

Annexure - I

Details on ORG Centre for Social Research On Evaluation Study.

Report No. 14 of 2006

6.3.4 Survey findings about consumers' awareness

The report of ORG-MARG engaged by Audit to obtain the perception of the consumer at large of the effectiveness and usefulness of the mechanism put in place by the Central and State Governments to promote and protect the interests of the consumers revealed that:

- Sixty-six per cent of the consumers interviewed were not aware of consumer rights and 82 per cent were even unaware of the Act.
- Nearly 49 per cent of the aware consumers had come to know about the Act only in the last 4 years though the Act had been in existence for the past 18 years.
- Overall, only 13 per cent of the consumers reported to have been aware of the existence of any redressal agency.
- A majority of the complainants came to know about the redressal agencies through electronic media (48 per cent), print media (61 per cent) and friends / relatives (68 per cent). NGOs were not a popular source of awareness as only 4.9 percentage of the complainants attributed their awareness to the work of NGOs.
- The consumers were not aware of the features of the simple and inexpensive system of lodging complaint in the absence of any focused awareness programme launched by the Ministry or the States in this regard. The beneficiary survey carried out by ORG-MARG revealed that 78 per cent of the respondents were carrying a negative opinion of the efforts made by the Government or had no idea about the same and were not aware that they could directly represent themselves in the Consumer Forums. It is pertinent to note that lack of awareness in this regard had deprived the consumers of the benefit of the adjudication mechanism as out of the total expenditure of Rs. 3,387 incurred by the consumers on each case in the Consumer Forum on an average, as much as Rs. 2,787 (82 per cent) was the expenditure on advocates.

In reply the Ministry stated that National Consumer Helpline (NCH) Project funded from the Consumer Welfare Fund, launched on 15 March 2005 was being run by the University of Delhi. In addition, a separate web-based project for setting up a consumer online resource and empowerment centre was also launched for helping consumers across the country.

Recommendations:

The Ministry should in close coordination with the State Governments increasingly involve NGO / VCOs in promoting awareness of the consumer protection measures among consumers by introducing specific schemes of financial and other support. At the same time, the accountability of the NGOs / VCOs has to be ensured.

TENTH PLAN ALLOCATION YEAR WISE

Fund Allocation and Expenditure on account of Consumer Awareness in Tenth Plan

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In Crores

Year	B.E.	R.E.	Actual Expenditure	Remarks
2002-03	3.05	3.00	3.03	N.E. included
2003-04	2.77	2.77	2.80	N.E. included
2004-05) (General Campaign)	2.70	3.04	3.04	Total expenditure Rs. 3.45 Crores
N.E. .)	0.60	0.60	0.41	
2005-06 .) (General Campaign)	62.37	62.37	61.13	Total expenditure Rs. 68.16
N.E. .)	7.03	7.03	7.03	
2006-07.) (General Campaign)	61.90	--	--	Total Budget Allocation Rs.69.40
N.E.)	7.50			

Annexure-III

**IIMC's Interim Evaluation Report on consumer awareness campaign of the
Department of Consumer Affairs (August-September, 2006).**

	<p align="center">Coverage</p> <p>States - 05 Districts - 16 Villages - 60</p>	<p align="center">Sample</p> <p>500 respondents were selected from each zone.</p>
<p>1.</p>	<p align="center">Awareness about consumer awareness campaign</p> <p>65% - Maharashtra, Delhi, Madhya Pradesh, Karnataka (urban / rural areas taken together). 47% - West Bengal (urban and rural)</p>	
<p>2.</p>	<p align="center">Most preferred medium for creating awareness</p> <p align="center">Electronic Media / Television</p> <p>64% - Delhi and Maharashtra 54% - West Bengal 25% - Karnataka</p> <p align="center">Ratio</p> <p>34% - Madhya Pradesh 1% - NGO</p>	
<p>3.</p>	<p align="center">Source of awareness about campaign</p> <p>TV - Delhi, Madhya Pradesh, Maharashtra, West Bengal, Karnataka, followed by Newspaper in Karnataka and West Bengal and Radio in Madhya Pradesh and Karnataka. Awareness Level in rural areas was found to be more than urban areas.</p>	
<p>4.</p>	<p align="center">Most watched channel</p> <p>Doordarshan - in Madhya Pradesh, Maharashtra, West Bengal. Private Channel - in Delhi, Karnataka. In Delhi 42% of rural respondents watched Doordarshan in comparison to 51%, who watched other channels. In Rural Madhya Pradesh 42%, West Bengal 36% and Karnataka 9% watched Doordarshan.</p>	
<p>5.</p>	<p align="center">Resort to Consumer Fora for grievances redressal.</p> <p>It is found to be least favourable with the majority of respondents.</p>	
<p>6.</p>	<p align="center">Viewership of 'Jago Grahak Jago' serial on Doordarshan</p> <p>Was as per the following: 23% - Delhi 55% - Madhya Pradesh 40% - Maharashtra 27% - West Bengal 57% - Karnataka</p>	

7.	<p>Exposure to Sayani Rani advertisements</p> <p>Only the following had see the advertisement: 19% - Delhi 46% - Maharashtra 47% - West Bengal 56% - Karnataka 35% - Madhya Pradesh</p>
8.	<p>Need for Awareness on Consumer Rights:</p> <p>Those (35%), who were not aware of the campaign felt the need to be made aware of their consumer rights through the campaign.</p>
9.	<p>Impact of the campaign:</p> <p>70% of urban and rural in all the five States were of the view that awareness campaign will have impact on masses in terms of consciousness towards consumer rights.</p>
10.	<p>Suggestions for improvements in the campaign:</p> <p>(i) Use of hoardings, posters and boards at bus stands, railway stations and metro stations. This particular suggestion forms part of our media plan.</p> <p>(ii) Release of advertisements in local vernacular newspapers in regional languages.</p> <p>In accordance with the current advertisement policy formed by the Ministry of Information and Broadcasting, there is more emphasis on regional newspaper and media schedule is being revised by the Publicity Division accordingly.</p> <p>(iii) Release of advertisements in popular channels, such as News Channel and prime time programmes:</p> <p>Already taken in hand.</p> <p>(iv) Change of slot of serial to prime time to ensure more viewership.</p> <p>Noted.</p> <p>(v) Display of posters, wall writings, boards in rural areas.</p> <p>The State Governments have been provided assistance to undertake these activities.</p> <p>(vi) Regular meetings with villagers at Panchayat level, Anganwadi centers to provide information / redressal of complaints.</p> <p>(vii) Door to Door campaigning and one to one interaction with people on awareness campaign.</p> <p>Panchayat's involvement could be ensured by the District administration.</p> <p>(viii) Interactive sessions on Consumer Rights in Schools.</p>

A Concept Paper on Better Business Bureau (BBB) based on Material gathered from the various sites on the Internet on the BBB in US.

By S.Krishnan.

1. Introduction: Though there are various Laws and Legislations as also Rules and Regulations, protecting the Consumers, experience has shown that there is also a need for an informal approach of a Conciliation Machinery which, while preventing consumer grievances through a proactive approach, can also provide a mechanism for resolving Consumer Disputes and grievances, both with regard to Products and Services, by involving the Stakeholders themselves.

1.1 It is observed that such mechanisms exist in advanced countries such as USA, Canada, Australia, Germany, etc in the form of what are known as Better Business Bureaus (BBB). The intention is to see how far such machinery can be established in India in a manner, which is best suited to Indian conditions.

1.2. Such Organisations in the countries mentioned, are all Industry Driven and are voluntary in nature with Business Houses, joining the Bureaus, by registering themselves with BBB. A browsing of the relevant websites shows that there are literally millions of pages covering various aspects such as Business Ethics, Advisories on various products and services, Consumer Alerts, Complaint handling procedures, FAQ's, Advertising Self Regulations, Warnings against Scams and Magic Remedies, Self Regulatory Guidelines for Advertisements directed towards Children, Wise Consumers News Letters, Best Business Practices etc.

2. Salient Features Of BBB:

- BBB's value to the business community is based on its neutrality.
- BBB system is not to act as an advocate for business or consumers, but to act as a mutually trusted intermediary, to resolve disputes, to facilitate communication and to provide information on ethical business practices.
- The most valuable asset of BBB is said to be the public trust it has built over the last 80 years of its existence. Like wise business Members too support BBB, as it gives them an opportunity to learn and respond to customer problems.
- BBB has a wide spread network and has its presence in each State of U.S.A. Local Bureau representatives are available for giving telephonic advice, besides of course a very wide use of the websites for dissemination of information
- When BBB receives a complaint it refers it to the business concerned for dealing with it and most companies are said to be happy at the opportunity given to resolve the problem, since their patronage by the customer is preserved. If they do not respond, their membership of BBB is cancelled, which gives them a negative impact. Therefore, both Member companies as well as non Member Companies do respond positively. At the same time BBB has no legal powers and it cannot force a company to respond, nor can they enforce any sanctions.
- The basic policy of BBB is not to recommend or endorse any company, product or service. BBB Members have to meet certain standards for qualifying for membership

- BBB is neutral, working to promote an ethical market place
- BBB reports on a firm's market place practices. It does not report either individual or business credit information. Its reliability reports as published in the websites contain information about the nature of the business, its principal officers, a three-year summary of complaints processed and any govt. action involving the company's marketplace practices.
- BBB is a private non-profit organization, developed to monitor and report marketplace activities to the public. Funding for BBB activities is primarily derived from local business support. Various BBB branches are licensed by the Council of Better Business Bureaus
- BBB is not a part of the Chamber of Commerce, but works closely with them. While Chambers are there to promote, BBB exists to protect the citizens and businesses in the communities they serve
- BBB has no legal powers to prevent scams but it provides information about marketplace frauds, through reports to the public, media releases and alerts. It works closely with federal law enforcement agencies and provides them valuable information about potential fraudulent activities and alerts them and the public. Such information is also disseminated widely
- BBB issues reports on Members as well as non-Members.
- Most BBB's offer mediation and arbitration to help solve consumer disputes, which can save time and expense to both parties of going to court.
- BBB has also a widely used and easily accessible "BBB On Line" system

3. *Indian Context:*

- In the Indian context, if any such body is to be established, wide ranging discussions have to be entered into with Industry and Trade through their representative bodies, such as CII, FICCI, ASSOCHAM, small Scale Industry Bodies, Cooperatives, Public Sector Bodies such as SCOPE and also perhaps involve all the Regulatory Bodies already in existence. Since BBB as indicated above is a voluntary effort progress in its implementation in India may not be as fast as one would like to have for quick resolution of Consumer Disputes
- Since to a great extent the CORE project as conceived itself a small beginning in this direction perhaps re modeling it suitably can be considered in consultation with business organizations mentioned earlier. In fact the National Help line, which is engaged in somewhat similar work, in a limited scale, may be merged together along with the other initiative of Consumer Voice.
- At present these initiatives are being fully supported by Govt. funds, but it is expected that they should become self-supporting in due course. One major problem in this direction is the voluntary code of not taking support from business houses, mainly on the ground that this is likely to compromise independence and neutrality. If a methodology could be ensured in this regard, it will have the twin advantage of not depending on Govt. funds while at the same time maintaining its independence.
- The experience of the last several years has shown the need for an alternative reliable and credible mechanism for tackling consumer disputes outside the legal system. If it can work in other countries, there is no reason why it cannot work here, but admittedly we have to evolve a system which will suit our Indian conditions which admittedly has a wide variety of points to be taken into account,

such as our population, majority of whom are in villages, Economic conditions, illiteracy, number of languages in use, geographical and cultural factors etc.

4. Suggestions:

- In the light of the various points mentioned above, a workshop on the subject can help in identifying the various problems to be tackled and overcome, if the concept is to become a reality
- A preliminary discussion should in any case be held in a carefully selected small group, which should prepare a short position paper on various issues for discussion at the workshop.
- The most important thing is not to dismiss the idea due to its apparent enormity but to start the ball rolling with a workshop on the Occasion of the National Consumer Rights Day to map the way forward.
- The recommendations and action plan emerging from the workshop could be pursued further, by a Committee, or a Working Group or a Task Force for deciding further course of action.

District Level

- i. Elected representatives of the Gram Panchayat, Panchayat Samiti and Block Level.
- ii. Service providers at District Level especially those having direct interface with consumers, such as officials of Electricity Board, Water Supply, Health Services, Banking and Insurance, Housing etc.
- iii. Non- Governmental Organisations (NGOs)/ Voluntary Consumer Organisations (VCOs) working in particular District.
- iv. Service providers/ Manufacturers/ Retailers of other public services/ consumer goods.

State Level

- i. Training of District Collectors.
- ii. Training of District Consumer Protection Officers.
- iii. Elected Representatives of the Zila Parishads.
- iv. Service providers at State Level especially for the Departments, which directly involve consumers, such as officials of Electricity Board, Water Supply, Health Services, Banking and Insurance, Housing etc.
- v. State Level Non Governmental Organisations (NGOs)/ Voluntary Consumer Organisations (VCOs).
- vi. Presidents/ Members of District Consumer Forums.
- vii. Service providers/ manufacturers/ retailers of other public utilities/ consumer goods.

National Level

- i. Training for Members of State Commissions and Presidents/Members of Consumer Forums,
 - a. Training programme (TP) for Members of State Consumer Commission,
 - b. TP for Presidents of District Consumer Forums,
 - c. TP for Members of District Consumer Forums,
 - d. Refresher TP for (b) and (c) after two years interval;

- ii. Training Seminars for District Collectors & other District Level Officers;
- iii. Training Workshop for Heads of Department of State Government, which have Consumer interactions/ interface (viz. electricity boards, health, housing, banking, insurance etc.);
- iv. Training Seminars for Service providers, manufacturers of goods in association with apex industry organizations such as CII, FICCI, ASSOCHAM, PHDCI;

International Level

Training Programmes on best international practices in consumer protection (for select trainers, Government officers, NGOs/VCOs);

Annexure -VI

S.No	Name of Courses	No. of Participants	No. of Courses	Duration	Venue	Cost (Rs. Lac)
TP at District Level						
1.	TP for Elected Representatives of Gram Panchayats	40-50	1000	3 day	DTIs	1x1000=1000
2.	TP for Elected Representatives of Panchayat Samitis	35-40	500	3 day	DTIs	1x500 = 500
3.	TP for District Service Provider Deptts' Officials	30-35	500	5 day	DTIs	2x500= 1000
4.	Training seminar for NGOs/ VCOs	25-30	500	2 day	DTIs	1x500= 500
5.	Training seminar for service providers / Manufacturers/ Retailers	35-40	500	2 day	DTIs	1x500= 500
TP at State Level						
1.	TOT for faculty members of Training Institutions	35-40	35	5 day	IIPA	3x35 = 105
1.	Training Seminar for District Collectors	35-40	40	2day	ATIs	2x40= 80
2.	Training Programme for District Consumer Protection Officers	35-40	40	5day	ATIs	3x40= 120
3.	TP for Elected Representatives of Zila Parishads	40-50	35	3 day	ATIs	2x35= 70
4.	TP for State Service Provider Deptts' Officials	30-35	35	5 day	ATIs	3x35= 105
5.	TP for Presidents of DFs	25	35	5 day	ATIs	4x35 = 140
6.	TP for Members of DFs	30	35	5 day	ATIs	4x35 = 140
7.	RP for Presidents & Members of DFs	25	35	3 day	ATIs	3x35 = 105
8.	Training seminar for service providers / Manufacturers/ Retailers	35-40	35	2 day	ATIs	2x35 = 70
9.	Training seminar for NGOs/ VCOs	25-30	35	2 day	ATIs	2x35= 70
TP at National Level						
1.	TOT for core – of trainers	10	2	5 day	IIPA	3x2 = 6
2.	TP for Members of SCs	25	1	5 day	IIPA	3x1 = 3
3.	TP for Presidents of DFs	25	2	6 day	IIPA	4x2 = 8
4.	TP for Members of DFs	30	2	6 day	IIPA	3x2 = 6
5.	RP for Presidents & Members of DFs	25	2	3 day	IIPA	2.5x2= 5
6.	ToT for NGOs/VCOs	25-30	1	5 day	IIPA	3x1 = 6
7.	Training Seminars for HoD	25-30	2	5 day	BIS	3x2 = 6
8.	Training seminar for service providers	50-60	2	5 day	BIS	5x2 = 10
TP at International Level						
1.	TP for selected trainers on best practices in Consumer Protection	15-20	2	3week	EU/ UK	3x20x2=120
Total		3376				4675

(Rupees Forty-six Crore seventy-five Lakh only)

Total Budget Estimate for the XI Plan =4675 x 5= 285.43 (with 10% increase from second year onward)

(Rupees Two Hundred Eighty Five Crore and Fourty Three Lakh only).

Annexure VII

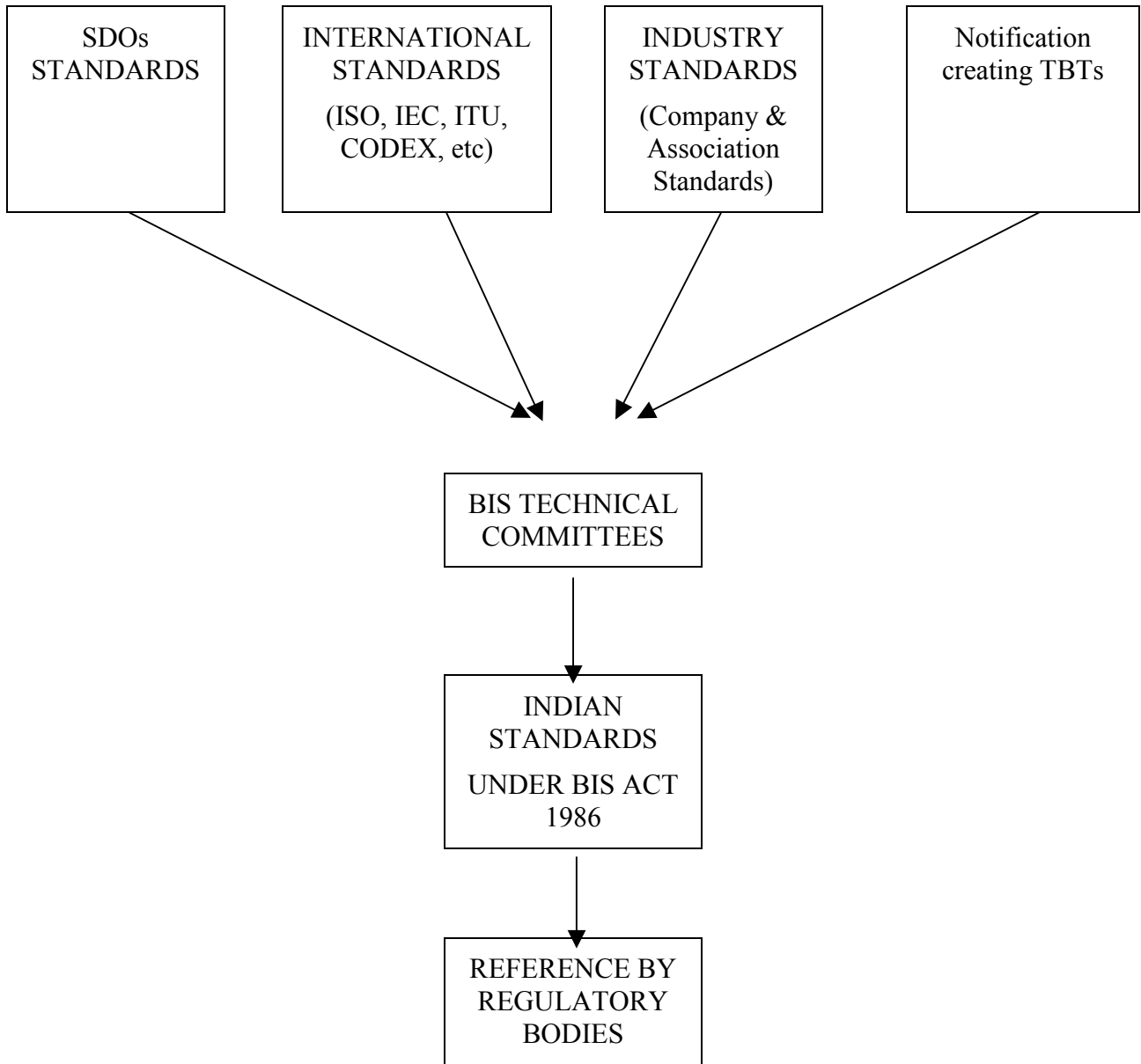


Fig 2 National System for Standardization

NATIONAL SYSTEM FOR CONFORMITY ASSESSMENT AND COMPLIANCE

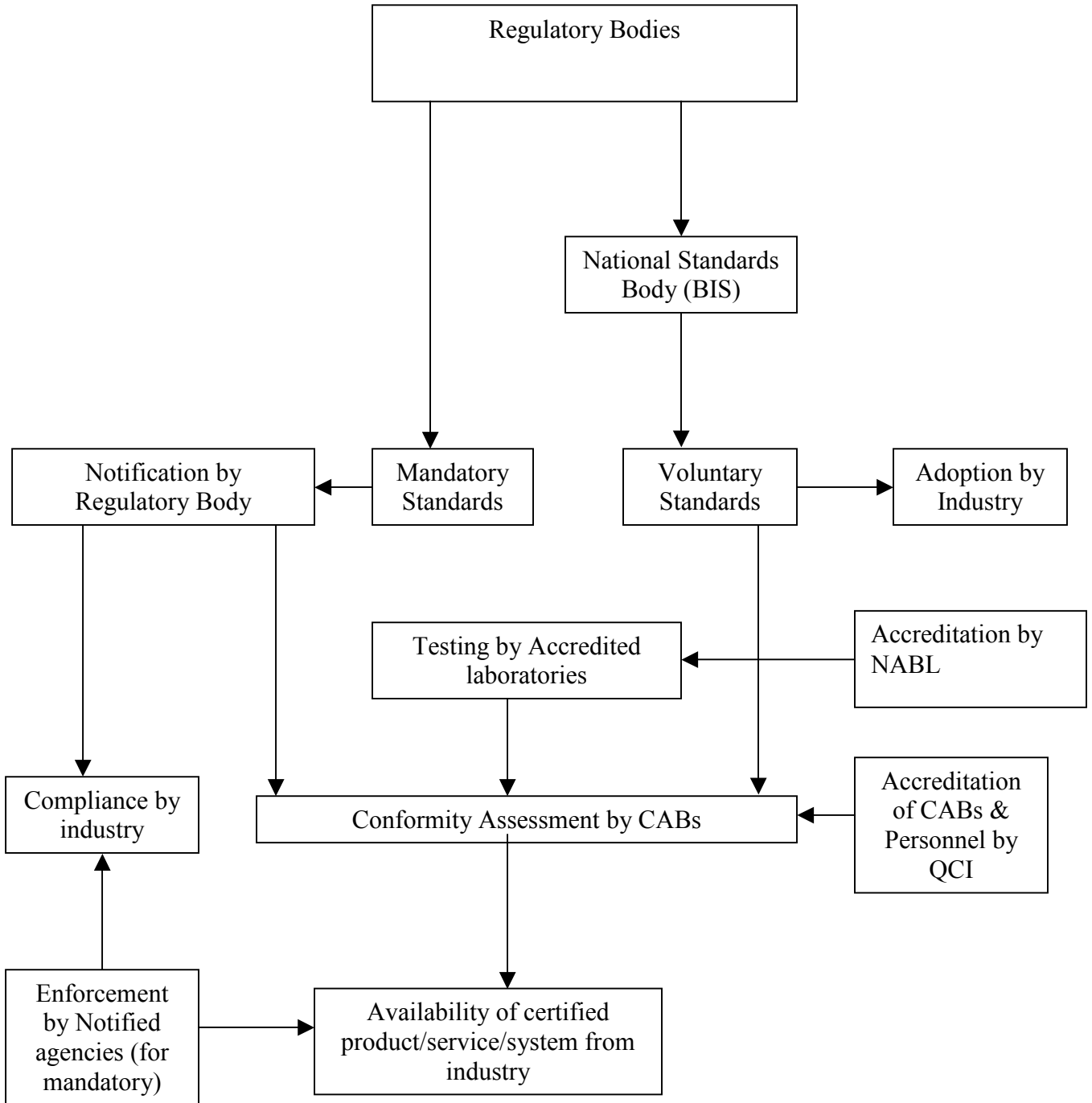


Fig 3.

5.12 Budget Estimates:							Annexure - IX
A. Proposals for Consumer Awareness and Education over XI plan Proposals							
Sl. No.	ACTIVITY	2007-08	2008-09	2009-10	2010-11	2011-12	Total XI Plan
1	Multi Media Publicity	100.00	125.00	150.00	170.00	200.00	745.00
2	Media Units for VCOs	0.00	3.00	4.80	6.78	8.96	23.54
3	Consumer Education in Colleges and Universities	23.50	35.48	52.91	71.93	92.70	276.52
4	Chairs of Excellence	3.60	4.56	5.62	6.78	8.06	28.62
5	Departments/ Centers of Excellence in IITs, IIMs, NIITs, Central Universities & National Training Institutes	20.00	20.00	20.00	20.00	20.00	100.00
	TOTAL	147.10	188.04	233.33	275.49	329.72	1173.68

B. Requirements for Capacity Building Under XI Plan Proposals							(Rs. In Crore)
Sl. No.	ACTIVITY	2007-08	2008-09	2009-10	2010-11	2011-12	
1	Training Requirements	46.75	51.43	56.57	62.23	68.45	285.43
2	New Institutions	9.5	10.45	11.5	12.65	13.92	58.02
	TOTAL	56.25	61.88	68.07	74.88	82.37	343.45

C. Requirements for BIS & Legal Metrology Under XI Plan Proposals

		(Rs. In Crore)					
Sl. No.	ACTIVITY	2007-08	2008-09	2009-10	2010-11	2011-12	Total XI Plan
1	National System for Standardisation	12.40	17.40	22.40	22.40	27.40	102.00
2	Development of a National Regulatory System Data Base	0.20	0.20	0.20	0.20	0.20	1.00
3	National System for Assessment and Compliance	45.00	45.00	45.00	45.00	45.00	225.00
4	Legal Metrology						
	1) To Modernise RRSs & IILM, Ranchi	3.60	3.60	3.60	3.60	3.60	18.00
	2) To augment equipment of enforcement machinery of States/UTs in Mass, Length & volume measurement	107.00	107.00	107.00	107.00	107.00	535.00
	3) Construction of Standard Laboratories	136.00	136.00	136.00	136.00	136.00	680.00
5	National Quality Campaign	25.00	25.00	25.00	25.00	25.00	125.00
6	HRD/Capacity Building	5.00	5.00	5.00	5.00	5.00	25.00
	TOTAL	334.20	339.20	344.20	344.20	349.20	1711.00

D. Requirements for FMC Under XI Plan Proposals

		(Rs. In Crore)					
Sl. No.	ACTIVITY	2007-08	2008-09	2009-10	2010-11	2011-12	Total XI Plan
1	Asian Development Bank Projects	80.00	85.00	85.00	0.00	0.00	250.00
2	Upgradation of IT Facilities	1.50	5.00	5.00	1.00	1.00	13.50
3	Capacity Building/Training/Consultancies	1.10	1.25	1.25	1.35	1.35	6.30
4	Awareness and Development Programmes	2.50	2.50	2.00	2.00	2.00	11.00
5	Connectivity of Commodity Exchanges with APMCs for dissemination of Future Prices	2.00	2.00	2.50	2.50	2.50	11.50
6	Upgradation of the Office Infrastructure	4.00	4.00	4.00	4.25	4.50	20.75
	TOTAL	91.10	99.75	99.75	11.10	11.35	313.05

E. Requirements for the Consumer Protection and Redressal Mechanism under XI Plan Proposals

(Rs. In Crore)

Sl. No.	ACTIVITY	2007-08	2008-09	2009-10	2010-11	2011-12	Total XI Plan
1	Strengthening the State Commission and District Fora	51.99	51.99	51.99	51.99	52.01	259.97
2	In House Consumer Redressal Mechanism	16.93	16.93	16.93	16.93	16.93	84.65
3	Alternate Dispute Resolution Mechanism	21.88	21.88	21.88	21.88	21.88	109.40
4	Product Safety Commission	0.20	0.20	0.20	0.20	0.20	1.00
5	Strengthening existing Laboratories in NAAC accredited Colleges	121.10	0.30	0.30	0.30	0.30	122.30
6	Upgradation of Laboratories in Engg. Colleges/Active CVOs for Product Testing	10.50	10.50	10.50	10.50	10.50	52.50
7	Consumer Empowerment and Resource Centres in Universities	21.00	21.00	21.00	21.00	21.00	105.00
8	State Consumer Helpline	4.65	4.65	4.65	4.65	4.65	23.25
9	Equipping consumer clubs as Consumer knowledge centers	7.85	7.85	7.85	7.85	7.85	39.25
10	Diploma/PG Diploma courses through Distant Education in Universities	8.75	17.50	17.50	17.50	17.50	78.75
11	Display of Consumer Information at Prominent Public Places	12.08	12.08	12.08	12.08	12.08	60.40
12	Working Group to review the CP Act Rules and all the related Laws/ Rules	0.30	0.00	0.30	0.00	0.00	0.60
TOTAL		277.23	164.88	165.18	164.88	164.90	937.07

F. Requirements for Consumer Protection Unit Under XI Plan Proposals

(Rs. In Crore)

Sl. No.	ACTIVITY	2007-08	2008-09	2009-10	2010-11	2011-12	Total XI Plan
1	Integrated Project on Consumer Protection	20.00	4.75	4.75	4.75	4.75	39.00
2	CONFONET	8.00	2.15	2.15	2.15	2.15	16.60
3	Construction of National Commission Building	7.50	0.00	0.00	0.00	0.00	7.50
4	Setting up of Consumer Protection Authority of India	5.00	5.00	5.00	5.00	5.00	25.00
5	Infrastructure	40.00	20.00	20.00	10.00	10.00	100.00
6	Consumer Protection (Training, CCPC, Meeting etc.)	0.25	0.25	0.25	0.25	0.25	1.25
	TOTAL IV	80.75	32.15	32.15	22.15	22.15	189.35
	GRAND TOTAL A-F	986.63	885.90	942.68	892.70	959.69	4667.60