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**Empowering Consumers in New Markets
Indian Initiatives**

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Consumers in New Markets: Prospects and Challenges

Introduction

Consumption of goods and services has become part and parcel of fabric of modern life. A combination of new technologies and globalization of the economy has led to the development of international trade and global competition; and also integration of consumer market. As a consequence to globalization, people all over the world are becoming part of an integrated global consumer market with the same products and advertisements. As a result they begin to share the same standards of the “good life”.¹ Modern means of transportation and communication have made many markets global in scope and virtually nonstop in hours of operation. For many products, it has been suggested that the marketplace has been replaced by a market-space, in which many transactions are carried out electronically.² Economic liberalization policies have led to an influx of foreign direct investment, and expansion of large-scale domestic retailers in the Indian market.³ The rapid pace of development of the Internet in such a short time also created a huge platform for an informational world-wide market. E-business, e-banking, e-communities, e-learning, e-mail, e-commerce, e-services etc. are the clear examples which emphasize the fact that today we live in a “little e-s” dominated world.⁴

These developments have led to vast expansion of business with a variety of goods and services to cater to the needs of the consumers. Digital technology has changed the way we live, think and perform things. The consumers as a result are well connected and having abundance of choice. They have the ability to get what they want, when they want and where they want. Today the consumers live on their smart phone. It is their calendar their map, their library, their credit card. It's their digital companion - and it drives everything from what they buy to who they are. It's a critical assistant in all facets of their lives.⁵ The consumer is not driven solely by ads, or even entirely by friends' recommendations. Consumer is checking multiple points of information like reviews on social media, reports etc. before making a decision. The consumer has more power and independence; heis

¹United Nations Development Programme, (1998). Human Development Report 1998 (Oxford: Oxford University Press.), p. 62.

²Rayport, Jeffrey and John J. Sviokla (1994), “Managing in the Market space,” Harvard Business Review, 72 (November/December), 141-50.

³Ghosh, Jayati; Sengupta, Amitayu; Roychoudhury, Anamitra. (2008). The Impact of macroeconomic change on employment in the retail sector in India: policy implications for growth, sectoral change and employment; International Labour Office, Employment Policy Department, Country Employment Policy. Geneva: ILO, at pp. v, 1

⁴OECD, Policy Brief- The Future of the Internet Economy, OECD, June 2008

⁵Steven Rosenbaum, (2015). The New World of The ‘Empowered Consumer’, <https://www.forbes.com/sites/stevenrosenbaum/2015/07/16/the-new-world-of-the-empowered-consumer/#47c9395e4aab> accessed on Oct 16, 2017

able to shop across borders, and patronize brands and services that give value for money. Gradually luxurious consumer goods are becoming everyday necessity. Consumption as a result has come to play an increasingly important role in people's everyday lives. People are being offered not only what they need but what they desired.

Consumer Protection-Emerging Challenges

Achieving good governance in a global environment is much more challenging. Apart from the domestic needs, the globalization of production and of markets has also established the need for states to adopt policies and policy stances that not only protect their citizens but also increase their competitiveness over the years and decades ahead. With large number of multinational companies entering the domestic markets with new products the competition for markets is more than ever before. The consumer culture has brought about new challenges to be addressed. The state has to play its role as a regulator of the market mechanism and also as a protector of the consumers.

Consumers are now participants in a global market, and at the mercy of the market forces. In a large country like India the ills of globalization and liberalisation are visible as a result; both the consumers and law makers are equally worried. A net of legal protections provided have proved to be inadequate to stop the consumer from exploitation. Globalization is happening all around us and we need to reinforce and strengthen our system to meet its challenges. We need to ensure that India does not become a dumping ground for sub-standard products. Consumer protection as a movement has yet to take off in the real sense. The other problem is that laws are essentially national and can only be enforced within national frameworks. Information technology has made the world borderless therefore new mechanisms are needed to protect the consumers.

Globalization affects consumers differently depending on the consumer protection instruments available at the national level. Countries with adequate protection mechanisms are able to protect their consumers from the adverse effects of globalization better. The foundations of democracy lie in protecting the powerless consumers and holding the corporations accountable for their actions. In a complex market place governments must remain open to different ways to address the problems of the consumers, presented both by traditional marketing and also by the new mechanisms which are largely technology driven. It is in this context that policy makers need to equip consumers with enough knowledge and skills to make them capable of effective consumer decision-making. Consumer protection is a two-way process; it requires not just regulation and oversight of businesses but also ensuring consumers are adequately equipped to confront the array of choices available to them. Therefore, it is clear that government policies should seek to enable the consumers to obtain optimum benefit from their economic resources. One main issue is the revision of consumer policies by looking at the effect of the mechanism at global level and acting accordingly at the local level.

The creation and diffusion of new technologies like Internet and e-commerce is considered a source of growth and productivity gains for national economies. One of the outcomes of the internet is that we have a more demand-driven economy; the consumers can now make choices. In the internet age the consumers get product information via

internet but many a times consumers get product information which is inaccurate and distrustful. Consumers can make choices, and governments have the role of helping them make wise choices. The general public is thus vulnerable to concerns due to lack of knowledge. Other elements which the government needs to be concerned about include the security and trust which are necessary to protect consumers' interests.

There is a regulatory deficit in many products and services which impact on the health, safety and environment of the consumers and mandatory standards have not been prescribed for such products as electrical and electronic goods, IT and telecom equipment, industrial and fire safety equipment and toys. There is a multiplicity of regulatory/standardization/conformity assessment bodies and proliferation of certification and inspection bodies. Laboratory infrastructure is weak in terms of international norms. There is apathy among 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 regarding quality issues. In short, there is absence of a quality culture in the country.

The consumers' protection could be realized both in a direct way, explicitly, through the judicial and quasi-judicial measures that consumers can use against the economic agents offering unsuitable merchandises or promoting illicit commercial practices and in an indirect way, implicitly, through the activities of standardization, accreditation and certification. The technical standards play an important role to ensure the safety and quality of goods and services across different sectors by prescribing best practices and state of the art employed in the relevant sector. Each consumer expects the product purchased to be safe in its use, therefore, there comes the need of having standards, directives and other recognised regulations to be followed by the producers and service providers to maintain quality. Moreover, certifying the conformity with the standards by the recognized agency further provides the proof for the safety of the product. The quality of the products and services could be maintained by the standardization process only; therefore, international harmonisation of standards is a key element for global trade and consumer protection.

The rapid economic growth has produced a significant rise in the levels of consumption world over. In India also there has been significant rise of consumer society based on western standards of energy and resource use. The increased consumption has been based on environmentally unsustainable, high carbon growth patterns. The effects of this unsustainable consumption are now ever-more apparent in terms of environmental degradation and climate change. There is thus need to promote sustainable consumption and production where consumer needs and demands are fulfilled with negative environmental, social and economic impacts. At present, the low awareness and understanding of sustainable consumption in the region is hampering the progress towards improving sustainability. For most consumers in India the price of the product is the single most important factor while deciding what product to purchase. It is, therefore, important that sustainable products are competitively priced compared to other similar products. Economic tools such as tax incentives, pollution fees, pay-for-return systems, etc. would, if

applied, would greatly assist in facilitating a shift towards sustainable consumption. There is urgent need for voluntary life style changes and adoption of new policies for sustainable consumption and production to curtail energy use and thus adopt more sustainable patterns of development. In this government, business, consumers and civil society organizations have important role to play to ensure that we do not deprive future generations' ability to meet their own consumption needs.

Even though the Consumer Protection Act, 1986 has been in operation for more than three decades, yet the consumers are not even aware about the various provisions of the Act particularly the rights that they enjoy as consumers. Perhaps lack of education and awareness has been the major hindrance in its effectiveness. If the consumers are empowered, then they will be able to capitalize on the opportunities of globalization. They would be affected differently depending on the level of knowledge and consumer awareness and the aspects of consumer education. On a national level, consumer education can help make markets work well for consumers and businesses by driving fair competition and preventing market frauds. It can also help protect vulnerable consumers, prevent consumer detriment and combat social exclusion. Consumer education must also inculcate the responsibilities of consumers. Responsibilities always precede rights. If consumers want their rights recognized, they must first exercise their responsibilities.

The trade and business also have an important role to play in consumer protection. Businesses are responsible to their consumers based on the contract implied by trade and potential harm that can be done to the public. The business also has some moral and ethical obligations towards their customers particularly in the areas which affect the consumers. Companies must be honest with customers and sell products that are adequately safe. Every theory of justice will forbid coercive and deceptive trade. Businesses must give us what we pay for and people should not be deceived about what they are buying. Businesses must not harm anyone, including consumers. At one point of time consumers might have been able to assess the quality of products and services they bought on their own, but that is no longer the case. Product safety is an ethical obligation insofar as companies have a duty to provide consumers with whatever it is they pay for and products are assumed to be safe for ordinary use. Products must either conform to reasonable customer expectations or to the explicit claims made about it.

Customers have a right to know as to what products they are purchasing. Advertising and product labeling are both very important because it is the *potential* customer's primary source of information, and companies have responsibilities to everyone that could be harmed by their advertising. Despite a customer's right to know what they are buying, companies often lie or prefer for their products to remain a mystery. Advertisements suppress information that customers should know about or pass wrong information to them which is morally wrong. Advertisements that manipulate consumers to buy products aren't just disrespectful, but could cause materialism or physical harm to the consumers. It's not entirely clear when advertising is overly deceptive or how much harm manipulative advertising does to people. However, it seems reasonable to think that it is morally preferable for companies to be honest and reject manipulative practices whenever it's unclear how much harm it could cause. It's better to be safe while dealing with the well-being of people.

Conclusion

All these developments have made it important to guard consumers from the unhealthy, unethical trade practices. Consumer protection has become important with changing life styles in consonance with today's liberated and globalized world. The concern of consumer protection is to ensure fair trade practices; quality goods and efficient services with information to the consumer with regard to quality, quantity, potency, composition and price for their choice of purchase. Thus, proper and effective implementation of consumer protection law promotes good governance.

Because globalization has its own momentum, businesses and governments must both recognize its potential and meet its challenges. The challenge is similar for business people and for politicians: to find innovative ways to harness the potential of globalization and to mould its effects for the benefit of the consumer and the citizen.¹

In this world of diminishing borders, corporate responsibility, individualism and consumer power, the role of government remains central. Government, both national and international, has an important part to play, both in creating the right conditions for companies that are addressing the challenges of globalization and in helping citizens adapt to the modern world. To respond to globalization and to harness it in order to deliver prosperity, governments must work at two levels: at the global level they must negotiate new rules to manage it for the common good; at the local level they must ensure their citizens are ready to meet the challenges.² Policy-makers, companies, regulators, ombudsmen and civil society organisations all have their role to play in managing consumer expectations and protecting them. All consumers are different and cannot be treated the same, and to be able to meet consumer needs, stakeholders need to adopt a flexible, consumer-centred approach.

The laws are part of our culture. There is thus need for harmonization between the legislations, education and consumer movement. Finding a right balance between these elements is certainly a major concern. Government enforcement should involve empowering individual consumers, giving them information and tools to protect themselves. Thus we need to ensure that consumer welfare is central to the policies across the board. There is need to support consumer position in the market from the perspective of businesses, governments and all stakeholders in the market. We also need to define and consider more intensely the concepts of Corporate Social Responsibility and corporate ethics.

¹Niall Fitzgerald. (1997). Harnessing the Potential of Globalization for the Consumer and Citizen, *International Affairs*, Royal Institute of International Affairs, Vol. 73, No., 4, pp. 739-746 at p. 740 <http://www.jstor.org/stable/2624466> Accessed: 17-10-2017 08:07 UTC

²ibid

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India and Sustainable Consumption Governance Initiatives

Introduction

We are living in a consumer society wherein consumption has become a central feature. The importance of consumption of goods and services is constantly growing in the present times and it has become part and parcel of fabric of modern life. Increased consumption is used as key indicator of economic growth. There is massive expansion in the availability of consumer goods in developed economies over the last fifty years and extensive commercialisation of previously public goods and services. A combination of new technologies, globalization of the economy, development of international trade and global competition have led to vast expansion of variety of goods and services to cater to the needs of the consumers. Gradually luxurious consumer goods are becoming everyday necessity. Consumption as a result has come to play an increasingly important role in people's everyday lives. People are being offered not only what they need but what they desire. The 'wants' are actively becoming 'needs'. The market propagates the conviction that everything can and should be viewed as a commodity. The goods typical of the present consumer society generate excess and waste.

Impact of Consumption on Environment

The connection between consumption and other development goals has mostly been approached from a purely economic perspective in order to keep the economy growing. Development today means material prosperity and conspicuous consumption even at the cost of human development. The unsustainable patterns of consumption have extreme serious social and environmental impacts worldwide. Ever increasing and irresponsible consumption is putting a catastrophic strain on the environment, by causing pollution and global warming inducing climate change; destroying the ecosystem, and undermining sustainable lifestyles.

As per the Living Planet Report 2016, the size and scale of the human enterprise have grown exponentially since the mid-20th century. Scientists suggest that we have transitioned from the Holocene into a new geological epoch, as a result, nature and the services it provides to humanity are subject to increasing risk. To maintain nature in all of its many forms and functions and to create an equitable home for people on a finite planet, a basic understanding must inform development strategies, economic models, business models and lifestyle choices: we have only one planet and its natural capital is limited. A shared understanding of the link between humanity and nature could induce a profound change that will allow all life to thrive.¹ Earth's regenerative capacity can no longer keep up

¹Living Planet Report 2016- Summary, http://awsassets.panda.org/downloads/lpr_living_planet_report_2016_summary.pdf accessed on September 14, 2017

with demand –people are turning resources into waste faster than nature can turn waste back into resources. Humanity is no longer living off nature’s interest, but drawing down its capital. This growing pressure on ecosystems is causing habitat destruction or degradation and permanent loss of productivity, threatening both biodiversity and human well-being.²

Global warming and climate change is not a myth; it is something that is already here. This problem of global warming and climate change has now acquired such serious proportions that unless corrective steps are taken sooner than later, the very survival of humanity would be jeopardized. Man would become an endangered species. Our very survival and development is at stake. Fortunately, it is still within the powers of man to stop any further contamination of the atmosphere, and thereby, any increase in earth’s temperatures and other changes before it is too late. Thus the pertinent question before us is: what should we do as individuals, communities, and societies to take any concrete and time bound corrective action before it is too late? The belief that ‘scientific’ thinking is capable of solving all problems all the times is so deeply ingrained in our minds that we tend to over depend on it and ignore the feedback control mechanism that keeps a system functioning smoothly. We forget that in all living and health systems the ‘scientific’ thinking and the feedback control mechanism exist interdependently.³ Thus to save mother earth Sustainable Consumption and Production (SCP) is away forward.

Sustainable consumption has been defined by the 1994 Oslo Symposium on Sustainable Consumption as “. . . the use of services and related products which respond to basic needs and bring a better quality of life while minimising the use of natural resources and toxic materials as well as emissions of waste and pollutants over the life cycle of the service or product so as not to jeopardise the needs of future generations.”⁴ It means buying goods and services that do not harm the environment, society, and the economy. However, it is important to understand that sustainable consumption is not necessarily about consuming less; it is about consuming better, i.e. more efficiently, with less risk to our health and environment.

Sustainable consumption is an umbrella term that brings together a number of key issues, such as meeting needs, enhancing the quality of life, improving resource efficiency, increasing the use of renewable energy sources, minimising waste, taking a life cycle perspective and taking into account the equity dimension. Integrating these component parts is the central question of how to provide the same or better services to meet the basic requirements of life and the aspirations for improvement for both current and future generations, while continually reducing environmental damage and risks to human health. A key issue is, therefore, the extent to which necessary improvements in environmental quality can be achieved through the substitution of more efficient and less polluting goods

²WWF, (2006). *Living Planet Report 2006*, Geneva, WWF

³R. P. Misra, (2009). Facing Environmental Challenges: The Gandhian Way, *Anasakti Darshan*, Vol. 5, No. 2, pp. 1-47 at pp. 10, 26-27

⁴Norwegian Ministry of the Environment, (1994). Oslo Roundtable on Sustainable Production and Consumption, <http://www.iisd.ca/consume/oslo004.html> accessed on Nov. 13, 2015 http://www.unesco.org/education/tlsf/TLSF/theme_b/mod09/uncom09t06.htm/ 24-12-2010

and services (patterns of consumption), rather than through reductions in the volumes of goods and services consumed (levels of consumption).⁵

At the United Nations Sustainable Development Summit on 25 September 2015, countries have adopted the 2030 Agenda for Sustainable Development, and global agreement on climate change. The Agenda includes a set of 17 Sustainable Development Goals (SDGs) to end poverty, fight inequality and injustice, and tackle climate change by 2030. The 2030 Agenda features SCP as a standalone Sustainable Development Goal (12) to “Ensure Sustainable Consumption and Production Patterns”. SCP is also linked to multiple targets across 13 of the 17 goals, showcasing the interlinkages and interdependence of the SDGs themselves.

The revised UN Guidelines on Consumer Protection adopted in December 2015 make specific reference to the needs of developing countries, to the setting of the Sustainable Development Goals as the successors to the Millennium Development Goals, and the need for governments to cooperate across borders. UN Guidelines for Consumer Protection, 2016 mandates that the Governments, in partnership with business and relevant organisations of civil society, should develop and implement strategies that promote sustainable consumption through a mix of policies that could include regulations; economic and social instruments; sectoral policies in such areas as land use, transport, energy and housing; information programmes to raise awareness of the impact of consumption patterns; removal of subsidies that promote unsustainable patterns of consumption and production; and promotion of sector specific environmental-management best practices.⁶ It has to be realized by all the stakeholders in the society that the costs of inaction will be too high. The Governments, industry, civil society and consumers are key stakeholders whose initiatives can reduce poverty and drive sustainable economic growth in both developed and developing countries.

Role of Various Stakeholders in Sustainable Consumption

Achieving the Sustainable Development Goals and ensuring the protection of consumers is a shared responsibility among all stakeholders – States, businesses and consumers. Their transformative potential must be unleashed in a coordinated manner, in order for society as a whole to benefit from vibrant markets.

Sustainable Consumption and Production in National Governance Agenda

In recent decades, with the increasing prominence of Sustainable Consumption and Production (SCP) as an imperative for sustainable development, India has made strides for the inclusion of SCP in national governance agenda. Governments has assumed a coordinating role and empowering consumers and businesses to become drivers of change, while maintaining vigilance with regard to the protection of vulnerable and disadvantaged consumers.

⁵Norwegian Ministry of the Environment, (1994).Oslo Rountable on Sustainable Production and Consumption, <http://www.iisd.ca/consume/oslo004.html> accessed on Nov. 13, 2015

Besides policy and practice activities for Sustainable Consumption and Production (SCP) and resource efficiency, India has made national policy advancements on SCP. The SCP has been included in 12th Five Year Plan (2012-2017). India has included SCP into recent key policy documents, most notably, India's Intended Nationally Determined Contribution (INDC) to the United Nations Framework Convention on Climate Change COP15. The INDC denotes various targets and commitments and highlights the national policy framework for tackling environmental and sustainable growth challenges. It lays out priority areas in line with the current mitigation and adaptation strategies. The INDC's Mitigation strategies focus on priorities such as: Clean and Efficient Energy in industries, climate resilient urbanization, promoting waste to wealth conversion (a large potential growth sector) and more. It also includes commitments for a "Safe, Smart and Sustainable Green Transportation Network."⁷

I. NATIONAL POLICIES ON SCP

Following are some of the policy initiatives undertaken at national level to further SCP:⁸

- **Constitution of India, Article 48-A** - "The State shall endeavour to protect and improve the environment and to safeguard the forests and wildlife of the country".
- **National Environment Policy (NEP), 2006** – focusses on development that is sustainable, respects ecological constraints and imperatives of social justice. It mentions unsustainable consumption and production. NEP focuses on Cleaner Production, Pollution Abatement, Clean Technologies and Innovation.
- **National Policy for Farmers** – focusses on sustainable development of agriculture, improving quality of land and soil, conservation of water and sensitising farming community.
- **National Electricity Policy and Integrated Energy Policy** – both underscore the use of renewable sources of energy.
- **National Urban Sanitation Policy, 2008** – seeks to generate awareness, eliminate open defecation, promote integrated city wide sanitation and efficient operation of all sanitary installations.
- **National Action Plan on Climate Change (NAPCC) (2008-2017)**- This details potential

⁷Sara Castro-Hallgren, (2016). Current Trends on Sustainable Consumption and Production and Resource Efficiency in India EU SWITCH-Asia Programme Regional Policy Support Component -Background Paper, United Nations Environment Programme (UNEP), http://www.switch-asia.eu/fileadmin/user_upload/RPSC/country-level-work/India/160803_India_Background_SCP_Paper_SCjuly_2016-RRG_edit.pdf accessed on September 21, 2016 , pp. 5-6

⁸Sustainable Consumption and Production in India - SWITCH-Asia http://www.switch-asia.eu/fileadmin/user_upload/RPSC/event/20-22Oct16-SACEP/Day3/SCP_-_India.pdf, Sara Castro-Hallgren, (2016). Current Trends on Sustainable Consumption and Production and Resource Efficiency in India EU SWITCH-Asia Programme Regional Policy Support Component -Background Paper, United Nations Environment Programme (UNEP), http://www.switch-asia.eu/fileadmin/user_upload/RPSC/country-level-work/India/160803_India_Background_SCP_Paper_SCjuly_2016-RRG_edit.pdf accessed on September 21, 2016

Climate Change Mitigation and Adaptation priorities and actions which are being implemented through following eight National Missions:

- **Jawaharlal Nehru National Solar Mission** - To establish India as a global leader in solar energy, by creating the policy conditions for its diffusion across the country as quickly as possible.
- **National Mission for Enhanced Energy Efficiency** - To achieve growth with ecological sustainability by devising cost effective and energy efficient strategies for end-use demand side management.
- **National Mission on Sustainable Habitat** - To promote sustainability of habitats through improvements in energy efficiency in buildings, urban planning, improved management of solid and liquid waste including recycling and power generation, modal shift towards public transport and conservation.
- **National Water Mission**- To conserve water, minimise wastage and ensure equitable distribution both across and within states through integrated water resources development and management.
- **National Mission for Sustainable Agriculture** - To transform agriculture into an ecologically sustainable climate resilient production system while at the same time, exploiting its fullest potential and thereby ensuring food security, equitable access to food resources, enhancing livelihood opportunities and contributing to economic stability at the national level.
- **National Mission for Sustaining the Himalayan Ecosystem** - To evolve management measures for sustaining and safeguarding the Himalayan glaciers and mountain ecosystem.
- **National Mission for a Green India**- To use a combination of adaptation and mitigation measures in enhancing carbon sinks in sustainably managed forests and other ecosystems, adaptation of vulnerable species/ecosystems, and adaptation of forest-dependent communities.
- **National Mission on Strategic Knowledge for Climate Change**- To identify the challenges and the responses to climate change through research and technology development and ensure funding of high quality and focused research into various aspects of climate change.
- **State Action Plan on Climate Change (SAPCC)**-32 States and Union Territories have put in place policy to mainstream climate change concerns into state plans.
- **Energy Conservation Act**-promotes efficient use of energy and energy conservation goals.

II GOVERNMENT SPECIAL NEW POLICY INITIATIVES AND STRATEGIES

- ***Make in India – Zero Effect, Zero Defect (ZED)***

Make in India initiative aims for reinvigorated Manufacturing sector, with commitment of “Zero effect, Zero defect”. Along with a focus on quality of products and services, there is an equal emphasis on the elimination of impact on the environment through adequate planning at product and process design, pre-production (start-up activities), production

and maintenance activities, post production (disposal after use) and outcome of environment performance. Overall, the net result is sustainable development.

- **100 Smart Cities Initiative**

The objective of the Smart Cities Mission is to promote cities that provide core infrastructure and give a decent quality of life to its citizens, a clean and sustainable environment and application of 'Smart' Solutions. The focus is on sustainable and inclusive development and the idea is to look at compact areas, create a replicable model which will act like a light house to other aspiring cities.

- **Pradhan Mantri Ujjwala Yojana**

It is a social welfare scheme which aims to provide free LPG connections to BPL households in the country. Pradhan Mantri Ujjwala Yojana (PMUY) aims to safeguard the health of women and children by providing them with a clean cooking fuel – LPG, so that they don't have to compromise their health in smoky kitchens or wander in unsafe areas collecting firewood. Ensuring women's empowerment, especially in rural India, the connections will be issued in the name of women of the households.⁹

- **Swachh Bharat Abhiyan**

To accelerate the efforts to achieve universal sanitation coverage and to put focus on sanitation, the Prime Minister of India launched the Swachh Bharat Abhiyan on 2nd October, 2014. The Swachh Bharat Abhiyan is the most significant cleanliness campaign by the Government of India. The objectives of the mission are: Elimination of open defecation; Eradication of Manual Scavenging; Modern and Scientific Solid Waste Management and to effect behavioural change regarding healthy sanitation practices. Through its two Sub-Missions, the Swachh Bharat Mission (Gramin) and the Swachh Bharat Mission (Urban), the Abhiyan aims to achieve Swachh Bharat by 2019, as a fitting tribute to Mahatma Gandhi on his 150th Birth Anniversary.

- **Prakash Path -National Programme for LED-based Home and Street Lighting in India**

In a step towards conserving the environment, the Government of India has launched the Prakash Path (Way to Light), a National Programme for LED-based Home and Street Lighting. Under this scheme, the government is planning to replace 77 crore conventional bulbs and 3.5 crore conventional streetlights with the LED range. The Programme was launched in January 2015. Light Emitting Diode (LED) bulbs are 10 times more energy efficient compared to ordinary incandescent light bulbs and consumes about half the energy compared to compact fluorescents lamps (CFLs).¹⁰ The Prime Minister coined this programme as a people's movement which will work towards the conservation of energy and thus benefit the environment. Noting that conserving power is a more difficult task than its production, people are being encouraged to actively participate in this programme.

⁹ <http://www.pmuujwalayojana.com/about.html> accessed on Sept. 23, 2017

¹⁰ Nitya Nanda, Sustainable Consumption and Production in *India and Sustainable Development Goals: The Way Forward*, Research and Information System for Developing Countries, New Delhi pp. 153-164 at p. 156, http://ris.org.in/pdf/SDGs_Report_Chapter_12.pdf, accessed on September 21, 2017

- **Direct Financial Incentive Mainstreaming**

- i. Environmental taxes –this reflects environmental costs and incorporates polluter pays principle, for example Coal cess has been increased eight fold in last four years from INR 50 to INR 200 per tonne of coal. This forms the corpus for the National Clean Environment Fund.
- ii. Imposition of Environmental Cess on heavy vehicles entering Delhi.
- iii. Imposition of additional cost of one percent on new diesel vehicles above 2000 cc.
- iv. Subsidies – Getting rid of environmentally harmful subsidies
- v. Funds and technology transfers – Green technology aims to replace obsolete and inefficient systems with more energy efficient and clean technologies. It is lack of financial resources which has become a major stumbling block in green businesses. The government has created Compensatory Afforestation Fund under Compensatory Afforestation Act, 2016 for conservation, protection, improvement and expansion of forest and wildlife resources of the country.

- **Energy Efficiency Initiatives**

Government of India has initiated a number of schemes and programmes to ensure energy efficiency.¹¹ It has undertaken a two pronged approach to cater to the energy demand of its citizens while ensuring minimum growth in CO₂ emissions, so that the global emissions do not lead to an irreversible damage to the earth system. On one hand, in the generation side, the Government is promoting greater use of renewable resources mainly solar and wind and at the same time shifting towards supercritical technologies for coal based power plants. On the other side, efforts are being made to efficiently use the energy in the demand side through various innovative policy measures under the overall ambit of Energy Conservation Act, 2001.

Under the Energy Conservation Act, 2001 Bureau of Energy Efficiency (BEE) was set up as the statutory body. Ministry of Power, through Bureau of Energy Efficiency (BEE), has initiated a number of energy efficiency initiatives in the areas of household lighting, commercial buildings, standards and labelling of appliances, demand side management in agriculture/municipalities, SMEs and large industries including the initiation of the process for development of energy consumption norms for industrial sub sectors, capacity building of SDAs etc.

III SCHEMES TO PROMOTE ENERGY CONSERVATION AND ENERGY EFFICIENCY

A Standards and Labelling

(i) **BEE Labelling for Equipment and Appliances**

The Bureau initiated the Standards and Labelling programme for equipment and appliances in 2006 to provide the consumer an informed choice about the energy saving and thereby the cost saving potential of the relevant marketed product. The energy efficiency

¹¹<http://www.powermin.nic.in/en/content/energy-efficiency>

labelling programmes under BEE are intended to reduce the energy consumption of appliance without diminishing the services it provides to consumers. A key objective of this scheme is to provide the consumer an informed choice about the energy saving potential of the relevant marketed product. Number of “star” are assigned from 1 to 5 in increasing order of efficiency and estimated annual energy consumption is displayed on the Star Label for benefit of customer. Started as a voluntary scheme, star labelling has now been made mandatory for some of the household electrical appliances. Further, the standards and label for refrigerators and air-conditioners have been periodically made more stringent. As a result, the least-efficient products are removed from the market and more efficient products are introduced.

(ii) Energy Conservation Building Codes (ECBC)

The Energy Conservation Building Code (ECBC) was developed by Government of India for new commercial buildings on 27th May 2007. ECBC sets minimum energy standards for new commercial buildings having a connected load of 100kW or contract demand of 120 KVA and above. Bureau of Energy Efficiency developed a voluntary Star Rating Programme for buildings which is based on the actual performance of a building, in terms of energy usage in the building over its area expressed in kWh/sq. m/year. Currently, Voluntary Star Labelling programme for 4 categories of buildings (day use office buildings/BPOs/Shopping malls/Hospitals) has been developed and put in public domain.

B School Education Programme

Considering the need to make the next generation more aware regarding efficient use of energy resources, it is necessary to introduce children during their school education. In this regard, promotion of energy efficiency in schools is being promoted through the establishment of Energy Clubs. Bureau of Energy Efficiency is implementing the Students Capacity Building Programme under Energy Conservation awareness scheme for XII Five Year Plan and intends to prepare the text/material on Energy Efficiency and Conservation for its proposed incorporation in the existing science syllabi and science text books of NCERT for classes 6th to 10th.

C National Mission for Enhanced Energy Efficiency (NMEEE)

The National Mission for Enhanced Energy Efficiency (NMEEE) is one of the eight missions under the National Action Plan on Climate Change (NAPCC). NMEEE aims to strengthen the market for energy efficiency by creating conducive regulatory and policy regime and has envisaged fostering innovative and sustainable business models to the energy efficiency sector.

The Mission seeks to upscale the efforts to unlock the market for energy efficiency which is estimated to be around Rs. 74,000 crore and help achieve total avoided capacity addition of 19,598 MW, fuel savings of around 23 million tonnes per year and greenhouse gas emissions reductions of 98.55 million tonnes per year at its full implementation stage. The NMEEE spelt out four initiatives to enhance energy efficiency in energy intensive industries which are as follows:

- **Perform Achieve and Trade Scheme (PAT):** a market based mechanism to enhance the cost effectiveness in improving the Energy Efficiency in Energy Intensive industries through certification of energy saving which can be traded.
- **Market Transformation for Energy Efficiency (MTEE):** for accelerating the shift to energy efficient appliances in designated sectors through innovative measures to make the products more affordable.
- **Energy Efficiency Financing Platform (EEFP):** for creation of mechanisms that would help finance demand side management programmes in all sectors by capturing future energy savings.
- **Framework for Energy Efficient Economic Development (FEEED):** for development of fiscal instruments to promote energy efficiency.

D National Energy Conservation Award and Painting Competition

The National Energy Conservation Awards are presented to industry and other establishments and prizes to the winners of the Annual Painting Competition on Energy Conservation for school children every year by the Ministry of Power with the objective of promoting energy conservation among all sectors of economy.

Painting Competition on Energy Conservation for School Children

The habit of conservation is best introduced and inculcated at the school age. It has been seen that the children are the best agents of change and in this case we need to equip them with the information and knowledge on energy conservation and create interest among them on this important subject. In this regard, Ministry of Power has taken an initiative and has been organizing Painting competition on Energy Conservation for students since the year 2005.

IV OTHER POLICY INSTRUMENTS AND VOLUNTARY INITIATIVES FOR PROMOTING GREEN PRODUCTS¹²

- ***Indian Ecomark Scheme***

In 1991, Ministry of Environment and Forests, Government of India, launched its very own eco-labelling scheme called “Ecomark” for recognition and authentication of green products in India. The certification is based on the cradle-to-grave approach for eco-labelling of the products. Although the Ecomark is similar in many ways to ecolabels in other countries, it differs from most in one important aspect; ecolabels in most countries are awarded solely on the basis of environmental considerations, however, the Ecomark is also linked with the quality of products. In other words, in order to be eligible, products must meet both environmental and quality criteria.

- ***National Programme for Organic Production (NPOP)***

Owing to the favourable climatic conditions and the agricultural biodiversity of India, there is large potential for cultivation of wide range of organic products. There was a need

¹² http://switch-greenretail.in/publication/article-on-green-products/wppa_open/

to recognize this potential and focus on developing an organized organic agriculture system. This led to the formation of National Programme for Organic Production (NPOP) in 2000 by Ministry of Commerce and Industry, Government of India. The main objectives of the standard are to: fasten the process of organic certifications in India, ensure transparency in the production process, assign credibility to Indian organic products and gain assurance of consumers in Indian organic products around the world.

Points to Ponder

- What are the specific responsibilities of Governments, consumer organizations and businesses in promoting sustainable consumption and achieving Sustainable Development Goals?
- What should we do as individuals, communities, and societies to take concrete and time bound corrective action?
- What are the best practices in sustainable consumption and production which can be adopted at national level?
- How the goals of sustainable development and needs of vulnerable sections can be reconciled?

Protection of Online Consumers: Issues and Challenges

Introduction

The communications industry (telecommunications and the Internet) has played significant role in global development today and has transformed economies world over. The dramatic advancement of the ICT in the recent years has provided all sections of the society with enormous prospective benefits in almost all the fields. Developments in information and communications technology in the last decade have provided new opportunities for consumers and businesses. An increasing number of consumers have access to the Internet and engage in e-commerce, which provides easier and faster access to products and services. Digital technology has changed the way we live, think and perform things.

An e-commerce transaction can be defined as “the sale or purchase of goods or services, conducted over computer networks by methods specifically designed for the purpose of receiving or placing of orders”. e-Commerce is normally thought of in consumer protection terms in relation to business-to-consumer transactions, yet is not limited to such transactions. These business transactions are categorised into either business-to-business (B2B), business-to-consumer (B2C), consumer-to-consumer (C2C), consumer-to-business (C2B) or the recently evolved business-to-business-to-consumer (B2B2C).

e-Commerce: Present Scenario

According to UNCTAD’s Information Economy Report 2015¹, business-to-consumer e-commerce is forecast to double from \$1.2 trillion in 2013 to \$2.4 trillion in 2018. According to the report in developing countries, B2C e-commerce is rapidly expanding, particularly in Asia and Africa. China has already emerged as the largest global market for B2C e-commerce - measured both by number of online buyers and by revenue. The share of the Asia and Oceania region in global B2C e-commerce is expected to surge from 28 to 37 percent between 2013 and 2018, and that of the Middle East and Africa to increase slightly from 2.2 to 2.5 percent.

The widespread uptake of mobile telephony and social media, and rising levels of Internet usage have greatly contributed to the rapid adoption of online transactions. The rapid pace of evolution of Internet is confirmed by the high number of users which is increasing constantly. In 2016, there were 462,124,989 Internet Users in India and internet penetration was 34.8 percent. The massive adoption of low-price smartphones is allowing the users to carry their digital world with them.

¹*Information Economy Report 2015-Unlocking the Potential of E-Commerce for Developing Countries*, UNCTAD, http://unctad.org/en/PublicationsLibrary/ier2015_en.pdf

e-Commerce in India

According to an eMarketer report, “India Retail Ecommerce 2016: The Relentless Rise in Mobile Sales”² India remains an undersized retail ecommerce market, with digital commerce accounting for only a small piece of the country’s total retail sales. India differs from most developed markets, where consumers are making the shift from desktop to mobile for shopping online; those in the country instead have skipped the desktop phase altogether. Mobile’s share of e-commerce will continue to grow over the new few years, accounting for 65.3 percent of all retail ecommerce in 2016 and 80.0 percent in 2020. The implementation of robust 4G networks by mobile carriers (which is already underway) will drive increasing digital purchases made via smartphone. By 2020, more than three-quarters of internet users, or 352.0 million people, will be digital shoppers. The number of digital buyers—those who complete a transaction digitally—will also see a strong increase over the forecast period. Digital buyers will number 329.1 million by 2020, when 70.7 percent of internet users will have made a purchase online.

e-Commerce: Issues and Challenges

Countries particularly developing ones face pressing and specific challenges, including: access to the internet, reviewing and updating the legal and institutional frameworks to accommodate the specificities of e-commerce, building capacities of civil servants in the executive and judicial branches as well those of the private sector and consumer associations; tuning in international networks that share best practices in the protection of online consumers, providing education and awareness raising to consumers and businesses in the online context, encouraging the establishment of trust boosting mechanisms such as trust seals and dispute resolution and developing partnerships with all relevant stakeholders. Trust is an issue, which still presents a significant barrier for internet users to shop online and is crippling the e-Commerce environment.

e-Commerce is one of the new areas in the revised UN Guidelines for Consumer Protection, 2015 (guidelines 63–65). One of the legitimate needs that the guidelines intend to meet is a level of protection for consumers using e-commerce that is not less than that afforded in other forms of commerce (guideline 5 (j)). Following have been identified by UNCTAD as the main building blocks in fostering consumer confidence in e-commerce:

- (a) Establish a good Internet infrastructure for e-commerce
- (b) Set up a robust legal and institutional framework governing e-commerce and redress processes
- (c) Adapt existing regulatory systems to the particular requirements of e-commerce
- (d) Ensure effective enforcement of relevant laws
- (e) Provide e-commerce consumers with a level of protection not less than that afforded in other forms of commerce
- (f) Require full disclosure of all necessary information related to businesses, goods and services and transaction

² Much of this expansion is due to surging smartphone adoption among the country’s consumers August 15, 2016 <https://www.emarketer.com/Article/Indias-Retail-Ecommerce-Sector-Small-Still-Growing/1014342> accessed on Jan 30, 2017

- (g) Ensure the reliability and security of online payments regardless of the payment method, and protect consumer privacy and data
- (h) Prevent misuse of consumer data
- (i) Guarantee authenticity of online reviews and ratings
- (j) Provide consumers with access to effective dispute resolution mechanisms and redress
- (k) Ensure consumer education and empowerment
- (l) Ensure the delivery of goods and after-sale services
- (m) Improve customer support to fully respond to after-sale requests
- (n) Ensure regional and international cooperation to fight unfair commercial practices and to overcome legal limitations impeding consumer protection authorities from taking action in the event of cross-border breaches of consumer protection law.

Indian Initiatives for Fostering Consumer Confidence in Online Transactions

I DIGITAL INDIA:E-GOVERNANCE INITIATIVES

The Digital India programme is a flagship programme of the Government of India with a vision to transform India into a digitally empowered society and knowledge economy. The Digital India programme is centred on three key vision areas:

1. Digital Infrastructure as a Utility to every citizen

A well connected nation is a prerequisite to a well-served nation. Once the remotest of the Indian villagers are digitally connected through broadband and high speed internet, then delivery of electronic government services to every citizen, targeted social benefits, and financial inclusion can be achieved in reality. A key component under this vision is high speed internet as a core utility to facilitate online delivery of various services.

- **Availability of high speed internet as a core utility for delivery of services to citizens-** The emphasis is on providing high speed internet connectivity across the length and breadth of the country by deploying ICT infrastructure, optical fibre, and last-mile connectivity options offered by wireless technologies in a manner that is affordable, reliable and competitive.
- **Cradle to grave digital identity that is unique, life log, online and authenticable to every citizen-** Aadhaar, a 12-digit individual identification number issued by the Unique Identification Authority of India (UIDAI) on behalf of the Government of India is essentially a paperless online anytime-anywhere identity assigned to a resident to cover his/her entire lifetime.
- **Mobile phone and bank account enabling citizen participation in digital and financial space-** Indian telecom sector is the world's fastest growing telecom sector. The massive and growing penetration of mobile phones in India, especially in rural areas, provides a ready and widespread base for access to and delivery of public services electronically. At present around 80 percent of internet users in India access internet through mobile devices. This holds great promise and potential for e-Governance in general and digital-cum-financial inclusion in particular.

- Ministry of Electronics and Information Technology (MeitY) has launched Mobile Seva, a mobile governance initiative, enabling government departments and agencies across the nation to deliver public services to citizens and businesses through mobile devices across various mobile-based channels such as SMS, USSD, mobile apps, and voice/ IVRS.
 - In the financial space, MeitY has collaborated with NSDL Database Management Limited (NDML) for providing PayGov, a centralized platform for facilitating all government departments and services to collect online payments from citizens for public services.
 - The ‘Pradhan Mantri Jan-Dhan Yojana’ has been launched as a national mission encompassing an integrated approach to bring about comprehensive financial inclusion of all the households in the country.
- **Easy access to a Common Service Centre**

Implemented under the NeGP formulated by MeitY, the CSCs are ICT-enabled front-end service delivery points (kiosks) at the village level for delivery of government, financial, social and private sector services in the areas of agriculture, health, education, entertainment, banking, insurance, pension, utility payments, etc.
 - **Shareable private space on a public cloud**

Easy and authentication-based access to a digital locker, i.e. a shareable private space on a public cloud, can greatly facilitate paperless transactions. Citizens can digitally store Government-issued digital documents and certificates and share them with various agencies without having to submit or send physical documents or copies.
 - **Safe and secure cyber-space**

Cyberspace is where all online digital assets, protocols, identities etc. reside and interact and transact. It is imperative that cyberspace be made safe and secure for all organizations and users. The National Information Security Policy has been put in place to protect information and information-infrastructure in cyber space, build capabilities to prevent and respond to cyber threats, reduce vulnerabilities and minimize damage from cyber incidents through a combination of institutional structures, people, processes, technology and cooperation.
- 2. Governance and Service on Demand-** Six elements are crucial for ensuring that governance and services are made available on demand to all citizens and other stakeholders in the country.
- **Seamlessly integrated services across departments or jurisdictions-** Today, the focus is on providing single-window access to various services so that the citizens and businesses save time and effort across multiple departments or jurisdictions concerned. This is exemplified by the e-Biz and e-Trade projects under the NeGP. In order to provide integrated services, MeitY has notified e-governance standards. For promoting participation of citizens and other stakeholders common platforms like MeghRaj Cloud Platform, Mobile Seva, PayGov and eSangam have been established by MeitY for the

Departments and States for the purposes of interoperable and integrated services.

- **Availability of services in real time from online and mobile platforms-** The focus today is on designing e-Governance applications in such a way that the related information, services and grievance-handling mechanism are accessible online on a real time basis and across all types of access devices such as desktop computers, laptops, tablets, mobiles, etc. To ensure provisioning of high speed broadband connectivity at panchayat level (Rural Local Government), the National Optical Fibre Network (NOFN) project is being implemented by the Department of Telecommunications (DoT). The Mobile Seva project of MeitY is a highly successful project that provides a common national platform to all Government departments and agencies at the central, state and local levels for providing mobile based services and mobile apps. This initiative has won the 2014 United Nations Public Service Award. Mobile Seva is a winner at United Nations Public Service Awards (2014) under the category “Promoting Whole-of-Government Approaches in the Information Age”. It is the only winner from India in 2014.
- **All citizen entitlements to be portable and available on the cloud -** In order to utilize and harness the benefits of Cloud Computing, Government of India has embarked upon an ambitious initiative – “GI Cloud” which has been named as ‘MeghRaj’. The focus of this initiative is to accelerate delivery of e-services in the country while optimizing ICT spending of the Government. This will provide delivery for these entitlements on an anywhere, anytime basis.
- **Digitally transformed services for improving ease of doing business-**Starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts, resolving insolvency and other clearances etc. are the various experiences that define how easy or difficult it is to do business in a country. Government services for businesses shall be digitally transformed for improving Ease of Doing Business in the country. The existing MMPs under the NeGP shall be strengthened using latest tools and technologies:
 - The e-Biz project provides integrated services across various central and state departments/ agencies through a single window mechanism to all businesses and investors for setting up a commercial enterprise.
 - The ‘MCA21’ MMP aims at providing electronic services for statutory requirements and other business related services.
 - The e-Trade MMP facilitates foreign trade in India by promoting effective and efficient delivery of services by various regulatory/ facilitating agencies involved in foreign trade, to enable traders to avail online services from these agencies.
- **Making financial transactions electronic and cashless -**MeitY has created PayGov India as a centralized payment gateway for all Government Departments and agencies in the country. PayGov India is securely integrated with National and State Service Delivery Gateways (NSDG and SSDG) to enable sharing of information across databases for efficient service delivery, and also with the Mobile Services Delivery Gateway (MSDG)

under Mobile Seva. The citizens can choose from a host of e-payment options such as Net banking, credit card, debit card, prepaid/ cash card/ wallet, Immediate Payment Service (IMPS) and mobile wallet.

- **Leveraging Geospatial Information System (GS) for decision support system and development** - National Geospatial Information System (NGIS) is being implemented to integrate geo-spatial data available with a number of organizations such as Survey of India, National Informatics Centre (NIC), NRSA and Ministry of Earth Sciences (MoES) to develop a GIS platform for e-Governance applications. This GIS platform will be leveraged as a service for the benefit of various mission mode projects and other e-governance initiatives.

3. Digital Empowerment of Citizens

- **Universal digital literacy** - Digital literacy assumes paramount importance at an individual level for truly and fully leveraging the potential of the Digital India programme. The focus today is on making at least one person e-literate in every household. Core ICT infrastructure set up by the central and state governments, such as CSCs, will play a critical role in taking digital literacy to the remotest locations of the country. To ensure that all panchayats in the country (Rural Local Government) have high-speed connectivity, the Department of Telecom (DoT) has established Bharat Broadband Network Ltd. (BBNL) to roll out the National Optical Fiber Network (NOFN). BBNL will lay out the optic fiber cable terminating in each of the 2,50,000 gram panchayats in the country, providing 100 Mbps link to be used as information highway by all the stakeholders to ensure that digital inclusion reaches all villages across the country.
- **Universally accessible digital resources** - The National Data Sharing and Accessibility Policy (NDSAP) requires government organizations to proactively release their datasets in an open format. Implementation of NDSAP in India is being done by NIC, an agency of MeitY, through the Open Government Platform for India, which provides a single point access to all the open-format datasets published by different government departments.
- Under the Digital India programme, the government is also committed to providing access to digital resources for citizens with special needs, such as those with visual or hearing impairments (which may be partial or complete), learning or cognitive disabilities, physical disabilities which hinder operation of ubiquitous access devices such as phones, tablets and computers.

- **All documents/certificates to be available on cloud**

Citizens should not be asked to provide government documents or certificates, which are already available with some department/institution of the government, in physical form. Portability of all electronic documents should also be ensured. All these repositories of all government issued documents/certificates should be hosted on a cloud platform to provide a single source for these documents/certificates.

- **Availability of digital resources/ services in Indian languages**

India has a remarkable diversity in terms of languages written and spoken in different parts of the country. Knowledge of English is limited to a very small section of the population in the country. MeitY has initiated the Technology Development for Indian Languages (TDIL) programme for developing information processing tools and techniques to facilitate human-machine interaction without language barriers, creating and accessing multilingual knowledge resources, and integrating them to develop innovative user products and services.

- **Collaborative digital platforms for participative governance**

MeitY has launched a nationwide digital platform named as “myGov” (www.mygov.in) to facilitate collaborative and participative governance.

II E-MARKETS

1. e-Procurement -Government e-Marketplace

The Government of India has created a one stop Government e-Marketplace (GeM) to facilitate online procurement of common use Goods and Services required by various Government Departments / Organizations / PSUs. GeM shall provide an end-to-end online Marketplace for Central and State Government Ministries / Departments, Central & State Public Undertakings (CPSUs & SPSUs), Autonomous institutions and Local bodies, for procurement of common use goods & services in transparent and efficient manner. GeM aims to enhance transparency, efficiency and speed in public procurement.

2. e-NAM

National Agriculture Market (NAM) is a pan-India electronic trading portal which networks the existing Agricultural Produce Marketing Committee (APMC) mandis to create a unified national market for agricultural commodities. The NAM Portal provides a single window service for all APMC related information and services. This includes commodity arrivals and prices, buy and sell trade offers, provision to respond to trade offers, among other services. While material flow (agriculture produce) continues to happen through mandis, an online market reduces transaction costs and information asymmetry. NAM addresses creates a unified market through online trading platform, both, at State and National level and promotes uniformity, streamlining of procedures across the integrated markets, removes information asymmetry between buyers and sellers and promotes real time price discovery, based on actual demand and supply, promotes transparency in auction process, and access to a nationwide market for the farmer, with prices commensurate with quality of his produce and online payment and availability of better quality produce and at more reasonable prices to the consumer.³

³http://www.enam.gov.in/NAM/home/about_nam.html#

3. Mahila e-Haat

Mahila e-Haat is an initiative for meeting aspirations and needs of women entrepreneurs. This start up at Rashtriya Mahila Kosh website leverages technology for showcasing products made/manufactured/sold by women entrepreneurs. They can even showcase their services reflecting their creative potential. This unique e-platform will strengthen the socio-economic empowerment of women. It is expected to result in a paradigm shift enabling women to exercise control over their finances by leveraging technology.⁴

III STEPS FOR ALTERNATE DISPUTE RESOLUTION USING TECHNOLOGY

1. INGRAMS (Integrated Grievance Redress Mechanism)

The Department of Consumer Affairs has launched an Integrated Grievance Redress Mechanism (INGRAM) portal for bringing all stakeholders such as consumers, Central and State Government Agencies, private companies, regulators, Ombudsmen and call centers etc. on to a single platform. Consumers can register online their grievances through this portal. The National Consumer Helpline is also accessible through this portal.

2. Online Consumer Mediation Centre (OCMC)

Online dispute is a branch of dispute resolution which uses technology to facilitate the resolution of disputes between parties. In this respect it is often seen as being the online equivalent of alternative dispute resolution (ADR). Online Dispute Resolution (ODR) is a wide field, which may be applied to a range of disputes including Business to Consumer disputes (B2C).

The Online Consumer Mediation Centre (OCMC) has been established at the National Law School of India University, Bengaluru under the aegis of Department of Consumer Affairs, Government of India. The Centre 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.

3. Grievances against Misleading Advertisements (GAMA)

The Department of Consumer Affairs has launched a portal for registering online complaints for Grievances against Misleading Advertisements (GAMA). One can register a complaint along with a copy / video / audio of such advertisement through the web portal <http://gama.gov.in>.

IV MEASURES FOR DIGITAL LITERACY

1. Joint Initiative of Department of Consumer Affairs and Google on “Digitally Safe Consumer” Campaign

The Government of India’s mission is to encourage public to adopt the digital payment

⁴<http://mahilaehaat-rmk.gov.in/en/about-e-haat/>

system. In the near future several crores of hitherto digital non literate consumers are going to use internet for the first time for buying various services and pay for the same. In order to protect the consumer in the online environment, a comprehensive one year campaign for raising awareness about internet safety amongst Indian consumers is proposed to be run in partnership with Google.

2. Partnership with Local Circles Social Media Platform

Local Circles is a social media platform for citizens to discuss and opine about governance and daily life issues. With Local Circles, a citizen can get connected with their government, city, causes, neighbourhood, interest, needs and any other communities they are a part of.

V REGULATORY FRAMEWORK FOR E-COMMERCE

1. Consumer Protection Act, 1986

The Consumer Protection Act, 1986 provides for redressal of grievances in case of defective goods, deficient services or for any kind of deception. It provides for consumer disputes redressal foras at the National, State and District level to redress consumer disputes. The CP Act applies to both offline and online transactions. Therefore, the consumer can approach consumer foras in relation to online purchase of goods or services.

2. Information Technology Act, 2000

Information Technology Act, 2000 provides legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as “electronic commerce”, which involve the use of alternatives to paper-based methods of communication and storage of information, to facilitate electronic filing of documents with the Government agencies.

The legal requirements for undertaking e-Commerce in India also involve compliance with other laws like Contract Law, Indian Penal Code, etc. Further, online shopping in India also involves compliance with the banking and financial norms applicable in India.

3 Amendment to Legal Metrology(Packaged Commodities) Rules

Government has notified Legal Metrology (Packaged Commodities) Amendment Rules, 2017. These rules shall come into force on January 1, 2018. The amended rules mandate that e-commerce platforms shall contain details like name and address of the manufacturer, packer and importer, name of the commodity, net contents, retail sale price, consumer care number, dimensions, etc.

VI FUTURE INITIATIVES

Consumer Protection Bill, 2015

The Consumer Protection Bill, 2015 is being seen as the next big game-changer for the common man, giving more effective and efficient protection in changed economic

landscape and guard against the new emerging challenges. Among a slew of measures, the Bill proposes to establish an investigating, prosecuting, reviewing and recommending body — the Central Consumer Protection Authority, on the lines of the US Federal Trade Commission (FTC), headed by a Commissioner — to launch inquiries, either *suo motu* or on a complaint or direction from the government, into violations of consumer rights and to launch prosecution in an appropriate court. In keeping with the changing times, the Bill defines e-commerce while at the same time empowering the Centre to make rules for preventing unfair trade practices in online trade. It also fixes liability of e-portals and intermediaries providing goods and services.

Points to Ponder

- Privacy has become a major issue in the technology driven society. How can consumer trust and confidence in technology be raised?
- Developing countries lack the technological infrastructure to enable benefits reach the unreached sections of the society. There is need for technology sharing among countries.
- Digital literacy is a major hindrance in the developing countries. To enable the citizens to avail various services new methods are needed to enhance digital literacy.
- New mechanism and cooperation among countries is required for Cross border consumer complaints.
- In a globalized e-market can greater regulations ensure consumer safety?

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4

Financial Services and Consumer Protection: Indian Scenario

Introduction

For the development of any nation or economy, financial services play a key role. In the era of global market financial services have increased manifold and now consumers have a choice to select the one that suits them. The increased competition in the financial sector has also necessitated steps for protection of interests of consumers. The need for consumer protection arises from an imbalance of power, information and resources between consumers and their financial service providers. The low levels of transparency and the consequent inability of consumers in identifying and understanding the fine-print from a large volume of information leads to an information asymmetry between the financial intermediary and the consumer. In this context, financial education can greatly help the consumers to narrow this information divide. Thus consumer protection in the area of financial services should be strengthened and consumers' financial capabilities be raised. Improved transparency and better informed transactions resulting from such policy will result in better solutions for consumers and greater market efficiency.

Financial illiteracy permeates all levels of society and economic stratas. The nature of illiteracy and its manifestations may vary, but it gets reflected in the everyday financial choices that many of us make. The lack of basic knowledge about financial products and services and their risk-return framework is one common instance of financial illiteracy that is widely observed. Thus, appreciation of various aspects of financial literacy and how it impacts our lives holds the key to prudent financial planning and welfare maximisation, both- at the individual level and for the society as a whole.

Consumer confidence and trust in a well-functioning market for financial services promotes financial stability, growth, efficiency and innovation over the long term. Traditional regulatory and supervisory frameworks adopted by oversight bodies contribute to the protection of consumers – which is often and increasingly recognised as a major objective of these bodies together with financial stability.

In light of these issues, financial consumer protection is being reinforced and integrated with other financial inclusion and financial education policies. This contributes to strengthening financial stability. It is essential to protect consumers' rights while also recognising the fact that these rights do come with consumer responsibilities. However, this also calls for legal recognition of financial consumer protection, agencies with necessary authority and resources to carry out their mission, fair treatment, proper disclosure, improved financial education, responsible business conduct by financial services providers and authorised agents, apart from adequate complaints handling and redress mechanisms and special needs of vulnerable groups.

Consumer Protection – Role of the Reserve Bank of India (RBI)

The Reserve Bank of India is the financial regulator of the country. The Reserve Bank's initiatives in the field of customer service include the setting up of a Customer Redressal Cell, creation of a Customer Service Department in 2006 which has been recently rechristened as Consumer Education and Protection Department and the setting up of the Banking Codes and Standards Board of India (BCSBI), an autonomous body for promoting adherence to self-imposed codes by banks for committed customer service.

In order to strengthen the institutional mechanism for dispute resolution, the Reserve Bank in 1995 introduced the Banking Ombudsman (BO) scheme. The BO is a quasi-judicial authority for resolving disputes between a bank and its customers. There are 15 Banking Ombudsman offices in the country at present. The scheme covers grievances of the customers against Commercial Banks, Scheduled Primary Cooperative Banks and Regional Rural Banks. In 2017 the Reserve Bank of India has widened the scope of its Banking Ombudsman Scheme 2006, to include, inter alia, deficiencies arising out of sale of insurance/ mutual fund/ other third party investment products by banks. Under the amended Scheme, a customer would also be able to lodge a complaint against the bank for its non-adherence to RBI instructions with regard to Mobile Banking/ Electronic Banking services in India.

Consumer Education and Protection: RBI Initiatives

The RBI has been playing a proactive role in consumer education and protection. It has released 'Charter of Customer Rights' outlining overarching principles of customer rights based on global best practices for public comments. Five Rights for bank customers according to the Charter are: 1. Right to Fair Treatment; 2. Right to Transparency, Fair and Honest Dealing; 3. Right to Suitability; 4. Right to Privacy; 5. Right to Grievances Redress and Compensation. The Indian Banks' Association and the Banking Codes and Standards Board of India (BCSBI) have formulated a "Model Customer Rights Policy" encapsulating the principles enshrined in the Charter and circulated it to all the member banks. Banks have been advised to formulate either an exclusive Customer Rights Policy keeping the spirit of the Charter intact or dovetail the existing Customer Service Policies suitably to integrate the Charter and its tenets.

For better protection of consumers, the RBI has taken initiatives for enforcing ethical behaviour by financial service providers under the regulatory purview of the Reserve Bank. There is emphasis on "Consumer Education" through media campaigns and other means, it is also spreading awareness about Banking Ombudsman in rural and semi-urban areas.

The Reserve Bank of India has already begun on its move to make all transactions, digital in nature and absolutely paper free. The Vision 2018 document of RBI primarily aims at increasing the use of electronic payments, through all the divisions of the society. This move will not only increase the usage of digital channels, but also boost the customer base for mobile banking.

Role of SEBI in Investors' Protection

Primary function of Securities and Exchange Board of India (SEBI) is the protection of the investors' interest and the healthy development of Indian financial markets. Investor

protection is one of the most important elements of a thriving securities market or other financial investment institution. SEBI has given out various methods and measures to ensure the investor protection from time to time. It has published various directives, driven many investor awareness programmes, set up Investor Protection Fund (IPF) to compensate the investors. SEBI had issued guidelines for the protection of the investors through the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000.

Investor Education and Protection Fund (IEPF)

The Government of India has also established a fund called Investor Education and Protection Fund (IEPF) under the provisions of Companies Act, 2013. This fund shall be utilized for refund of unclaimed and unpaid amounts, promotion of investors' awareness and protection of the interests of investors etc.

Investor Awareness Programme

Investor protection measures by SEBI follows the slogan 'An informed investor is a safe investor'. SEBI has thus launched the Securities Market Awareness Campaign in January 2003. Such programmes are now regularly organised by SEBI to educate and create awareness among the investors. The programme covers major subjects like portfolio management, Mutual Funds, tax provisions, Investor Protection Fund, Investors' Grievance Redressal System of SEBI. It also conducts workshops on derivatives, stock exchange trade, Sensex, etc. SEBI has now conducted over 2000 workshops in more than 500 cities across the country. SEBI has marketed the Investor Awareness Programme across all formats like print media, radio, television, and the internet.

The Role of AMFI

Association of Mutual Funds in India (AMFI), set up in 1995, is an association of SEBI registered Mutual Funds in India. It was set up to regulate all those who sell Mutual Fund in India. AMFI registration is required to solicit the Mutual Funds and it regulates the members of the association in order to protect the investor from any kind of misselling or unfair investment practices.

Investors' protection is among the most talked topics in the securities market. Safeguarding investors' interests is one of the top priorities of the regulatory bodies. It is evident that SEBI has put out some hard measures to ensure investors' protection. The guidelines and measures have been adopted to ensure that every aspect of the investors' interest is secured. The investor awareness programmes have certainly helped in generating awareness among investors.

IRDA initiatives for Policyholders' Protection

Initiatives towards Policyholders' Protection

With a view to protect the policyholders' interest, Insurance Regulatory and Development Authority of India (IRDAI) has taken a number of initiatives. The framework

of regulations to protect the interests of prospects and policyholders are contained in the IRDA (Protection of Policyholders' Interests) Regulations, 2002. IRDA (Advertisement and Disclosure) Regulations, 2000 and other regulations relating to various aspects of insurance sector are aimed at ensuring that the consumers in the sector are adequately protected.

Grievance Redressal and Consumer Education

In addition to the various measures aimed at protecting the interests of insurance customers, if there is a cause for complaint regarding deficiency of service by an insurer, a system for expeditious resolution is imperative. The grievance redressal guidelines direct the insurers to have a board approved Policyholder's Protection Committee at the apex level for approving and reviewing Grievance Redressal mechanism in the company and a uniform system for receiving, acknowledging and resolving grievances within specified time limits; and to appoint an officer designated as Grievance Redressal Officer not only at the Head Office/Corporate office level but also at every other office.

In order to facilitate customers to reach the insurers for their grievances, IRDAI has provided channels for customers to raise their grievances against insurers. IRDAI has setup IRDAI Grievance Call Centre (IGCC) which receives complaints through a toll free telephone number & by email and registers complaints apart from furnishing the status of the resolution. IRDAI has also put in place the Integrated Grievance Management System (IGMS) as an online system for grievance management that is not only a gateway for registering and tracking grievances online but also acts as an industry-wide grievance repository for IRDAI to monitor disposal of grievances by insurance companies. IGCC has an interface with IGMS; and through IGMS, IRDAI has an interface with grievance systems of insurers.

The institution of Insurance Ombudsman has been functioning under the Redressal of Public Grievances Rules, 1998 which serves as a simple, inexpensive and expeditious conciliatory and adjudicatory mechanism for settlement of complaints on certain grounds of complaint relating to personal lines of insurance.

Insurance Literacy and Consumer Awareness Initiatives of IRDAI

Further, to provide impetus to consumer education, IRDAI has adopted multi-pronged approach and encouraged all stakeholders to promote insurance awareness among the public.

Schemes for Financial Inclusion

The RBI and Government have launched several financial inclusion measures and programs over the last one decade. To enhance financial inclusion of the vulnerable sections, the government has launched a massive drive to open bank accounts. As a result, quite a large number of Indians were financially included in the banking sector. Several digital payment options have also been used by the RBI to support financial inclusion. In a country like India financial inclusion broadens the resource base of the financial system by developing a culture of savings among large segment of rural population and plays its own role in the process of economic development. Further, by bringing low income groups

within the perimeter of formal banking sector; financial inclusion protects their financial wealth and other resources in exigent circumstances. Financial inclusion also mitigates the exploitation of vulnerable sections from the usurious money lenders by facilitating easy access to formal credit.

In recent years, following are the main financial inclusion measures and programmes launched in India:

- ***Pradhan Mantri Jan DhanYojana (PMJDY)***

Pradhan Mantri Jan DhanYojana was launched to ensure comprehensive financial inclusion of all the households in the country by providing universal access to banking facilities with at least one basic bank account to every household, financial literacy, access to credit, insurance and pension facility. Under this, a person not having a savings account can open an account without the requirement of any minimum balance and, in case they self-certify that they do not have any officially valid documents required for opening a savings account, they may open a small account.

- ***From Jan Dhan to Jan Suraksha***

For creating a universal social security system for all Indians, especially the vulnerable group the Hon'ble Prime Minister launched three Social Security Schemes in the Insurance and Pension sectors on May 9, 2015.

- ***Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)***

The PMJJBY is available to people in the age group of 18 to 50 years having a bank account who give their consent to enable auto-debit. Risk coverage under this scheme is for Rs. 2 lakh in case of death of the insured, due to any reason. The premium is Rs. 330 per annum which is to be auto-debited in one installment from the subscriber's bank account.

- ***Pradhan Mantri Suraksha Bima Yojana (PMSBY)***

The Scheme is available to people in the age group 18 to 70 years with a bank account who give their consent to enable auto-debit on an annual renewal basis. The risk coverage under the scheme is Rs. 2 lakh for accidental death and full disability and Rs. 1 lakh for partial disability. The premium of Rs.12 per annum is to be deducted from the account holder's bank account through 'auto-debit' facility in one installment. The scheme is being offered by Public Sector General Insurance Companies or any other General Insurance Company which is willing to offer the product on similar terms with necessary approvals and tie up with banks for this purpose.

- ***Atal Pension Yojana (APY)***

APY was launched in May 2015 by the Prime Minister. APY is open to all saving bank/post office saving bank account holders in the age group of 18 to 40 years and the contributions differ, based on pension amount chosen. Subscribers would receive the guaranteed minimum monthly pension at the age of 60 years. Under APY, the monthly

pension would be available to the subscriber, and after him to his spouse and after their death, the pension corpus, as accumulated at age 60 of the subscriber, would be returned to the nominee of the subscriber.

- ***Pradhan Mantri Mudra Yojana***

The scheme was launched in April 2015. Under the scheme a loan of upto Rs. 50,000 is given under sub-scheme ‘Shishu’; between Rs. 50,000 to 5.0 Lakhs under sub-scheme ‘Kishore’; and between 5.0 Lakhs to 10.0 Lakhs under sub-scheme ‘Tarun’. Loans taken do not require collaterals. These measures are aimed at increasing the confidence of young, educated or skilled workers who would now be able to aspire to become first generation entrepreneurs; existing small businesses, too, will be able to expand their activities.

- ***Pradhan Mantri Vaya Vandana Yojana***

This scheme is to protect elderly persons aged 60 years and above against a future fall in their interest income due to the uncertain market conditions, as also to provide social security during old age.

Measures for Financial literacy

Financial literacy is the ability to use skills and knowledge to take effective and informed money-management decisions. For a country like India, this plays a bigger role as it is considered an important adjunct to promotion of financial inclusion and ultimately financial stability. Financial illiteracy puts a burden on the nation in the form of higher cost of financial security and lesser prosperity.

Financial regulators in India—Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Insurance Regulatory and Development Authority of India (IRDAI) and Pension Fund Regulatory and Development Authority (PFRDA)—have created a joint charter called ‘National Strategy for Financial Education’, detailing initiatives taken by them and also other market participants like banks, stock exchanges, broking houses, mutual funds and insurers. This is a joint effort by all the banking, financial services and insurance companies to achieve change in the perception that an average Indian has about financial management.

The recent mammoth exercise of demonetization should help bring many more people into the organized sector, thereby opening up possibilities for financial inclusion and literacy. The launch of digital wallets, Universal Payments Interface (UPI) and new-age commercial and payments banks have paved new ways for a less-cash economy. According to RBI, the total number of digital transactions has grown from over 419 million in November 2015 to 692 million in March 2017. But there is still huge scope. The push to increase usage of mobiles for payments is significant, as India is already the world’s second biggest smartphone market with over 220 million smartphone users. Mobile internet users in India total 350 million, and are expected to grow 50 million every year till 2020. These numbers create enormous possibilities to go digital and create new opportunities to engage and share financial knowledge with consumers.

Financial Literacy Initiatives in India

In India, a large number of stakeholders including financial regulators, financial institutions, educationists and other agencies are involved in spreading financial literacy. Efforts are continuously been made so as to improve the level of financial literacy in India. Some of the initiatives undertaken are as follows :-

- a. Securities Exchange Board of India (SEBI) has undertaken various measures to spread the financial literacy across the segments viz. school students, college students, working executives, middle income group, home makers, retired personnel, self-help groups etc., by appointing the resource persons throughout India. Recently SEBI has launched a toll free helpline number in 14 languages for the investors wherein they can seek information on any related issue of the finance.
- b. An initiative “Project Financial Literacy” has been undertaken by the Reserve Bank of India (RBI). The objective of this project is to disseminate information regarding the basic banking concepts to various target groups, including school and college students, women, rural and urban poor and senior citizens. The study material relating to the financial literacy is available in English and 12 other Indian languages. It is disseminated to the target audience with the help of banks, local government agencies, schools and colleges through presentations, pamphlets, brochures, films and also through the RBI’s official website.
- c. Insurance Regulatory and Development Authority of India (IRDAI) has taken up different steps in the area of financial literacy. Awareness programmes have been organised on national television and radio wherein simple messages about the rights and duties of the policy-holders are discussed in English, Hindi and 11 other Indian languages. IRDAI organises an annual seminar on “Policy Holder Protection and Welfare” and also partially sponsors seminars on insurance by consumer bodies.
- d. Pension Fund Regulatory and Development Authority (PFRDA) has developed Frequently Asked Questions on the pension related issues on its official website, and has associated itself with the various non-government organizations to spread pension awareness in India.

In the recent past a number of new initiatives have been taken by the government and other agencies to enhance financial literacy to enhance inclusion. This will help the consumers offinancial services to take better decisions and also make best use of the existing policies and programmes.

Point to Ponder

- What steps can be taken to enhance transparency in financial services?
- How can financial regulators be made more proactive and ensure financial safety of consumers?
- There are a number of stakeholders in financial services. Can there be better coordination

among the stakeholders?

- What innovative methods are to be adopted to enhance financial literacy?

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5

Vulnerable and Economically Disadvantaged Consumers: Challenges and Strategies in India

Introduction

The knowledge, interests and needs of consumers vary according to capabilities and markets. Confusing markets and an ever more complex range of products and services require a high level of decision-making competence, expert knowledge, and often also legal expertise. This is why all consumers are at risk of falling into a position of vulnerability. This could be exacerbated by unfair commercial practices or selective marketing strategies as vulnerability depends on both the individual's situation and market activity. Consumer vulnerability should be considered in light of various dimensions, such as socio-demographic, behavioural, personal (situation) and market environment. Businesses may focus on particular customer groups through market segmentation, which may prevent others, for example those on lower incomes, from enjoying the same service offers and benefits. The goal is to contact "vulnerable" consumers proactively and locally, and to provide the advice they actually need.

Two broad vulnerability categories emerge from the literature, namely, vulnerability which relates to personal characteristics of the consumer and a broader concept which takes into account the transactional situations in which consumers find themselves. Further vulnerability is not a static condition. Consumers may move in and out of states of vulnerability and they may be vulnerable in respect of some categories of transaction but not others.¹ Two broad 'dimensions' of vulnerability can be identified: a person's overall mental and physical capacities; and a person's circumstances (in the broadest sense, including income, age, class, ethnicity and so on).²

A disadvantage is any unfavourable circumstance or condition. 'Disadvantaged', particularly connotes a persistence of the unfavourable circumstances or conditions because the individual cannot change them (such as mental incapacity, race or ethnicity); or cannot readily or easily change them (such as socio-economic status or educational attainment). The persistence of unfavourable circumstances may be attributed to factors inherent in the structure of the society.³ By "disadvantaged", we refer to all groups that encounter structural obstacles (i.e., obstacles created by society) to access to resources, benefits and opportunities. Those obstacles derive from the relationships of power which exist in all societies and the relative value which society gives to each group... The structural causes

¹European Union, (2016). Consumer vulnerability across key markets in the European Union, EU.

²....., (2004), Discussion Paper- What do we mean by 'vulnerable' and 'disadvantaged' consumers?, Consumer Affairs Victoria, p. 4

³....., (2004), Discussion Paper- What do we mean by 'vulnerable' and 'disadvantaged' consumers?, Consumer Affairs Victoria, p.5

that underlie disadvantage include race, ethnicity, gender, religion, indigenous or national origin, and socio-economic status.⁴ A number of factors may contribute to disadvantage like mental capacity; physical capacity; race or ethnicity; age; gender and sexual preference; health status; educational attainment; labour force status (employed or unemployed); income status; and geographical location (remoteness from urban-based services). Vulnerability and disadvantage are often used as though they were interchangeable. They are clearly inter-related concepts. Disadvantaged consumers are by definition vulnerable consumers. The greater the degree of disadvantage suffered by a person, the more likely the person's degree of vulnerability will also be greater. The more vulnerable a consumer due to personal factors, the greater the likelihood that he or she will be a disadvantaged consumer.⁵

Causes and Effects of Vulnerability

A study conducted by EU⁶ indicates that having difficulties choosing and accessing products and services is the most important driver of consumer vulnerability. Consumers who are not able to read terms and conditions due to small print, who do not know their contract conditions, who rarely compare deals from providers or who rarely read or thoroughly understand communication from their providers, are more likely to be vulnerable in some indicators compared to their peers. Both young and old age can be drivers of consumer vulnerability depending on the situation. Furthermore, consumers who are non-native speakers, female, poorly educated or who live in low-density regions are more likely to be vulnerable in some indicators compared to other consumers. Consumers in difficult financial situations are generally more likely to be vulnerable compared to other consumers. Furthermore, consumers who suffer a long-term sickness or disability are more likely to be vulnerable in some indicators, such as having limited capacity to maximise their well-being, compared to other consumers. Not using the internet overall, and not using the internet to search for information is associated with a higher likelihood of vulnerability in some indicators. Consumers who are considered as credulous, impulsive or risk averse and consumers who have poor computational skills or are less trusting of people in general are more likely than others to be vulnerable in certain indicators.

Vulnerability can have three broad effects:

- **Exclusion.** Those who are disabled, elderly or on low incomes in particular can find themselves unable to access or use essential services such as energy or banking.
- **Financial difficulty.** Vulnerable consumers can pay substantially more for services than other users because they are excluded from, or unable to find, the best deals. Those on low incomes or with unmanageable debt can struggle to afford the cost of essential services.
- **Poor user experience.** Services may not meet the often complex needs of consumers in vulnerable circumstances. Some consumers are particularly susceptible, for

⁴United Nations Commission for Social Development, (1997).*Report of the Expert Workshop on Ways and Means to Enhance Social Protection and Reduce Vulnerability*, p. 4

⁵, (2004), Discussion Paper- What do we mean by 'vulnerable' and 'disadvantaged' consumers?, Consumer Affairs Victoria, p.17

⁶ Understanding consumer vulnerability in the EU's key markets- Factsheet | February 2016

example, to poor debt collection practices.⁷

Inclusion, not exclusion, is the key to supporting vulnerable customers. Avoiding creating situations of vulnerability is about inclusion and accessibility, not exclusion and alienation. Ultimately, the best way to approach vulnerability is to treat each customer and their needs on a one-to-one basis. This can be as simple as the ability to choose the channels that work best for them and interact at their own pace, on their own terms. By taking this customer-centric approach, the distinction between more and less vulnerable customers begins to fade.

State Instruments and Practices

To ensure consumers in vulnerable situations receive the support they need to have a decent standard of living, and to be well informed and able to engage in the rapidly-developing retail markets. For consumers in vulnerable situations to get benefit of the best deals and services just like any other consumer, they need to know what opportunities are available to them and what their rights are. Ultimately it is the responsibility of the government to ensure they have an appropriate policy mix in place to provide the best level of support to consumers in vulnerable situations. This may mean addressing both social policies to support customers, along with other relevant policy areas, with the overall aim of creating a fair, equitable and inclusive market. In this endeavour besides governments, local authorities, national regulatory authorities, consumer associations, industry, independent ombudsmen etc. also have a role to play in reducing and stabilising levels of vulnerability.

Interventions to deal with vulnerability of consumers broadly fall into three categories:

- ensuring that essential services are accessible and affordable for those who need them;
- providing information to consumers to help them understand what deals or products might be best for them; and
- offering reputational or financial incentives for companies to support vulnerable customers.

Area Specific Initiatives to counter Vulnerability

Food Security

In India, the government has launched several schemes over the years to help alleviate the hunger problem. We need the state to take responsibility for its people and the following schemes (not an exhaustive list) are meant to do just that.⁸

⁷ Comptroller and Auditor General, (2017), *Vulnerable consumers in regulated industries*, National Audit Office, UK, <https://www.nao.org.uk/wp-content/uploads/2017/03/Vulnerable-consumers-in-regulated-industries.pdf>

⁸ Raj Dash, Aug 12, 2015, *We Have The Food Schemes In Place To Solve The Hunger Problem. Then Why Do We Lag Behind?*, by <https://www.scoopwhoop.com/inothernews/food-schemes-in-india/#.9dxei3utv>

- **Targeted Public Distribution System-(BPL and Antodaya Scheme)**

Families and/or households in India that have been declared to be 'below poverty line' are eligible for a ration card which can be shown in fair price shops to purchase upto 35 kg grains (rice at Rs. 5.65 and wheat at Rs. 4.15 per kilo) every month.

- **Antyodaya Anna Yojna (AAY)**

This is a government sponsored scheme launched in December 2000 to support one crore of 'the poorest of the poor' families in India. Under this scheme, families which have been given the 'Antyodaya Ration Card' can purchase 25 kg wheat at Rs. 2 per kilo and 10 kg rice at Rs. 3 per kilo. The scope of the scheme has been increased twice to now include a total of 2 crore below poverty line families.

- **Above Poverty Line (APL)**

This is a scheme for families that are not covered by the BPL or the AAY schemes. Families with the APL card can purchase rice and wheat (upto 35 kgs) at Rs. 8.30 and Rs. 6.10 per kilo respectively.

- **Midday Meal Scheme**

This is one of the grandest child nutrition schemes the world has ever seen - providing cooked lunch for 120 million school kids in over 1,265,000 schools all over the country. In fact, it is the largest school meal scheme in the world.

- **Annapurna Scheme**

Taking care of the old is the responsibility of every society. Under this scheme, senior citizens of India (over 65 years old) who do not earn any pension, are eligible for 10 kg of grains free of cost every month.

Education

- **Beti Bachao, Beti Padhao (Save girl child, educate girl child)**

The prime goal of this scheme is to generate awareness and improving the efficiency of welfare services meant for women. The objectives of the scheme are to: ensure survival & protection of the girl child and ensure education of the girl child. The purposes of scheme are to evolve a sustained Social Mobilization and Communication Campaign to change societal norms, to create equal value for the girl child; and mobilizing and empowering various stakeholders— women, youth, local community as catalysts for social change.

Health Care

- **Pradhan Mantri Bhartiya Jan Aushadhi Pari Yojana Kendra (PMBJPK)**

PMBJPK is a campaign launched by Government of India to provide quality medicines at affordable prices to the masses through special kendras known as Pradhan Mantri Bhartiya Jan Aushadhi Kendra. Pradhan Mantri Bhartiya Jan Aushadhi Pariyojana Kendra

(PMBJPK) have been set up to provide generic drugs, which are available at lesser prices but are equivalent in quality and efficacy as expensive branded drugs.

- ***Pradhan Mantri Surakshit Matritva Abhiyan***

Pradhan Mantri Surakshit Matritva Abhiyan (PMSMA) Scheme is launched to improve the quality and coverage of Antenatal Care with Diagnostics and Counselling services as part of Reproductive Maternal Neonatal Child and Adolescent Health. Under the scheme on the 9th of every month, the maternal health services will be provided at identified public health facilities as well as accredited private institutions and clinics, volunteering for the PMSMA. These services will be provided by the Medical Officer or by Specialist.

Energy

- ***Pradhan Mantri Sahaj Bijli Har Ghar Yojana***

Pradhan Mantri Sahaj Bijli Har Ghar Yojana –"Saubhagya" is a scheme to ensure electrification of all willing households in the country in rural as well as urban areas. The objective of the 'Saubhagya' is to provide energy access to all by last mile connectivity and electricity connections to all remaining un-electrified households to achieve universal household electrification in the country. The expected outcome of the Scheme are: Environmental upgradation by substitution of kerosene for lighting purposes, Improvement in education services, Better health services, Enhanced connectivity, Increased economic activities and jobs, and Improved quality of life especially for women.

- ***Pradhan Mantri Ujjwala Yojana***

Under the PM Ujjwala Yojana, the government aims towards social welfare by providing LPG connections to households which are Below Poverty Line (BPL). The aim of this scheme is to replace the unclean cooking fuels which are used in the rural parts of India with the clean and more efficient Liquefied Petroleum Gas (LPG). The basic aim of the scheme is bring forward a healthy environment, ensure good health for women and children by reducing health related issue which is associated with fossil fuel based cooking, and women empowerment.

- ***National Programme for LED-based Home and Street Lighting***

The initiative is part of the Government's efforts to spread the message of energy efficiency in the country. LED bulbs have a very long life, almost 50 times more than ordinary bulbs, and 8-10 times that of CFLs, and therefore provide both energy and cost savings in the medium term.

Skill Development

- ***National Skill Development Mission (NSDM)***

NSDM was developed to converge skill training in various sectors. The main focus of this component is to promote entrepreneurship, increase individual confidence to pursue

their business ideas, and linking of entrepreneurship to schools and educational institutions. NSDM follows 5 C strategic frameworks for imparting skill training programs:

- Ø Create – Creating skilled individuals over a long term
- Ø Correct – Upskilling individuals with work experience
- Ø Certify – Aligning with norms, assessing and provide certification to trainees
- Ø Connect – Making skilled trainees to join in jobs at any part of the world
- Ø Catalyze - Entrepreneurship

- ***Mahila e-Haat***

Mahilae-Haat is an initiative for meeting needs of women entrepreneurs. The aim of the scheme is to strengthen financial inclusion of women entrepreneurs in the economy by providing continued sustenance and support to their creativity. This unique e-platform will strengthen the socio-economic empowerment of women. This will act as a catalyst by providing a web-based marketing platform to the women entrepreneurs to directly sell their products. Further it will support 'Make in India' through online marketing platform.

Rural Consumers

- ***National Rurban Mission (NRuM)***

Large parts of rural areas in the country are not stand-alone settlements but part of a cluster of settlements, which are relatively proximate to each other. The Government of India has launched the Shyama Prasad Mukherji Rurban Mission (SPMRM) aimed at developing such rural areas by provisioning of economic, social and physical infrastructure facilities. The National Rurban Mission (NRuM) follows the vision of "Development of a cluster of villages that preserve and nurture the essence of rural community life with focus on equity and inclusiveness without compromising with the facilities perceived to be essentially urban in nature, thus creating a cluster of "Rurban Villages". This will help bridging the rural-urban divide-viz: economic, technological and those related to facilities and services; stimulate local economic development with emphasis on reduction of poverty and unemployment in rural areas and attract investment in rural areas.

- ***Deen Dayal Antyodaya Yojana - National Livelihoods Mission (NRLM)***

The Mission aims at creating efficient and effective institutional platforms for the rural poor enabling them to increase household income through sustainable livelihood enhancements and improved access to financial services. In addition, the poor would be facilitated to achieve increased access to their rights, entitlements and public services, diversified risk and better social indicators of empowerment. NRLM believes in harnessing the innate capabilities of the poor and complements them with capacities (information, knowledge, skills, tools, finance and collectivization) to participate in the growing economy of the country.

- ***Pradhan Mantri Gram Sadak Yojana***

Rural Road Connectivity is not only a key component of Rural Development by promoting access to economic and social services and thereby generating increased

agricultural incomes and productive employment opportunities in India, it is also as a result, a key ingredient in ensuring sustainable poverty reduction. The primary objective of the PMGSY is to provide Connectivity, by way of road to unconnected habitations in the rural areas and Upgradation (to prescribed standards) of the existing roads.

- ***Pradhan Mantri Awaas Yojana (Gramin)***

In pursuance to the goal –"Housing for all by 2022", the Rural Housing Scheme "Pradhan Mantri Awaas Yojana – Gramin" was approved during March 2016. The objective is to provide pucca house to all who are houseless and living in dilapidated houses in rural areas by 2022.

- ***Deendayal Upadhyay Swaniyojan Yojana (DUSY)***

The scheme was launched to promote entrepreneurship through skill training in rural areas. It was launched in 2016 along with Start Up India scheme. The objectives of DUSY is to: provide skill for self-employment to rural masses, give incentives to rural poor pursuing self-employment, provide financial assistance to self-employed or poor rural entrepreneurs, and support poor rural people looking to start new business or pursue self-employment options.

- ***Deen Dayal Upadhyaya Gram Jyoti Yojana***

The scheme was launched by the Government of India in 2015. The main aim of scheme is to bring reforms and uninterrupted power supply in rural areas of the country. Remarkable features of the scheme are to:- provide electricity to all 6 lakh villages in the country, provide separate feeders for electricity supply to household consumers and agricultural farmers, improve quality and reliability of supply by proper distribution of networks and make necessary arrangements in order to reduce the power losses during the transmission of electricity. The below poverty line households will get a free electricity connection with LED lamps at Rs.3000 per connection. The SC/ST population within the BPL will also be provided with free connections along with separate maintenance of records.

Financial Inclusion

The Government of India has launched various flagship social security schemes with an objective of broadening financial inclusion in India. This was done to make financial services such as banking, insurance, and others available to the Indian citizens especially from the low and middle class category at an affordable cost and make them financially secure.⁹

- ***Pradhan Mantri Jan Dhan Yojana***

Opening zero balance saving account for every unbanked Indian household was the main objective behind the launch of PMJDY. Overdraft facility of Rs. 5,000 is also available provided the account is kept active for 6 months after opening. Some banks are also opening

⁹ <http://www.allonmoney.com/information/social-security-schemes-in-india/>

account to existing customers whereas majority of them have restricted to only those with no bank account.

- ***Pradhan Mantri Suraksha Bima Yojana***

Pradhan Mantri Suraksha Bima Yojana is a government-backed accident insurance scheme in India. Considered to be the cheapest accidental death cum disability insurance policy with an annual premium of just Rs. 12, it has received a massive positive response from most of the Indians. The scheme provides for an insurance cover of Rs. 2,00,000 for accidental death and Rs. 1,00,000 for partial disability.

- ***Pradhan Mantri Jeevan Jyoti Bima Yojana***

Similar to PMSBY, PMJJBY is also the cheapest life insurance policy with an annual premium of Rs. 330 and moreover it does not require medical examination. The cover offered under the yojana is Rs. 2,00,000 and the termination of policy takes place after the policy holder reaches the age of 55 years.

Objective of both PMJJBY and PMSBY is to provide financial security to the family of policy-holder in an event of his/her death.

- ***Atal Pension Yojana***

This pension scheme was launched with a sole purpose of providing pension to the workers from unorganized sector after the retirement to meet their daily needs. Contribution to the scheme can be done monthly/quarterly/six monthly and equal amount will be contributed by the Government of India with an option to prematurely exit from the scheme before the age of 60 years. Pension amount receivable would be in the range of Rs. 1,000-Rs.5,000.

- ***Jeevan Suraksha Bandhan Yojana***

This scheme was a RakshaBandhan gift and was launched with an objective to drive PMSBY and PMJJBY. Through this yojana, brothers can gift social security schemes to their sisters by purchasing gift card worth Rs. 351 and deposit scheme worth Rs. 201 which will be used for making the premium payment for Suraksha Bima Yojana and JeevanJyotiBimaYojana. Apart from this, term deposit scheme worth Rs. 5001 can also be taken which will serve two purposes – premium payment for PMSBY and PMJJBY for the first year and remaining money would be investment for term deposit for 10 years.

- ***Kisan Credit Cards***

Kisan Credit Card is offered to farmers in India in order to enable them to access affordable credit. This is to provide timely credit facility to support agriculture and allied activities. This will eliminate unregulated credit by money lenders and boost nation's agribusiness environment and productivity to international standards.

- ***Pradhan Mantri Fasal Bima Yojana***

Farming has become an unreliable sector. Farmers are always unsure of the yield

they will reap, but strive to draw the maximum benefits out of their investments and effort. Often farmers might be at the receiving end, with natural calamities like droughts and floods affecting their yield adversely. To resolve the problem of unpredictable nature of farming and prevent farmer suicides in the country, the Government launched PM MantriFasalBimaYojana in early 2016. It is a crop insurance policy with relaxed premium rates on the principal sum insured for farmers.

- ***Paramparagat Krishi Vikas Yojana***

The government has launched Paramparagat Krishi VikasYojana in order to address the critical importance of soil and water for improving agricultural production. The government would support and improve the organic farming practices prevalent in India. Following cluster approach mode of farming, at least 50 farmers would form a group having 50 acres of land to implement organic farming. The government aims to cover 10,000 clusters and five lakh hectares of arable land under organic farming within three years.

- ***Insurance Schemes for People with Disabilities (PwD)***

The government has introduced insurance schemes exclusively for PwD under the Sugamya Bharat Abhiyan (Accessible India Campaign). Government of India has introduced a slew of measures under the Accessible India campaign to give importance and recognise the importance of PwDs in the society as their contribution to the society is on the rise. The health insurance schemes will boost the confidence of PwDs and enable them to live with self-esteem in the society.

Points to Ponder

- What initiatives and strategies do member States need to develop to address the requirements of vulnerable and disadvantaged consumers?
- Considering consumer vulnerabilities in a changing world, how can international cooperation contribute to a more inclusive and sustainable environment for vulnerable and disadvantaged consumers?
- What are the best practices and appropriate non-policy solutions with long-term potential to better target vulnerability?
- Can a Working Group be set up to address the concerns of the vulnerable and disadvantaged consumers with appropriate policy initiatives?

6

Consumer Education: Empowering Consumers

Introduction

The hallmarks of modern economic development are open markets, competition and free flow of goods and services. The process of development coupled with increasing liberalisation and globalisation have resulted in rapid economic expansion of world trade that has exposed the consumers to a new lifestyle. Modern technological developments and proliferation of human needs have no doubt made a great impact on the quality, availability and safety of goods and services. Globalization and boom in the international trade and commerce has resulted in availability of large variety of goods and services to cater to the needs of the consumers. However, the changed scenario has left consumers more vulnerable and susceptible to exploitation. Consumer sovereignty in choice of goods and services has been greatly eroded by various forms of unfair, monopolistic and deceptive trade practices.

In spite of consumer protection being on the agenda of the governments in the globalised world, yet a lot needs to be done because exploitation of the consumers is still significant. Taking advantage of ignorance, lack of education and choice, the consumers are lured into the trap of unethical marketers. In the prevailing situation, governments world over need to take more steps to protect the consumers. Although consumer protection has essential social and ethical dimensions, it also has a vital economic impact as well. In a situation where prices are raising, quality and reliability have decreased, it is time to build a strong consumer movement and a strong resistance to unhealthy practices, so that the voice of the consumers are heard by both the government as well as the business sector. The business community also needs to come up with some self-regulatory mechanism to help the consumers.

One of the major hindrances in the consumer movement is the lack of awareness among the consumers about their rights and responsibilities. The consumers apart from being largely unorganized do not have the mechanism to understand their rights and responsibilities. The present situation calls for greater efforts to increase public knowledge and public participation. Consumer protection to a large extent depends upon the support of an informed and alert public opinion, governmental and non- governmental organisations. Equally important is education and awareness. In fact, the provision of effective consumer education and information programmes must be an essential concern of a wide - ranging consumer policy.

Consumer education programmes can provide significant benefits, including identification of market information, complaint and consumer redress procedures, and understanding a more technology-based consumer environment. Consumers are empowered when they know their rights and obligations and are able to take a rational

decision while buying a product or availing a service. Perhaps the top priority for most consumer protection authorities is to educate consumers and balance the inherent information dissymmetry between businesses and consumer in the marketplace.

Moreover, this is easier said than done. Consumer education needs the participation of many stakeholders, such as consumer protection authorities, businesses and consumer organizations, the academia and the media. The digital revolution has brought many new issues calling for consumer education from fintech to tourism. At the same time, vulnerable and disadvantaged consumers need specific education strategies. Empowering consumers is a complex task which requires a combination of governmental policies as well as good business practices and availability of redress. There are currently various initiatives that aim at measuring consumer empowerment in the marketplace to allow for more evidence-based policy-making and to enhance the impact of consumer protection efforts.

Consumer education is concerned with the skills, attitudes, knowledge and understanding necessary to become an effective consumer. It equips people with the skill to make discerning choices, to sort out problems effectively and to seek further information and help appropriately. While markets may change, these skills will enable people to man through life as effective consumers. It sets out to change behaviour, strengthen responsibility, motivate to participate and to empower the consumer. Consumer education encompasses the responsibility of consumers as well as their rights.

Indian Experience

1. *Department of Consumer Affairs-Nodal Agency for Consumer Advocacy*

One of the mandates of the Department of Consumer Affairs (DCA), Government of India is consumer advocacy. It seeks to empower consumers through awareness and education; enhance consumer protection through prevention of unfair trade practices; enable quality assurance and safety through standards and their conformity; and ensure access to an affordable and effective grievance redress mechanism. This is done in partnership with multiple stakeholders – relevant line Departments of the Government of India, state governments, regulatory agencies, and voluntary consumer organizations.

In 1991 the Central Excise and Salt Act, 1944 was amended to enable the Central Government to create a Consumer Welfare Fund (CWF) where the money which is not refundable to the manufacturers, etc. is being credited. To generate awareness among the masses a number of schemes have been undertaken by the Department from the Consumer Welfare Fund. Financial assistance from CWF is given to various Institutions including Universities, Voluntary Consumer Organization (VCOs) and States to promote and protect the welfare of the consumers, create consumer awareness and strengthen consumer movement in the country.

Further the Department is annually celebrating 24th December as 'National Consumer Day' and 15th March as 'World Consumer Rights Day' in which a number of awareness programmes are being organized in collaboration with other stakeholders.

2. Government Initiatives for Consumer Education

I Multi –Media Campaign -"Jago Grahak Jago" (awake consumer awake)

As empowering consumers through consumer education and awareness is the key for the success of consumer movement in the country, the Department has taken up a countrywide multi-media publicity campaign 'Jago Garhak Jago' since 2005 in order to ensure that the message of consumer protection reaches every citizen of the country. Jago Grahak Jago" has today become a household axiom. The campaign is being targeted through audio as well as video spots produced in the local languages. Advertisements are also being released in National dailies/ regional newspapers in local languages to educate the consumers about their rights and responsibilities. Video and audio spots on various consumer related issues are being telecast through Doordarshan and Satellite channels and All India Radio and Private FM stations respectively. It's a focused Campaign addressing the emerging areas such as MRP, consumer rights, redressal mechanism, defective products, services sectors like education, telecom, travel, banking, insurance, medical etc.

To reach out to consumers in a vast country, outdoor publicity has also been made an integral part of the "Jago Grahak Jago" Campaign. The mediums such as Access Card, Airport (Hoarding/Unipole), Audio Advertisement at Bus Stands, Boarding Pass, Bridge Panel, Bus Queue Shelter, Display Board (Railway Station), Electricity Bill, Gantries, LCD/ LED/ Plasma TV Screen, Railway Train Panels, Metro Trains are being utilized for the publicity campaign. The reach is being widened by use of new mediums like SMS for consumer awareness campaign.

In its effort to ensure consumer awareness for all, this Department has released One video spot on the occasion of National Consumer Day (24.12.2016) having Sign language interpretation. This was done in furtherance of Government of India's commitment towards creating accessible and inclusive society.

II New Initiatives in the Field of Consumer Awareness

A Participation in Rural Melas (Fairs)

In order to create awareness amongst the people living in rural and remote areas, this Department takes part in important fairs/festivals of various States/UTs, in view of the fact that such fairs/festivals draw a large number of people from rural and backward areas. Dissemination of related information to consumer rights and responsibilities is done through flyers, Audio Visual medium and one to one interaction.

B Building Partnership: Awareness about Internet Safety

With Government of India's mission to encourage the public to adopt the digital payment system, in the near future several crores of hitherto digital non literate consumers are going to use internet for the first time for buying various products and services. In order to protect the consumers in the online environment, campaign for raising awareness about internet safety amongst Indian consumers is being run in partnership with Google. The partnership will also extend to training of select VCOs, government officials and National

Consumer Helpline counsellors through a series of training of trainers' programmes who will further conduct mass training programmes.

C Online Consumer Communities

The Department in association with the Local Circles, a social media platform, has launched a platform 'Online Consumer Communities' for citizens to discuss and opine about governance and daily life issues. With Local Circles, a citizen can get connected with their government, city, causes, neighbourhood, Interest, needs and any other communities they are a part of. When citizens get connected and become communities, it leads to transparency, easy availability of trusted information, easier collective action to address common issues and an easier/better urban daily life.

D Consumer Mela (Fair)

The Department of Consumer Affairs organized a Consumer Mela on 20th October, 2016 at Central Park, Connaught Place, New Delhi for consumer awareness. A number of visitors thronged the Mela to seek information and also register their grievances. The main objective of the mela (Fair) was to promote an interface between the consumers and companies.

F Consumer Awareness Week

Consumer awareness week was observed during 20-27 October, 2016. All State Governments and various stakeholders jointly observed the Consumer Awareness Week in their respective states. Various activities to enhance awareness were organized.

G Smart Consumer App for Mobiles

In association with GSI India a mobile application "Smart Consumer" has been launched 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, year and month of manufacture, net content and consumer care details for making complaint in case of any defect. This helps consumers to check the various parameters of the products.

III Celebration of Consumer Day

To give boost to the consumer movement, 24th December as 'National Consumer Day' and 15th March as 'World Consumer Rights Day' are being celebrated on a large scale throughout the country. A number of education and awareness programmes are being organized in collaboration with other stakeholders on the occasion.

IV Involvement of Educational and Research Institutions

A Centre of Excellence-Centre for Consumer Studies

To promote research, capacity building, documentation and publication, the Department of Consumer Affairs has established Centre for Consumer Studies (CCS) at the Indian Institute of Public Administration (IIPA), New Delhi. The aim of the Centre is to perform,

facilitate and promote better protection of Consumers' rights and interests with special reference to rural India. The Centre for Consumer Studies keeps abreast of the long-term policies, to position itself as a major contributor to the identification of issues and priorities as well as solutions to ensure better protection of the consumers.

The Centre seeks to network, with national and international agencies and interface with other stakeholders by serving as a bridging "think tank", with an intensive advocacy role. It acts as a forum for creating dialogue among policy-makers, service providers, representatives of various business establishments and their associations, professional bodies/associations, civil society organisations, educational/ research institutions, economic and social development organizations as well as leading NGOs. The activities of the Centre include capacity building activities for various stakeholders, research, consultancy and publications for dissemination of information. Through its publications and research the Centre has been able to fill existing gaps in the area to a large extent.

B Creation of Chair in Universities

Educational Institutes are an important stakeholder in consumer movement as they are the medium to involve the youth in the consumer movement and also generate awareness among them; as they are compulsive buyers and are often misled by the advertisements. The Department has sponsored dedicated Chairs in Consumer law and Practice in a number of Law Universities to promote research and documentation in consumer welfare and conduct awareness activities at various levels.

C Introduction of Consumer Affairs in Curriculum

Structured study on consumer affairs has been introduced as a part of syllabus in high schools. Besides this there is separate paper on the subject in the universities and colleges especially in the faculties of commerce, management, law, public administration, engineering, journalism etc. with a view to provide an insight into the subject to students who are the future of the country. The Department in association with University Grants Commission has developed a module on Consumer Affairs to be adopted by various higher education institutions.

V Consumer Helplines providing Guidance, Advice and Handholding

A National Consumer Helpline (NCH)

In order to educate the consumers, the Department has established a National Consumer Helpline at Indian Institute of Public Administration, New Delhi to deal with a multitude of problems arising from day-to-day engagement with the market, business and service providers. Consumers from all over the country can access the toll-free number 1800-11-4000 or short code 14404 and seek telephonic counseling, guidance, advice and handholding for problems that consumers face regarding goods and services.

NCH partners with various companies whereby these complaints are brought to the notice of a senior official of the company for a relook and offer a resolution, so as to provide pre litigation forum to consumers. Thus, NCH acts as a bridge in building symbiotic synergies

between consumers and manufacturers/ service providers maintaining the confidentiality of consumer complaints within the specific company. These companies are benefitted by this proactive approach in resolving their customer grievances and thereby building on customer loyalty and retention of the customer.

B State Consumer Helplines

India is a vast country with a number of regional languages. To help consumers State Consumer Helplines have also been set up by State Governments which provide guidance and advice to the consumers in local language. At present 23 such helplines are operative in the states.

VI Consumer Literacy and Awareness through VCOs/ NGOs

The task of empowering consumers through education and awareness is so vast that it cannot be done by government and government agencies alone. The VCOs are a major stakeholder in the consumer movement. Therefore, they need to be involved to strengthen the consumer movement at local level. Accordingly, the Department has been supporting the VCOs as well as the State Governments to enhance consumer awareness. The endeavour of the Department is to partner with credible Voluntary Consumer Organizations in the task of raising awareness amongst consumers as well as to redress their grievances where possible.

VII Comparative Testing of Products and Services

To help the consumers with informed choice while purchasing products and services, Comparative Testing of various products and services through some VCOs is being promoted. A number of products and services are tested every year and on the basis of the testing, the products/ services are ranked and evaluated. This provides a professional and unbiased evaluation of the products' basic features and special claims; highlights lack of safety features to vendors and the public; and develops "How to buy" guides for explaining all the features clearly and helping lay consumers make a learned decision. The test reports are published in consumer magazine and newspaper to educate consumers and help them take appropriate purchase decision.

VIII Consumer Magazine in Hindi

Hindi is spoken by large number of Indians. Therefore, to reach such readers the Department brings out Consumer Affairs Magazines in Hindi. DCA is providing financial assistance to Consumer Education and Research Centre (CERC), Ahmedabad for bringing out National Consumer Magazine INSIGHT (in Hindi Grahak Sathi) and SAVERA for publication and circulation of the Hindi Magazine –'Grameen Upbhokta' in Bihar State. The objective is to promote consumer education, by disseminating consumer information on a mass scale. Through the magazines important consumer related information and decisions of consumer for as from all over India are being disseminated so that readers avoid similar mistakes and are motivated to take up action in their own district.

Points to Ponder

- What are the responsibilities of Governments, consumer organizations and businesses in promoting consumer empowerment?
- What are the best practices in consumer protection advocacy and how best they can be promoted?
- What are the current needs in capacity building of various stakeholders in consumer protection at national and regional level?
- What steps the industry and business can take to better protect the consumers in a market driven economy?
- How can links with educational institutions like universities, colleges, high schools are established to emphasize the need for improving consumer education in the curriculum.
- How can the social media be used in promoting consumer education and awareness
- Can a regional database be created to enabling the consumer to retrieve the required information in a less expensive and quick way?
- How can innovations in technology be used to reach the consumers in remote and inaccessible areas?