

**INDIAN CONSUMERS IN THE NEW AGE:
A FORWARD LOOKING
AGENDA TO ADDRESS THE CONCERNS OF THE
COMMON PEOPLE
(ConsumersUp Project)**

Report of the Knowledge Enhancement Workshop

Gurgaon, Haryana, May 07-08, 2012



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1. About CUTS & CUTS CART

Established in 1983 as a small voluntary group of concerned citizens, Consumer Unity & Trust Society (CUTS) expanded its activities and CUTS CART was set up in 1996 as a programme centre to pursue the cause of common consumers, initially being undertaken by CUTS as the mandate. The programmes of the Centre are primarily aimed at generating awareness, creating a more responsible society and encouraging changes at the policy level by advocating with the government machinery and sensitising it to the issues of concern of the common man. The Centre has spearheaded several campaigns and pioneered consumer empowerment.

For more information please visit: www.cuts-international.org/CART/index.htm

2. About the Project

India has been pioneer in consumer protection having Consumer Protection Act (COPRA), 1986 to provide not only easy and quick redressal of consumers' grievances but also a mechanism to promote and protect their interests. Now, as this Act has attained its Silver Jubilee in 2011, there is need of compressive and forward looking Consumer Protection Policy to address emerging consumer issues.

To address the gap, Memorandum of Understanding was signed between Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution, Government of India and Consumer Unity & Trust Society (CUTS International) on November 04, 2011 to implement a one-year project, i.e. from November 04, 2011-November 03, 2012 to take the Indian consumer movement forward with an objective to create an enabling environment for protection and promotion of consumer interest contributing towards the national interest.

The long-term objective of the project is to create an enabling environment for protection and promotion of consumer interest contributing towards the national interest.

The project is implemented in mainly four states; namely Haryana, Jharkhand, Karnataka and Tripura. But for the research purpose, 15 additional states and three union territories have been included namely Andhra Pradesh, Bihar, Chhattisgarh, Goa, Gujarat, Kerala, Madhya Pradesh, Maharashtra, Orissa, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, Uttarakhand and West Bengal. The union territories are Chandigarh, Delhi and Pondicherry.

For more information please visit: www.cuts-international.org/CART/consumersup

2.1 In Partnership with

The project is supported by Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution, Government of India under Consumer Welfare Fund.

2.2 About Knowledge Enhancement Workshop

The objective of workshop is to equip consumer organisations working in the project state, with knowledge and skills on relevant and new generation consumer issues to ensure improvement in service delivery and act as 'watchdogs' in their respective states.

CUTS International in collaboration with the state partner Citizen Awareness Group organised a Knowledge Enhancement Workshop (KEW) at Gurgaon, Haryana on May 07 & 08, 2012.

4. Key Speakers and Resource Person

Jayashree Gupta, Former Additional Secretary to Government of India and President of Consumer India; Poonam Pandey, Project Associate, GIZ; Prabhakar Rai, Director, BIS Faridabad; Rajinder Raja, B P Yadav, DSO, Surinder Kumar of Food & Supply Department, Gurgaon, Haryana; Rajesh Kumar, Assistant Professor, MDU, Rohtak; B K Mitra of Telecom User Group of India; Amarjeet Singh, Project Coordinator; Arjun Kant Jha and Abhimanyu Singh, Project Officer, CUTS International, Jaipur.

5. Participants

More than 43 participants comprising representatives from CSOs, NGOs, different institutions, Government officials, activists and ConsumersUp project team attended the workshop. Participants were from Gurgaon and other districts of Haryana. *(Please refer Annexure 1 for list of participants)*



Proceedings

First Day: May 07, 2012 *(Please refer Annexure 2 for Agenda)*

6. Introductory Session

After the registration of participants and distribution of resource kits, the workshop started with the welcome remarks by Chandigarh State partner Surinder Verma in which he welcomed all the participants and shared the agenda with them. Then a brief introductory session took place in which participants introduced themselves and shared their views and expectations from the workshop.



6.1 Presentation about the Project

Amarjeet Singh, Project Coordinator, CUTS



Amarjeet briefly shared about ConsumersUp project. He presented a PowerPoint presentation about CUTS, its origin, the project objectives and various activities in which all the details related to the project were shared with the participants. He shared

the long-term as well as immediate objectives of the project through research, advocacy, networking and knowledge enhancement. Regarding project areas, he informed that the focus states are Haryana, Jharkhand, Karnataka and Tripura. Only for the research purpose, 15 states and three union territories have been added. He provided a brief overview of various project activities such as research including input papers on eight consumer rights, four regional consultations, eight KEWs and a National Conclave.

Focusing on KEW, he said that it is the ongoing part of the Project and earlier KEW was conducted in Chandigarh. This is the second KEW in the states of Haryana. Next regional dissemination or consultation as a part of the project will be conducted again in Chandigarh during the month of August.

7. Keynote Address

Jayashree Gupta, Former Additional Secretary to Government of India and President of Consumer India

Jayashree Gupta expressed her gratitude towards CUTS for inviting her in such workshop where she got an opportunity to address the people in and around Delhi working for the same cause and promoting consumer rights and awareness.



She mentioned that the drug industry makes a whole lot more money on pharmaceuticals that patients must take perpetually for chronic conditions, rather than on those, they take occasionally for isolated illnesses. This is why Big Pharma has worked hard over the years to get as many people as possible hooked on drugs that must essentially be taken for life, including six classes of drugs in particular that someone is probably taking.

Ever since direct-to-consumer drug advertising became commonplace on television, in magazines and even on billboards starting in the 1990s, more Americans than ever become convinced that they have some novel new disease that requires ongoing treatment with medication. Moreover, these conditions include things like attention

deficit hyperactivity disorder (ADHD), anxiety, depression, asthma, gastroesophageal reflux (GERD) and many others.

But, many of these conditions have essentially been made up, or at least grossly overblown, for the purpose of selling new drugs. Individuals are made to feel as though they must take a drug for the rest of their lives in order to mitigate the symptoms of these new and novel conditions. Moreover, the consequence of this has been a massive upswing in the number of pharmaceutical drug addicts in India today, conveniently making Big Pharma very rich in the process.

Talking about National Pharmaceutical Pricing Authority (NPPA) she mentioned that it was set up as an attached office of the Department of Chemicals and Petrochemicals on August 29, 1997 with the objectives to implement and enforce the provisions of the Drugs Price Control Order (DPCO) in accordance with the powers delegated to it. The NPPA is empowered to take final decisions, but subject to review by the government, as and when considered necessary.

8. Various avenues (formal /informal) available to Consumer for Grievance Redressal Mechanism

Poonam Pandey, Project Associate, GIZ



Poonam Pandey informed participants about various avenues available to consumers for redressal of grievances and how consumer issues and awareness can be taken in the rural areas as 70 percent of the Indian population reside in villages. She informed that 'for weak projection and implementation of consumer awareness & protection' governmental organisations, departments and their employees alone were not at fault. In her view, 'negligence on the part of consumers' was equally responsible for the current condition. She felt that consumers in rural areas were the primary victims of malpractices. Sharing her personal experiences, she felt that there was a difference between the

awareness among people of developed countries and developing countries.

In her presentation, she said that mechanisms have been developed for the resolution of complaints, adherence of response time for grievance resolution, accessibility and availability of facilities for registration of grievances, level of awareness among citizens etc. She also laid emphasis on why do we need consumer protection and where to file complaint in case of any complain against the goods or services.

9. Financial Protection

Surinder Verma, Chairman, Citizens' Awareness Group

Surinder Verma shared views related to different types of investment. He mentioned that there are various types of investment available for consumers to invest. These are as follows:

(i) Bonds: Describing bonds, he said that these are grouped under general category called fixed-income securities. The term bond is commonly used to refer to any securities that are founded on debt. When you purchase a bond, you are lending out your money to

a company or government. In return, they agree to give you interest on your money and eventually pay you back the amount you lent out.

The main attraction of bonds is their relative safety. He insisted on buying bonds from a stable government and said that investment is virtually guaranteed or risk-free. The safety and stability, however, come at a cost. Because there is little risk, there is little potential return. As a result, the rate of return on bonds is generally lower than other securities.

(ii) Stocks: Defining stocks, he said that when anybody purchases stocks, or equities, he becomes a part owner of the business. This entitles him to vote at the shareholders' meeting and allows him to receive any profits that the company allocates to its owners. These profits are termed as dividends.

While bonds provide a steady stream of income, stocks are volatile. That is, they fluctuate in value on a daily basis. When you buy a stock, you are not guaranteed anything. Compared to bonds, stocks provide relatively high potential returns. Of course, there is a price for this potential: you must assume the risk of losing some or all of your investment.

(iii) Mutual Funds: A mutual fund is a collection of stocks and bonds. When you buy a mutual fund you are pooling your money with a number of other investors, which enables you (as part of a group) to pay a professional manager to select specific securities for you. Mutual funds are all set up with a specific strategy in mind, and their distinct focus can be nearly anything: large stocks, small stocks, bonds from governments, bonds from companies, stocks and bonds, stocks in certain industries, stocks in certain countries, etc.

The primary advantage of a mutual fund is that you can invest your money without the time or the experience that are often needed to choose a sound investment. Theoretically, you should get a better return by giving your money to a professional than you would if you were to choose investments yourself.

(iv) Alternative Investments Options: Futures, FOREX, Gold, Real Estate, Etc. These are generally high-risk/high-reward securities that are much more speculative than plain old stocks and bonds. There is the opportunity for big profits, but they require some specialized knowledge. So, if someone don't know what he is doing, he could get himself into a lot of trouble. Experts and professionals generally agree that new investors should focus on building a financial foundation before speculating.

10. Consumer Participation in Regulatory Process

Rajesh Kumar, Assistant Professor, MDU, Rohtak

In his presentation, Dr. Rajesh informed about market and economic regulation, where he discussed about market failure in certain cases, protection of consumer interests, and sustainable economic development and growth. He also discussed about various regulatory reforms in India such as Electricity (Central and State Level), Petroleum and Natural Gas (National), Telecom Sector (TRAI), Ports and Civil



Aviation (TAMP and AERAI), Competition Commission of India and Appellate Tribunals available in respective areas. He also insisted on need of consumer participation in regulatory process and ways to effective participation.

11. Basic Advocacy and Research Skills

Amarjeet Singh, Project Coordinator, CUTS

Amarjeet shared his insights on the key advocacy skills that should be garnered to take up consumer protection issues. During his presentation, he focussed on characteristics and principles of advocacy. Participants raised queries as how people centred advocacy could be fruitful in taking up the cause and what are the processes that one should follow to present a sound case.



Further, he explained research methods such as quantitative, qualitative and sampling techniques with special reference to consumer organisations. He stated that unless civil society groups do scientific research and collect data, they cannot advocate effectively and research is an effective tool for advocacy. He explained methods of data collection and how to write case studies.

12. Feedback of day's proceeding and next day planning

Each session was followed by questions and answers so that participants can be made more aware and their queries can be clarified. First day of the KEW concluded after distribution of feedback forms and summarisation of proceedings of the first day.

Second Day: May 08, 2012 *(Please refer Annexure 2 for Agenda)*

13. Recap of the previous day

The proceedings of next day commenced with the recap of previous day by the state partner Surinder Verma and the participants present.

14. Consumer Redressal Mechanism in Telecom Sector

B K Mitra of Telecom User Group of India

In his speech B K Mitra emphasised on TRAI and said that it was set up in 1997 to regulate the telecom sector. In 2000, the regulatory authority was reconstituted and in addition to TRAI, the Telecom Disputes Settlement and Appellate Tribunal (TDSAT) was created to adjudicate disputes and dispose of appeals.

He also said that TRAI has laid down the Quality of Service standards for basic, cellular mobile, Internet and Broadband Service. TRAI has also issued the Quality of Service (Code of Practice for Metering and Billing Accuracy) Regulation providing for independent audit of the metering and billing system.



He also discussed in brief about the Complaint Redressal Mechanism under Telecom Consumers Protection and Redressal of Grievances Regulation.

15. Standardisation of Goods

Prabhakar Rai, Director, BIS Faridabad

Prabhakar Rai in his presentation said that Bureau of Indian Standards (BIS) is the National Standards Body of India working under the Ministry of Consumer Affairs, Food & Public Distribution, Government of India. It is established by the Bureau of Indian Standards Act, 1986 which came into effect on December 23, 1986. The Minister-in-charge of the Ministry or Department having administrative control of the BIS is ex-officio President of the BIS.

The organisation was formerly the Indian Standards Institution (ISI), set up under the Resolution of the then Department of Industries and Supplies. The ISI was registered under the Societies Registration Act, 1860.



As a corporate body, it has 25 members drawn from Central or state governments, industry, scientific and research institutions, and consumer organisations. Its headquarters are in New Delhi, with regional offices in Kolkata, Chennai, Mumbai, Chandigarh and Delhi, and 20 branch offices. It also works as WTO-TBT enquiry point for India.

BIS is a founder member of International Organisation for Standardisation (ISO). It represents India in ISO, the International Electro technical Commission (IEC), the International Telecommunication Union (ITU) and the World Standards Service Network (WSSN).

The main activities of BIS are to look after consumer's interest through its two major activities, namely, standards formulation and certification marking. He also asked the consumers to be careful while purchasing any items and in this way, they can be safe.

16. Resource Mobilisation Skills

Arjun Kant Jha, Project Officer, CUTS

Arjun took a session on resource mobilisation, raising funds, writing proposals. He emphasised on the technique of raising funds. He mentioned that fund raising is a tough job particularly when funders



stop funding projects in India. He said consumer groups should focus on local issues and charities for raising funds to overcome this challenge. He explained how and when proposals are to be prepared and informed that legal requirements to be complied before approaching funders. He stated that the Central and state government departments have lot of schemes through which funds can be obtained.

17. Concluding Remarks and Vote of Thanks

Surinder Verma, President, CAG

Proceedings concluded after the participants were asked to fill the feedback forms. Surinder Verma gave vote of thanks. He narrated all sessions in brief and expressed his gratitude to resource persons and representatives of CUTS. He also said that such kind of workshops helps raising awareness among the people and a good platform to bring the people working on similar issues on one platform and fighting for a common cause.

Annexure 1: List of Participants

INDIAN CONSUMERS IN THE NEW AGE: A FORWARD LOOKING AGENDA TO ADDRESS THE CONCERNS OF THE COMMON PEOPLE (ConsumersUp Project)

Knowledge Enhancement Workshop

May 07-08, 2012, Gurgaon (Haryana)

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7	Mishu	Faridabad	9891125766	-
8	Charan Singh	Delhi	9871098806	-
9	Shuchi Pareek	Faridabad	9891125766	-
10	S.P. Anand	Gurgaon	9810196307	-
11	Ajit Kumar	IGCG	9891251776	-
12	Anil Yadav	GSC, Gurgaon	9810428285	-
13	S. Yamsudra	Gurgaon	9873851615	-
14	Dr. Rajesh Kumar	M.D.U., Rohtak	7206364258	-
15	Karan	DLF Ph.- III, Gurgaon	9999200798	-
16	Sital Yadav	DLF Ph.- III, Gurgaon	9818195219	-
17	Prabhakar Rai	BIS, Faridabad	9656885559	-
18	Virendra Kumar	Investment Consultants	9868474195	-
19	Piyush Mitra	ITUVPT Foundation	9911575066	-
20	Rajinder Raja	Food & Supply Department, Gurgaon	2320379	-
21	B.P. Yadav	Food & Supply Department, Gurgaon	9313627859	-
22	Surinder Kumar	Food & Supply Department, Gurgaon	9811093737	-
23	Shivangi Singh	Mahila Jagrukata Manch	9899339190	-
24	Nikita Jindal	Mahila Jagrukata Manch	9540954682	-
25	Abhimanyu Singh	CUTS, Jaipur	8107794315	abs@cuts.org
26	Surinder Verma	CAG, Chandigarh		-
27	Ravi Kumar Yadav	Grahak Sahayak, Gurgaon	9810428285	grahaksahayakgurgaon@gmail.coms
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33	Amarjeet Singh	CUTS, Jaipur		As7@cuts.org
34	B.K. Mitra	PTC		-
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36	Dr. B.L. Malhotra	G.M.A.	9810013597	
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Annexure 2: Agenda
INDIAN CONSUMERS IN THE NEW AGE: A FORWARD LOOKING
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(ConsumersUp Project)
Knowledge Enhancement Workshop
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S. N.	Time	Subject of the Session	Facilitator
DAY-1			
1	9.30- 10.00	Registration	
2	10.00-10.10	Welcome and introduction	S Verma, Chairman, CAG (State partner)
3	10.10-10.30	Brief Presentation about ConsumersUp project objective/need of the workshop	Arjun Kant Jha, Project Officer, CUTS
4	10.30-11.00	Keynote address	Jayashree Gupta, President, Consumers India
5	11:00-11:15	Special address	Surinder Kumar, District Food and Supply officer, Gurgaon
11.15-11.45		Tea Break	
6	11.45-12.45	Various avenues (formal /informal) available to Consumer for Grievance Redressal Mechanism 30 Minutes for presentation and 30 minutes for questions	Poonam Pande, GIZ, Project Associate
7	12:45-13:45	The Role and Effect of Advertisement in Print and Electronic Media for Consumer Protection 30 Minutes for presentation and 30 minutes for questions	Hatinder Mehta, Institute of Company Secretary
13.45-14.45		Lunch Break	
8	14.45- 15.45	Consumer Participation in Regulatory Process	Rajesh Kumar, Assistant Professor, Maharshi Dayanand University, Rohtak
15.45- 16.00		Tea Break	
9	16:00- 17:00	Basic Advocacy and Research Skills: <ul style="list-style-type: none"> • Relevance of advocacy in the ConsumersUp project • Advocacy tools and types • Basic rules of communication and importance/use for advocacy 	Amarjeet Singh, Project Coordinator, CUTS
10	17.00-18.00	Feedback of day's proceeding and next day planning	Participatory
DAY -2			
11	9.00- 9.30	Recap of the previous day	Participants
12	9.30- 10.15	Consumer Redressal Mechanism in Telecom Sector 15 minutes for questions	Anil Prakash, President, Telecom User Group of India
13	10:15-11:00	Standardisation of Goods 15 minutes for questions	BIS Representative
11.00-11.30		Tea Break	
14	11:30- 13.00	Resource Mobilisation Skills <ul style="list-style-type: none"> • Basics of resource mobilisation • Tools & Techniques • How to write a proposal • Main sources for resource mobilisation 30 minutes for questions	Arjun Kant Jha, Project Officer, CUTS
13.00- 14.00		Lunch Break	
15	15:00-15:30	Simulation exercise on writing a proposal and making presentation for resource mobilisation for consumer issues	Amarjeet Singh, Project Coordinator, CUTS
16	16.00-16.30	CHIAS and preparing an action plan to take up consumer issues by participants	State partner & Project team
17	16.30-17.00	Feedback and Evaluation of the Workshop Vote of thanks	State partner & Project team
17.00 onwards		Tea & Departure	