

# Consumer Dialogue

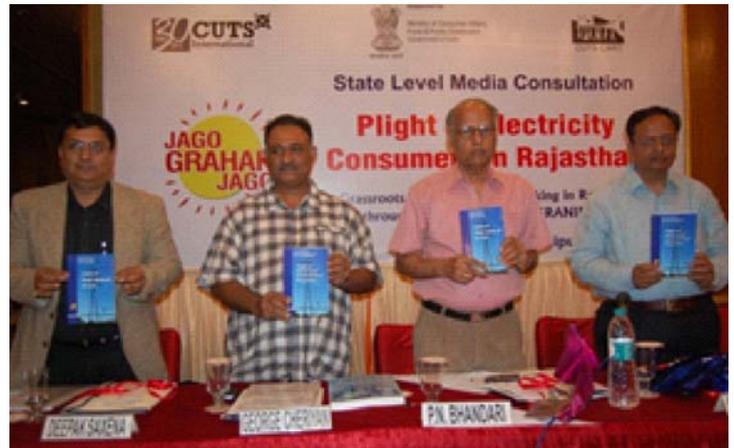
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## Media Plays an Important Role in Highlighting Problems

A State Level Media Consultation was organised at Jaipur, on October 30, 2012. The Consultation was well represented by the media people from 12 districts, where the project is being implemented. Senior local media persons, officials from Rajasthan Electricity Regulatory Commission (RERC), Discom officials and representatives of print and electronic media also participated in the consultation.

George Cheriyan, Director, CUTS International, in his opening remarks welcomed all the dignitaries and explained the objective of the project. He shed light on the importance and value of using media as a strong tool throughout the project activities. While speaking about the consultation, Cheriyan said that it is the 14<sup>th</sup> such consultation during three years at the State and district levels. This consultation aimed at focussing on the key findings of the research



survey, 'Plight of Electricity Consumers in Rajasthan'. Deepak Saxena, Senior Programme Coordinator presented key findings of the survey showcasing status of electricity consumers in the State.

Chief Guest P N Bhandari, ex-Chairman of the erstwhile Rajasthan Electricity Board in his key note address said that media plays an important role in highlighting the problems and that one should not be always negative in giving feedback as the service providers are working for the people. Regarding subsidy in electricity tariff, Bhandari said that it should be given only to the needy people.

Gopal Sharma, Additional Director, Department of Information and Public Relations, Government of Rajasthan applauded the work done by CUTS and stated that there is a need for media to play a pivotal role in imparting social issues to the masses. Rajendra Prasad Bora, Senior Journalist; R C Sharma, Joint Secretary, RERC; Jai Singh Kothari, Chief Executive Officer, *Nafa Nuksan*; Vimal Jain, Senior Editor, *Rajasthan Patrika*; Lokpal Sethi, *The Pioneer*; D R Mathur, Electricity Ombudsman, Rajasthan; Shyam Sunder Sharma, *Rashtriya Sahara* and R G Gupta, Ex- CMD, Discoms also shared their views and ideas related to the plight of electricity consumers.

A book on "Plight of Electricity Consumers in Rajasthan" was formally released on this occasion. *Gram Gadar* Award, which is being given by CUTS every year for best write ups in order to promote rural journalism, was also distributed to Chuna Ram Godara from rural Barmer.



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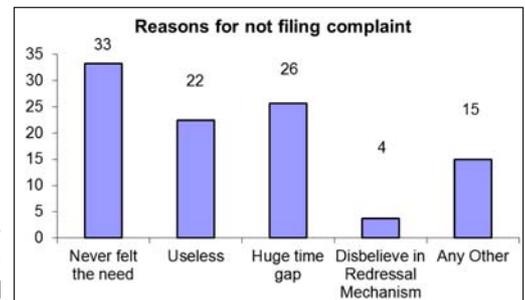
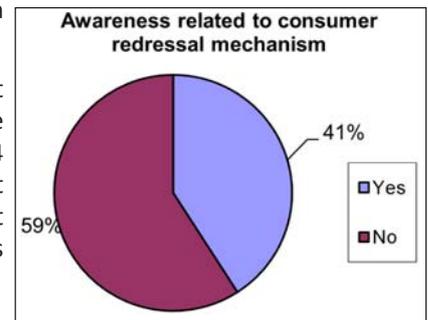
### Upcoming Activities

1. Publishing of Second and Third Briefing Papers
2. District Level Training Workshops 2012 – Synthesis Report
3. Public Interface Meetings – Round Two of 2012
4. Final Evaluation of Project – November-December, 2012
5. Final Stakeholder's Roundtable Feedback – December 20, 2012

## Plight of Electricity Consumers in Rajasthan: Key Findings of the Research Survey



- Out of the total 2419 respondents from 12 districts, almost quarter of percent were female participants. 32 and 33 percent of the total respondents were graduate and XII pass respectively. Remaining was divided among primary, upper primary or illiterate.
- 96 percent had electricity at home, and out of this, 60 and 84 percent had both domestic and agriculture, four percent had industrial and eight had non-domestic category connections.
- A huge number of respondents, i.e. almost 68 percent felt procedural delays as the main reason for not getting them to electricity services, whereas 10 from this four percent accounted for lack of proper infrastructure and 12 percent for exorbitant prices of electricity as other concerns.
- With regard to regulatory reform process, a huge number of respondents, almost 65 percent were still unaware about RERC and its functions. From the remaining 35 percent, who were aware or had heard about RERC or knows about its functions, 84 percent had not participated in any public hearing either on their own or through any organisation, which represents a disappointing picture of consumer participation in the regulatory reform processes.
- On questions related to consumers' satisfaction, 59 percent were still unaware of the available redressal grievance mechanism (GRM) adopted by utilities and as a result, 74 percent had not lodged any complaint and 69 percent respondents, who had lodged any type of complaint, do not seem to be satisfied with the way their complaint was resolved.
- 26 and 22 percent found the redressal system as huge time taking, and for this reason they filed any electricity complaint.
- 79 percent were not aware about the Ombudsman. From the remaining 21 percent, who knows it, 83 never filed appeal of their complaints.
- 66 percent reported problems/loss caused due to supply of high voltage and 87 percent respondents reported that they did run to get compensation from the service providers on account of loss caused due to high voltage resulting in burning of electrical appliances and equipment etc.
- In an interesting question, respondents were asked as to whether the distribution companies pay to the consumers 5 percent of the cost as compensation for taking more than the prescribed time limit to get the meter replaced; 80 percent said that they had never received any such compensation.
- 53 percent said that electronic meters were much more efficient and worthy than the normal ones.



### OTHER CONSUMER RELATED ACTIVITIES

- George Cheriyan, Director, CUTS attended the Consumer Coordination Council (CCC)/Ministry of Consumer Affairs National Seminar on Unfair Advertisements and Unfair Trade Practices held at Mumbai on August 24, 2012 and made a presentation on 'Misleading Advertisements'.
- George Cheriyan and Deepak Saxena, Senior Programme Coordinator met Tapes Paware, after he joined as new Principal Secretary, Food, Civil Supplies and Consumer Affairs to Government of Rajasthan and briefed him about GRANIRCA and other related projects.
- Deepak Saxena and Kaveri Dutt, Associate Director, CUTS attended North Zone member's convention organised by CCC, New Delhi at Shimla on October 06, 2012.
- **Consumer in Action** newsletter of July-September, 2012 and **Consumer Dialogue** e-newsletter of July-August, 2012, have been printed and disseminated.
- The **Annual Reports** as per financial years January-March, 2010; April 2010-March 2011 and April 2011-March, 2012 have been re-printed bi-lingual. These reports covers all the project activities implemented during the period mentioned in brief.
- Research Report '**Plight of Electricity Consumers in Rajasthan**' has been printed and released on October 30, 2012 during the State Level Media Workshop.



## Accident Victim Kin Awarded Rs. 20 lakh

The family of a 32-year-old road mishap victim, who died after being hit by an auto rickshaw while crossing the road has been awarded over ₹20 lakh by a Motor Accident Claims Tribunal.

The Tribunal asked United India Insurance Company, with which the offending vehicle was insured, to pay ₹20, 42,500 to the kin of Anil Kumar Tiwari, who died on July 16, 2011, over nine months after the September 29, 2010 mishap.

The Tribunal, however, allowed the insurance firm to collect the amount from the owner of the offending vehicle as the auto rickshaw driver did not have a valid licence to drive a commercial vehicle.



The accident took place on September 29, 2010, when the auto rickshaw hit the victim near the ISBT flyover in Delhi. The victim was rushed to the hospital, where he underwent treatment for his injuries, including injury to the spinal cord, but died months later during treatment.

The driver and the vehicle owner had, in their written statements, contended that the victim was responsible for the accident as he was crossing the road from a non-permitted point. *(The Hindu, 21.09.12)*

## Bank Gored in Buffalo Case

The Supreme Court has rapped the Gurgaon Gramin Bank for dragging a village woman all the way to the top court over an insurance claim of ₹15,000 over a dead buffalo. The bench also slapped ₹10,000 on the bank by way of costs for harassing her for the past 10 years with court cases as it rued the "rise" in the number of litigations.

The woman, Khazani, had taken a loan from the Haryana bank to buy the buffalo, which she insured for ₹15,000 for three years from February 2001 with the New India Assurance Company. She paid ₹759 as premium on March 5, 2001.

The buffalo died on December 27, 2001. Khazani then filed a claim for insurance through the bank, which took no steps to forward it to the insurance company. On July 30, 2003, Khazani sent a notice to the bank and also to the insurance company, but with no results. She then filed a complaint with the District Consumer Forum.

In July 2007, the Forum directed that the money be paid with an interest of nine percent per year from the day, the buffalo died till the payment was made. The Bank was asked to pay ₹3,000 within a month as cost of litigation and compensation for the harassment.

The Bank moved the State Consumer Disputes Redressal Commission (SCDRC), but its appeal was dismissed. The insurance company denied receiving the claim, so the Commission held the Bank liable for the amount as it had failed to process the claim.

The Bank moved the National Consumer Disputes Redressal Commission, which refused to interfere with the SCDRC's July 2009 order. The Bank then approached the Supreme Court and argued that the insurance claim was fake, but the top court rejected this argument. Resultantly, the Bank now has to spend altogether ₹25,950 for a claim of ₹15,000, apart from to and fro travelling expenses of the bank officials. *(The Telegraph, 09.09.12)*



## Forum Penalises Insurance Firm

In a rare case, three consumers, a mother and her two sons combined the power of Right to Information (RTI) Act and the Consumer Forum, a judicial platform to redress grievances, to their advantage. Using the information secured under the RTI Act, they lodged a case with the Dakshina Kannada District Consumer Disputes Redressal Forum and got an order directing an insurance firm to pay ₹5 lakh. The Forum has also asked it to pay them interest at the rate of 10 percent per annum for two years on the amount besides litigation cost of ₹2,000.

The complaint was filed by K P Kamalavathi and her two sons against the manager of the Puttur-based United India Insurance Co. Ltd. She stated that her husband Laxminarayana Bhat suddenly collapsed and died of head injury in July, 2010. He had taken a home loan of ₹5 lakh in 2007 from Canara Bank, which was insured by the insurance company. He was also covered under the "Unit Home Care Policy" for fire and personal accident for a sum of ₹5 lakh each. But the insurance company kept the fact under the wraps and no copy of the policy was issued to the complainants, who filed an RTI application. When claimed the insured amount, the insurance company contended that the death was not accidental and repudiated it.

The Forum held that head injury was due to his sudden fall and that his death was accidental and the company is liable to pay the insured sum to his legal heirs. It said repudiation of the claim was "not justifiable, which amounts to deficiency in service". *(The Hindu, 12.09.12)*

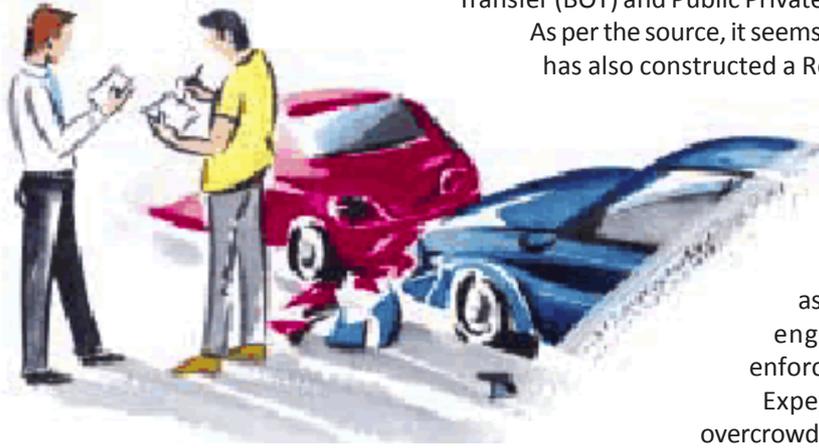




## Accidents Rising Despite Crores Spent on Roads

Nearly Rs 3,000 crore is spent by the State Government every year for developing roads in the State. However, this money seems to be going down the drain as the lives of almost 26 people are lost every day in accidents in the State. In 2012, till August, road accidents have claimed the lives of 6,133 people and left another 19,500 injured. As per the statistics of National Crime Records Bureau, 9,163 people were killed in road accidents in 2010 with an average of about 25 deaths per day. However, the state government is spending about ₹3,000 crore every year on developing road infrastructure in the State.

Senior official from the Department of Public Works said that nearly Rs 1,500 crore is being spent on development of roads in rural areas, while another ₹1,500 crore is spent on state and national highways including road constructed through Build Operate Transfer (BOT) and Public Private Partnership (PPP) models.



As per the source, it seems that the State Government has also constructed a Road Safety Council and has

also drafted a Road Safety Policy. A traffic safety plan of action had also been put into action.

The officer said that there are three major aspects of road safety namely engineering, education and enforcement.

Experts said that overloading, overcrowding, bad shape of roads, lack of enough transport means in rural

areas and lack of awareness are among the reasons for the rising cases.

*(Times of India, 19.09.12)*

## Book Rail Tickets on Mobiles

Even without a debit or credit card or net banking facility, customers can now book their railway tickets online, thanks to the introduction of the Interbank Mobile Payment System (IMPS) by the Indian Railway Catering and Tourism Corporation Limited (IRCTC).

IMPS now allow inter-bank payments through mobile phones. A customer won't require a computer to purchase train tickets.

The charge for using the IMPS facility has been pegged at ₹5 for a transaction of up to ₹5000 and ₹10 thereafter. According to the IRCTC, by providing an additional payment option, it would be able to make the functioning of its website smoother.

Booking via the IMPS will be possible for only those, who have registered their mobile numbers with their respective bank accounts, as they would be required to furnish their unique Mobile Money Identifier (MMID) and the M-PIN (Mobile PIN).

Things will become much smoother in the near future, when a customer will be able to book his/her tickets through mobile SMSs without having to access the internet or using a debit or credit card.

*(The Hindu, 15.09.12)*

