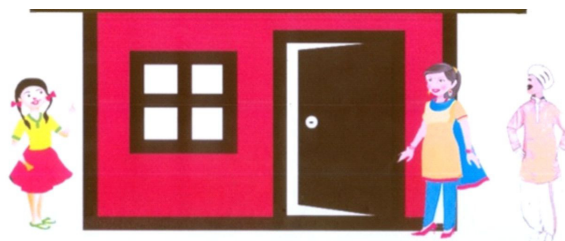


Consumer Dialogue

Volume VI, Issue 4, November-December 2015

E-newsletter



The Department of Consumer Affairs, Government of India sponsored *Grahak Suvidha Kendra* (GSK), which was formally launched on September 15, 2015. GSK Jaipur provides services, such as advice on consumer protection related issues and complaints, publication of books, pamphlets, magazines and other materials on consumer related issues and handling consumer complaints through counselling and conciliation for quick and easy redressal.

GSK details can be accessed at:

http://www.cuts-international.org/CART/Grahak_Suvidha_Kendra.htm

For being a part of GSK family visit:

<https://www.facebook.com/Grahak-Suvidha-Kendra-GSK-Jaipur-1459230614407574/?fref=ts>

Other Useful Links

Online consumer complaints can be registered at Indian Institute of Public Administration visit web portal: www.consumeradvice.in

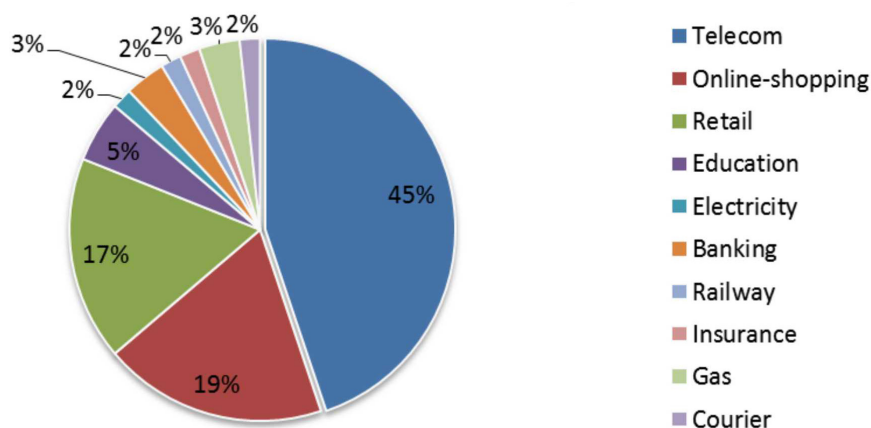
For online registration of consumer complaints against misleading advertisements, Ministry of Consumer affairs of Government of India has developed the web portal:

<http://gama.gov.in/Default.aspx>

INSIDE

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Complaint Analysis of GSK, Jaipur (November-December 2015)



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CUTS Elected to the CI Council (2015-19)

CUTS contested in the elections to the Governing Council of Consumers International (CI) for the first time, and got elected in the General Assembly held in Brasilia, Brazil on November 21, 2015 being represented by George Cheriyan, Director, CUTS. He was nominated by all the CI members from India as the unanimous candidate from India, supported by several other countries and is the only representative from South Asia in the CI Council.

Bart Combee was announced as CI's new President. He is also President of the Netherlands' consumer organisation, Consumentenbond. Gilly Wong, Chief Executive of the Hong Kong Consumer Council, was appointed as the Vice President of CI.



‘ProOrganic’ Pilot Project Got Evaluated By External Agency

An external assessment of ‘ProOrganic’ project was done on the basis of Human Rights- based Approach during December 02-04, 2015. The consultants, Sudarshana Kundu and Pallavi Gupta from ‘Gender at Work’, Hyderabad conducted the assessment. Day I proceedings focussed mainly on meeting the team and discussing the outcome of the project. George Cheriyan elucidated about CUTS,



project background and launch and provided an overview of the project. The project team made presentations on ‘ProOrganic’, key findings of End Line survey and Green Action Week related activities. As part of the evaluation, external team also visited CUTS Centre for Human Development (CHD) on December 03, 2015 and met with the project team at CUTS Centre for Human Development. In addition, few beneficiaries and farmers also visited one of the target villages and interacted with the villagers. On December 04, 2015, the consultants met few partners involved in the project and organised a de-briefing meeting with the project team.

Global Green Action Week (GAW) Partners’ Meeting

George Cheriyan participated in the Global Green Action Week Partners’ Meeting in Brasilia during November 15-17, 2015. The four objectives of the meeting was to evaluate GAW so far, to discuss thematic development of organic food production and marketing, to discuss the possible joint contribution to the development of future campaign organisation and to make a joint contribution to thematic approach to GAW in future.

The workshop commenced with a field visit to rural Brazil and interaction with groups involved in organic farming and women’s groups involved in preparation of organic food. The other two days were mainly for presentations and discussions on tackling different aspects of the defined objectives. Team from SSNC facilitated the meeting and about ten representatives from various partners participated in the meeting. George made two presentations and actively participated in the discussions and group activities.



World Congress Held in Brazil

The 20th CI World Congress took place in Brasilia, Brazil from 18-21 November 2015, under the theme '**Unlocking Consumer Power: A New Vision for the Global Marketplace.**' George Cheriyan participated in the World Congress. Cheriyan also participated in the side event under Green Action Week on November 18, 2015 and spoke in two sessions on strategies for 'Green Action Week' and also attended the sessions on eco-labelling.

On November 19, 2015, Her Excellency the President of Brazil Dilma Rousseff inaugurated the World Congress. Brazil's Minister of Justice, José Eduardo Cardozo; Juliana Pereira da Silva, National Secretary of Consumers for the Ministry of Justice in Brazil; Guillermo Valles, Director of the Division



for International Trade in Goods and Services, and Commodities, United Nations Conference on Trade and Development (UNCTAD, delivering a message from the UN Secretary General Ban Ki-moon; Jim Guest (President, CI) and CI Director General Amanda Long were the other speakers in the inaugural session. More than 700 delegates attend the World Congress. Besides, C Viswanath, Secretary, Ministry of Consumer Affairs, Government of India, represented Government of India at the CI World Congress in Brazil and spoke in a session.

George spoke on 'How do we root out bad practices and drive responsible lending' on November 20, 2015. Kate McKee (Senior Advisor, *Certified Government Auditing Professional* or CGAP, USA) chaired the session. Dmitriy Yanin (Russia), Maria Inés Dolci (Brazil) and Norma P Garcia (USA) were the other eminent speakers in the session. CI is an authoritative global voice for consumers with over 240, member organisations in 120 countries.

First Advisory Committee Meeting for GSK

In accordance with the provisions II (h) and (i) of MoU signed between Department of Consumer Affairs and CUTS, the First Advisory Committee for GSK convened its first meeting on December 30, 2015 at CUTS CART, Bani Park, Jaipur.

The event was marked by the benign presence of Deepak Saxena Senior Programme Coordinator, CART and coordinator of GSK; Geeta Pareek, member, District Consumer Redressal Forum Jaipur III; Seema Joshi, a social worker and Rakesh Sharma, representative of voluntary consumer organisation; and all GSK counsellors.

Geeta Pareek chaired the meeting in lieu of O P Singh Gurjar, President, District Consumer Redressal Forum Jaipur III. This being the I Advisory meeting, Deepak Saxena discussed the functioning and working of GSK, Jaipur. The presentation included each and every minute detail about activities and complaints received at GSK right from its launch in July, 2015. Suggestions from all the members of the Advisory Committee were received and recorded.



ACTIVITIES



REPRESENTATION



- Department of Consumer Affairs, Ministry of Consumer Affairs Food and Public Distribution, Government of India organised the National Consumer Day 2015 with the theme 'Safe & Healthy Food: Combating Food Adulteration' on December 22, 2015 at Vigyan Bhavan, New-Delhi. George Cheriyan and Dharmendra Chaturvedi, Project Officer, CUTS participated in the event. The programme inaugurated by Ram Vilas Paswan, Union Minister of Consumer Affairs, Food and Public Distribution. George Cheriyan was felicitated on the occasion by the Ministry on being elected as a member of Governing Council, CI and was given a slot to speak and he spoke about CI and revision of United Nations Guidelines on Consumer Protection (UNGCP).



- George Cheriyan along with Deepak Saxena, Dharmendra Chaturvedi, Renu Beniwal (Assistant Programme Officer), Deepika Ranawat (Project Officer) attended State-level Function on National Consumer Day on 24th December 2015 at Indira Gandhi Panchayati Raj and Gramin Vikas Sansthan, Jawahar Nagar, Jaipur Rajasthan organised by the Department of Consumer Affairs, Government of



Rajasthan. The theme of the programme was 'Safe and Healthy Food: Combating Adulteration'. Hem Singh Bhadana, Honourable Minister for Consumer Affairs, Food and Civil Supplies was the Chief Guest. Hanuman Singh Bhati, Divisional Commissioner of Jaipur chaired the function. George Cheriyan was one of the speakers in the programme along with other speakers and spoke briefly on the theme.

- Deepak Saxena accompanied by Varidhi Singh and Gajendra Khichi of CUTS, Jaipur attended a Seminar on 'Power Sector at Institution of Engineers', Rajasthan Jaipur Centre, Gandhi Nagar, Jaipur on November 19, 2015. The event was organised with the objective to discuss the state of power sector companies in Rajasthan.



- Dharmendra Chaturvedi, Renu Beniwal and Gajendra Khichi of CUTS facilitated a Consumer Protection and Awareness Programme under the banner of GSK at Maharani Senior Secondary Girls School, Jaipur on November 27, 2015.
- Dharmendra Chaturvedi and Gajendra Khichi facilitated a Consumer Protection and Awareness Programme under GSK banner at Rural Development and Self Employment Training Institute, Rudset, Jaipur on December 05, 2015.
- Dharmendra Chaturvedi along with Deepika Ranawat of CUTS attended a ceremony at Rajasthan High Court Bench, Jaipur on December 10, 2015 to observe 'Human Rights Day'.
- Dharmendra Chaturvedi and Deepika Ranawat facilitated a Consumer Protection and Awareness Programme under GSK at Surabhi Parivar, Jaipur on December 12, 2015.

- Dharmendra Chaturvedi and Deepika Ranawat of CUTS attended one day workshop on 'Prevention of Child Abuse' at State Resource Centre, Jaipur on December 19, 2015.



- Dharmendra Chaturvedi facilitated 'Consumer Protection and Awareness Programme' under the banner of GSK at Maharani Senior Secondary Girls School, Jaipur on December 25, 2015.

Real Estate Company Sued after Failing to Keep its Promises

A first-of-its-kind order given by a consumer forum – hundreds of investors, majority of them middle and lower-middle class persons, have started receiving back money that they paid to a real estate company – M/s A J S Builders, which had promised to provide them houses in the National Capital Region (NCR) but did not fulfil its promises. The company was reported to collect large amount of money from the consumers after making false promises of providing them flats and other properties, some of which had already been acquired by the government in Sonapat, Gurgaon and Indirapuram.



(Express News Service, New Delhi, 02.11.15,)

For details: <http://indianexpress.com/article/cities/delhi/consumer-court-forces-real-estate-company-to-return-money-to-investors/>

IMPORTANT JUDGEMENTS/ DECISIONS



Employee Frauds Surge as E-commerce Companies Take to Speed Hiring



There has been a rapid increase of 25 percent in employee-related frauds, since previous year and 70 percent of which are reported from e-commerce companies. A forensic risk solutions provider gets three or four enquiries a week from the investors and venture capitalists, which have invested money in e-commerce firms. Their main fear is that the rapid pace of hiring, word-of mouth references, inadequate background scrutiny, hardly-there exit interviews and false degrees, including those from Ivy League colleges, is giving rise to employee frauds across levels.

(The Economic Times, 03.11.15)

For details: <http://retail.economictimes.indiatimes.com/news/industry/employee-frauds-surge-as-ecommerce-companies-take-to-speed-hiring/49638532>

Consumer Forum Slaps ₹2,000 Fine on Amazon

Neelesh Kumar Namdev, a resident of Lakhera mohalla, Chachoda in the Guna district had placed an order for a pair of shoes on April 21, 2015. The company showed price of the shoes as ₹2,499, but if purchased on the same date, would cost only ₹899", stated by Pushpa Raj Sharma counsel for Namdev.

The company did not deliver shoes saying it supply line in Chachoda. However, complainant later produced documents of other products purchased earlier from Amazon and they were delivered on the same address in Chachoda, Sharma added.

The forum comprising RK Bhawe, Chairman and Rani Sharma, member, passed the order on November 30, 2015 in Guna (Madhya Pradesh) and directed the company to pay the fine in 30 days. The fine included ₹1,000 for causing mental harassment, ₹500 as cost of litigation and ₹500 as fees of advocate.

(Times of India, 06.12.15)

For details: <http://timesofindia.indiatimes.com/city/bhopal/Consumer-forum-slaps-Rs-2000-fine-on-Amazon/articleshow/50067263.cms>





Rajasthan Rolls Out Policy for Promoting Agro-Processing



Chief Minister of Rajasthan Vasundhara Raje launched the Rajasthan Agro-Processing and Agri-Marketing Promotion Policy-2015 at a ceremony in which the government signed 112 Memorandums of Understanding with private companies in different sectors for the promotion of agro-processing and to reduce post-harvest losses.

The objectives of the policy are to promote agro-processing and to reduce post-harvest loss at the farm gate thus ensuring maximum prices of farmer's agri produce. Agriculture department of Government of

Rajasthan should be the nodal department and Rajasthan State Agricultural Marketing Board shall act as nodal agency for this policy.

(Times of India, 06.11.15)

For details: <http://timesofindia.indiatimes.com/good-governance/rajasthan/Rajasthan-rolls-out-policy-for-promoting-agro-processing/articleshow/49683199.cms>

INFORMATIVE



India's Dismal Road Safety Record – One Death Every Four Minutes

In fact, more than a tenth of the world's road deaths take place on Indian roads, which carry less than 3 percent of the world's vehicles.

With 142,000 deaths in road collisions and other mishaps in 2014, experts state that India needs a collective effort to keep up with the UN plan commitment of a 50 percent reduction in road fatalities by 2020. The plan was announced in 2011. According to Road Ministry's data, 134,000 people had died this way in 2010, a rise over the past five years.

The total number of road mishaps, though, was marginally less, from 500,000 in 2010 to 489,000 in 2014. These figures translate to a death every four minutes and one collision every minute – equivalent to one jumbo jet carrying 388 persons crashing every day.

RIISING FATALITIES

	No. of accidents	No. of fatalities	Accident Severity*
2010	4,99,628	1,34,514	26.9
2011	4,97,686	1,42,485	28.6
2012	4,90,383	1,38,258	28.2
2013	4,86,476	1,37,572	28.3
2014	4,89,400	1,39,671	28.5
2020#	–	67,257	–

*Accident Severity: No. of persons killed per 100 accidents

#Target under UN 'Decade of Action Plan' which envisages 50% reduction over 2020 road fatalities by 2020

Source: Ministry of Road, Transport and Highways

In fact, more than a tenth of the world's road deaths take place on India's killer roads, which have less than three percent of the world's vehicles.

The economic cost of fatalities alone is at least 2 lakh crore yearly, according to K K Kapila, Chairman, International Road Federation. "With 80 percent of all road deaths worldwide estimated in low income countries, India leads the world (in this)", he said.

Save LIFE Foundation indicated that the Global Status Report on Road Safety, 2015, estimates that India actually has over 200,000 deaths on its roads, 46 percent higher than estimated by the national agencies. While fatalities across the world have plateaued in the past three years because of legislative and executive interventions, in India there has been an increase, with no substantial interventions in sight.

(Business Standard, 14.11.15)

For details: http://www.business-standard.com/article/economy-policy/india-s-dismal-road-safety-record-one-death-every-four-minutes-115111300832_1.html

Only Timely Tariff Revision & Lower AT&C Losses Can Ensure UDAY's Success

Analysts have stated that the Centre's Ujwal Discom Assurance Yojana (UDAY) is a good sign for the revival of state electricity boards (SEBs). However, experts have cautioned that its success depends on timely tariff revision without political constraints, power purchase by SEBs on competitive principles and consistency by SEBs in lowering aggregate technical and commercial (AT&C) losses.

The discom restructuring plan launched in September 2012 was availed by Tamil Nadu, Uttar Pradesh, Rajasthan, Haryana, Jharkhand, Bihar, Andhra Pradesh and Telangana. "Discoms were not able to improve their performance mainly due to low tariff hikes, no progress in reducing losses, higher electricity purchase costs and continuous increase in debt. The UDAY will help in raising tariffs frequently to cover costs and lowering, transmission and distribution (T&D) losses", analysts indicated.

(Business Standard, 07.11.15)

For details: http://www.business-standard.com/article/economy-policy/timely-tariff-revision-consistency-to-cut-at-c-losses-key-for-uday-s-success-115110600676_1.html



INFORMATIVE



Unlike UK, India Lacks Corpus for Potholes

The United Kingdom government previous year set an example by setting aside a dedicated £6bn (over ₹60,000 crore) fund to tackle potholes and improve local roads between 2015 and 2020. It has also set aside enough fund to fix at least 18 crore potholes annually and even fixed 53 pound (₹5,300) for repair of each pothole.



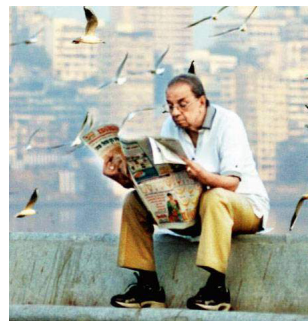
In India, over 11,000 people die annually in road crashes due to potholes and poorly designed speed breakers. The condition of roads in small towns and rural roads is pathetic as engineers and authorities do not show interest in filling potholes. Several Central and state government officials admitted that the engineers and local agencies rather wait for the roads to get worse so that major relaying work involving more money could be undertaken.

Potholes of Bengaluru claiming a teenager's life and leaving another injured in recent past has once again flagged the need to have a policy to fix these potential spots for crashes on a war footing. With the local agencies showing little interest to get rid of potholes, which involves less finances, now a need is being felt to either create a dedicated fund or specific mechanism, such as fixing an amount for repairing potholes quickly. (Times of India, 10.11.15)

For details: <http://timesofindia.indiatimes.com/india/Unlike-UK-India-lacks-corpus-for-potholes/articleshow/49976028.cms>

Why E-commerce Firms Advertise Offline?

Presently, the overdose of advertisements – around eight to 10 pages at the front of the book – had evidently been found disturbing many readers who look for news. The newspaper was flooded by advertisements from e-commerce companies, such as Amazon, Snapdeal and Flipkart, the country's premier online marketplaces, which were publicising their special sales for the festival season. Similar jacket advertisements from Amazon and Flipkart appeared in HT Media Ltd.'s English daily Hindustan Times as well. The advertisements are hardly a surprise since this is the peak season for sales for most product categories.



To be sure, e-commerce firms are splurging big time on promoting their festival sales across media and a significant chunk of that money seems to be going into print. While their exact expenditure on newspapers is not known. However, it is clear is that the sector will spend ₹3,500 crore on advertising in 2015, according to estimates by the WPP-owned media agency GroupM, constituting 7 percent of the ₹50,000-crore total advertising expenditure.

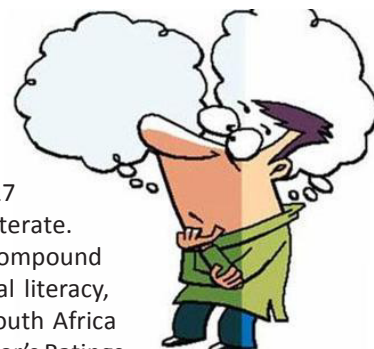
(Mint, 04.11.15)

For details: <http://timesofindia.indiatimes.com/tech/tech-news/Why-e-commerce-firms-advertise-offline/articleshow/49652872.cms>

76 Percent Indians Not Financially Literate: A Survey



A survey revealed that around 76 percent of Indian Adults do not understand key financial concepts, including risk diversification and compound interest. Only 14 percent of Indian adults were able to answer satisfactorily on risk diversification questions. Conversely, 56 percent answered to the inflation related questions correctly. About 39 percent of adults acquiring a formal loan were found to be financially literate; while nearly 27 percent of formal borrowers were found to be financially illiterate. Only about half of the participants (51 percent) knew about compound interest. This is lower than the worldwide average of financial literacy, but roughly in line with other Brazil Russia India China and South Africa (BRICS) and South Asian nations, according to the Standard & Poor's Ratings services global financial literacy survey.



In India, 26 percent of adults in the richest 60 percent of households are financially literate, compared to 20 percent of adults in the poorest 40 percent of households. Worldwide, 36 percent of adults in relatively richer households and 27 percent of adults in relatively poorer households are financially literate. The survey revealed that India's income gap deepens when broken down by topic. Poor adults are 21 percentage points less likely than richer adults to satisfactorily respond to compound interest topic correctly. With regard to interest, the gap was reported to be 11 percentage points.

(Tol, 15.12.15)

For details: <http://timesofindia.indiatimes.com/business/india-business/76-Indians-not-financially-literate-says-SP-survey/articleshow/50184941.cms>

Digitisation of PDS Helped Plug ₹4,200 Crore in Leakages



Around 6mn ration cards were found as bogus at the time of cleaning up of the back-end of the subsidised Public Distribution System (PDS), which lead to leakage to the tune of ₹4,200 crore in two years. In order to ensure leakage free distribution of food grains, the government has decided to use Direct Benefit Transfer (DBT) and automate ration shops. DBT might allow the transfer of subsidies to bank accounts of beneficiaries.

For details: <http://www.livemint.com/Politics/urdNj5GwTINxbFbJ9mwIWO/Digitization-of-PDS-helped-plug-Rs4200-crore-in-leakages-c.html#ref=newsletter>

Upcoming Activities

- A workshop on 'Human Rights Based Approach' on January 18, 2016 to be conducted by 'Gender at Work'.
- National-level Perception Survey on Consumer Safety under Consumers Up II commencing in twelve cities of six states of India.
- Second Advisory Committee Meeting under GSK in February 2016.
- World Consumer Rights Day on March 15, 2016 on the theme 'Antibiotics off the Menu'. See the link: <http://www.consumersinternational.org/news-and-media/news/2016/01/wcrd-2016-theme-announcement/>
- Partners Meeting to discuss the extended phase of ProOrganic in March 2016



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