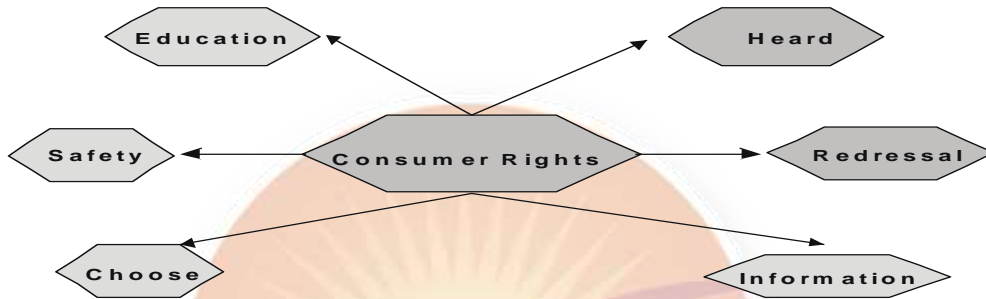


Yojana Summary December 2017

Consumer Protection: Sine Qua Non For Good Governance

- The concern of consumer protection is to ensure fair trade practices; quality of good and efficient services with information to the consumer with regard to quality, quality, potency, composition and price for their choice of purchase.
- India has enacted consumer protection act, 1986 for consumer protection. Unlike other laws, which are basically punitive or preventive in nature, the provisions of this Act are also compensatory.
- It empowers consumers by giving them six basic rights :



- The Act provides for an exclusive three tier redressal machinery as an alternative to the civil court and other legal remedies available in the country.
- To create an increased level of awareness of consumer rights, consumers have to be educated about rights and responsibilities through concerted publicity and awareness campaigns, with special emphasis given to vulnerable groups such as women and children, students, farmers and rural families and the working class.
- For this purpose, “JagoGrahakJago” campaign was launched which today has become a household maxim.
- More recently, joint publicity campaigns have been launched in partnership with the related Government Departments/Organizations that serve with a mass consumer clientele. For instance, on food, with the Food Safety & Standard Standards Authority of India (FSSAI); on financial services with the Reserve Bank of India (RBI) etc. through various electronic and print media such as Television, Radio, Newspapers and outdoor advertising.
- In order to create awareness among the people living in rural and backward areas, the Government has decided to take part in important fairs/festivals of various states/UTs.
- Consumers need to develop an awareness of the difference between real and perceived needs and they need the skills to be selective to truly obtain products and services which match their needs. In addition, rapid changes and potential for the consumer to consider the consequences of their consumption.
- Business should see improved consumer education not as a threat but as a source of commercial benefit. Consumers make better choices and because of their higher expectations, there is a positive effect on competitiveness as companies improve their products and services.
- Although implementation of the Consumer Protection Act can be viewed as a success, there are still serious shortfalls in achieving the desired level of consumer welfare because of various factors such as deficiencies in quality infrastructure, regulatory deficit

in many products and services which impact health, safety and environment and lack of mandatory standards for many products.

- There is also indifference among many businesses towards standardization in general, and lack of awareness among them about the impact of standards on quality, competitiveness, and profitability. There is absence of consumer demand for quality goods and services primarily because of lack of awareness among them. In short, there is absence of a quality culture in the country. If the quality of Indian products and their conformity with international standards is to be accomplished by Indian producers, the impulse must be generated from within the country.

Steps taken:

- The Consumer Protection Bill, 2015 and the newly enacted Bureau of Indian Standards Act, 2016 are efforts to provide the basis for such upgradation.
- The salient features of the Consumer Protection Bill include :
 - (a) The establishment of an executive agency to be known as the Central Consumer Protection Authority (CCPA) to promote, protect and enforce the rights of consumers. The CCPA will be the executive agency that will make interventions when necessary to prevent consumer detriment arising from unfair trade practices and to initiate class action including enforcing recall, refund and return of products.
 - (b) Provisions for “product liability” action for on account of personal injury, death, or property damage caused by or resulting from any product with basis for product liability action and the liability of a manufacturer to a claimant.
 - (c) Provision for “mediation” as an alternate dispute resolution (ADR) mechanism which aims at giving legislative basis to resolution of consumer disputes through mediation, thus making the process less cumbersome, simple and quicker. This will be done under the aegis of the consumer fora.
 - (d) Penalising of **celebrity endorsements** for false and misleading ads
 - (e) Declaring of **unfair terms of a contract** as null and void
 - (f) Several provisions aimed at simplifying the consumer dispute adjudication process in the consumer fora are envisaged. These include, among others, enhancing the pecuniary jurisdiction of the consumer disputes redressal agencies, increasing minimum number of members in the consumer fora to facilitate quick disposal of complaints, power to review their own orders by the state and district commission, constitution of ‘circuit bench’ to facilitate quicker disposal of complaints etc.
- With a view to provide a coherent scheme and uniform standards of Weights & Measures, the first Act namely Standards of Weight & Measurement Act 1956 was enacted based on metric system and international system of units recognized by International Organization of Legal Metrology.
- To accommodate the rapid advancement of science & technology and globalization, the legal Metrology Act, 2009 was enforced.
- Legal standards of weights and measures of the States and Union Territories are calibrated in the seven Regional Reference Standard Laboratories (RRSL) located at Ahmadabad, Bhubaneswar, Bangalore, Faridabad, Guwahati, Nagpur and Varanasi.
- Gol has set up a National Consumer Helpline (NCH), which provides advice, information and guidance to empower consumers and persuades businesses to reorient their policy and management systems to address consumer concerns and grievances adopting global standards.
- **INGRAM:** Integrated Grievance Redress Mechanism (INGRAM) portal was launched for bringing all stakeholders on to a single platform. The portal helps in creating awareness

among consumers to protect their rights and inform them of their responsibilities. Consumers can register their grievances online through this portal.

- **State Consumer Helplines:** State Consumer Helplines have been set up by State (provincial) Governments with the objective to encourage Alternate Consumer Disputes Redressal mechanism at State level and help in resolving cases through mediation.
- **Smart Consumer Application:** The Government has launched a mobile application “Smart Consumer” to enable the consumer to scan the bar code of the product and get all details of the product such as name of the product, details of manufacturer for making a complaint in case of any defect.
- **GAMA:** In its endeavor to address the problem of misleading advertisements the Government has launched a portal called “Grievances Against Misleading Advertisements (GAMA)”.
- **Online Dispute Resolution:** An Online Consumer Mediation Centre, established at the National Law School of India University, Bengaluru under the aegis of Ministry of Consumer Affairs, aims to provide for a state-of-the-art infrastructure for resolving consumer disputes both through physical as well as online mediation through its platform. This is an innovative tool that affords consumers better access to justice through quick and easy redressal mechanism and at the same time provide opportunity for businesses to maintain good customer relations.
- **Online Consumer Communities:** In association with the Local Circles, a social media platform, the Government has launched a platform ‘Online Consumer Communities’ for citizens to discuss and opine about governance and daily life issues.
- **Campaign on Internet Safety:** India has currently one of the largest number of internet users. Government in association with a Partner Company has initiated a year-long campaign organizing ‘Digital Literacy, Safety and Security’ workshop to educate users about the challenges of internet safety and security.

Various Acts to protect the consumers

- Indian Penal Code, 1860; Indian Contract Act 1872; Drugs Control Act, 1950; Industries (Development and Regulation) Act, 1951; Indian Standards Institution (Certification Marks) Act, 1952 etc.
- An effective, efficient and fair implementation of the Consumer Protection Act is sine qua non for promoting the culture of good governance and thereby ensuring the better promotion and protection of the rights of the consumers.
- Consumer protection is also linked to Competition Policy as both intend ultimately to promote consumer welfare.
- Therefore, the proper and effective implementation of the laws, dealing with the protection of the Consumer’s rights would promote the cause of concern of good governance.

Conclusion:

The need of the hour is for total commitment to the consumer cause and social responsiveness to consumer needs. This should, however, proceed in a harmonious manner so that our society becomes a better place for all of us to live in.

Consumer Protection in India: Genesis and Recent Developments

- Consumer protection owes its origin to the USA. President John. F. Kennedy on March 15, 1962, in a message to the U.S. Congress (Parliament), proclaimed that the consumer had four basic rights: The right to safety; The right to be informed; The right to choose; The right to be heard.
- To commemorate President Kennedy's Consumer Bill of Rights, March 15 is celebrated every year as the World Consumer Rights Day.
- On April 16, 1985, the UN General Assembly adopted a set of guidelines for consumer protection.

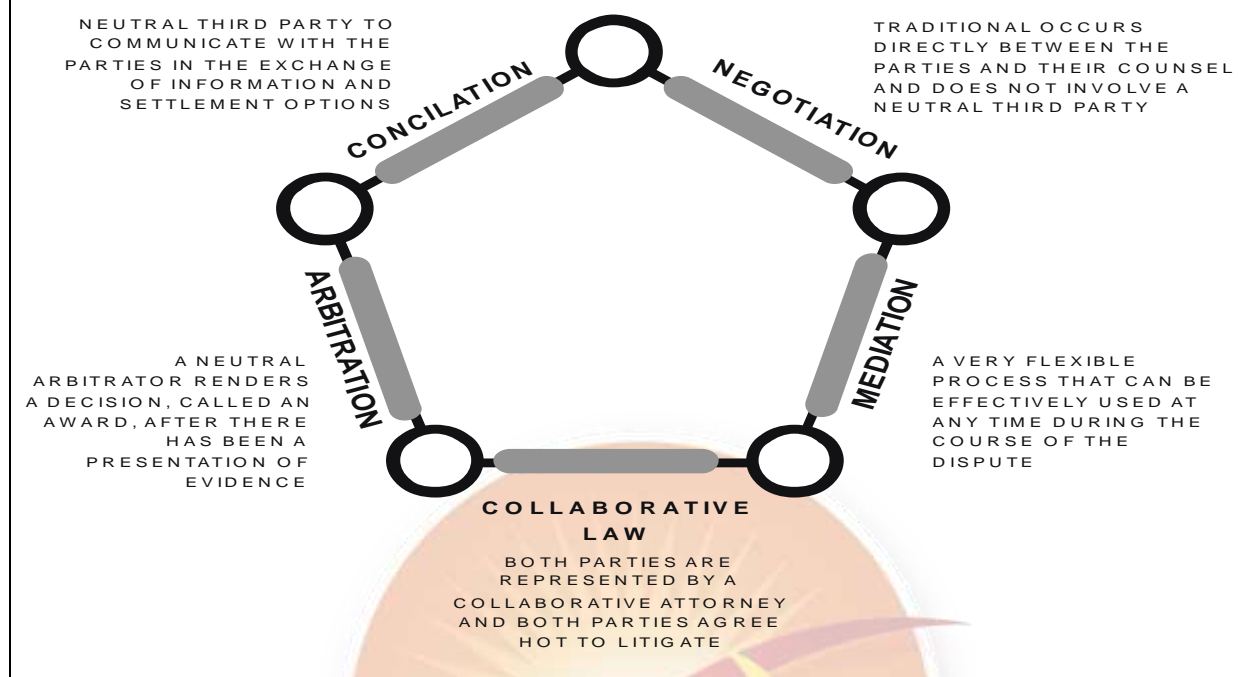
Indian Scenario:

- Despite more than a dozen such legislations, which were in force, consumer's interest were not adequately protected. These enactments sought to protect the consumers' interest in piecemeal.
- There was no sample, unified agency to redress consumers' multifarious grievances, pertaining to the supply of defective goods, provision of deficient services, restrictive and unfair trade practices, charging of excessive prices, and offering of hazardous goods and services.
- Moreover, the legislative provisions were not effectively enforced. Furthermore, in case of most of the legislations, consumers themselves did not enjoy the right to seek redress of their grievances.

Justice Delivery for Low Income Consumers

- The United Nations Guidelines for Consumer Protection (UNGCP), recently revised by the General Assembly, have called upon the Member States to formulate consumer protection policies aimed at fair, affordable and speedy consumer dispute redressal.
- It has emphasised on the need to evolve ways and means to implement an alternative mechanism to provide access to a justice delivery system to consumers, having very low financial stakes, and situated in far-flung areas of the country.
- The CP act, 1986 provides for a three-tier structure for consumer disputes redressal in the shape of Consumer For a/ Commissions at the District, State and National levels. While a judicial officer of the rank of a District Judge presides over the District Consumer Disputes Redressal Forum, a retired Judge of the High Court heads the State Commission.
- The president of the National commission is a retired Judge of the Hon'ble Supreme Court of India.
- The final disposal in many cases takes a long time, due to various factors like long drawn out traditional procedures, inadequate infrastructure, etc. In most cases, consumer complaints are instituted by advocates akin to civil litigation.
- In the process, the consumers cannot afford to approach the consumer fora, considering the time, money and efforts involved in seeking consumer disputes redressal.
- The reality remains that even after the Award is finalized after taking recourse to the entire traditional mechanism, proceedings have to be instituted afresh for the execution/implementation of such Awards at the appropriate forum.
- The term Alternating Dispute Resolution (ADR) as referred in the revised United Nations Guidelines, basically involves settlement of disputes outside the court by adopting means like arbitration, conciliation, mediation, judicial settlement etc. The basic objective of the ADR is to ensure speedy, fair, transparent, disposal of disputes.

Types of ADR:



- In India, a well-defined statutory mechanism has already been laid down for the ADR in the shape of section 89 of the Code of Civil Procedure and the Legal Services Authorities Act, 1987.
- In the Code of Civil Procedure 1908 Section 89 was inserted following the recommendations of the Malimath Committee.
- Legal Services Authorities Act, 1987 lays down that LokAdalats consisting of serving or retired Judicial Officers and other persons including social workers and representatives of women shall be organized from time to time. Cases pending before the courts or likely to be brought before a court may be referred by the court to the LokAdalats which shall proceed to dispose of the same by attempting a compromise or settlement between the parties by following the principles of Justice, equity, fair play.
- The award of the LokAdalats is deemed to be a decree of the Civil Court and it is non-appealable and binding on the parties to the dispute. The proceedings before the LokAdalats are deemed to be judicial proceeding and these adalats have been vested with necessary powers for obtaining evidence, discovery or production of documents and even the requisition of any public record or document.
- It has also been laid down that if the LokAdalat fails to settle a dispute, the case goes back to the court of competent jurisdiction for disposal through traditional mechanism.
- LokAdalats are to be statutory Legal Services Authorities set-up at the National, State and District levels.
- There is a dire need to formulate an implementation plan for handling the consumer disputes through this mechanism. It is heartening to note that the composition of a District Forum as laid down in the Consumer Protection Act, 1986 is almost similar to that of LokAdalat under the Legal Services Authority.

- The consumer forum as such, can be declared as a LokAdalat by the National/State/District Legal services authorities in order to vest suitable authority on the forum to function as a LokAdalat.
- In this age of e-commerce and Digital World, the importance and necessity of using the ADR methods can hardly be over-emphasised.
- In the United Kingdom, a new legislation called the Consumer Rights Act, 2015 has been promulgated. It included 'Digital Content' as the third major category in addition to 'Goods' and 'Services'. It is high-time, therefore, that Online Dispute Resolution Methods (ODR) should be adopted to take care of speedy dispute resolution, especially in Cross-Border Disputes. A beginning has already been made by setting-up an Online Mediation Centre at the National Law School of India University, Bangalore.

Keeping Pace with Technological Dynamics

- Although it is a fact that people have again started transacting more in cash, the note ban has surely ensured that consumers also seriously consider digital payment system like BHIM (Bharat Interface for Money), UPI (United Payment Interface) etc., that are all in place for considerate imminent adoption when in need.
- It has been learnt that, digital technology even becoming default or pervasive need not necessarily relate to a consumers choice, satisfaction and trust. It could be true that consumers expect technology to deliver reliable, beneficial quality services but it does not mean that they have absolute faith or believe it to be in their best interest and/or can protect them from any impending harm.
- Digital medium and mobile transactions have, without doubt, transformed consumer's lives. However, to ensure continuation of this opportunity growth in digital development, users need to trust it enough so that it integrates itself into their routine life and no just remain as one of the many available options to deal with.
- Access and availability of an affordable, consistent, good quality broadband internet infrastructure, and important aspect of digital consumer's right, is also a central prerequisite for a country's economic development.
- Also the rapid pace of change in technologies is only leaving consumers confused about their choices. Understanding consumer worries and expectations about the digital medium and striving to find ways to build trust is by itself a big challenge for policy-makers.
- Technology falls short on authenticity, transparency, protecting consumer data with most consumers convinced that commercial brands with access to their personal data will only use it unethically with the remaining majority not even aware of what information companies hold about them. Addressing consumer concerns by regular review and re-evolution of the scope of personal data collection are also essential.
- In a digital economy, we may not be able to avoid data transmissions. However, it is vital that consumers exert control over personal data flows and privacy preferences. It is the regulator's onus, to note the impact of multiple organisations collecting data of citizens and its effect on their legal rights.
- Regulators should also ensure, that all information stored and/or transmitted, are with the highest rational standards of security, either by incentivizing or strict monitoring, that force companies to adopt the best practices by design.
- In the event of breaches of security, consumers should have easy access to redress and these rights in the digital medium must be at par with those available for other commerce forms. Availability of independent redress mechanisms, for unresolved disputes in utmost essential.

- International policy on cross border data transfer should be co-ordinate, so that countries involved in transactions, have in place high standards of protection in both substantive and procedural national laws.
- Personal security and safety in the digital world necessarily should also cover particularly child consumers, who are vulnerable to harm or less able to manage online risks.
- Regulators, in addition to raising awareness about online security, have to co-ordinate with companies to develop safe and secure system practices, easy for consumers to adopt. Providing a transparent personal data security with behind the scenes view of data usage, can also build some trust in the system.
- To increase consumers trust on business, it is necessary to willingly listen, understand consumer undercurrent demands, with a consumer-centric approach and respond to their expectations.
- It is vital that digital product companies, follow international standards of manufacture, provide after sales essential security updates for a reasonable specified period, follow clear liability rules and ensure that consumers are fully compensated, in case of any harm encountered due to safety and/or security reasons.
- An open complementary global measurable digital economy standard, in addition to a proportionally strong, effective and easily accessible legal mechanisms, that provide sanction against abuse and technical failures, thus protecting consumers from fraud and unfair online treatment errors, is necessary to build consumer trust and confidence.
- Consumer experience confirms that legislation, regulation and redress standards are ineffective at keeping pace with digital economy. The lack of clarity on consumer protection and redress, poor regulation mechanism in cross-border, e-commerce with persisting problems is still a deterrent for making digital dealings a way of life.
- Digital policy should be such that they are easy to understand and manage, especially with respect to issues and apprehensions of consumers participating in the digital world.
- Digital consumer education entails, not only knowing online rights, but also be competent on relevant participative knowledge skills and behaviours, to make effective use of digital devices, like computer desktops, laptops, etc., for actively collaborating and communicating in a functional digital society.
- It is important to note that consumer education and awareness to develop skills and confidence for managing risks and opportunities, is complementary to effective regulation and is not an alternative.
- The Government has the obligation, to maintain competitive markets, for delivering a digital world which the consumer can trust. Establishing rights to portability, adhering to comprehensive specification data preferences is necessary.
- Consumer laws and regulations just like technology should keep pace with the technological dynamics, we witness.

Consumer Inclusion in Financial Services

- The UN Guideline for Consumer Protection are a valuable set of principles dealing with effective consumer protection legislation, enforcement institutions and also redressal mechanisms.
- The UN Guideline of 2015 contains for the first time a section on financial services, providing recommendations on fair treatment and proper disclosure, responsible lending, appropriate controls to fight abuses and fraud and transparency.

- This also recommends that measures should be adopted to reinforce and integrate consumer policies concerning Financial Inclusion, Financial Education and Protection of Consumers in accessing and using financial services.
- The global financial crisis and its impact on the consumer made the Organisation for Economic Cooperation and Development (OECD) G20 to evolve High Level Principles on Financial Consumer Protection of 2011.
- Consumers are empowered when they know their rights and obligations and “are able to defend them”. Perhaps the top priority for most consumer protection authorities is to educate consumers and balance the inherent information dissymmetry between businesses and consumers in the market place.
- India has a consumer protection law since 1986. The question arises whether there is need for a separate consumer law for financial services.
- The financial services are a more complex area with numerous players, with banks alone controlling 64 per cent of the total assets. There are many other formal and informal players in this section like CAs, agent, broker, advisers, etc.
- There should be appropriate controls and insurance mechanisms to protect consumer assets, including deposits. Financial literacy becomes important.
- As the central bank of the country, the Reserve Bank of India (RBI) plays an important role in laying down broad policy.
- The Banking Ombudsman appointed by the RBI in each State also listens to the consumers in this regard and redresses them.
- A vast area indeed with the Insurance Regulatory Authority, Securities and Exchange Board of India (SEBI), Forward Market Commission in the case of commodities, mutual fund on which many consumers depend, consumer finance companies, investment funds etc. This is a veritable jungle in the consumer is lost.
- Here, the important point of Inclusion comes, particularly in the rural areas in a vast country like India with varying level of literacy. In some part of country, a bank account is not even known to the people. Hence, policy should be framed accordingly.

The Old Gives Way to the New

- Many landmark judgments delivered by the apex consumer court have fortified the consumer rights encapsulated in the law (CP Act, 1986) and strengthened the fledgling consumer movement in the country.

Are Consumer Courts Living Up to their Mandate?

- There have been serious concerns over the working of these agencies, particularly the painfully show process of justice.
- While inordinate delays in the appointment of members of the adjudication panel by state governments have often brought the working of these tribunals to a halt, incorporation of unnecessary technicalities in the procedures by those sitting in judgment over the case and the frequent adjournments given by them at the behest of lawyers, have made a mockery of the promised ‘Simple, Quick and Inexpensive’ redressal. Miserly compensation awarded by the courts have also put a low price on consumer suffering, thereby discouraging many from approaching these forums.
- The evaluation report published by IIPA said the complicated procedure forced the consumers to engage a lawyer and this made the entire process of dispute resolution very expensive.

- As per the IIPA report, only 10.2 percent of the complaints were decided within three months, while 17.8 per cent, within five months. And it's not even as a large number of consumers are filling complaints before these forums.
- IIPA survey found that in 40 per cent of the District Consumer Forums, less than 15 cases were filed per months.
- There were certain inherent defect in the concept of consumer protection envisaged under the act of 1986 and this needed to be cured. These are:
 - The absence of a regulatory mechanism to enforce the rights given under the law and prevent their violations.
 - The Act entrusts the "promotion and protection "of the rights of consumers to toothless recommendatory bodies called the Consumer Protection Councils at the central, state and the district level (where many of them are non-existent).

Consumer as Co-Protector in Health Services

- Consumer is a person (or organization) who buys Goods or Services for their own use.

Health Services and Consumer Protection:

- Over the years, various courts in India have clarified and delivered rulings and judgments to bring medical/dental profession, hospitals dispensaries, nursing homes and other related services under the Consumer Protect Act, 1986.
- A major difference between health sector and other services is that a clear distinction between produce of services and consumer may not always be possible. People are not the external beneficiaries of health services or consumer only and in an extended view, they are the 'co-producer' of health services as well. What people/patients do at personal/individual level influences the outcome of health services rendered.
- There are a few other provisions and mechanisms, which directly and indirectly can be considered as tools for consumer protection. One approach is public provision of health services and regulation of health services.
- The provision of health services by government is considered an approach to ensure that the services are available at affordable cost. Regulation of prices of products and services in health sector are other mechanisms to keep services within affordable limits. The other mechanism is the standardization of products and ensuring that services meet minimum standards.
- For health sector, there are Indian Public Health Standards (IPHS) and then the Clinical Establishment (Registration and Regulation) Act, 2010 also prescribe minimum standards for all types of health facilities. There is National Accreditation Board of Hospitals and Healthcare Providers (NABH), which has standards available and to give NAPH accreditation to healthcare facilities in India.
- Some of the measure to support patients and protect consumers in health services in India are as flows :
 - (a) **State Specific Regulations on Clinical Establishments:** A number of Indian states have enacted legislations regarding regulation of healthcare facilities, costs of procedures and mechanisms for penalties for violations of such provisions.
 - (b) **The Drug (Price Control) Order (PPCO), 2013:**The order was issued by the Indian government under the Essential Commodities Act, 1995. The DPCO has provision for government regulating the price of essential medicines and drugs. This is highly relevant in the Indian context as the cost of medicines contributes two third of total cost paid out of pocket by patients/people.

(c) **Other Examples:** In the last few years, the attention on prescription of generic names of drugs by providers is also seen as an approach for consumer protection.

The Way Forward:

- **Adopting a Broader and Holistic Approach:** Which has a blend of (1) marketing consumers aware of their rights giving due considerations to the complexities of health services and related outcomes (2) making consumers aware of their duties. Alongside a third component of 'health education' has to be an integral part of the process.
- **Engaging Civil Society:** The civil society organizations and existing community set ups as *Mahila Arogya Samitis* under National Urban Health Mission in India and ASHA workers under National Health Mission (NHM) could play many roles in this area in the health sector.
- **Utilizing emerging strengths:** The emerging strength of information and communication technology, mobile based applications and social media platforms could serve an appropriate tool for raising consumer awareness.

Educating the Rural Consumer

- The buying preference of India's rural consumers are changing fast. Rural consumers' income levels are on the rise, enabling more of them to buy products and services that improve the quality of their lives.
- Disposable incomes have gone up and fuelled aspirations, thus, resulting in a change in buying preferences.
- There has also been a shift in the awareness levels of the rural consumer and the increased media penetration has played a vital role in rural India's values and attitudes.
- It is estimated that 63 percent of India's population will continue to live in rural areas by 2025. In terms of economic output, rural India accounts for almost half (48 percent) of the country's economy, and the rural markets have the potential to reach \$500 billion by 2020.
- The rural markets, which were earlier ignored by most of the big international market players, are now being seen having great business opportunity.
- A substantial number of the rural people in India are living below the poverty line, having high level of unemployment and poor literacy level and consumer awareness continues to remain low. Under these circumstances, the sellers or the manufactures, exploit the consumer.
- Rural markets are full of sub-standard goods and duplicity of branded goods is another major problem in rural areas. As there is no check on production and sale of such products in the rural markets, many of these products have become health hazards.
- Services like insurance, banking, and electricity, medical have expanded in the rural areas without any checks and balances and the rural consumers continue to be exploited by the service providers.
- The vulnerable sections are mainly women, children and farmers. It is common to find that farmers are supplied defective seeds, adulterated pesticides and other commodities.
- The expansion of mass media has further given impetus to consumerism in the rural areas. Therefore, now it is widely believed that the fate of the consumers cannot be left to the market forces. Hence there is need for consumer education in Rural Areas.

Framework for Consumer Education in Rural Areas

- Research reports of National Commission for Applied economic Research have revealed that the rural growth rates have already outpaced urban ones and will continue to do so through the next decade.
- The rural market in India is projected to be bigger than the urban market for fast moving consumer goods; rural consumption expenditure is accounted for around 60 percent of the country's total consumption expenditure.
- There are no effective sanctions against misleading advertisement. It needs to be emphasised that the poor, uneducated consumers in the rural areas are most likely to be harmed.
- **JagoGrahakJago** has been an important medium to communicate with the consumer. However, to communicate effectively with the rural audiences, we need to improve further.
- Rural India has high ownership of transistor radios and these can be expected to become a popular medium for reaching the rural masses.
- DD Kisan channel, launched in May 2015, is an attempt to reach the knowledge to farmers through farmers as it has become necessary to bring a big change in agriculture.
- Moreover, we also to have an effective regulator for advertisements so that the consumers are not misled by claims and counter-claims.
- The consumer courts have given some excellent orders in this area, but they cannot deal with misleading advertisements as the consumer court neither has the power nor the infrastructure to investigate, suo motu into misleading advertisements nor take up such cases on their own as was done by the MRTPC. The ASCI also has not been an effective regulator.

Tackling Adulteration

- In 1986, the Central Government had amended the Prevention of Food Adulteration Act and authorized every citizen to become a food inspector and participate in the task of food safety. But it failed to implement much-needed citizen capacity building measures. So consumer continued to be at the mercy of the food regulator.
- Even the word adulteration is not to be found in the Food Safety and Standards Act. The Act talks about safe foods, sub-standard and unsafe foods. One can simply pay a fine and get off the hook unless the product is deemed unsafe FSSI has failed at enforcement.

Creating Awareness through Internet & IT

- The Cabinet has approved "Pradhan Mantri Gramin Digital Saksharta Abhiyan" or PMGDISHA to make six crore rural households digitally literate.
- In August 2014, the Indian government has launched the National Digital Literacy Mission (NDLM). Training is provided free of charge to individuals below the poverty line scheduled castes and scheduled tribes while a nominal fee is charged for the rest.
- The objective is to make one person from every family digitally literate.
- While the rural consumers' needs at different points in the purchase cycle are evolving, they are also quite different from those of their urban counterparts. There is a need to develop products and services that address the unique needs of rural consumers and innovate on the mobility platform to drive awareness for products and services which increase their physical as well as mental wellbeing.
- In India consumer protection laws are in place but the consumers are not aware of them and the mechanism in place of redress their grievances.

- Consumers organizations and similar civil society groups have an important role to play in consumer education. Consumer information needs to be available at the right time and in the right place before or when purchasing decisions are made.

Panchayati Raj Institution

- To reach the rural consumes, it is imperative to involve the Panchayat Raj institutions in not only educating consumers but also ensuring that fake and spurious products are not sold in the rural markets.
- A blue print of creating awareness in rural India has to be created involving Panchayats, Government functionaries, civil society, media, IT technology experts and accelerating the spread of education. Encouraging housewives and girls to read and understand logos and information on household commodities etc. are all building blocks to creating a more healthy and aware rural economy in India.

Quality Assurance for the Consumer

- “A customer is the most important visitor on our premises” -Mahatma Gandhi.
- Considering customer importance at all stages of an organization’s processes helps to ensure greater customer satisfaction and achieve its long-term goals.
- There is a need for consumers to be proactive to protect themselves and for the government to develop measure to protect the consumers; Hence, Indian Standards Institution (ISI) was set up under the Societies Registration Act 1860. It acts as the National Standards Body of India.
- The mandate of the ISI was to prepare and promote Standards for adoption by Indian industry. Later, the mandate was expanded to include Product Certification activity through the Indian Standards Institution (Certification Marks) Act, 1952.
- The Indian Standards Institution was rechristened as the Bureau of Indian Standards in 1987, through the BIS Act 1986. The success, popularity and growth of the organization and the changing market environment has necessitated the promulgation of the BIS Act 2016.

Its various activities listed below :

- (1) Standards Formulation
 - (2) Product Certification Scheme
 - (3) Compulsory Registration Scheme
 - (4) Foreign Manufacturers Certification Scheme
 - (5) Hall Marking Scheme
 - (6) Laboratory Services
 - (7) Laboratory Recognize Scheme
 - (8) Sale of Indian Standards
 - (9) Consumer Affairs Activities
 - (10) Training Services, National and Information
 - (11) Information services
- These are carried out through the Headquarters at New Delhi, its five Regional Offices (ROs) at Kolkata (Eastern), Chennai (Southern), Mumbai (Western), Chandigarh (Northern) and Delhi (Central) and the Branch of Offices (BOs) locates across various states.

The Conformity Assessment for products is operated though the following Schemes:

- A) **The product Certification Scheme** of BIS aims at providing third party Guarantee of quality, safety and reliability of products to the customer. The manufacturer is permitted to self-certify the licenced products after ascertaining its conformity to the Standards. Through its surveillance operations, the Bureau maintains a close vigil on the quality of certified goods. While BIS continues to grant licences on application, the enforcement of compulsory certification is done by the notified authorities.
- B) Hallmarking is the accurate determination and official recording of the proportionate content of precious metal in precious metal articles. In India, at present two precious metals namely gold and silver have been brought under the purview of Hallmarking. As per this scheme, licence is granted to the jewelers by BIS under Hallmarking Scheme.
- C) The ministry of Electronics and Information Technology (MeitY) has notified through the Electronics and Information Technology Goods (Requirement for Compulsory Registration) Order, over 30 electronic items for their safety requirements. Bureau of Indian Standards (BIS) is operating Compulsory Registration Scheme (CRS) for the above Electronics and IT Goods.
- BIS through its website has been providing self check methodologies for its various stakeholders through various links on the BIS website. BIS has also developed a consumer friendly Mobile Application called Care.
 - This application can be used to access the information and lodge a complaint against an ISI Marked product/Hallmarked item.
 - Thus, BIS is striving to make available quality products to the consumers.

Customer Satisfaction: Mantra of Banking Management

- The basic rights of the customers of the banks are regulated by the Reserve Bank of India.
- If the customer feels that the bank has been unfair to him by making investment in an unsuitable product, there is a right of redressal. The RBI framed a Charter of Customer Rights specifying five basic rights that bank customers enjoy.
- The RBI has also advised the Indian Banks Association (IBA) and the Banking Codes and Standards Board of India (BCSBI) to formulate a 'Model Customer Rights Policy' based on the charter's principles.
- Customer has wide choice of different forums to put his grievances for suitable redressal starting from bank's own controlling office to Banking Ombudsman at RBI.

Various Rights of the Customer

1. Right to fair treatment
 - This right prohibits banks from discriminating against customers on grounds of gender, age, religion, caste and physical ability while offering products and services. Banks can, however, continue to offer differential rates of interest or products to customers.
 - Bank may also have schemes or products as a part of an affirmative action such as for women or backwards classes. Such schemes will not be tantamount to unfair discrimination.
2. Right of Transparency, Fair and Honest Dealing
3. Right to Suitability
 - Sometimes lured by higher commissions, sales officials tend to push products without ascertaining the suitability for the customer. For example, market-linked insurance products to senior citizens who are looking for stable returns. With this charter coming into force, such officials might find it difficult to push sale. As per this

charter, the products offered should be appropriate to the need of the customer and based on an assessment of the customer's financial circumstances and understanding.

4. Right to Privacy
5. Right to Grievance Redressal and Compensation

Approaches to Complaint(Can be helpful in Ethics paper)

- Listen to the customers problems
- Identify the important points
- Sympathize
- Show empathy
- Thanks the customer
- Explain what can be done
- Act quickly

Complaints Management Process

- In order to obtain value from a complaints management process, there are four key areas that must be considered.
- A. Classify Customer Complaints
 - Complaints that violate regulatory laws
 - Complaints of Internal bank policies and procedures
 - Complaints related to customer service issues.
 - B. Analyze the Trends
 - The goal of analysis is to identify trends that occur with front-line service delivery.
 - C. Take Management Action
 - D. Improve Complaint Process
 - The Reserve Bank of India (RBI) has allowed consumers to lodge complaints against bank for non-adherence to norms related to electronic banking services, including those provided on mobile phones under the banking ombudsman scheme, its cost-free dispute resolution mechanism.
 - The banking ombudsman has now been powered to pass an award of Rs 20 lakh. The ombudsman can also give a consumer up to Rs 1 lack as compensation for loss of time, expenses incurred and mental anguish suffered during fighting the case.

Grievances Redressal Under Pradhan Mantri Jan Dhan Yojana (PMJDY)

- (a) Refusals by branch to open account under BSBDA/BSBDS category particularly under BSBDS category where KYC documents are not required.
- (b) Non received of RuPay card
- (c) Non activation of RuPay cards at ATMs.
- (d) Accidental insurance claim settlement.

Banking Ombudsman

The Banking Ombudsman is a senior official appointment by the Reserve Bank of India to redress customer complaints against deficiency in certain banking services covered under the grounds of complaint specified under Clause 8 of the Banking Ombudsman Scheme 2006.

Conclusion: Customer rights and relevant Complaints create scope for business gain for the organization, the employees and the products and services. Winning customer's engagement is the mantra of Bank management.

Invest India: An Exemplar of the New India

- Invest India was conceived as a proactive agency which would provide professional support and hand holding services to potential investors from overseas so as to make it easier for them to :
 - (a) Understand and analyse the business case for a potential investment decision and
 - (b) Facilitate, support and fasten the journey from an investment decision to an operating business.

This was expected to help in bridging the gap between the potential and the actual inflow of FDI into the country especially into new, green field industrial projects.

- Invest India as the National Investment Promotion and Facilitation Agency of reference for investors in India. Invest India, acts as the first point of reference for investors in India. Invest India is transforming the country's investment climate by working systematically with concerned stakeholders in simplifying the business environment for investors.
- *Invest India was judged the winner at UNCTAD investment promotion awards in 2016.*
- The dual role of being an interface of the government and an advisor to the investors gives Invest India's relationship manager the key responsibility of seeing that a potential investor becomes an actual investor and that his journey towards having a running business in India is smoother, fast and pleasant.
- Increasing the competitiveness of doing business in India, supporting start-ups and facilitating investments in all sectors including sunrise sectors such as healthcare that change the lives of individuals.
- Danish wind turbine major Vestas started manufacturing blades in Gujarat within 15 months of approval from their global Board. This was fastest in the firm's history and beat the earlier record held by China by more than two months.
- Similarly, a single query by an Indian-origin NHS doctor from UK to Make in India has metamorphosed into what could be one of the largest healthcare projects in the World which promises to change the Indian health care landscape. Indo UK institute of Health is creating integrated medicities across 11 states, which will drive significant economies of scale and exploit synergies with diagnostic clinics and medical equipment suppliers into providing globally competitive advanced healthcare services.
- Invest India is working with a dozen state governments to help formulate their start-up policies by leveraging learning from global start-up ecosystems.
- Start-up India initiative was started by the government under the aegis of Invest India.
- The confidence of investors in the credibility of the system is now being taken for granted. Objective studies such as the World Bank's ease of doing business rankings, in which India was shown the highest jump by any large major economy this year – from 130 to 100, have further validated the belief in India. These ground-level changes in the business climate have a multiplier effect on the investment and the economy. For instance, Financial Time's FDI Intelligence ranks India as #1 recipient of greenfied FDI in the World.

- Water audit is an effective management tool for minimizing losses, optimizing various uses and thus enabling considerable conservation of water by reducing, reusing and recycling of water in various uses and thus enabling considerable conservation of water by reducing, reusing and recycling of water in various sectors such as domestic, power and industrial as well as irrigation section. Water audit gives a detailed profile of the distribution system and water users, thereby facilitating easier and effective management of the resources with improved reliability.

Steps of Water Audit

- **Water Supply and Usage Study:** Water audit comprises of preparation of layout of water sources, distribution network, services /delivery points to water users and return flow of waste or excess water.
- **Process Study :** Flow measurement devices are installed at all strategic points so that water losses from various components such as raw water source, conveyance system from raw water source to treatment plant etc., is assessed at regular intervals.
- **Quality of Water:**Water quality of the distribution system is also monitored regularly at strategic points.
- **System Audit:** The current water usages and systems for water use under various sectors such as irrigation, industry and commerce, hydropower, domestic water supply, thermal power and others need to be studied to check their operational efficiency and level of maintenance.
- **Discharge Analysis:** The domestic wastewater, return flows from irrigation, and effluents from the industries need to be studied for conformity to environment standards, possibility of recovery of valuable by-products and the opportunity for recycling of waste water.
- **Water Audit Report:** A water audit can be accomplished on the basis of water allotted for a service and water actually utilized for that service. After assessing the loss of water and the efficiency of the system, steps needed for utilization of recoverable water loss may be listed.

Bharatmala

- Bharatmala is a new umbrella programme for the highways sector that focuses on optimizing efficiency of road traffic movement across the country by bridging critical infrastructure gaps.
- Bharatmala will be a major driver for economic growth in the country. The programme has been designed to bridge the gaps in the existing highways infrastructure so as to make the movement of man and material more efficient. Special attention has been paid to fulfill the connectivity needs to backward and tribal areas, areas of economic activity, places of religious and tourist interest, border areas, coastal areas and trade routes with neighbouring countries under the programme.
- Bharatmala will give the country 50 national corridors as opposed to the 6 at present. With this 70 – 80 percent of freight will move along NH as against the 40 percent as present.
- Bharatmala will also have a positive impact on the Logistic Performance Index (LPI) of the country.
- It will help generate a large number of direct and indirect employment in the construction activity, the development of highways amenities and also as part of the enhanced economic activity in different parts of the country that will result from better road connectivity.

- Bharatmala envisages improving the efficiency of the National Corridor (Golden-Quadrilateral and NS-EW corridor) by decongesting its choke points through lane expansion of ring roads, bypasses/elevated corridors and logistics parks at identified points.
- Bharatmala also envisages building 3300 kms of Border Roads of strategic important along international boundaries and 2000 km of International Connectivity roads to promote trade with Nepal, Bhutan, Bangladesh and Myanmar.
- In addition to the above, around 2,100 km of coastal roads and 2000 km of port connectivity roads have been identified under Bharatmala.

