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FUNCTIONAL PERFORMANCE OF STATE COMMISSIONS – A COMPARATIVE ANALYSIS

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ABSTRACT

Background: In India consumer protection has gained momentum especially after independence and the enactments of many acts benefited to the consumers from exploitation from unfair trade practices. Consumer protection can also be asserted by many ways like government and non government organizations. Technological advancement throughout the globe especially after the institution of multi national companies had widened the gap between the manufacturers and consumers in all disciplines.

Need of Study: To evaluate the products and services he needs expert knowledge, which is usually beyond his capability. As per current scenario, there is no reliable agency to provide true and fair information. The Government of India realizing the need of consumer protection and eliminating consumer exploitation enacted many acts and the most important one for the consumers is the Consumer Protection Act 1986 which was exclusively designed to redress the grievances of the consumers by establishing three tier quasi judicial redressal machineries at the central, state and district level.

Analysis: In this paper the researcher has made an attempt to analyze the working performance of Tamil Nadu, Andhra Pradesh and Puducherry UT consumer disputes redressal commissions. The performance of these commissions are analyzed in terms of disposal of original complaints, rate of pendency, and filing of cases with some meaningful suggestions for qualitative and quantitative enhancement in its performance. Conclusion: From the analysis under study, it is observed that the overall disposal rate of Andhra Pradesh state commission is much better when compared to the other two commissions.

Key Words: Consumer protection, Consumer disputes redressal commissions, Consumer exploitation

INTRODUCTION

The Consumer Protection Act 1986 was a milestone in the consumer protection movement in the country. It has been enacted with a view to provide simple, speedy and inexpensive remedy to consumers and save them from unscrupulous traders and service providers. Accordingly three tier quasi judicial redressal machineries have been set up at the District, State and National levels to defend the legitimate rights of consumers provided under the act. They are adjudicatory bodies formed exclusively for the consumers where disputes are heard and decisions are made legally. If any consumer having grievances can file a complaint in the District forum for the value up to Rs twenty lakhs, State commission for the value more than Rs twenty lakhs to one crore and National commission for the value above Rs one crore in respects of deficiency in services and defects in goods. This study is all about two state commissions and one Union Territory consumer disputes redressal commission.

Structure of State consumer disputes redressal machinery

The Consumer Protection Act 1986 prescribes the establishment of three tier Consumer Disputes Redressal Adjudicatory Bodies. It provides that the state government shall establish a District Consumer Disputes Redressal Forum (DCDRF) for each district and State Consumer Disputes Redressal Commission (SCDRF) for the state. A National Consumer Disputes Redressal Commission (NCDRC) shall also be established by the central government.

The State Commission is the second in the hierarchy of the three tier quasi judicial system. The state commission will consist of a president, who shall be a sitting or retired judge of High court and shall consist of two members one of whom shall be a woman. The state commission can entertain the complaints where the total claim exceeds 20 lakhs but does not exceed 1 crore and it adjudicates original, appeal and revision petitions. The order of any State Commission can be appealed to the National Commission within one month. Any appeal against the order of the District forum can be filed to state commission within thirty days of the order of the District forum. The complaints should be filed in the above forums.

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within two years from the date of occurrence of event. The complainant can file and conduct the case directly himself in the forums without the need of legal experts. The cases should be decided within 90 days or 150 days if testing of goods of dubious quality is essential from the date of receipt of notice by the respondent. Principle of natural justice is followed in adjudication and the order of the forums should be of the majority of members.

Need for the study: The Consumer Protection Act merely provides separate enforcement machinery with the aim of giving consumers a simple and expeditious solution to consumer problems. State commissions being the middle in the hierarchy, instituted almost all the states. This study was undertaken to analyze at what extent the state commissions disposed the original cases speedily to protect the interests of aggrieved consumers. Further the analysis of the performance of the state commissions would help us to find out the problems which are affecting their progress and we can suggest some appropriate measures to improve its performance. Hence the present study has been undertaken.

The present paper aims at achieving the following objectives 1. To analyze the working performance of selected state consumer disputes redressal commissions. 2. To analyze the trend growth and magnitude of variability of number of cases filed, disposed and pending in the state commissions during the period under study and 3. To find out the gap between cases filed and disposed and suggest suitable measures for their betterment

METHODOLOGY OF THE STUDY

The present study is made only with the secondary data sources. The secondary data has been collected from three commissions for a period of 10 years that is from 2001 to 2010. Besides various articles published in different books, journals and websites are also referred for the study.

STATISTICAL METHODS

The secondary data was analyzed by using appropriate statistical techniques such as mean, simple percentages and regression analysis. Mean and simple percentages are used to find out the tendency of cases filed, disposed and pending during the study period. To study the growth rate with regard to number of cases pending, cases filed cases for disposal and cases disposed compound growth rate has been calculated using semi log or exponential function. Co-efficient of variation is used to find out the magnitude of variability in number of cases filed, disposed and pending during the study period.

ANALYSIS AND INTERPRETATION

The working performance of State Consumer Disputes Redressal Commissions of Tamilnadu, Andra Pradesh and Puducherry Union Territory are analyzed and presented hereunder

I. Case Disposal History of Tamil Nadu SCDRC

It is revealed that averages of 663 cases were there in the SCDRC of Tamil Nadu and out of which 124 cases were disposed constituting 18 per cent. The pending cases which were 847 in 2001 got reduced to 359 in 2010. However, the filing of the cases had a fluctuating trend and the rate of disposal of cases also is not encouraging. In general the performance of SCDRC of Tamil Nadu has to improve its performance in terms of disposal of cases.

The trend of cases pending in the beginning in Tamil Nadu SCDRC is negative and statistically significant at one per cent level. It implies that there is a significant decrease in the cases pending at the rate of 14.29 per cent per annum. The cases filed are negative and significant at five per cent level. It indicates that the cases filed had declined at the rate of 15.08 per cent per annum. The cases for disposal are negative and statistically significant at one per cent level that indicates a significant decrease at the rate of 14.29 per cent per annum.

The trend of cases disposed is negative and significant at five per cent level. It shows that there is a significant decrease in cases disposed and it had declined at the rate of 25.31 per cent per annum during the study period. The analysis shows that there is 74.55 per cent variation in cases disposed of which shows a high degree of inconsistency. The trend of cases pending at the end is negative and significant at five per cent level. It indicates that there is a significant decrease in the cases pending at the end of the year at the rate of 12.72 per cent per annum. The pendency level decreases due to decrease in cases filed and not due to more cases disposed. This does not mean there was no consumer rights violations, but consumers were not forthcoming to approach the commissions fearing a long legal wrangle. The non attendance and frequent boycott of advocates during hearings and having untrained assistants are the other reasons for the slow disposal of cases.

II. Case Disposal History of Andra Pradesh SCDRC

It is revealed that the performance of the SCDRC of Andra Pradesh is encouraging. It is inferred that an average of 403 cases were there in the SCDRC of Andra Pradesh and of which 139 cases constituting 34 per cent were disposed. The rate of disposal of cases was consistent throughout the period of study. The pending cases which were 625 in 2001 cleared gradually and the same was

152 in the year 2010. In general the performance of Andhra Pradesh state commission is moderate.

It is found that that the cases pending in the beginning is negative and statistically significant at one per cent level. It indicates that there is a significant decrease in the pending cases at the rate of 19.12 per cent per annum. It had the highest co-efficient variation of 53.73 per cent which indicates a high degree of volatility in pending cases at the beginning. The cases filed in Andhra Pradesh SCDRC are negative but not significant. It shows that there is no significant decrease in cases filed during the study period. The trend of cases for disposal is negative and statistically significant at one percent level. It indicates that the cases for disposal had declined at the rate of 13.76 per cent per annum. The magnitude of variability in cases for disposal is 47.72 per cent.

The trend of cases disposed is negative and significant at five per cent level which discloses that there is a significant decrease in cases disposed at the rate of 12.46 per cent per annum. The cases pending at the end is also negative and significant at one per cent level. The analysis reveals that there is a significant decrease in cases pending at the end at the rate of 14.29 per cent per annum. Even though there is a significant slackness in the number of cases disposed, the pendency level is not at increasing rate. The pendency goes down significantly due to the cases filed is at decreasing trend. The slackness in filing cases may be due to unawareness, less enthusiasm and delayed justice exhibited by the state commission.

III. Case Disposal History of Puducherry UT CDRC

It is revealed that that an average of 19 cases were there in the CDRC of Puducherry for disposal and out of this only 5 cases were disposed of. The pendency and disposal of cases in the CDRC of Puducherry is not much impressive. Being comparatively smaller in area, lesser in population and less number in pendency and also cases filed, the Union Territory of Puducherry CDRC could perform still better in the interests of the consumers.

The pending cases in the beginning are negative but not significant. The trend of cases filed is positive but not significant. It indicates there is no significant increase in cases filed and it had increased at the rate of 0.93 per cent per annum. The cases for disposal are also negative but not significant. The trend of cases disposed is negative but not significant. It indicates that there is no significant decrease in cases disposed in Puducherry CDRC. It had the highest variation of 120.68 per cent which indicates the high degree of volatility in cases disposed. The cases pending at the end of the year is also negative but not significant. The pendency level is at decreasing rate since the cases filed is not encouraging and not due to much number of cases disposed. Absence of president

and members and lengthy legal arguments may be the reasons for slow disposal.

RESULTS

1. In Tamil Nadu State Commission, on an average, 663 cases were there for disposal every year during the study period of which 124 cases were disposed of constituting 18 per cent of the filed cases settled annually and the remaining 82 percent were at pendency.
2. In Andhra Pradesh State Commission, on an average, 403 cases were there for disposal every year during the study period of which 139 cases were disposed of constituting 34 per cent of the filed cases settled annually and the remaining 66 percent were at pendency.
3. In Puducherry Union Territory Redressal Commission, on an average, 19 cases were there for disposal every year during the study period of which 5 cases were disposed of constituting 23 per cent of the filed cases settled annually and the remaining 77 percent were at pendency.

DISCUSSION

On the basis of the above analysis, the following suggestions are recommended in order to strengthen the functioning of state commissions

1. The most important aspects in consumerism are speedy disposal of cases, minimizing the number of pendency of cases and creating awareness about filing of cases among the people and thereby effective steps to be taken up by the government to improve the performance in these aspects.
2. Efforts should be taken by the government to inspire awareness in the minds of consumers and to regularize these commissions by fixing at least minimum target of cases to be disposed each month in order to reduce pendency. The national commission should monitor this aspect more closely and ensure strict adherence.
3. Additional benches would be set up in state commission to reduce the pendency level
4. The time limitation to dispose the cases at each stages (numbering the case, serving summon, filing counter affidavit, arguments, pronouncement of judgment) to be well defined to the consumers to avoid unnecessary adjournment and dragging of the case.
5. The existing vacancies of appointment may be filled in time. Successors to the staff members or presidents or members of commissions who retire on definite date should be identified well in ad-

vance to avoid delay in the appointment of president or members or staff members of these commissions. The Government may prepare a standby list in order to appoint them from the said list, immediately when vacancy arises.

CONCLUSION

From the analysis under study, it is observed that the overall disposal rate of Andhra Pradesh state commission is much better when compared to the other two commissions. On the overall performance basis, the Andhra Pradesh state commission may be assigned first rank in respect of disposal (34 per cent). It is followed by Puducherry UT Redressal Commission (23 per cent) and Tamil Nadu state commission (18 per cent) respectively. In general, the working performance of these three commissions is not impressive. In case the suggestions given by the researcher if implemented, these commissions will strengthen further in redressal.

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Table 1: Case Details of Tamil Nadu SCDRC during 2001 to 2010

Year	Cases pending in the beginning	Cases filed during the year	Cases for disposal	Cases disposed		Cases pending at the end	
				Number	%	Number	%
2001	847	180	1027	105	10.2	922	89.8
2002	922	151	1073	121	11.3	952	88.7
2003	952	82	1034	279	27	755	73
2004	755	38	793	255	32.2	538	67.8
2005	538	55	593	202	34.1	391	65.9
2006	391	68	459	74	16.1	385	83.9
2007	385	62	447	104	23.3	343	76.7
2008	343	61	404	49	12.1	355	87.9
2009	355	23	378	19	5	359	95
2010	359	59	418	28	6.7	390	93.3
Total	5847	779	6626	1236		5390	
Mean	585	78	663	124	18	539	82

Table 2: Trend, Growth and Magnitude of Variability of Case Particulars in Tamil Nadu SCDRC

Sl. no	Particulars	Regression Co- efficient	CGR (percent/annum)	CV (percent)
1	Cases pending in the beginning	-0.058** (0.008)	-14.29	43.73
2	Cases filed during the year	-0.061* (0.021)	-15.08	63.34
3	Cases for disposal	-0.058** (0.007)	-14.29	43.76
4	Cases disposed	-0.098* (0.030)	-25.31	74.55
5	Cases pending at the end	-0.052* (0.010)	-12.72	45.3

Table 3: Case Details of Andhra Pradesh SCDRC during 2001 to 2010

Year	Cases pending in the beginning	Cases filed during the year	Cases for disposal	Cases disposed		Cases pending at the end	
				Number	Percent	Number	Percent
2001	625	147	772	225	29.1	547	70.9
2002	547	144	691	266	38.5	425	61.5
2003	425	102	527	226	42.9	301	57.1
2004	301	69	370	95	25.7	275	74.3
2005	275	57	332	108	32.5	224	67.5
2006	224	68	292	96	32.9	196	67.1
2007	196	71	267	80	30	187	70
2008	187	69	256	86	33.6	170	66.4
2009	170	83	253	101	39.9	152	60.1
2010	152	119	271	104	38.4	167	61.6
Total	3102	929	4031	1387		2644	
Mean	310	93	403	139	34	264	66

Table 4: Trend, Growth and Magnitude of Variability of Case Particulars in Andhra Pradesh SCDRC

Sl.no	Particulars	Regression Co- efficient	CGR (percent/annum)	CV (percent)
1	Cases pending in the beginning	-0.076** (0.005)	-19.12	53.73
2	Cases filed during the year	-0.02 ^{NS} (0.016)	-4.71	35.76
3	Cases for disposal	-0.056** (0.008)	-13.76	47.72
4	Cases disposed	-0.051* (0.041)	-12.46	50.87
5	Cases pending at the end	-0.058** (0.007)	-14.29	48.9

Table 5 : Case Details of Puducherry UT CDRC during 2001 to 2010

Year	Cases pending in the beginning	Cases filed during the year	Cases for disposal	Cases disposed		Cases pending at the end	
				Number	Percent	Number	Percent
2001	15	2	17	2	11.8	15	88.2
2002	15	3	18	8	44.4	10	55.6
2003	10	15	25	3	12	22	88
2004	22	2	24	4	16.7	20	83.3
2005	20	15	35	19	54.3	16	45.7
2006	16	3	19	12	63.2	7	36.8
2007	7	2	9	1	11.1	8	88.9
2008	8	3	11	1	9.1	10	90.9
2009	10	6	16	0	0	16	100
2010	16	4	20	1	5	19	95
Total	139	55	194	51		143	
Mean	14	6	19	5	23	14	77

Table 6: Trend, Growth and Magnitude of Variability of Case Particulars in Puducherry UTCDRC

Sl. no	Particulars	Regression Co- efficient	CGR (percent/annum)	CV (percent)
1	Cases pending in the beginning	-0.010 ^{NS} (0.018)	-4.47	36.13
2	Cases filed during the year	0.004 ^{NS} (0.039)	0.93	93.6
3	Cases for disposal	-0.018 ^{NS} (0.019)	-4.23	38.21
4	Cases disposed	-0.071 ^{NS} (0.057)	-17.61	120.68
5	Cases pending at the end	-0.006 ^{NS} (0.020)	-1.39	36.87