The medical sector shows 9 per cent of cases disposed which related to deficiency in services and wrong diagnosis. The consumer products sector with 8 per cent related to cases dealing with sale of defective goods and services which are falsely claimed.

Overall analysis reveal that consumers show more concern where the financial commitment is high and the claims involve more risk and time. This is observed in Insurance and Financial Institutions where the claims were delayed and put to risk. In real estate sector most of the cases were mutually settled and those concerning to approvals and registration issues were filed. The other sectors with low rates of cases filed and disposed is generally due to lack of awareness, time constraints and the claims being low in financial terms.

Table B.2
Sector wise Cases Disposed in Selected District Consumer Forums
(Period: From 2007 to 2011)
(Figures Shows in Number & Percentage)

S.No.	Sector	TELANGANA	ANDHRA	RAYALASEEMA	Grand Total
		Nizambad & Warangal	Guntur & Nellore	Cuddapah & Kumool	
1	Agriculture	70 10.62	76 6.47	144 12.45	290 9.70
2	Education	17 2.58	26 2.21	16 1.38	59 1.97
3	Medical	37 5.61	46 3.91	25 2.16	108 3.61
4	Financial Institutions	188 28.53	328 27.91	274 23.68	790 26.41
5	Insurance	174 26.40	294 25.02	370 31.98	838 28.02
6	Transport	11 1.67	33 2.81	16 1.38	60 2.01
7	Real Estate	22 3.34	86 7.32	33 2.85	141 4.71
8	Paid Services	71 10.77	193 16.43	123 10.63	387 12.94
9	Consumer Products	69 10.77	93 16.43	156 10.63	318 12.94
	Total	659	1175	1157	2991

Source: www.scdrc.ap.nic.in

Table B-2 Shows sector wise cases disposed in select District Consumer Forum in 3 regions of erstwhile Andhra Pradesh – Telangana, Andhra and Rayalseema. In each region 2 districts were selected were the study. In all the 3 regions Insurance, Financial Institution Sectors were found to be have been highest cases disposed. With 28 and 26 % respectively. This was the main reason was higher claims in insurance and misappropriation in financial institutions. Which were violating the RBI guidelines. The paid services and consumer product sector showed a similar 13% each. These cases mostly related to deficiency in services in departments of electricity, postal, courier etc. Misleading advertisement and failure of after sales services constituted cases in consumer product sector. In case of agriculture sector a low 10% of cases were disposed of which were mainly concerning with substandard seeds and crop compensation. Lack of awareness and procedures to file the cases were said to be the reason for less

number of cases. The other sectors which included real estate, medical, transport and education were below 4% of the cases disposed. This is mainly because of time constrains by the consumers to file the grievances before the district forums.

Table C.1
Sector wise Compensation awarded in Selected District Consumer Forums in AP
(Period: From 2007 to 2011)
(Figures shows in Number & Percentage)

S.No	Sector	Upto Rs.1.5L		Rs.1.5L above-3L		Rs. 3L above		Total			
		Claimed	Awarded	Claimed	Awarded	Claimed	Awarded	Claimed	Awarded	Rejected/Dismissed	Mutual Settlement
1	Agriculture	301 17.38	218 17.17	99 22.40	38 24.84	77 15.13	14 16.87	501 16.75	270 17.93	207 17.59	24 7.79
2	Education	29 1.67	22 1.73	4 0.90	1 0.65	14 2.75	0 0.00	56 1.87	23 1.53	24 2.04	9 2.92
3	Medical	27 1.56	32 2.52	14 3.17	2 1.31	39 7.66	5 6.02	88 2.94	39 2.59	41 3.48	8 2.60
4	Financial Institutions	441 25.46	316 24.88	106 23.98	34 22.22	100 19.65	13 15.66	731 24.44	363 24.10	284 24.13	84 27.27
5	Insurance	396 22.86	315 24.80	134 30.32	47 30.72	158 31.04	32 38.55	768 25.68	394 26.16	294 24.98	80 25.97
6	Transport	43 2.48	19 1.50	6 1.36	2 1.31	4 0.79	1 1.20	59 1.97	22 1.46	31 2.63	6 1.95
7	Real Estate	73 4.21	60 4.72	24 5.43	14 9.15	21 4.13	8 9.64	128 4.28	82 5.44	36 3.06	10 3.25
8	Paid Services	223 12.88	134 10.55	28 6.33	7 4.58	41 8.06	6 7.23	350 11.70	147 9.76	145 12.32	58 18.83
9	Consumer Products	199 11.49	154 12.13	27 6.11	8 5.23	55 10.81	4 4.82	310 10.36	166 11.02	115 9.77	29 9.42
	Total	1732	1270	442	153	509	83	2991	1506	1177	308

Source: www.scdrc.ap.nic.in

Table C.1 presents the sector wise compensation claim amounts in the District Forums in Andhra Pradesh during the period 2007 to 2011. The compensation claim amount is made under three groups- upto Rs.1,50,000, above 1,50,000 but below Rs.3,00,000 and above 3,00,000.

The Insurance sector shows the highest 39 per cent cases were awarded above Rs.3,00,000 as claim amounts, 31 per cent awarded under Rs.1,50,000 to Rs.3,00,000 group and 25 per cent secured upto Rs.1,50,000. The next claims were in Financial sector 25 per cent claimed upto Rs,1,50,000 while it is 22 per cent under the 1,50,00 – 3,00,000 group and 16 per cent above 3,00,000 group. The agriculture sector also showed a similar trend with 25 per cent in 1,50,000 – 3,00,000 group and about 17 per cent each in the group below 1,50,000 and above 3,00,000 respectively. In case of Paid services and

Consumer Products the highest cases claimed are in the group below Rs.1,50,000 and 5 to 7 per cent in 1,50,000- 3,00,000 and above 3,00,000 groups. The remaining sectors – education, medical, transport reveal a marginal rate of 3 to 4 per cent in each claim group.

Hence, it is concluded that mostly Insurance and financial institutions cases have claimed large amounts which are above Rs.3,00,000 besides the agriculture, real estate and paid services. This is due to reasons of attractive schemes involving large amounts and long durations.

FINDINGS AND CONCLUSION

The Consumer Protection Act is comprehensive and it was much better than any piece of consumer legislation elsewhere in the world. What is lacking is proper implementation. The government seems indifferent to the cause of consumer protection. The infrastructure is often inadequate, the facilities are below par and several vacancies in the courts are yet to be filled. On the positive side though, the level of awareness among consumers has gone up considerably thanks to the positive verdicts from the consumer courts.

However, there are some myths about consumer protection Act that need to be dispelled. Although consumer courts are expected to deliver the verdict within 90 days, procedural delays ensure that the schedule is not adhered to in most cases.

1. Often consumers claim exorbitant damages. They must understand that the claim has to be justified and quantified in the court. This way, we ensure that there are no reckless litigations.
2. Quick attention to complaints, speedy redressal to grievances, fair and just system of different actions etc. are some of the ways to ensure consumer confidence and reduce the cynicism, the all-pervading feeling that nothing can be done.
3. Various government machineries like the Government departments, ministries, bodies like the bureau of Indian standard along with non-governmental organizations, should also need to ensure strict implementation of various provisions to safeguard the interest of the consumer, ensure quality and promote standardization of goods and services.
4. Finally appointment of ombudsmen in each and every subject (Business activity), regulatory authorities will ensure consumer safety and protection, through speedy redressal of the grievances.

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