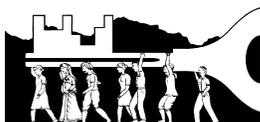


‘Grassroots Reachout & Networking in Rajasthan through Consumer Action’ (GRANIRCA)

Report of Project Launch cum Partners’ Orientation Meeting
Jaipur, Rajasthan, March 17-18, 2010



CUTS Centre for
Consumer Action,
Research & Training



Ministry of Consumer
Affairs, Food & Public
Distribution,
Government of India

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1. Background

Despite various measures taken by the government and several consumer organisations working on consumer issues, the majority of Indian consumers are still not aware of the provisions in the Consumer Protection Act (COPRA), 1986. Lack of consumers' access to adequate information, improper understanding about the redressal mechanism/procedure as well as other socio-economic vulnerabilities are the reasons that the under-privileged classes are not getting justice.

To address the problem, CUTS has undertaken a project entitled, 'Grassroots Reachout & Networking in Rajasthan through Consumer Action' (GRANIRCA) with the objective to build a strong consumer movement at the grassroots in 12 districts of Rajasthan by ensuring an enabling environment for protecting consumer's interests, which will, in turn, would contribute towards the national interest by generating a more capable consumer movement at the grassroots. The project is supported by the Ministry of Consumer Affairs, Food and Public Distribution, Department of Consumer Affairs (DoCA), Government of India (GoI), under the Consumer Welfare Fund (CWF).

2. Project Objective

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 consumer protection issues.

3. Project Coverage and Duration

The duration of the project is of three years, i.e. January 2010-December 2012 and being implemented in 12 districts of Rajasthan; namely Tonk, Chittorgarh, Kota, Bundi, Alwar, Banswara, Jodhpur, Jalore, Churu, Sikar, Dholpur and Dausa.



4. Task Conducted before Formal Launch of the Project

Before formal launch of the project on March 17, 2010, a lot of preparatory work was done by CUTS team in preparing operation strategy note (OSN), identifying the district partners, sharing the project information before signing formal Memorandum of Agreement with the partners, survey to analyse their understanding about consumer protection, preparing project webpage, e-newsletter apart from other communication and logistic arrangements to make the project launch a grand success.

5. Project Launch cum Partner Orientation Meeting

The launch meeting of the project was held in Jaipur, on March 17, 2010. The objective of the meeting was to bring all the stakeholders, civil society organisations (CSOs), line departments, media, consumer activists and experts working on consumer issues on a common platform to make them aware of the project initiatives, activities and strategy in order to ensure their active participation and support for the project and also discuss emerging consumer issues.

Another objective was to orient the district partners about the project and key issues, concepts, legal provisions related to consumer protection and discuss future activities with them so that they could work efficiently to ensure the success of the project.

6. Participation

The meeting was attended by more than 80 stakeholders including officials from state food department, members of district consumer forums, registrar, State Consumer Disputes Redressal Commission (SCDRC), representatives of CSOs, other link departments, service sectors directly dealing with consumers such as post office, telecom etc., district partners and media representatives. The meeting received wider media coverage (both in print and electronic). Babu Lal Nagar, Minister for Food, Civil Supplies and Consumer Affairs of Rajasthan; Rajiv Agarwal, Secretary of Food, Public Distribution System and Consumer Affairs, GoI; M L Mehta, President, CUTS and Former Chief Secretary, Government of Rajasthan (GoR); Justice S K Garg, President, SCDRC were the key speakers along with Pradeep Mehta, Secretary General of CUTS and George Cheriyan Director, CUTS.

7. Proceedings

7.1 Welcome Address: George Cheriyan, Director, CUTS & Head CUTS Centre for Consumer Action, Research & Training (CUTS CART)



In his welcome address, Cheriyan, spoke about the background journey of the project, CUTS interventions in the areas of consumer protection and also flagged some burning consumer issues before the audience. He stated that

consumers are facing new challenges from the market forces. Referring to the theme of

‘World Consumer Rights Day’, i.e. ‘Our money, Our rights’, George said consumers are having right to access to stable, unfair and secure financial services and protect themselves from abusive charges and unfair contracts. George further said that though the disposal rate of the cases are quite high at the national level and specifically in Rajasthan, aggrieved consumers are facing inordinate delays. Only 32 percent cases are disposed within the stipulated period of 90-150 days.

He further said that as per the Report of the National Survey on COPRA commissioned by the Comptroller & Auditor General of India (CAG) released in May 2006, 82 percent of the consumers were not aware of the COPRA and 66 percent of consumer rights. COPRA had not been effective in ensuring speedy and inexpensive redressal to consumer grievances. This report leads us to conceptualisation of this project.

Further, he shed light on the situation emerging from the second-generation consumer issues and need for tackling it. He stressed on the need to strengthen the redressal mechanism though Rajasthan is comparatively ahead in disposal of consumer cases. He also raised that consumer directorate is not functioning; Consumer Protection Councils (CPCs) at state and district level are not functional in the state which are very crucial for consumer protection.

7.2 Opening Remarks: Pradeep S Mehta, Secretary General, CUTS

Delivering the opening remarks, Mehta spoke about the origin of the organisation and its emergence as a leading consumer protection organisation not only in



India but also internationally. CUTS began its journey with a rural development communication initiative, a wall newspaper *Gram Gadar* (Revolution in Villages). He stated that till date the consumer is not aware of its rights despite the fact that ‘COPRA’ was enacted in 1986. Though, Rajasthan’s record on redressal mechanism is good but sincere efforts are required to ensure speedy redressal of complaints at the district and block level. Briefing about the ‘Match Box Scam’ he highlighted as to how a consumer action on a small issue can effectively result in protecting consumers from exploitation at large scale. Mehta further elaborated some milestones, which the organisation has achieved in the last 26 years.

Highlighting the long delay of six years in the sanctioning of the project, he said that lessons need to be learnt by the Ministry to make the system effective so that no such project suffer the same fate in future.

7.3 Presentation of Project Overview: Amarjeet Singh, Assistant Project Coordinator, CUTS

In his presentation Amarjeet briefed about the project rationale, its objectives, activities, key outputs, project duration & coverage, expected outcomes, project governance structure, strategies, number of beneficiaries and the names of the 'District partners' etc. He stated that the project was conceptualised in light of rich experience of CUTS and keeping in view the lack of consumer awareness in rural areas, lack of support system for consumers, new challenges and general apathy to take action on part of the consumer. He further told that during three years of project, it will directly touch the life of 6,250 consumers in 12 districts of Rajasthan.

He stated that research activities would be focused on consumer issues, 72 public interfaces



and outreach meetings, 36 district level training workshops, three state feedback roundtables, 12 media sensitisation workshops at districts and two at the

state level, advocacy with the concerned agencies, complaints handling, information and advisory services (CHIAS) through dedicated cells, reports, briefing papers and newsletters and creation of a project website and a collective communication device for wider outreach. Through all these activities people will be assertive consumers to uphold their rights and fight for justice, CSOs will act as 'watchdogs' better service delivery and efficient redressal mechanism would be in place, an enabling environment towards protecting the consumer's interest and contribute in achieving the Millennium Development Goals (MDGs).

7.4 Special Address: M L Mehta, President, CUTS & Former Chief Secretary Government of Rajasthan

Appreciating the project concept and design M L Mehta stressed on the need for a proper support system in place to empower consumers along with providing necessary information to them. He stated that apart from CSOs and the government, media plays a very important role in taking the consumer protection movement forward. Mehta enunciated relation between a consumer, a manufacturer and consumerism and also shared some of his own experiences being on very crucial posts in the bureaucracy.

7.5 Special Address: Justice S K Garg, President, Rajasthan State Consumer Dispute Redressal Commission

Justice Garg explained the importance and role of redressal agencies in the consumer movement. He stated that as a President of State Commission, he use to express his philosophy of consumer protection through his verdicts, not as a speaker. He further told about various decisions passed to provide relief to consumers. He stated that Rajasthan tops in the ratio of case disposals in the country. He said that such projects are required for raising consumer awareness and appreciated CUTS and Ministry's efforts in this regard.



7.6 Keynote Address: Rajiv Agarwal, Secretary to the Government of India, Ministry of Consumer Affairs, Food and Civil Supplies



Delivering the keynote address, Rajiv Agarwal stated that public awareness is the key to ensure consumer protection and there are various measures taken at the state and the district level to ensure

awareness but unfortunately it is not reaching the grassroots. Here comes the importance of initiatives such as GRANIRCA. He congratulated CUTS for its grassroots initiative to empower the rural masses. He further said that DoCA, GoI is also like a NGO in the government sector, where the main focus is on protection of consumer rights. Describing

the initiatives taken by the Ministry he said it is working to ensure and strengthen grievance redressal mechanism. Also he said that setting “standards” for quality of products would also help ensuring consumer protection. Further, he also informed that there is a scheme of Central Government if the state government establish a “consumer welfare fund”, Central Government can support it financially by contributing 75 percent of the whole fund. Agarwal further narrated some more key functions and programmes, which his department has undertaken and also shared few moments with the audience speaking about his own experiences as a consumer.

Launching the website and the brochure of the project, he wished that that project will achieve its objectives and the expected outcomes.

7.7 Project Launch & Inaugural Address: Babu Lal Nagar, State Minister for Consumer Affairs, Food & Civil Supplies, Government of Rajasthan

While delivering the inaugural address as Chief Guest, Nagar formally launched the

‘GRANIR
CA project
and said
that CUTS
is well
known for
its efforts
towards
consumer
protection
and does
not require
a
certificate
from
anybody’.
He
congratulated
CUTS



for the initiative and opined that such consumer protection interventions always need the support of common masses to succeed. He stated that government will provide all necessary support for the project interventions. Describing the initiatives taken by state government, he told that 49,000 such cases of black marketing have been reported during the “*Shudh Ke-Liye Yudh*” campaign being run by DoCA, GoR. This campaign has been very effective and received support from all stakeholders.

He urged the Central and state governments to come forward in order to combat the current price rise, which is a burning issue all over the country. He assured to establish a “state level consumer welfare fund” after being aware of the statement made by Rajiv Agarwal that if the state government starts a “consumer welfare fund” central government can support it financially by contributing to 75 percent of the whole fund.

Nagar also laid stress on the need to create synergy between the COPRA and Right to Information (RTI) Act, the combination and effective use with better coordination and implementation of both will lead to achieving consumer sovereignty.

Nagar also said that there is need to link departments of consumer protection, which would not only ease the work of government but will also help in delivering justice to consumers.

7.8 Vote of thanks: Deepak Saxena, Programme Officer, CUTS CART

Deepak Saxena thanked the participants for providing their valuable time and the contribution made for the success of the event. He also recalled the key statements made during the programme by each speaker.

8. Key Comments during Open Discussion

- Hon'ble Minister, Babu Lal Nagar's assurances to create a '*State Consumer Welfare Fund*' and his full support towards the project.
- Rajiv Agarwal, Secretary, GoI agreed to make his best efforts to sanction CUTS original project proposal, which was expected to be implemented in six states of the country.
- Participants suggested involving *Panchayati Raj Institutions* (PRIs), youth groups, *panchayats* in awareness activities at the grassroots.
- It was also insisted to implement the project in remaining districts of Rajasthan.

9. Technical Sessions for Partners' Orientation

After the launch meeting, technical sessions were held to build the capacity of 24 representatives of district partners organisations on March 17-18, 2010. Details are provided below:

9.1 Session 1: Emerging Issues in Consumer Protection and Role of Consumer

Organisations: Justice Vinod Shankar Dave, Former President, Rajasthan State Consumer Dispute Redressal Commission

In his session Justice Dave, spoke about various emerging issues before consumer organisations, status/issues of consumers in India and blending with his vast experience provided the guidance for the way forward to the representatives of district partners organisations under the GRANIRCA project.

He said that law is only a codified common sense and keeps on changing as per requirement of the society. In ancient times also India has rules/regulations for consumer protection. '*Arthshastra*' written by Kotilya was containing a full chapter on consumer protection. Only law cannot provide consumer protection unless consumers are aware of their rights and capable to protect themselves.

Speaking about emerging challenges, he elaborated various issues such as misguiding consumers by aggressive marketing, new mall culture, cyber crimes, financial frauds and misuses, prescribing expensive medicines by doctors, spurious and fake products etc. He said that there is no coordination among various agencies working towards consumer protection and cooperation without coordination results only in absurdity.

Consumerism is a movement of civil society, so they should take it forward through advocacy, negotiation, arbitration, litigation and finally direct action.

9.2 Session 2: New Challenges before Consumers: Amarjeet Singh, CUTS CART

In the session, Amarjeet spoke about various new challenges faced by consumers. He stated that today, there is a new financial system having credit card, ATM/debit cards, IPOs, share market, insurance/investment policies etc. and most of the consumers are not aware of the terms and conditions involved. Thus, the service providers due to the lack of awareness exploit consumers. Moreover, the agreements between consumers and service providers are drafted by service providers in their favour and consumers have almost no power to re-negotiate but to accept if they want to avail the services.

He further said that there are many IT & ITES services like online payment system etc. raising various issues of data theft, hacking, fishing mails etc. New Intellectual Property Rights (IPRs) regime of copyrights, patent and trademarks are also affecting consumer rights to access. He stated that mass media campaigns, aggressive marketing, imported products, international trade, new regulatory regime, new products such as genetically modified products, new services like aviation, telecom, health, education etc., cartels and environmental issues are new challenges which should have proper understanding to protect their interests.

9.3 Session 3: Origin & History of Consumer Movement & UN Guidelines: Deepak Saxena, CUTS CART

Second day of the workshop started with orientation session by Deepak who apprised the participants about origin and history of consumer movement started in 1960 with Bill of Rights in US, enacting four consumer rights. Later, the consumer movement was taken forward by consumer organisations in India and in Rajasthan, which was spearheaded by CUTS since 1983. He also shared CUTS interventions.

He shed light on the enactment of COPRA in India in 1986 as a revolutionary Act for those who needed protection from monopoly of market. He briefed about the UN Guidelines on Consumer Protection providing eight key consumer rights in his presentation. He also mentioned two more rights, which are not a part of either COPRA or UN Guidelines but has been adopted and accepted by consumer advocacy groups through the world. These are Right to Boycott and Right to Opportunity.

Saxena spoke about four steps of consumer action: advocacy, representation, litigation and direct action and the role of each action in consumer movement under the five pillars of democracy.

9.4 Session 4: Introduction to Consumer Protection Act: Rajesh Jain, Advocate

Jain oriented the participants about basic concepts and definition of COPRA, 1986. He spoke about its objectives, peculiarities and key definitions such as consumer, complaint, service, goods etc. He further explained the procedure of filing complaints in the consumer forums.

9.5 Session 5: Grievance Redressal Mechanism: Haneef Mohd., Former President, District Consumer Redressal Forum, Jaipur II

Haneef shared the scope of COPRA, Jurisdiction Consumer Fora and Consumer Protection Councils, Grievance Redressal mechanism under the Act as how to make a complaint, contents of complaint, who is authorised to file a complaint etc.

He cited examples from his tenure and the working of a typical district forum. He said that consumers are not bound to follow complicated legal provision of Consumer Protection Council.

He said that change in the mindset of the consumer is the first requirement of successful implementation of this Act. He also added that although the Act is very useful and consumer friendly but only if decisions are given in a stipulated period and not dragged for long. He stressed on the need to create more consumer forums to deal with the caseload of the Jaipur city.

10. Discussion on Project Planning

Concluding the day, GRANIRCA team discussed the future activities with district partners. Research questionnaire prepared for the data collection in the district was shared and the partners were requested to provide inputs. Other issues such as preparation for CHIAS, interface meetings, district level trainings as well as financial matters were discussed at length with the partners.

11. Vote of Thanks was extended by Deepak Saxena to the partners for their cooperation and contributions.



