



Awareness towards Consumer Laws in Kurnool District, Andhra Pradesh

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Abstract

Consumer protection laws are designed to ensure fair trade competition and free flow of truthful information in the market place. The laws are designed to prevent businesses that engage in fraud or specified unfair practices from gaining an advantage over competitors and may provide additional protection for the weak and those unable to take care of themselves. Consumer Protection laws are a form of government regulation which aim to protect the rights of consumers. Awareness of consumer rights varies in different regions in the country. It is very poor especially among the population in rural and far-flung areas of the country. Compared to the developed countries, the levels of consumer awareness in such a vast country with a large population like India is much lower. Consumer Protection Act has been in operation for about 29 years. A number of deficiencies and shortcomings in respect of its operation have come to light thereby requiring Amendments on four occasions, still leaving scope for further improvements. This necessitated conducting a study on awareness levels towards consumer laws in Kurnool District of A.P.

Key words: Consumer laws, Awareness about consumer laws, Consumerism

Introduction: The consumer movement in India is as old as man kind. Arthashastra, written by Kautilya had referred to the concept of consumer protection against exploitation by the trade and industry, short weight and measures, adulteration and punishment for these offences. But, there was no organized and legalized system to protect the interests of the consumers. With rapid industrialization and multifaceted development in India after the Independence, there appeared a flood of consumer goods and services in the

Indian Market. There was a paradigm shift in the relationship between the buyer and the seller. Advancements in technology that too in the field of media led to flooding of promotions such as advertisements of goods and services further worsening the otherwise gloomy situation. Low literacy levels, poverty, lack of awareness, etc. among customers, further led to the mistreatment of consumers. Consumer Protection Act was made in the year 1986 with the objective of better protection of the consumers and for the settlement of consumer disputes.



The consumer protection act is directed towards protecting the interests of individual consumers by prescribing specific remedies for the protection of consumer rights and the redressal of consumer disputes. The act is extended to the whole of India except in the state of Jammu and Kashmir from 1986. A Quasi judicial machinery is sought at district, state and central levels for speedy and simple redressal to consumer disputes.

Objectives of the act:

- Right to be protected from hazardous goods to life and property.
- Right to be informed about the quality, quantity, standard, price of goods to protect against unfair trade practices
- Right to be heard and assured that consumers interests will receive due consideration at appropriate forums.
- Right to be assured wherever possible access to a variety of goods at competitive prices
- Right to seek redressal against unfair trade practices or unscrupulous exploitation of consumers
- Right to consumer education

The consumer protection act provides for a 3-tier consumer disputes redressal system encompassing the district, state and national levels. The act provides for the establishment of the following consumer disputes redressal agencies. District forum in each district of every state, state commission in each state and a national commission based at New Delhi. At present there are 632 District forums and 35 State commissions. A complaint where the value of goods or services and the compensation if any less than Rs.5,00,000

is to be dealt with the district forum, where such value exceeds Rs.5,00,000 and does not exceed Rs.20,00,000. It is to be dealt with state commission. And cases with more than Rs. 20, 00,000 falls within the jurisdiction of the national commission.

The state commission will also entertain appeals against the orders of any district forum within that state. Appeals against the orders of state commission shall be made to the national commission. Appeals against the orders of national commission shall be made to the Supreme Court. A complaint in relation to any goods sold or delivered or any service provided may be filed with a district forum or state commission as the case may be by:

- The consumer to whom such goods are sold or delivered or such services provided
- Any recognized consumer association whether the aggrieved consumer is a member of such association or not.
- The central or state government

Remedial action: if any of the consumer disputes, redressal agency is satisfied that any of the allegations contained in the complaint is through. It shall issue an order to the opposite party directing it to take one or more of the following things namely:

- To remove the defects pointed out by the appropriate laboratory from the goods in question
- To replace the goods with new goods of similar description which shall be free from all defects
- To return the complainant the price or as the case may be, the charges paid by the complainant



- To pay such amount as may be awarded by it as compensation

If a trade or a person against whom a complaint is made fails or omits to comply with any order made by a redressal agency. He shall be punishable with imprisonment for any term not exceeding 3 years or a with a fine not exceeding Rs.10000 or with both. One redeeming factor of the consumer protection act is that it applies not only to private sector but also to the public sector and government agencies. Consumer Protection Act was earlier amended by Act no.34 of 1991, Act no.50 of 1993, Act no.62 of 2002 and again in 2011.

Need for Study: Awareness of consumer rights varies in different regions in the country. It is very poor especially among the population in rural and far-flung areas of the country. Compared to the developed countries, the levels of consumer awareness in such a vast country with a large population like India is much lower. This is rooted in economic inequality, low levels of literacy and ignorance. Because of this, consumers are not able to assert their rights and on many occasions are exploited by the trade and industry and service providers. Protecting and promoting the welfare of consumers has thus become one of the major concerns.

Consumer Protection Act has been in operation for about 29 years. A number of deficiencies and shortcoming in respect of its operation have come to light thereby requiring Amendments on four occasions, still leaving scope for further improvements. Kurnool District, with about 36 lakh population and being a fast growing industrial hub with mixed culture. Kurnool was the capital of Andhra state during 1953-56. The city is

known for its rich history, culture and architecture representing its unique characteristic 'Kurnool City – The Gate Way of Rayalaseema". Geographically it is the only city in India bounded by two rivers namely 'Tungabhadra' and 'Hundri.' It is industrially developed with many public and private sector companies. It is also one of the most developing cities in the emerging economy of India as it lies between India's IT hub Hyderabad and Indian Silicon Valley, Bangalore. This necessitated conducting a study on awareness levels towards consumer laws in Kurnool District of A.P.

Objectives of the Study: The main objective of the study is to find the awareness levels towards consumer laws in Kurnool District of A.P. The focus is on the following

1. To study the awareness levels among respondents towards consumer laws.
2. To find out the awareness levels of respondents towards the rights and privileges provided by Consumer protection act.
3. To examine the awareness levels towards the three tier quasi judiciary redressal system provided by Consumer protection act and
4. To offer suitable suggestions for further improvement of consumer laws.

Methodology of the Study

Primary Data: Primary data has been collected through structured questionnaire.

Secondary Data: Data and information has been collected from Primary as well as Secondary sources. The secondary data has been collected from Books, Journals,



Magazines, Business News papers, World Wide Web etc.

administrative purposes viz. Kurnool, Nandyal and Adoni.

Area Selection for Primary Data Collection: Kurnool District of Andhra Pradesh has been selected for the study. Kurnool District has been divided into three Revenue divisions for

Sampling Design: As the universe of the study is entire Kurnool District. A sample of 30 respondents from each city/town has been collected for the purpose of the study. The total sample size is 90 respondents as given under:

S.No	Name of the Town	Sample Size
1	Kurnool	30
2	Nandyal	30
3	Adoni	30
TOTAL:		90

Scope of the Study: The present study aims at analyzing the awareness levels of people of Kurnool District towards consumer laws. Hence, the scope of the present study is confined to the study of awareness levels towards consumer laws in Kurnool district in the state of Andhra Pradesh. Three major towns of Kurnool district have been taken for study.

Limitations of the Study:

1. Sampling technique employed is convenience sampling, hence the findings cannot be true representative of the actual population.
2. There is a possibility of bias crept in the answers given by the respondents.
3. The study is confined to Kurnool District of A.P.

Data Analysis and Interpretation

Table No. 1: Awareness towards Consumer protection act

	Aware of CPA	Not Aware of CPA	Total
Number of Respondents	90	00	90
Percentage of Respondents	100%	00%	100%

Source: Field survey

It can be inferred from the above table that, 100% of the respondents are aware of Consumer protection act 1986.



Table No. 2: Occupation of the respondents

	Professional	Business	Employee	Home Makers	Others	Total
No of Respondents	13	21	34	15	7	90
Percentage of Respondents	14.44%	23.33%	37.77%	16.66%	7.77%	100%

Source: Field survey

It can be observed from the above table that, out of the respondents who are aware of Consumer protection act 1986, 37.77% of the respondents are employees, followed by 23.33% of the respondents are business people, 16.66% of the respondents are home makers, 14.44% of the respondents are professionals and 7.77% of the respondents are others.

Table No. 3: Awareness towards rights and privileges given by Consumer protection act

	Aware of rights	Not Aware of rights	Total
Number of Respondents	37	53	90
Percentage of Respondents	41.11%	58.88%	100%

Source: Field survey

It can be interpreted from the above table that, among the respondents who are aware of Consumer protection act 1986, only 41.11% of the respondents are aware of rights and privileges given by the Consumer protection act to the customers and 58.88% of the respondents are not aware of rights and privileges given by the Consumer protection act to the customers.

Table No. 4: Awareness towards the three tier quasi judiciary redressal system of CPA

	Aware	Not Aware	Total
Number of Respondents	19	71	90
Percentage of Respondents	21.11%	78.88%	100%

Source: Field survey

It can be interpreted from the above table that, among the respondents who are aware of Consumer protection act 1986, only 21.11% of the respondents are aware of the three tier quasi judiciary redressal system given by the Consumer protection act to the customers and 78.88% of the respondents are not aware of the three tier quasi judiciary redressal system



given by the Consumer protection act to the customers.

Suggestions:

- When compared with the population, only few people are having awareness about consumer laws. Awareness is to be created about consumer laws among various segments of the society.
- Awareness programs should be taken up on an emergency basis to increase the awareness about consumer laws. .
- Electronic and print advertisements may be enhanced to enable the people to increase their awareness levels towards the provisions of Consumer protection act.
- Consumerism may be included as a topic at upper primary education level giving a scope for awareness from childhood level among the prospective customers.

Road ahead: Ministry of Consumer Affairs, should formulate strategy with a

vision to protect the rights and interests of consumers by spreading awareness about consumer rights, duties and responsibilities and promoting consumer welfare by strengthening consumer movement in the country. Government bodies, research institutions, academic institutions, NGOs, have to involve actively creating a vibrant consumer movement in the country. Strict parameters regarding consumer products have to be developed and enforced along with regular monitoring of prices to ensure the sovereignty of consumers.

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