

# Consumer Dialogue

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Bi-monthly GRANIRCA E-newsletter

## Consumers' Action at the Grassroots

Lack of consumers' access to adequate information, improper understanding of the redressal mechanism/procedure as well as other socio-economic vulnerabilities of individuals and households are the reasons that the under-privileged classes are not getting justice.

To address the problem, CUTS Centre for Consumer Action, Research & Training (CUTS CART) is partnering with the Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution, Government of India, under the Consumer Welfare Fund (CWF), to implement a project entitled 'Grassroots Reachout and Networking in Rajasthan through Consumer Action' (GRANIRCA) in 12 districts of Rajasthan, namely, Tonk, Chittorgarh, Kota, Bundi, Alwar, Banswara, Jodhpur, Jalore, Churu, Sikar, Dholpur and Dausa, covering a total of 89 blocks, through 12 partner organisations. The local partner organisations would be responsible to generate awareness among common people, ensure speedy redressal of grievances and provide information and advisory services.

The objective of the project is to build a strong consumer movement at the grassroots by equipping consumer activists with skills and creating a network of zealous grassroots activists through intensive training, capacity building and orientation programmes on relevant consumer protection

issues. The duration of the project is three years, i.e. January 2010 to December 2012, covering all seven divisions of Rajasthan.



George Cheriyan signing MoU of GRANIRCA with Sanjay Singh, Joint Secretary, MoCA, January 2010

### Activities

- *State Launch-cum-orientation* of district partners.
- *Research* activities that include: identification of NGOs, diagnostic survey of consumer protection, needs assessment, field study, data collection, compilation/analysis on relevant consumer issues.
- *72 Public Interfaces* and outreach meetings on consumer issues.
- *36 District Level training workshops* in each of the 12 districts.
- *Three State Feedback Roundtables* to share the learnings from various districts to build/strengthen the network.
- *12 Media Sensitisation Workshops* in each of the 12 districts and two at the state level.
- *Advocacy* with the government agencies in identified divisions and with the state and the Central Government.
- *Complaints Handling, Information and Advisory Services (CHIAS)* through a dedicated cell.
- *Publication of Reports, briefing papers/newsletters, creation of a programme website and a collective communication device* for wider outreach.

### Expected Outcomes

- *Empowerment:* People will be assertive consumers to uphold their rights and fight for justice.
- *Questioning Society:* Civil Society Organisations (CSOs) will act as 'watchdogs'.
- *Enforcement:* Better service delivery and efficient redressal mechanism in place.
- *Enabling Environment:* Protecting consumer's interests, which will ultimately create an enabling environment towards protecting the state interest.
- *Good Governance:* Contribute towards achieving the Millennium Development Goals (MDGs).
- *Replicable Model:* Result in a model of empowering consumers through networking, and thus offer a model for further expansion in the identified districts and elsewhere.



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CUTS CART



## From the Field

Selection of a few project districts was done in January 2010 based on the questionnaire developed by CUTS. Apart from legitimacy of partnering organisations, strengths in terms of infrastructure, staff, financial status and 10 basic questions related to consumer protection issues were raised through the questionnaire. District partners responded to the questions.

Questions were focused on consumer rights, laws pertaining to consumer, consumer redressal mechanism, status of district forums, and awareness level at districts, jurisdiction of consumer forum and outreach and UN Guidelines on Consumer Protection (UNGCP). Analysis of 10 basic questions revealed the need for strengthening capacities of district partners since only 2 out of 12 organisations correctly answered all the questions.

The partners are well-established organisations working for a long time with CUTS which will be acting as State Coordination Unit (SCU) in the project. They showed keen interest in fulfilling the objectives of GRANIRCA project. Thus, objective of the assessment with the GRANIRCA district partners was to obtain their understanding on consumer issues in the changed scenario.

### GRANIRCA Partner's Meeting

CUTS organised the first district partners meeting at Jaipur, on February 24, 2010. The objective of the meeting was to discuss the overall project activities, strategies and signing of Memorandum of Agreements (MoAs). On behalf of district partner organisations, chief functionaries participated in the meeting and expressed their willingness to replicate the benefits in their respective districts.

After formal introduction, George Cheriyan, Director briefed the participants on the past experiences and interventions made by CUTS on consumer protection issues and requested them to extend their full support to make the project a success. He stated that consumer's voice could be strengthened under the project through capacity building, networking and awareness generation.

The timelines, budgets and roles/responsibilities of district partners were discussed. Questions raised by the district partners were resolved. MoAs were signed with the district partners.



Partners Meeting,  
Jaipur, February 2010

### Upcoming Event

The launch meeting of the GRANIRCA project would be held in Jaipur, Rajasthan, on March 17, 2010. The objective of the launch meeting is to bring all stakeholders, i.e. CSOs, line departments, media, consumer activists and experts working on consumer protection issues on a common platform to make them aware of the project objectives etc. in order to ensure their active participation in the project and also discuss emerging consumer issues.



## Entitlement to a Reserved Berth Denied

### Richa Singh vs Senior Divisional Commercial Manager, Western Railway, Jaipur Division and Others

*Case No. 609/2003, District Consumer Forum, Jaipur-II*

Having booked a 2<sup>nd</sup> AC sleeper ticket for June 05, 2001, for Rs 1964, confirmed on June 02, 2001, for berth no. 10 in coach HA-1, the complainant started her journey from Jaipur at 4.30 pm on June 05, 2001. On approaching her berth, she found some other person sitting on the same. After discussion and showing her ticket to the TTE, she was told that there was no reservation for her in the AC compartment and she was travelling without ticket. TTE then directed her to leave the compartment and continue her journey in a general compartment. Though her name was mentioned in the reservation list, which the TTE had at that time, she was forced to leave the compartment at Kota and continue her journey in a general class. Through the intervention of the Bhopal Station Master, she was able to obtain her original berth at Bhopal.

She filed a complaint before the Consumer Forum which directed the opposite party to pay the amount of the fare equivalent to the difference between 2nd AC and general compartment from Jaipur to Bhopal and Rs 50,000 to her as compensation for mental agony during the journey and Rs 1,000 towards the cost of proceedings. The opposite party was directed that after a proper investigation, the amount could be recovered from the negligent employees, in proportion, from their salaries.

*Source: Using Consumer Law to Improve Governance, CUTS 2008*

## Harassment in Lieu of Loan Recovery

### HDFC Bank Limited vs Balwinder Singh

*[III (2007) CPJ 161 (NC)], National Commission*

The complaint was against the bank, and its loan recovery agents acting as musclemen to take forcible possession of the hypothecated vehicle and selling it to a third party, thus causing physical harassment and mental trauma to the complainant. The District Forum allowed the complaint and directed the bank to pay compensation of Rs 4 lakh for repossessing the vehicle and reselling it to a third party. The State Commission confirmed the order in appeal.

Dealing with the bank's revision petition, the National Commission expressed shock that the bank had hired musclemen directly or through its recovery agents to recover the loan/repossess the vehicle. The Commission also referred to the State Commission's order, which had observed that the alleged letter produced by the bank purporting to the complainant voluntarily handing over possession of the vehicle was unreliable and that no notice was given to the complainant at the stages of repossession and sale of vehicle.

In dismissing the petition, the Commission relied upon its judgment in Citicorp Maruti Finance Limited vs Vijayalaxmi [III (2007) CPJ 161 (NC)], where it had strongly deprecated such practices. The Commission dismissed the petition and awarded Rs 25,000/- as exemplary costs in this case.

*Source: Consumer Advocate, October 2009*



## Complaints Handling, Information & Advisory Services

CART has been entrusted with the responsibility of handling consumer cases and providing information and advisory services. In 2008-09, 103 consumer complaints had been attended. The services available at the Consumer Information Centre are:

- government data and information provided by the National Informatics Centre of the Government of India will be accessible to the common consumers as well as other consumer organisations;
- consumer related books, pamphlets, magazines and other material; and
- consumer counselling to aggrieved consumers on their complaints for quick and easy redressal.

## Consumer Awareness

The need of empowering consumers as a class can not be over emphasised and is already well recognised all over the world. Recognising the importance of the problem, the Government of India with the support of the state government has initiated steps to introduce dispute redressal mechanism by way of Consumer Protection Act, but a lot more has to be done in the area of creating awareness on part of the consumer to facilitate redressal.

Fees for making complaints before District Forum:

- (1) Every complaint filed under sub-section (1) of section 12, sub-section (1) of section 17 and clause (a) in sub-clause (i) of section 21 of the Act shall be accompanied by a fee as specified in the table given below in the form of crossed Demand Draft drawn on a nationalised bank or through a crossed Indian Postal Order drawn in favour of the Registrar of the State Commission and payable at the respective place where the State Commission or the National Commission is situated.
- (2) The concerned authority referred to in sub-rule (1) shall credit the amount of fee received by it into the CWF of the respective state and where such fund is not established into the receipt account of the state government and in the case of the National Commission, to the CWF of the Central Government.

Financial Jurisdictions of Consumer Fora and Applicable Consumer Fee		
S. No	Total Value of Goods/Services and Compensation Claimed	Amount of Fee Payable
<i>District Forum</i>		
1	Up to Rs 100000 – For complainants who are under the Below Poverty Line holding Antyodaya Anna Yojana Cards	Nil
2	Up to Rs 100000 – For complainants other than Antyodaya Anna Yojana card holders	Rs 100
3	Above Rs 100000 and up to Rs 500000	Rs 200
4	Above Rs 500000 and up to Rs 1000000	Rs 400
5	Above 1000000 and up to 2000000	Rs 500
<i>State Commission</i>		
6	Above Rs 2000000 and up to Rs 5000000	Rs 2000
7	Above Rs 5000000 and up to Rs 10000000	Rs 4000
<i>National Commission</i>		
8	Above Rs 10000000	Rs 5000

## Advocacy through Press



### MoU Inked to Create Consumer Awareness

Hindustan Times, January 12, 2010

[http://www.cuts-international.org/CART/media-MoU\\_inked\\_to\\_create\\_consumer\\_awareness.htm](http://www.cuts-international.org/CART/media-MoU_inked_to_create_consumer_awareness.htm)

### 3600 Consumer Activists to be Trained

Dainik Navjyoti, January 12, 2010

[http://www.cuts-international.org/CART/media-3600\\_consumer\\_activists\\_to\\_be\\_trained.htm](http://www.cuts-international.org/CART/media-3600_consumer_activists_to_be_trained.htm)

### GRANIRCA Project for Consumers Approved

Mahka Bharat, January 12, 2010

[http://www.cuts-international.org/CART/media-Granirca\\_Project\\_for\\_consumers\\_approved.htm](http://www.cuts-international.org/CART/media-Granirca_Project_for_consumers_approved.htm)

### 69 Lac Sanctioned for Consumer Movement

Dainik Bhaskar, January 12, 2010

[http://www.cuts-international.org/CART/media-69\\_lac\\_rupees\\_sanctioned\\_for\\_consumer\\_movement.htm](http://www.cuts-international.org/CART/media-69_lac_rupees_sanctioned_for_consumer_movement.htm)



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