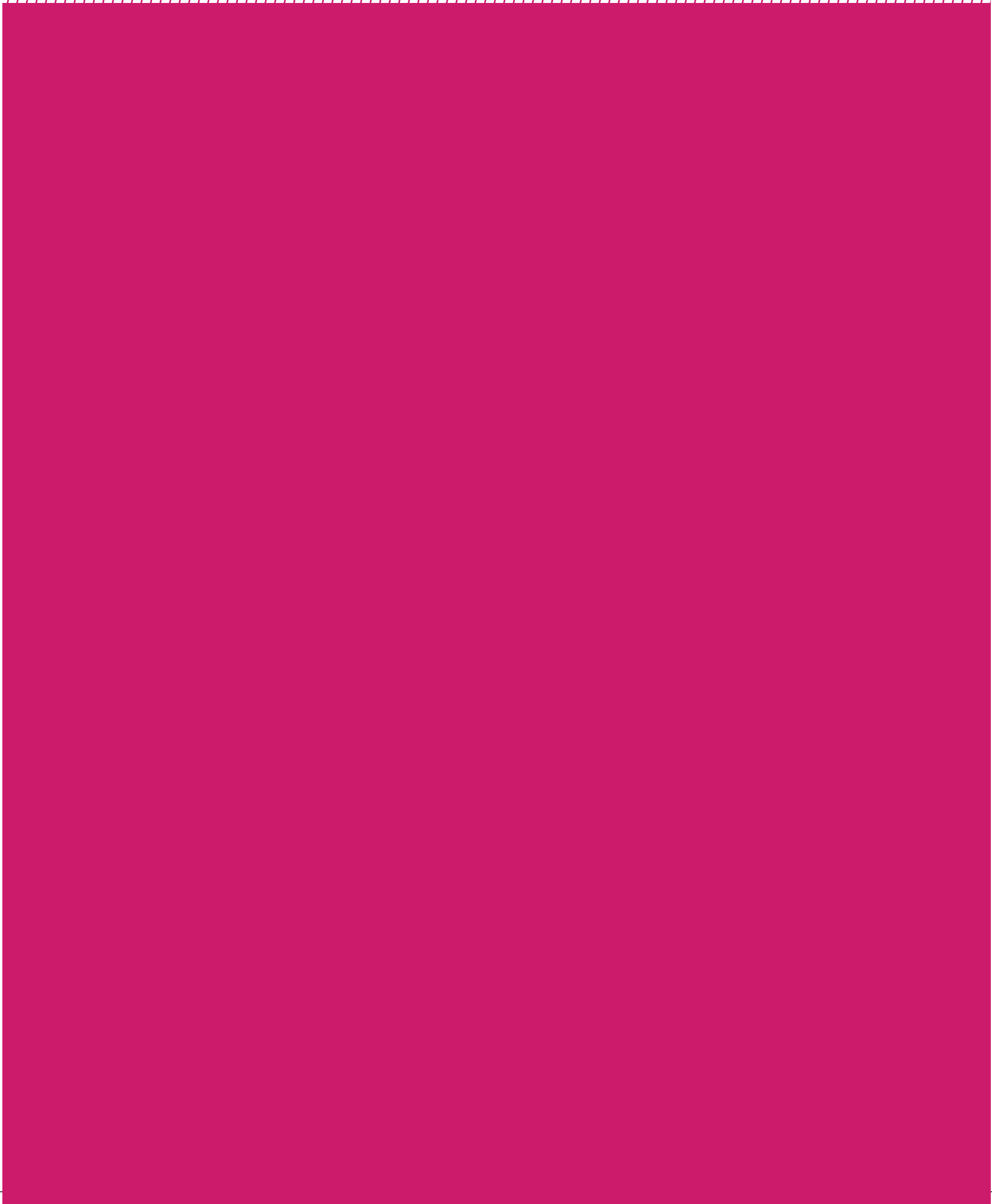




Department of Administrative Reforms and Public Grievances



Department of Consumer Affairs



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Introduction



1.1 CONTEXT

The Department of Administrative Reforms and Public Grievances (DARPG) received 11,94,931 (related to central government) grievances in 2016 across 88 Ministries/Departments through Centralized Public Grievance Redress and Monitoring System (CPGRAMS). This department's role is to facilitate the pursuit of excellence in governance through improvements in government structures and processes, initiatives and dissemination of best practices. Moving towards this goal, the department commissioned a grievance analysis study of top 20 Ministries/Departments receiving high number of citizen grievances. The study involved identification of top grievance categories and recommending systemic reforms. The Parliamentary Standing Committee for Personnel, Public Grievances and Law & Justice recommended conducting similar study for next 20 Ministries/Departments.

1.2 OBJECTIVE

The study carried by Quality Council of India, as per the mandate given by DAR&PG, was conducted from August 2016 to March 2017, covering more than 100 grievance categories across 20 Ministries/Departments. A team of consultants was deployed to understand issues in depth from the officials and collect information from more than 70 domain experts. Moreover, this team of consultants conceived the methodology, process and outcome of the study. It is hoped that this study will bring the necessary third party evaluation into picture for guiding the schemes and providing useful lessons for similar evaluations on a larger scale in future.

1.3 IDENTIFICATION OF 20 MINISTRIES/DEPARTMENTS

The grievances received on the portal provided the source for data analysis. The top 20 Ministries/Departments were covered in the earlier grievance study. This study identifies next 20 Ministries/Departments, based on the number of grievances received by the particular Ministries/Departments (from 01.04.2012 to 31.03.2016). For the scope of this particular report we will be focusing on the Department of Consumer Affairs (S.NO 25).

Table 1: List of 20 Grievance Study Ministries

S.No	Ministry/Department	Number of grievances
21	Information and Broadcasting	18,567
22	Financial Services (Insurance Division)	17,840
23	Environment, Forest and Climate Change	17,323
24	Corporate Affairs	17,084
25	Consumer Affairs	16,047
26	Agriculture Cooperation and Farmers Welfare	14,342
27	Electronics & Information Technology	12,729
28	Social Justice and Empowerment	12,637
29	Civil Aviation	12,448
30	Rural Development	11,646
31	Drinking Water and Sanitation	10,723
32	Power	10,392
33	Women and Child Development	9,773
34	Economic Affairs	9,553
35	Commerce	9,509
36	Water Resources, River Development & Ganga Rejuvenation	9,265
37	Food and Public Distribution	8,292
38	Housing and Urban Affairs	7,287
39	Defence Finance	6,604
40	Coal	6,346

1.4 INTRODUCTION TO THE DEPARTMENT OF CONSUMER AFFAIRS

Department of Consumer Affairs (DCA) is one of the two Departments under the Ministry of Consumer Affairs, Food & Public Distribution. It was constituted as a separate Department in June 1997 as it was considered necessary to have a separate Department to give a fillip to the nascent consumer movement in the country.

The Department of Consumer affairs administers the policies for Consumer Cooperatives, Monitoring Prices, availability of essential commodities, Consumer Movement in the country and Controlling of statutory bodies like Bureau of Indian Standards(BIS) and Weights and Measures.



11,94,931 grievances
were received on PG portal in 2016
across 88 Ministries/Departments

83% of the grievances
were disposed by Ministries/
Departments in 2016

Rank 25 of 88 Ministries/
Departments (based on the number of
grievances received from 2012-16)

2,504 complaints were
received by Department of
Consumer Affairs in 2015-16

47% of grievances were
received by division, Core Centre

14% of grievances were
received by the division, National
Consumer Helpline

57% of grievances were for
grievance category- E-commerce
Customer Service

11% of the grievances were
for grievance category- Price
Regulation

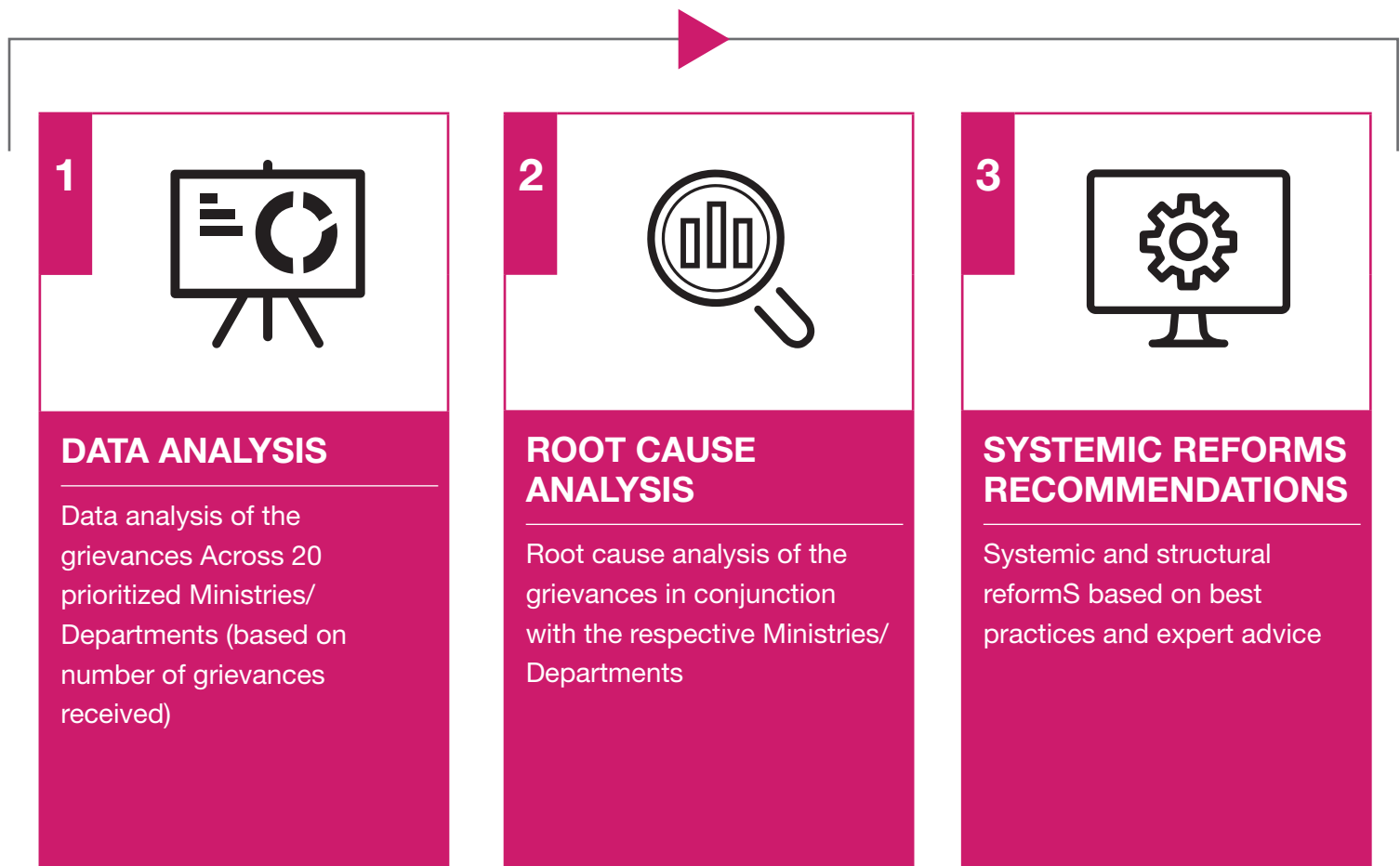
54%* of the grievances will
be, as and when suggested reforms
are incorporated

*The percentage has been computed after multiplying a) Percentage of grievances under shortlisted divisions with, b) Percentage of addressable grievance categories

Deep Dive Analysis



The three point approach for grievance analysis study includes data analysis, root cause analysis, and systemic reforms recommendations for the service issues.



2.1 DATA ANALYSIS

2.1.1 IDENTIFICATION OF TOP DIVISIONS

To analyze recent grievances, the sub-departments shortlisted were the ones receiving maximum grievances (from 1.4.2015 to 31.3.2016). The shortlisted divisions were the ones receiving maximum grievances (from 1.4.2015 to 31.3.2016). The highest grievances were received by Division of Core Centre, which accounted for 47% of grievances received. Another 14% of the grievances were received by National Consumer Helpline.

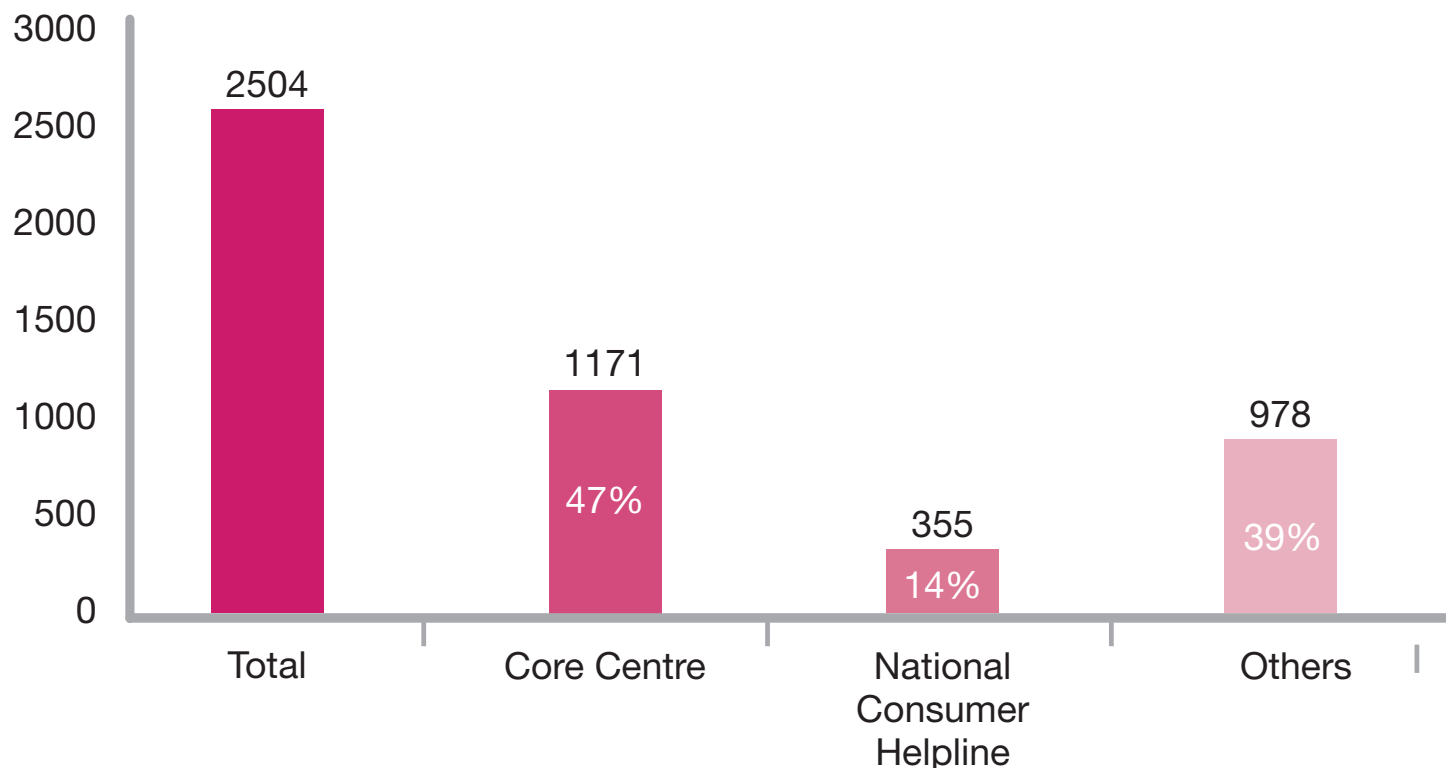


Chart 1: Categorized grievances received by divisions from 1.4.2015 to 31.3.2016

2.1.2 IDENTIFICATION OF FOCUS SERVICE

Grievance data in top 2 division was deep dived and 10% of sample was analyzed.

Table 2: Sample size selected for the study

DEPARTMENT OF CONSUMER AFFAIRS	2504 NUMBER OF GRIEVANCES	250 TOTAL SAMPLE GRIEVANCES ANALYSED
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The next step was grievance- by-grievance analysis for a sample of the grievances received by the top 2 Divisions, namely, Core Centre and National Consumer Helpline and top recurring issues were categorized.

AN EXAMPLE OF A GRIEVANCE ANALYZED IS AS FOLLOWS






"I had made online purchase from Amazon India site for Panasonic Mixer Grinder bearing order number. Order No. 404-3856976-3056347 and full payment of Rs. 5199/-. However, at the time of delivery I was forced to pay Rs. 400/- extra. This is against the terms of sale on the website and I had no option but to pay because I was not given deliver unless this extra money is paid by me. A complaint to Amazon India elicited no response and they are blaming their own courier agency and their channel partner for this mistake and not refunding the money. Request to take a stringent action against the Amazon India."

ACTION BY DEPARTMENT OF CONSUMER AFFAIRS

The CORE Centre has asked the concerned company to furnish the reply on this issue but, the requisite compliance by the company is still pending. Therefore, you are advised to take up this matter with the concerned Consumer Forum in your area, having its jurisdiction, as per Consumer Protection Act, 1986, since legal powers for protection of the consumer rights are vested with the Consumer Forums.

For the Department of Consumer Affairs, the top most issue for the Department was complaints against e-commerce services which accounted for 57% of grievances, followed by issues with price regulations, Online & Teleshopping scams and Portal & Helpline efficiency which account for 11%, 7% and 7% of the grievances respectively.

Table 3: Focus service for root cause analysis

S.No	Grievance Causing Issues	Impact*	Details
1	 Customer Service Complaints of E-Commerce companies	57%	<ul style="list-style-type: none"> Unclear guidelines for quality check of the products Lack of standardization of refund, delivery and exchange policy No regulation on pricing and discount Poor customer service
2	 Issues with Price Regulation	11%	<ul style="list-style-type: none"> No price regulation mechanism on package commodities. Ex: Mineral water Lack of awareness on price related terms such as MRP, Service charge etc.
3	 Online & Teleshopping Scams	7%	<ul style="list-style-type: none"> High number of online/mail and teleshopping scams Fake companies and non-genuine schemes
4	 Portal & Helpline efficiency	7%	<ul style="list-style-type: none"> Multiple portals & helplines for the same purpose Poor call response ratio Helpline numbers congested
5	 Consumer Court related issues	7%	<ul style="list-style-type: none"> Slow movement of cases in the court Corruption at multiple levels No transparency in case outcomes Delay in payment of salary to the staff

*Grievance Sample analysed: 250

2.2 ROOT CAUSE ANALYSIS (RCA)

The study team spent time with each implementation body within that division to understand core processes, accountability and performance tracking. Domain experts were also consulted to understand root cause for each grievance category.

The questions revolved around policy, process and people problems that were leading to lack of quality implementation

Table 4: Root Cause Analysis of grievances related to Department of Consumer Affairs

Issue	Sub-Issue	Root Cause
Customer Service Complaints	Unclear guidelines for quality check of the products	<ul style="list-style-type: none"> Lack of policy on e-commerce transactions and quality check of products Unclear policies of e-commerce companies on return/ exchange/ delivery
	Lack of standardization of refund, delivery, exchange policy	
	No regulation on pricing and discount of products	
	Poor customer service	
Issues with Price Regulation	No price regulation mechanism on packaged commodities. Ex: Mineral water	<ul style="list-style-type: none"> Price regulation of commodities doesn't fall under the purview of the ministry State Governments have jurisdiction in regulating price on request of the citizen
	Lack of awareness on price related terms such as MRP, Service charge etc.	<ul style="list-style-type: none"> Citizens aren't aware of definitions of terms like MRP, service charge
Online & Teleshopping scams	High numbers of online/mail and teleshopping scams	<ul style="list-style-type: none"> Lack of awareness in the citizens about credibility of online and tele sellers is leading to scams
	Fake companies and non-genuine schemes	
Portal & Helpline Efficiency	Multiple portals & helplines for the same purpose	<ul style="list-style-type: none"> Multiple portals for providing information/ lodge grievance
	Poor call response ratio	<ul style="list-style-type: none"> Insufficient capacity of call centers and limited number of call centers
	Congested Helpline numbers	
Consumer Court related issues	Slow movement of cases in the court Corruption at multiple levels	<ul style="list-style-type: none"> No defined timelines for closure of cases from the date of filing
	No transparency in case outcomes	
	Delay in payment of salary to the staff	

Grievance issues of Customer service, Price regulation, scams and Portal & Helpline Efficiency are mapped to Jago Grahak Jago campaign and National Consumer helpline respectively.

To reinvent the complaint redressal, process the department launched the National Consumer Helpline portal, Integrated Grievance Redress Mechanism (INGRAM) for bringing all stakeholders such as Consumers, Central and State Government Agencies, Private Companies, Regulators, Ombudsmen and call centers etc. onto a single platform and creating awareness among consumers to protect their rights and inform them of their responsibilities.

Chart 2: National schemes for catering grievance

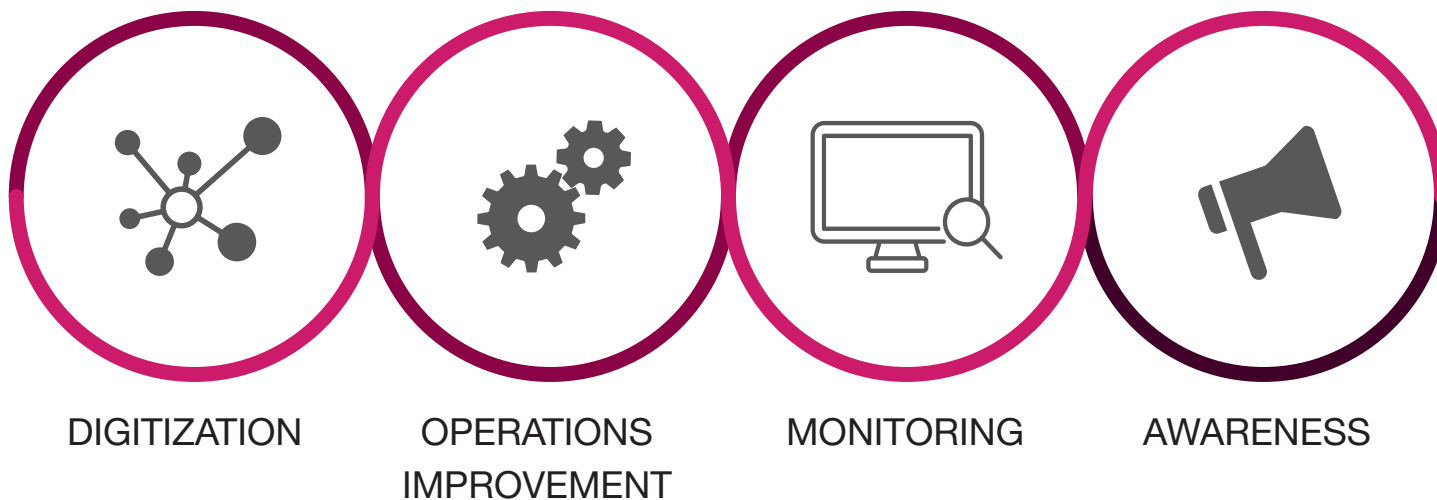


2.3 SYSTEMIC REFORMS RECOMMENDATIONS

Based on the key root cause for improper delivery of service, corresponding recommendations were identified and designed. These recommendations were arrived after discussing with the Ministry/Department representative.

For each issue, the problem was broken into multiple parts to ensure that each aspect of the problem is addressed independently, while ensuring maximum impact. Systemic and structural reform recommendations were made for the centre driven awareness campaign, Jago Grahak Jago and the Integrated Grievance Redress Mechanism (INGRAM) portal, National Consumer Helpline across the following areas.

AREAS ACROSS WHICH SYSTEMIC REFORMS ARE SUGGESTED



Systemic Reforms



Consumer right related schemes directly impact each citizen because of the efficacy of the process. Therefore, it is of utmost importance that the process is streamlined, and monitoring is tight knit.

Jago Grahak Jago is the prominent program of the government for more than a decade. There are areas in terms of policy formulation, implementation where few reforms can bring a major impact. Eight recommendations have been made based on best practices adopted by state governments and other stakeholders.

Table 5: Systemic Reforms for grievances on Consumer Affairs

S. No	Reform Category	Systemic Reforms	Ease of implementation
1	Digitization	Name and shame e-commerce companies on the basis of total number of pending customer grievances	High
2	Digitization	Incorporate real time data forwarding regarding complaints and monitoring mechanism with e-commerce companies	High
3	Digitization	Revamp the existing website to lodge complaints on e-commerce companies in a systematic fashion	High
4	Digitization	Jago Grahak Jago Campaign <ul style="list-style-type: none"> • Revitalize content of campaign and include issues on price regulation • Increase digital media presence on YouTube, twitter, Facebook • Conduct contests to shortlist best designs for the campaign. Ex: Digital India campaign • Crowd source topics to be covered in the campaign content. Ex: Prime Minister's Mann ki Baat 	High
5	Operations Improvement	Discontinue older websites/ portals to reduce redundancy	High
6	Monitoring	Tag existing dashboard Consumer Forum case pendency status to senior bureaucrats for regular monitoring	Medium
7	Awareness	Publicize National Consumer Helpline portal with link and logo on prominent consumer websites/ company bill boards/ ad campaigns etc.	High
8	Awareness	Create awareness on online/ tele scams through television/ radio ads. Ex: Insurance protection ads	High

Conclusion



This Grievance Analysis Study analysed 100 grievances of Department of Consumer Affairs, spanning across e-commerce services and price regulation, distributed in the 29 states. Following key systemic reforms have been recommended and implementation of these will make an impact in reducing grievances.

KEY RECOMMENDATIONS

This report evaluates the grievances of Department of Consumer Affairs and recommends the following priority systemic reforms:

- 01 Incorporate a robust monitoring mechanism for industry and inter-ministry stakeholders to inculcate a sense of ownership and improve efficiency of grievance redressal
- 02 Integrate a real-time grievance forwarding mechanism between e-commerce companies and the department for an efficient redressal
- 03 Revamp the Jago Grahak Jago campaign to encompass a wider envelope of information
- 04 Improve the National Consumer Helpline portal for end to end user friendly experience

LIST OF EXPERTS CONSULTED

Table 6: List of experts

Department of Consumer Affairs	Outside Ministry	Quality Council of India
• Anil Bahuguna – Joint Secretary	• Ajay Shankar – Fr-Secretary, DIPP	• Adil Zainulbhai – Chairman
• S S Thakur – Director	• Bejon Misra – Trustee, Consumer On-line Foundation	• Dr. Ravi P. Singh – Secretary General
• K Natarajan – Technical Director	• Nith Seth – COO, Flipkart	
	• Eric Lange – VP, Flipkart	
	• Sriram Shankar – VP, Myntra	
	• Krishnendu Dasgupta – Customer Marketing Director, HUL	



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