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(IIPA)

STATE CONSUMER HELPLINE KNOWLEDGE RESOURCE MANAGEMENT  
PORTAL (SCHKRMP)

CENTRE FOR CONSUMER STUDIES, IIPA , NEW DELHI



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# Consumer Bulletin



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## NEWS BULLETINS SECTION

### Dial 1064 to complain against Delhi Police

[ Business Line: 19<sup>th</sup> April 2014 ]

**NEW DELHI:** If the beat constable demands a bribe next time or if you find even senior Delhi Police officials indulging in corrupt practices, you can register a complaint by simply dialling 1064.

This toll-free helpline number, allocated exclusively to the Delhi Police, is operated by the Vigilance Department of the Delhi Police.

*“The Delhi Police had requested for a number to help people directly approach it for any complaint against its officials. The number was allocated around a month back and it is functional now”*, a Department of Telecom (DoT) official told PTI.

**Another toll-free, anti-corruption number 1031 is already functional in Delhi.** It is operated by the state government.

The Delhi Police does not come under ambit of the state government.



### DGCA allows use of mobiles, laptops on flight mode

[ The Times of India: 23<sup>rd</sup> April 2014 ]



*Maintaining that this has been a long-pending demand of the airlines, aviation experts say it would give passengers more time to work or catch up on their chosen form of entertainment.*

**NEW DELHI:** 'Please put your mobile phones on the flight mode'. Now on, you may hear an airhostess announcing this before your flight takes off instead of asking you to switch it off!!

This has now become possible with the DGCA amending the rule which bans use of portable electronic devices (PEDs) and allowing their usage in all phases of flight but on a non-transmitting or flight mode, official sources said.

With the implementation of the new rule or civil aviation requirement (CAR), flyers can now turn on their cellphones, tablets or laptops on 'flight mode' to work, play video games, listen to music, watch pre-loaded movies or type their emails. The mails would, however, be sent only after the plane lands at an airport.

Maintaining that this has been a long-pending demand of the airlines, aviation experts say it would give passengers more time to work or catch up on their chosen form of entertainment.

In particular, it would benefit those flying on no-frill carriers which provide no access to any in-flight entertainment.

Flight mode is a setting available on many

mobile phones and smartphones, when activated, suspends signal transmitting functions. It thus disables the person to make or receive calls or use text messaging -while still permitting use of other functions that do not require signal transmission like games, use of camera or MP3 player.

The aviation regulator has also laid down training guidelines for the flight crew to handle the new facility being given to the air travelers.

The new rule also directs all airlines to report to the Directorate General of Civil Aviation (DGCA) any suspected or confirmed PED interference or smoke or fire caused by them, the sources said.

They said the section of the CAR relating to air safety has been amended to allow the use of PEDs in "non-transmitting mode, commonly called as Flight/Airplane Mode."

## Railways to pay for rogue elements, wrong tickets

[ The Hindu: 22<sup>nd</sup> April 2014 ]

Failure in preventing unauthorised entry in reserved train compartments and issuing wrongly-dated tickets has once again landed the Railways in trouble and it would be coughing up more money as compensation to harassed passengers.

The Ministry of Railways has been directed by the New Delhi Consumer Disputes Redressal Forum to pay Rs.75,000 in compensation to V. Vijay Kumar whose travel on a reserved seat from Vishakhapatnam to New Delhi on March 30, 2013, was disrupted by some drunk men who grabbed his seat while he remained standing despite suffering from excruciating knee-joint pain.

The Forum's bench comprising president C. K. Chaturvedi and members S. R. Chaudhary and Ritu Garodia also noted that there was no TTE or Railway official available when the inebriated men made unauthorised entry at a station in Madhya Pradesh and inconvenienced the passengers by their uncouth behaviour. Holding that *"the complainant in spite of paying a higher price for reservation was unable to benefit from the undisturbed enjoyment of his reserved berth"*, the Forum directed Rs.25,000

The decision was taken after a meeting on the issue last week when scheduled airlines had raised the demand to allow the use of PEDs during all phases of flight.

The DGCA examined their demand in view of the new and regulations of the US regulator, Federal Aviation Administration and the European Union Aviation Safety Agency, which allow the use of PEDs on flight mode in all phases of a flight.

The latest DGCA move would put India on par with a handful of other countries which allow the use of mobiles while on board.

In December last year, British Airways allowed the use of cellphones on flight mode. Some other European and American carriers have also brought in similar changes.

to be deducted from the salary of TTE who was deputed in the compartment on the date of journey in question for payment to the complainant as it noted that a major responsibility cast on the TTE in addition to examining the tickets was of ensuring that no intruders entered the reserved compartment.

In another case, the Forum found the Railways guilty of issuing a wrongly dated ticket to one Nathu Ram Goya and directed it to pay up Rs.10,000 as compensation.

Mr. Goya had booked tickets from New Delhi to Gangsar Jaitu in Punjab for October 1, 2012, and a return ticket for the next day in first A/C. On his return journey, he realised that the return ticket had been wrongly issued for January 2, 2013, consequently making his travel without reservation.

*"The complainant being advanced in age had to undergo severe persecution, harassment and discomfort when he found himself with a wrongly dated ticket. He was accused in open court of wasting the time of Forum"*, the Forum held.

## Pay traffic challan using credit cards

[ The Asian Age: 17<sup>th</sup> April 2014 ]

**New Delhi:** Traffic offenders will soon have an option to pay traffic challans using their credit or debit cards or Internet banking. Motorists using State Bank of India's Internet banking will have to pay no additional cost.

Those paying through cards will have to pay a nominal fee ranging from 0.65 per cent of the challan amount to 1 per cent per transaction.

The payment gateway for the transactions will be provided by the SBI. According to the Delhi traffic police, the proposal put forth by the SBI has been approved by the MHA and the facility

will become available once the payment gateway is connected to the central server.



## RCs of vehicles to arrive within days of purchase, not months

[ Hindustan Times: 23<sup>rd</sup> April 2014 ]

**New Delhi:** Here's good news for motorists in Delhi. The vehicle registration card - known as RC in common parlance - has not only got cheaper in the Capital but will also be made available within a few days of buying a new vehicle.

The transport department has roped in Delhi Integrated Multi-Modal Transit System, a transport consultancy firm, to issue smart card-based vehicle RCs. The card will not only be cheaper - '200 instead of ' 416 - but will also be issued within the time frame fixed by the department.

The RC is a small card that has the details of the vehicle (registration number, engine and chassis number) and the name and address of the vehicle owner. The transport department issues about 2,200 RCs every day. While half of them are issued on registration of new vehicles, a large number of motorists also apply for duplicate RC every day.

Sources said the high court has dismissed the petition filed by Shonkh Technology, which

challenged the transport department's decision to cancel its contract. Sources added that DIMTS will handle the project for not more than six months. Delhi Transport Infrastructure Development Corporation (DTIDC), which is transport department's own company and formed to run various transport related projects, will take over from DIMTS.

The transport department had cancelled Shonkh Technology's contract following complaints of delay in issuing the registration cards.

*"The company used to issue RCs with optical memory. Since such cards were not available in India, it used to import them. But we realized that optical memory served no purpose. Also, there used to be three-four month-long backlog. We served several notices to the company but when we realized that the situation was not going to improve, we terminated the contract",* said a transport department official, requesting anonymity.

Sources added that the new card will not have optical memory and will thus be cheaper.

## RBI for two-stage verification for online transactions

[ The Hindu: 23<sup>rd</sup> April 2014 ]

*Customers should be given option to choose from different methods of authentication*

Worried over rising number of frauds in online banking, the Reserve Bank of India (RBI) has suggested that banks introduce two-stage

authentication to ensure security of transactions.

The RBI report on *'Enabling Public Key Infrastructure (PKI) in Payment System*

*Applications'* said banks should also inform customers about risks associated with different types of online banking transaction.

*"Internet banking applications of all banks should mandatorily create authentication environment for password-based two-factor authentication as well as PKI-based system for authentication and transaction verification in online banking transaction"*, the report said.

It also said customers should be given the option to choose from different methods of authentication for ensuring security of online transactions.

There are various PKI-enabled electronic payments systems introduced by the RBI such as RTGS, NEFT, CBLO, Forex Clearing, Government Securities Clearing, and Cheque Truncation System (CTS). In volume terms, these systems contributed 25.1 per cent whereas these systems contributed 93.7 per cent share to the total payment transactions carried out in 2012-13 in value terms.

Non-PKI enabled payment systems contributed 75 per cent in volume terms but only 6.3 per cent in value terms in 2012-13.

*"The objective of an effective payment system is*

*to ensure a safe, secure, efficient, robust and sound payment system in the country. In order to secure electronic documents and transactions and to ensure legal compliance, digital technology is used"*, it said.

The report said that the banks may carry out in three phases PKI implementation for authentication and transaction verification.

*"The banks have been mandated to issue EMV (card with chip and pin) to certain category of customers and for the other customers, banks have been given option to either issue EMV cards or adopt Aadhaar biometric authentication as additional factor of authentication"*. the report said.



## Third party premium for Motor Insurance increased

[ Deccan Herald: 22<sup>nd</sup> April 2014 ]

It is compulsory for every vehicle in India to have a third party insurance, which covers risks involving damage or loss to others caused by the vehicle you drive.

Since it is mandatory, the pricing has traditionally been administered by the insurance regulator, IRDA. With the price controlled and risk unlimited, the portfolio is bound to look messy.

Premiums for all other vehicles, including commercial ones, have also been revised.

The problem with such administered pricing is that companies know the portfolio will be bleed and hence, typically avoid taking risks as much as possible. There is also a lack of awareness

and interest especially among owners of two-wheelers, who end up not insuring their vehicle every year.

This creates a huge risk when such vehicles ply on the road. It also creates a sort of negative selection where only those vehicles high chance of claims end up paying for third party insurance. This results in the premium collected not being sufficient for the claims which appear in this category.

IRDA in principle wants to de-tariff third party premium, which means letting insurance companies decide on the price with maybe an upper cap in place.

The presence of a large number of insurance companies will ensure that there is enough competition and pricing should more or less be risk-based without customers being taken for a ride.

The regulator also has plans to increase the tenure of third party policy to three or five years (currently it has to be renewed every year). This is a smart way to tackle the problem of lack of renewal. A large number of customers who don't necessarily want to be on the wrong side of the

law don't renew their third party insurance due to sheer lethargy or lack of awareness and understanding of the risks.

All the steps mentioned above point to the right direction. A badly maintained old vehicle poses a much higher risk on the road than a new, well maintained one. Unfortunately, the chances of the former not having third party insurance are much higher. This need to be fixed, and the sooner the better.

## How to secure mobile banking transactions

[ The Tribune: 7<sup>th</sup> April 2014 ]



Mobile banking is on the rise, and chances are you're one of the 52 percent of consumers who have accessed some form of mobile banking in the past six months. Yet perceived security risks remain a hindrance to full adoption of the technology. In truth, accessing your account via your bank's mobile website or using your bank's mobile app is as secure, if not more secure, than banking online via PC.

### **Why?**

People always know where their phones are: Studies by Morgan Stanley have shown that the average American (91 percent of those surveyed) has his or her cell phone within arm's reach 24 hours a day. Think about the last time you lost your wallet or credit card. How much time passed before you noticed? Your mobile phone is always on and available.

**Your mobile banking "identity" is tied to a specific phone:**

Done correctly, your mobile "identity" can be

linked to a specific device, making traditional "man in the middle" security compromises much less relevant.

### **Consumers can mitigate fraud in real time:**

SMS (short message service) and push messages for smartphones allow consumers to help banks monitor for fraudulent transactions as they happen.

### **Geo location helps curtail fraud:**

Smart mobile companies are leveraging the GPS capabilities of smartphones to stop fraud before it happens. If a physical credit card is used hundreds of miles from a phone's location, for example, chances are that one or the other has been stolen.

### **Future biometric-based security:**

New smartphones are already being released to leverage this sort of capability. The newest version of the Android mobile operating system, Ice Cream Sandwich, uses facial recognition technology to unlock a user's phone. And Apple's introduction of Siri on the iPhone is setting the stage for voice recognition capabilities to come.

Another factor that adds to the risk of mobile banking is consumers' failure to treat their smartphones like tiny little computers. Few consumers have any form of anti-malware software on their mobile devices and, with little consideration for security, many are willing to download apps of completely unknown provenance from app stores.

Aite Group surveyed global risk executives in November 2011 to determine the extent to which they plan to bolster the defenses of the mobile

channel over the next two years. Ninety-two percent of respondents expect to deploy increased fraud prevention technology. Sixty-seven percent have projects under way, and 25 percent are waiting to see what kind of threats emerge.

## Be cautious while using chip-based credit cards

[ *Financial Chronical: 21<sup>st</sup> April 2014* ]

Your credit card will soon lose its magnetic strip — it will be chip-enabled in future. This has certain implications for users. While it may not be possible for everyone to understand the technical differences, certain features must be kept in mind while handling chip cards. Here is a close look at some points that will help the individual.

### Additional PIN usage

Most credit card owners use the PIN on their credit card very rarely — mainly for cash withdrawal at an ATM. Now there is a need to enter the PIN every time an expense is incurred on a chip-based credit card. This has to be entered in the machine that reads the card. So, the big change is that the individual has to remember the PIN and use it at far more frequent intervals than before. If you have machine that reads the card. So, the big change is that the individual has to remember the PIN and use it at far more frequent intervals than before. If you have not consigned it to memory, you will have difficulty using your chip card.

### Protection on PIN

The more frequent use of the PIN also throws up a special challenge as far as security is concerned — the number has to be protected from misuse at different places. Since it is more susceptible to misuse, a two-phase security has to be in operation. One is the overall protection of the number so that no one actually is able to access the PIN and use it. At the same time, every time there a payment is made, care has to be taken to see that the number is not shown to others around who can then misuse the details.

Mobile banking is viewed as a critically important strategic channel by most financial institutions. In order to ensure a secure experience for everyone, the protections must increase alongside the risks.



This is the reason why the SMS alerts on the card also need to be active so that every use of the card is known by the individual. What does add to the inbuilt security of the card is that the PIN can be used only when the chip is being read by the machine. So, the PIN cannot work in the absence of the card.

### Online usage

There is another challenge when it comes to the online usage of the chip-based card. In terms of the non-online usage, there are special machines that can read the chip on the card. This makes them more secure than the traditional cards because in the latter the details on the magnetic strip of the cards can be stolen while here the chip has all the information so this has to be present for the reader to access the details. The individual also has the benefit of the additional password they need to enter when they make an expense. This is special security so that anyone who just has the basic details of the card is not able to make the payment and get away with it. This additional layer ensures that it is the owner of the card who is running up the expense and a genuine person authorised to make the expense.

## You can now buy 5-kg LPG cylinders from kirana stores

[ *The Economic Times: 5<sup>th</sup> April 2014* ]

Indian Oil Corporation has begun sale of market-priced 5-kg Free Trade LPG (FTL) cylinders through kirana stores and supermarkets.

The sale of the 5-kg FTL cylinders from kirana stores and supermarkets has been launched in Bangalore, Chennai, Gorakhpur, Lucknow and Aligarh, to begin with, IOC said in a release.



The new marketing strategy tops up the initiative of retailing the 5-kg cylinders through select petrol pumps. The kirana stores and supermarkets provide easily approachable sales points for consumers. This is seen as a boon for migratory population such as students, infotech professionals, call center employees and persons with odd working hours.

This group of population tends to lack in residence proof etc. and can enroll for the free-trade scheme with just their ID proof and pick up refills from nearby shops at their convenience. Under the scheme, first time consumers will have to pay the cost of a cylinder and regulator and administrative charges.

*The cost of a new 5-kg cylinder will be approximately in the range of Rs. 1,600 to Rs. 1,700. At the time of subsequent refills, only the cost of the product will be payable, while exchanging the empty cylinder for a filled one.*

Indian Oil is marketing 5-kg cylinders from 52 outlets across 32 cities in addition to the 11 stores. Increased availability of the cylinders through more points is leading to growth in sales, with approximately 1,500 customers enrolling for FTL plan with Indian Oil till date.

[ The Hindu: 24<sup>th</sup> April 2014 ]

**Be alert. Be safe.**

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Always keep coach doors closed during journey

Travel only with a valid ticket

Always take care of your belongings personally

Smoking in trains/railway premises is a punishable offence!

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