

# Perception of Complainants with Respect to Various Consumer Disputes Redressal Agencies: A Study of Punjab State

Kamaldeep Kaur\* & J.S. Pasricha\*\*

## Abstract

In India, the Government has enacted number of legislations over a period of time to protect the consumers from all sorts of exploitations. The Government has also enacted a comprehensive Consumer Protection Act, 1986 for their protection. In addition, VCOs are also playing a significant role in the effective implementation of the Consumer Protection Act. This study attempts to examine the perceptions of complainants with respect to various consumer redressal agencies in Punjab State. For the purpose of the study, 150 complainants have been selected on the basis of multi-stage stratified random sampling technique. All complainants were individually approached at their addresses and required information was collected through questionnaire-cum-interview. Weighted average score and chi-square test were the major tools which had used to analyze the responses of complainants. From the study, it is found that, most of the respondents were satisfied with the overall functioning as well as the relief provided to them by the redressal agencies.

## Introduction

In India, the Government has enacted a number of legislations over a period of time to protect the consumers from all sorts of exploitation. The Government enacted a comprehensive Consumer Protection Act, 1986 for the protection of consumers. The Act aims at providing simple, speedy and inexpensive redressal to the aggrieved consumers by way of setting up Consumer Disputes Redressal Agencies (CDRAs) at District, State and National level with the supervisory bodies known as Consumer Protection Councils at the State and National level. The Consumer Protection Act was amended first in 1993 and then in 2002 to provide more teeth to it. In the State of Punjab, all the 17 districts have a separate District Forum apart from State Commission.

A consumer is one who buys any goods or hires services by paying its price, either for his own and his family's consumption or for his livelihood. Therefore, everybody is a consumer in one way or the other. Philosophers and thinkers have regarded consumer as the basis of every business. None of the business activities can move in the market without the presence of consumers. However, it is still a common practice that businessmen exploit the consumers for quality, quantity, weight, price and other related factors in the daily business transactions.

Section 2 (1)(d) of the Consumer Protection Act, 1986 defines 'consumer' as a person who:

(i) buys any goods for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any user of such goods other than the person who buys such goods for consideration paid or promised or partly paid or partly promised, or under any system of deferred payment, when such use is made with the approval of such person, but does not include a person who obtains such goods for resale or for any commercial purpose; or

(ii) hires or avails of any services for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any beneficiary of such services other than the person who hires or avails of the services for consideration paid or promised, or partly paid and partly promised, or under any system of deferred payment, when such services are availed of with the approval of the first mentioned person but does not include a person who avails of such services for any commercial purpose.

The term 'consumer' used in the study means an individual who is the ultimate user of goods or services and his purpose in purchasing/ hiring is not resale but consumption.

## Complainant

A complainant is one who complains or files a suit as a plaintiff. A complaint is an expression of grief and

\* Assistant Professor, Commerce Department, S.G.T.B.College, University of Delhi.

\*\* Professor, Commerce Department, Punjabi University, Patiala.



dissatisfaction. In this sense, complainant is a person who raises a consumer complaint before CDRAs or VCOs for getting redressed. According to Section 2(c) of the Indian Consumer Protection Act, 1986 a 'complaint' means any allegation in writing made by a complainant that –

- i) as a result of any unfair trade practice adopted by any trader or service provider, the complainant has suffered a loss or damage;
- ii) the goods mentioned in the complaint suffer from one or more defects;
- iii) the services mentioned in the complaint suffer from deficiency in any respect;
- iv) the trader has charged for the goods mentioned in the complaint a price in excess of the price fixed by or under any law for the time being in force; or displayed on the goods or any package containing such goods; or the price list; or the price agreed between the parties.
- v) where any goods hazardous to life are being offered for sale, in contravention of any standards relating to safety of such goods, or if the trader could have known with due diligence that the goods so offered were unsafe to the public; and
- vi) where any services hazardous to life are being provided by the service-provider which such person could have known that the services could be injurious to life and safety.

The last clause mentioned above has been inserted by the 2002 amendment.

### Consumer Association

A voluntary consumer association enjoys a statutory status for filing a complaint before a consumer court. For this purpose, the association must have been registered under the Companies Act, 1956; or any other enactment providing for the registration of non-profit organisation namely, the Societies Registration Act, 1860; the Indian Trusts Act, 1908; or any State Co-operative Societies Act. A registered consumer association can take up a case of any consumer even if he is not a member of the association.

### Class Action

As per amendment made in the Consumer Protection Act in 1993, under the class action, any one or more consumers can file a complaint on behalf of numerous consumers having the same interest. This provision is intended to provide relief to users of municipal services, transport and other services of mass usage and other cases involving numerous consumers having common grievance.

### Legal Heir

The 2002 amendment to Copra has further enlarged the scope of complainant. Now, in the event of the death of a consumer, his legal heir or representative is empowered to file a complaint and to pursue the matter on behalf of the deceased consumer and to get a compensation for the loss or the injury caused to the consumer.

### Objective of the Study

The main objective of this exercise is to study the perceptions of complainants with respect to various Consumer Redressal Agencies (both CDRAs established under law and VCOs) in Punjab.

### Methodology

For the purpose of study, 150 complainants have been selected from Punjab on the basis of multi-stage stratified random sampling.

At the first stage, all the districts of Punjab were divided into three categories according to literacy, that is, Districts with high literacy, Districts with medium literacy and Districts with low literacy. On the above basis, five districts Hoshiarpur, Ropar, Jalandhar, Nawanshahr and Ludhiana were found falling in the category of high literacy; Gurdaspur, Fatehgarh Sahib, Kapurthala, Patiala, Amritsar and Moga in the category of medium literacy and the remaining districts viz. Faridkot, Bathinda, Ferozepur, Sangrur, Muktsar, Mansa in the category of low literacy.

In the second stage, all these districts in each category were ranked on the basis of number of cases filed in the respective Consumer Forum. From each of these three categories, one district out of the top two was selected on random basis for the purpose of study. In this way Ludhiana (District with high literacy), Patiala (District with medium literacy) and Sangrur (District with low literacy) were selected for the final list.

### Collection of Data

From these three districts, 50 complainants per district were selected at random. The complainants consisted of those whose cases had already been decided by the respective Forum.

For the purpose of collection of primary data, a questionnaire was prepared for complainants who approached the Consumer Forum and filed their complaints.

The complainants were individually approached at their addresses to obtain the required data. The analysis of the primary data has been carried out by using simple frequencies, percentages, ranking / rating etc. For the analysis of data collected from 150 complainants, there appeared a host of variables which could affect their choices, but the study has concentrated on four variables, viz. gender, area, education and occupation.

The responses of the complainants have been presented in the tables both in numbers and percentages.

### Statistical Tools Used for Analysis

The average weighted scores have been calculated at suitable places where the respondents were asked to rank the different attributes relating to functioning of redressal agencies according to their level of satisfaction. The formulation used for working out average weighted score of an attribute is given below:

$$W = \frac{1}{\sum fw} \sum wfw$$

Where W is the weight assigned to an attribute and fw is number of respondents who attached weight to an attribute.

Non-parametric Chi-Square test has been used for describing the magnitude of the discrepancy between theory and observation. Chi-square can be calculated as below:

$$\chi^2 = \frac{\sum (O-E)^2}{E}$$

Where  $\chi^2$  = Chi-square value;

O = Observed frequencies;

E = Expected frequencies;

E is given by  $\frac{RT \times CT}{N}$

N

Where RT = the row total for the row containing the cell ;  
CT = the column total for the column containing the cell;  
and N = total number of observations.

### Findings of the Study

The study has been divided into two sections. Section-A gives a brief account of the profile of the sample complainants selected for the study. Section-B is devoted to assess the perception of the complainants regarding the working/ functioning of redressal agencies in Punjab.

#### A. Profile of the Complainants

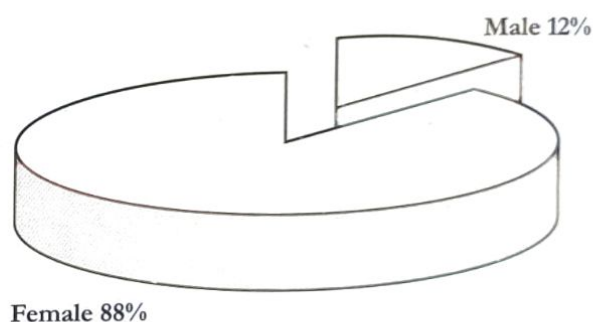
The profile of the sample complainants includes gender, age, education and area.

##### Gender Composition

Table 1.1 shows that out of the 150 complainants selected for the study, 88 per cent (132) were male and 12 per cent (18) were female. The same has also been presented diagrammatically in Figure 1.1

Category	Number	Percentage
Male	132	88.00
Female	18	12.00
Total	150	100.00

Fig. 1.1: Gender-Wise Distribution of Complainants

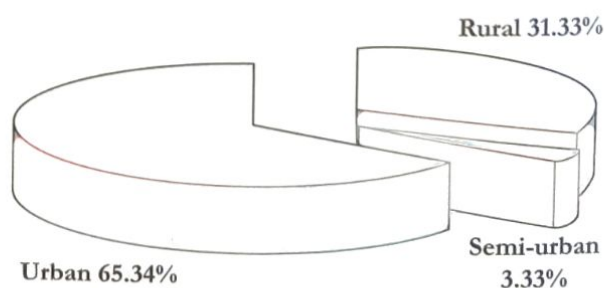


#### Place / Area of Residence

Table 1.2 shows the area of residence of sample complainants.

Category	Number	Percentage
Rural	47	31.33
Urban	98	65.34
Semi-Urban	5	3.33
Total	150	100.00

Fig. 1.2: Area-Wise Distribution of Complainants





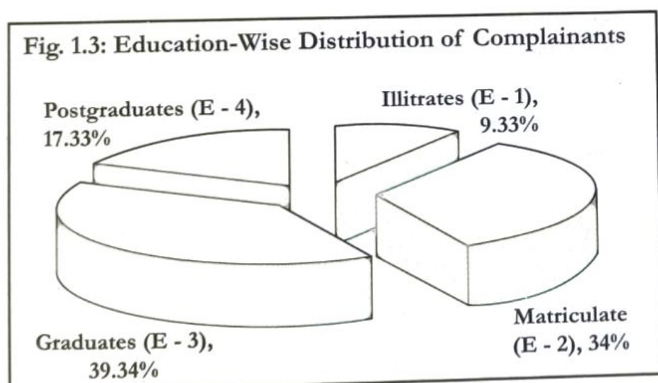
It is clear from the table that majority of respondents 65.34 per cent were residing in urban area, whereas 31.33 per cent (47) were residing in rural area. Only 3.33 per cent (5) were residing in semi-urban area. Diagrammatical representation shown in Figure 1.2 further clarifies the point.

### Education

The educational qualifications have been classified into four categories, viz. Illiterates (E-1), Matriculates (E-2), Graduates (E-3) and Post-Graduates (E-4).

Category	Number	Percentage
E-1	14	9.33
E-2	51	34.00
E-3	59	39.34
E-4	26	17.33
Total	150	100.00

Table 1.3 and Fig. 1.3 show education-wise distribution of the sample complainants. The results of the table show that out of 150 complainants selected for the study, 39.34 per cent of the complainants belonged to category E-3 (Graduates), while 34.00 per cent belonged to category E-2 (Matriculates) and 17.33 per cent (26) belonged to category E-3 (Post-Graduate). On the other hand, only 9.33 per cent (14) belonged to category E-1 (Illiterates).



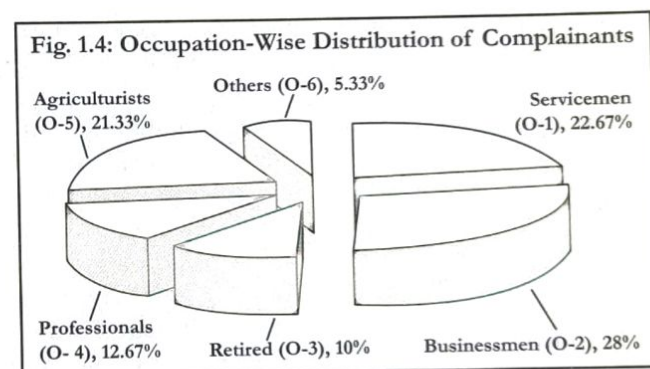
### Occupation

Occupation-wise distribution of the complainants has been tabulated in Table 1.4. For this purpose, six categories of occupations have been considered, viz. Servicemen (O-1), Businessmen (O-2), Retired (O-3), Professionals (O-4), Agriculturists (O-5) and others (O-6). The last category includes students, research scholars, housewives etc.

It is clear from Table 1.4 that 28 per cent (42) respondents

Category	Number	Percentage
O-1	34	22.67
O-2	42	28.00
O-3	15	10.00
O-4	19	12.67
O-5	32	21.33
O-6	8	5.33
Total	150	100.00

were from O-2 category (businessmen), 22.67 per cent (34) from O-1 category (servicemen), 21.33 per cent (32) from O-5 category (agriculturists), 12.67 per cent (19) from O-4 category (professionals) and the remaining 10.00 per cent (15) from O-3 category (retired). It has also been presented in Figure 1.4



### B. Perception of Complainants with regard to Functioning of Various Disputes Redressal Agencies

The analysis of the responses of complainants revealed as under:

1. Majority of the respondents, that is, 56 per cent approached Consumer Fora for getting adequate relief. Gender-wise, education-wise and occupation-wise analysis of the respondents depicted that no significant differences existed among the respondents belonging to different categories as far as the reasons for filing the case in Consumer Forum were concerned. However, area-wise analysis showed that significant differences existed at one per cent level of significance among different area-wise categories with regard to the reasons for filing the case.
2. Majority of the respondents came to know about the Consumer Forum through friends. This was followed by information from advocates and newspapers. Majority of the respondents from rural area came to know about the Forum from friends and advocates.



All the male and female respondents from urban area were guided by their friends. On the other hand, the respondents from semi-urban area were equally influenced by newspapers, friends and electronic media. Education-wise analysis showed that all the respondents came to know about the consumer forum through their friends except postgraduates who got such information from newspapers. Occupation-wise, analysis provided that businessmen, retired persons and agriculturists got such information from their friends, whereas newspapers became the main source of information for servicemen.

3. When enquired about the knowledge about the existence of VCOs, it was observed that only 15.33 per cent of respondents were having the knowledge and they also approached them for necessary assistance. Chi-square value at 5 per cent level of significance showed that no significant differences existed among different categories of respondents based upon gender, area, education and occupation with respect to knowledge about VCOs.
4. The VCOs served the maximum proportion of complainants by mediating between the parties to the cases. They also provided the necessary guidance for filing the case in Consumer Forum. Further, majority of respondents from rural, illiterates and retired categories were helped by VCOs by providing them legal assistance to file the case in Consumer Forum, while most of the cases of post-graduates were filed by VCOs on their behalf.
5. It is observed from the analysis of respondents that all the VCOs which filed the cases in Consumer Forum on behalf of the consumers have charged some sort of fees from the consumers.
6. As far as satisfaction level of complainants about the services provided by VCOs is concerned, majority of the respondents in all other categories except those from female, rural, illiterates and professionals categories were satisfied. While female, illiterate and professional respondents were dissatisfied with their services, rural respondents could not express any opinion in this regard.
7. Maximum proportion of respondents from all the categories have engaged the services of advocates in filing their cases in Consumer Forum. Gender-wise, area-wise, education-wise and occupation-wise analysis of responses showed that significant differences existed at 5 per cent level of significance among the respondents belonging to different categories as far as engagement of the services of advocates was concerned. Ignorance of the legal procedure and shortage of time to pursue the case were found to be the main reasons for engaging the services of advocates by respondents in all categories except professionals who engaged advocates for the reason that the opposite party availed the services. A good percentage of respondents in all the categories under gender, area, education and occupation were of the opinion that fees charged by the advocates were moderate.
8. Regarding the number of adjournments allowed to the opposite party, maximum proportion of respondents claimed to have one or two adjournments. However, in few cases, three or more than three adjournments were also allowed to the opposite parties.
9. Majority of the respondents in all categories except those from the semi-urban area, postgraduate, businessmen and professionals who had to visit the Consumer Fora three to four times in connection with their case. A good number of respondents from the categories under postgraduates, semi-urban, retired and professionals visited the Forum seven times or even more, while businessmen visited the forum only once or twice. The analysis of respondents shows that significant differences existed at 5 per cent level of significance among different categories of occupations in relation to number of consumers visited the consumer forum.
10. Highest proportion of complainants from all the categories claimed that the total expenses involved in the case were moderate.
11. When asked about the problems faced in the execution of orders, majority of the complainants from all categories except businessmen and professionals attributed limited powers of the Consumer Forum as the main reason. However, businessmen and professionals explained that delay in serving the summons and want of stationery items were the main reasons.
12. It was found that most of the cases from the categories under gender, area, education and occupation except those under the categories of semi-urban, postgraduates, professionals and retired were finally settled within a period of 6 to 12 months. In case of respondents from the categories under postgraduates, semi-urban and retired, it took a period of 3 to 6 months, while in the case of professionals, the time taken was one to two years. Education-wise analysis of responses revealed significant differences at 5 per cent level of significance among different categories of education as far as total time involved in the cases was concerned.
13. When asked about the opinion regarding the total time involved in the case before final settlement, all the respondents from different categories stated it to be moderate except female respondents who felt it to be high.



14. Majority of the respondents from gender and education categories were satisfied with the functioning of Consumer Forum. Area-wise analysis reflected that the respondents from urban area were satisfied, whereas those from semi-urban were dissatisfied. However, rural respondents were moderately satisfied. Occupation-wise, agriculturists were moderately satisfied, whereas the respondents from other occupational categories were satisfied.
15. The maximum number of respondents were satisfied with the relief provided by Consumer Forum irrespective of their categories except those under the semi-urban and postgraduates categories who were either dissatisfied or highly dissatisfied.

## References

- Aggarwal, V K (1991); Law of Consumer Protection; Deep and Deep Publications; New Delhi.
- Aggarwal, Anju D (1989); A Practical Handbook for Consumers; India Book House; Bombay.
- All India Directory of Redressal Agencies Under the Consumer Protection Act, 1986 (1993); Ministry of Civil Supplies; Consumer Affairs and Public Distribution; New Delhi.
- Bangia, R K (2000); Consumer Protection Law and Procedure; Pioneer Books; New Delhi.
- Barowalia, J N (1996); Commentary on the Consumer Protection Act, 1986; Delhi Universal Law Publishing Co. Pvt. Ltd.; University of Washington Press.
- Chauhan, J K (1999); Rights and Remedies Available to Consumer under Consumer Protection Act; Advance; July – September; Pp. 39-42.
- Dhyani, A K (1990); Role of Government Agencies in Consumer Protection; Consumer Confrontation; CERC; Vol. 10(3); May-June.
- Dhyani, A K and Saklani, A (1990); Role of Organised and Unorganised Agencies in Consumer Protection; Consumer Confrontation; CERC; Vol. 10(3); May-June; Pp. 5-9.
- Garg, O P (1990); The Consumer Protection Act, 1986; Vinod Publications House; New Delhi.
- Ghatak, A (1985); Consumer Behaviour in India; D K Agencies; New Delhi.
- Giri, H N (1987); Consumer, Crimes & the Laws; Ashish Publishers; New Delhi.
- Girima, Pushpa (1999); Consumer Rights for Everyone; Penguin Books; New York.
- Gulshan, S S (1994); Consumer Protection and Satisfaction: Legal and Managerial Dimensions; Wiley Eastern Ltd.; New Delhi.
- Kumar, Narender and Batra, Neena (1990); Consumer Rights Awareness and Actions in Small Cities; Indian Journal of Marketing; Vol. XXI (4); Sept.-Dec.
- Lizzy, E A (1993); Consumer Redressal Agencies: How Effective, Kerala Experience; Economic and Political Weekly; Aug. 7-14; Pp. 1638-39.
- Malathesesh, S. (1981); Consumerism: An Opinion Survey; CERC; Ahmedabad.
- Mandana, J (1977); Consumer Education; Varindavan Publishing House; Bangalore; India.
- Mithani, D M (1995); Role of State and Consumer Organisation – Book Review; Southern Economist; January 1; P. 25.
- Nabi, Kamalun and Rant, C Kishore (1993); Whither Consumerism ?; Southern Economist; April 1-15; Pp. 13-15.
- Nagendra, Asha (1997); Consumerism: How Enlightened is the Indian Consumer ?; Indian Journal of Marketing; Vol. XXVI; January; Pp. 26-27.
- National Consumer Council, England (1981); Consumer Concern - The Nationalised Industries; Consumer Association; London.
- Rajamohan, S (1996); A study on working of Consumer Disputes Redressal Forum in Tamil Nadu; Indian Journal of Marketing; Vol. XXV ( 5-6); May- June; Pp. 27 -32.
- Rajamohan, S (2002); Role of Voluntary Consumer Organisation in Consumer Protection; Rural India; Feb.- March; Pp. 36-38.
- Rao, Suneeti (1995); Evolution of the Consumer Protection Law in India; Journal of Indian School of Political Economy; July-Sept.; Pp. 433- 511.
- Rathnam, B Venkat and Redy, Raji (1990); Consumer Protection Measures - An Overview; Indian Journal of Commerce; Vol. XXVIII (5-7); Pp. 22-25.

- Sarala, M S (1998); Consumerism in India – Yesterday and Today; Southern Economist; October 1.
- Sawarkar, J G and Giram, J Shiv Kumar (1996); Consumer Awareness: A Survey Analysis; Indian journal of Marketing; Vol. XXV (10-11-12); Oct.-Dec.; Pp. 13-21.
- Schiffman, Leon G (1997); Consumer Behaviour; Prentice Hall of India; New Delhi.
- Sharma, Deepa (2003); New Measures for Consumer Protection in India; The Indian Journal of Commerce; Vol. 56 (4); Oct.- Dec.; Pp. 196-106.
- Siegal, Sidney (1995); Non Parametric Statistics for the Behavioural Sciences; McGraw Hill, KogaKusha Ltd.; Tokyo.
- Singh, Gurjeet (1996); Law of Consumer Protection in India; Deep and Deep Publications; New Delhi.
- Singh, Raghbir (1989); Marketing and Consumer Behaviour; Deep and Deep; New Delhi.
- Sinha, B P (1996); Readings in Kautilya's Arthashastras; Agma Prakashan; Delhi.
- Sirkar, M C and Sons and Ibn Hassan (1936); The Central Structure of the Mughal Empire; Oxford University Press; London.
- Smith, Peter and Swan, Dennis (1979); Protecting the Consumers - An Economic and Legal Analysis; Prentice-Hall International; London.
- Srinivasan, N P (1990); Role of Voluntary Organisations in Promoting Consumerism; Indian Management; October; Pp. 9-13.
- Subramaniam, D Prasad Ram and Kumar, Anil (1982); Need for Consumer Organisation; Indian Journal of Marketing.
- Sundaram, I S (1985); Consumer Protection in India; B R Publishing Corporation; New Delhi.
- Suri, Shashi Mohan (1992); Consumer Protection Digest; Delhi Law Times; Delhi.
- Tandon, B C (1987); Research Methodology in Social Sciences; Chaithanya Publishing House; Allahabad.
- Zikmund, William G and Michael, d' Amico (2001); Marketing; Thompson Asia; Singapore.