

23

**STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS
AND PUBLIC DISTRIBUTION (2022-2023)**

SEVENTEENTH LOK SABHA

**MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(DEPARTMENT OF CONSUMER AFFAIRS)**

{Action Taken by the Government on the recommendations/ observations contained in the Nineteenth Report of the Committee (Seventeenth Lok Sabha) on Demands for Grants (2022-23) pertaining to the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs)}

TWENTY THIRD REPORT



LOK SABHA SECRETARIAT

NEW DELHI

December, 2022/ Agrahayana, 1944 (Saka)

TWENTY THIRD REPORT

**STANDING COMMITTEE ON FOOD, CONSUMER
AFFAIRS AND PUBLIC DISTRIBUTION (2022-2023)**

(SEVENTEENTH LOK SABHA)

**MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(DEPARTMENT OF CONSUMER AFFAIRS)**

{Action Taken by the Government on the recommendations/observations contained in the Nineteenth Report of the Committee (Seventeenth Lok Sabha) on Demands for Grants (2022-23) pertaining to the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs)}

Presented to Lok Sabha on

09.12.2022

Laid in Rajya Sabha on

09.12.2022



LOK SABHA SECRETARIAT

NEW DELHI

December, 2022/ Agrahayana, 1944 (Saka)

CONTENTS

Composition of the Committee	IV
INTRODUCTION	V
Chapter I Report.....	1
Chapter II Recommendations/Observations which have been accepted by Government.....	5
Chapter III Recommendations/Observations which the Committee do not desire to pursue in view of Government's replies.....	25
Chapter IV Recommendations/Observations in respect of which replies of Government have not been accepted by the Committee	26
Chapter V Recommendations/Observations in respect of which final replies of Government are still awaited.....	27

APPENDICES

(I) Minutes of the sitting of the Committee held on 09.11.2022.....	32
(II) Analysis of the action taken by the Government on the recommendations contained in the Nineteenth Report of the Committee (Seventeenth Lok Sabha).....	34

**Standing Committee on Food, Consumer Affairs and Public Distribution
(2022-2023):-**

Smt. Locket Chatterjee, Chairperson

Lok Sabha

2. Dr. Farooq Abdullah
3. Shri Sudip Bandyopadhyay
4. Shri Girish Bhalchandra Bapat
5. Shri Shafiqur Rahman Barq
6. Shri Gangasandra Siddappa Basavaraj
7. Km. Debasree Chaudhuri
8. Shri Anil Firojiya
9. Shri Rajendra Dhedya Gavit
10. Shri Sanganna Amarappa Karadi
11. Shri Khagen Murmu
12. Shri Mitesh Rameshbhai Patel
13. Shri Subrat Pathak
14. Shri Ganesan Selvam
15. Dr. Amar Singh
16. Smt. Himadri Singh
17. Smt. Kavita Singh
18. Shri Nandigam Suresh
19. Shri Saptagiri Sankar Ulaka
20. Shri Rajmohan Unnithan
21. Shri Vaithilingam Ve.

Rajya Sabha

22. Shri Satish Chandra Dubey
23. Dr. Fauzia Khan
24. Shri Baburam Nishad
25. Shri Rajmani Patel
26. Shri Sakaldeep Rajbhar
27. Dr. Anbumani Ramadoss
28. Shri C. Ve Shanmugam
29. Shri Harbhajan Singh
30. Ms. Dola Sen*
31. Vacant

LOK SABHA SECRETARIAT

- | | | | |
|----|-----------------------------|---|---------------------|
| 1. | Shri Srinivasulu Gunda | - | Joint Secretary |
| 2. | Dr. Vatsala Joshi | - | Director |
| 3. | Shri Ram Lal Yadav | - | Additional Director |
| 4. | Shri Dong Lianthang Tonsing | - | Under Secretary |

Committee constituted *vide* Bulletin Part II, Para No.5293 w.e.f. 13 September, 2022

*Nominated *vide* Bulletin Part II, Para No.5313 w.e.f. 12 October, 2022

INTRODUCTION

I, the Chairperson of the Standing Committee on Food, Consumer Affairs and Public Distribution (2022-2023) having been authorized by the Committee to submit the Report on their behalf, present this Twenty Third Report on Action Taken by the Government on the Observations/ Recommendations contained in the Nineteenth Report of the Committee (Seventeenth Lok Sabha) on Demands for Grants (2022-23) of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs).

2. The Nineteenth Report was presented to Lok Sabha and laid in Rajya Sabha on 22 March, 2022. The Government has furnished replies indicating Action Taken on the recommendations contained in the Report on 15 June, 2022.

3. The Report was considered and adopted by the Committee at their sitting held on 09 November, 2022.

4. An analysis of the action taken by the Government on Recommendations/ Observations contained in the Report is given in **Appendix II**.

5. For facility of reference and convenience, the Observations/Comments of the Committee have been printed in thick type in the text of the Report.

NEW DELHI;
10 November, 2022
_____, 1944 (Saka)

LOCKET CHATTERJEE
Chairperson
Standing Committee on Food,
Consumer Affairs and Public Distribution

REPORT

CHAPTER - I

This Report of the Standing Committee on Food, Consumer Affairs and Public Distribution deals with the action taken by the Government on the Observations/Recommendations contained in the Nineteenth Report of the Committee (2021-2022), (17th Lok Sabha) on Demands for Grants (2022-23), pertaining to the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs).

1.2 The Nineteenth Report was presented to the Lok Sabha and laid in the Rajya Sabha on 22nd March, 2022. It contained 21 Observations/ Recommendations.

1.3 Action taken replies in respect of all the Observations/Recommendations contained in the Report have been received and categorized as follows:-

(i) Observations/Recommendations which have been accepted by the Government:

Para Nos.: 3.4, 4.34, 4.35, 4.36, 4.40, 6.11, 7.5, 8.44, 8.45, 8.46, 8.47, 8.48, 8.49, 8.50 and 9.9

Total:15

Chapter-II

(ii) Observations/Recommendations which the Committee do not desire to pursue in view of the Government's replies:

Para Nos.: NIL

Total: NIL

Chapter-III

(iii) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:

Para No.: 4.37

Total:01

Chapter-IV

- (iv) Observations/Recommendations in respect of which final replies of the Government are still awaited:

Para No. : 1.10, 4.38, 4.39, 5.9 and 6.12

Total: 05

Chapter-V

1.4 The Committee trust that utmost importance will be given to the implementation of the Observations/Recommendations accepted by the Government. The Committee desire that final action taken notes to the Observations/Recommendations contained in Chapter I and Chapter-V of this Report should be furnished to them not later than three months of the presentation of this Report.

1.5 The Committee will now deal with the action taken by the Government on some of the observations/recommendations.

Strengthening of Consumer Commissions

Recommendation No. 5 (Para No 4.37)

1.6 The Committee in their Original Report observed/recommended as follows:-

“The Committee note that in 2021-22, the total allocation of Rs. 279.40 Lakh was released to the State of Karnataka for construction of District Consumer Commission building and non-building assets. The Committee while appreciating the initiative, would like to be apprised of the status thereof. The Committee further note that the Department has received proposals from the States of Jharkhand, Chattisgarh, Karnataka, Kerala, Odisha, Nagaland and

Madhya Pradesh for release of funds under the scheme. The Department has informed that these requests are under scrutiny. The Committee, therefore, urge the Department to expedite finalization of their requests on priority basis and release the fund immediately to avoid any hardships on this count.”

1.7 The Ministry in its action taken reply has stated as under:-

“It has been informed by Karnataka State Consumer Disputes Redressal Commission that the above released amount of Rs. 279.40 Lakh is presently kept in the SB Account in the name of Registrar-cum-Administrative Officer, KSCDRC. The mapping process of both the nodal and implementing agency has been completed. The empowered committee constituted by the State Government has already approved the proposals. The requisite steps will be taken for utilizing the amount sanctioned after receiving the proceedings of the Empowered Committee.

As regards proposals received from **Jharkhand, Chattisgarh, Karnataka, Kerala, Odisha, Nagaland and Madhya Pradesh, it is informed that the Department** has sought certain clarifications from these states regarding issues such as pending UC, submission of proposals in requisite pro forma, mandate form etc. The proposals shall be processed as soon as requisite clarifications are received from these states.”

1.8 The Committee, in their Report, had desired to be apprised of the status of the fund of Rs. 279.40 lakh released to the State of Karnataka for construction of District Consumer Commission building and non-building assets. The Department has submitted that the empowered committee of the State has approved the proposals and the requisite steps would be taken for utilizing the amount after receipt of the proceedings of the committee. The reply did not mention any time limit within which the proceedings of the Committee are required to be sent, processed and spending the allocated funds by the concerned. The Committee, therefore, while reiterating their earlier recommendation, suggest the Department to vigorously pursue the matter for speedy construction of District Consumer Commission building and non-building assets.

The Committee had further noted that the Department had received proposals from the States of Jharkhand, Chhattisgarh, Karnataka, Kerala, Odisha, Nagaland and Madhya Pradesh for release of fund under the Scheme and urged the Department to expedite finalization of their proposals on priority and release the fund to avoid hardships on this count. The Committee, however, note that the Department has provided a routine reply stating that it has sought certain clarifications from these States viz, pending UC, submission of proposals in requisite pro-forma, mandate form etc. which is not acceptable to the Committee. They note that even after lapse of enormous time since receipt of proposals, the Department has not been able to take any follow up action on its part. The Committee, therefore, while reiterating their earlier recommendation, urge the Department to expedite the finalization of the proposals.

CHAPTER – II

RECOMMENDATIONS/ OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation No. 2 (Para No. 3.4)

2.1 The Committee note that the Demands for Grants (2022-23) of the Department of Consumer Affairs have been pegged at Rs.1599.00 Crore for the Central Sector Schemes. These Schemes/programmes/projects are implemented by the Department of Consumer Affairs through its two Umbrella Schemes i.e., The Consumer Protection and Legal Metrology & Quality Assurance. The Committee note that besides these umbrella schemes, the Department also implements Price Stabilization Fund (PSF) and Consumer Awareness (Advertising and Publicity) Programmes. While the Umbrella Scheme of Consumer Protection covers Schemes of Strengthening Consumer Commission, Computerization and Computer Networking of Consumer Commission in the Country (CONFONET), Integrated Consumer Grievances Redressal System (ICGRS), the Scheme of Legal Metrology and Quality Assurance covers Strengthening of the Legal Metrology, the National Test House and Gold Hall Marking, Standard related capacity building and research and development work. It goes without saying that the Schemes being implemented by the Government through the Department of Consumer Affairs are of utmost importance which encompass a wide range of activities for the welfare of the consumers of the country. Though, the Committee note that the BE of Rs. 1599 Crore in 2022-23 has been kept lower to the RE of corresponding period of 2021-22 i.e. Rs. 2453.64 Crore and the Actual Expenditure of Rs. 2175.69 Crore (which remained lower to the allocation), yet they emphasize that the Department should take all out efforts and leave no stone unturned to utilize this fund towards fullest execution of their Schemes in a judicious way with proper planning, so that no amount is surrendered to the Government Exchequer and maximum people are benefitted thereby.

Reply of the Government

2.2 Under the scheme for setting up of gold assaying/hallmarking centres with Central Assistance, no amount has been surrendered. The unspent amount is carried forward for expenditure in the next year.

Further for utilizing this fund towards fullest execution of the Schemes in a judicious way, BIS is inviting expression of interest (EOI) every year for setting up of gold assaying/hallmarking centres with Central Assistance in deficient locations. Follow up is also done with applicants for assistance required if any towards early setting of the centre.

Capacity building training programme for artisans, AHC personnel and BIS officers are also organised under the scheme every year.

It is also informed that an EOI was also invited for setting up of AHC in deficient location with Central Assistance during 2021-22 and 59 applicants for 51 deficient locations have been given go-ahead for setting up AHC in these deficient Districts.

Recommendation No. 3 (Para No. 4.34)

2.3 The Committee observe that the Department of Consumer Affairs has enacted the Consumer Protection Act, 2019 which came into force w.e.f. 20 July, 2020. They note that an amount of Rs. 44 Crore was earmarked for Consumer Protection for the year 2021-22 which was revised to Rs, 42 crore at RE Stage. To their utter dismay, they find that even this amount was not spent in full and was short of about 20.2 % of the target as on 11.2.2022. The Committee understand that under this Head, various Schemes/Projects of the significant public importance such as strengthening of Consumer Fora, Computerization and Computer Networking of Consumer Fora (CONFONET), and Integrated Consumer Grievances Redressal System (ICGRS) are financed and implemented. The Committee, therefore, are of the opinion that unless and until the earmarked funds are utilized as per the allocation, the intended targets of these Schemes aimed at to safeguard the interests of the consumers in the country, will not be achieved. They, therefore, urge the Department to take stringent measures coupled with close monitoring of finances to make sure their full utilization.

Reply of the Government

2.4 During F.Y. 2021-22, out of allocated budget of Rs. 42 crore at RE stage for scheme Consumer Protection, Rs. 41.78 crore were spent on schemes of Strengthening of Consumer Commissions, CONFONET and ICGRS making it to approximately 99.5% achievement.

Recommendation No. 4 (Para No. 4.35)

2.5 In their 19th Report, the Committee had recommended as under:-

“The Committee note that an amount of Rs. 10 Lakh and Rs. 65 lakh have been earmarked for the salary and Rent expenses of the Central Consumer Protection Authority (CCPA), which has been empowered to conduct investigations into violations of consumer rights and institute Complaints. They also note that the CCPA is functional from a rented site for which Rs.1.01 crore has been earmarked. Keeping in view of the magnitude of the consumers of the country and their complaints, the Committee are of the considered view that the CCPA should have their own campus having spacious space to discharge their duties and accommodate large number of consumers under a single roof instead of running from a rented premise having space crunch or so.

The Committee note that advertisements of various products are being launched on televisions, other electronic and print media without ascertaining their genuineness which mislead the consumers of the country to a great extent. The Committee observe that most of the consumers are not literate and or residing in remote, hilly and far-flung areas, are misled and easily trapped and brain-washed by such advertisements and as such are inclined to purchase the items so advertized without thinking the pros and cons and have to suffer a lot in due course. The Committee find it an act of deceit being perpetrated with the innocent consumers of the country. The Committee, therefore, recommend the Department to devise a mechanism to control this widespread menace and provide for a strict monitoring mechanism on fake adds to save the interests of the consumers. In this context, the Committee further desire that the Agency/company, whose adds are found fake as such be de-listed for the advertisement in future with imposition of hefty penalty and/or punishment to check and balance these advertisements flooded on the electronic and print media, etc. The Committee also recommend the Department to amend the relevant Acts for the purpose, if required.”

2.6 The Ministry in its action taken reply has stated as under:-

“The Consumer Protection Act, 2019 has come into force w.e.f 20th July, 2020, under which Central Consumer Protection Authority (CCPA) has been established by the Central Government w.e.f 24th July, 2020 to regulate matters relating to violation of rights of consumer, unfair trade practices and false or misleading advertisement which are

prejudicial to the interests of public and consumers and to promote, protect and enforce the right of consumers as a class. The CCPA is empowered to conduct investigations into violation of consumer rights, order recall of unsafe goods and services, as well take suo moto complaints where a Class of consumers is impacted due to a defective product or deficiency service and also impose penalties.

As of now, CCPA has issued 85 notices against misleading advertisement and unfair trade practice, wherein 38 cases are related to misleading advertisements. Subsequent to the notices issued, 14 companies have withdrawn their advertisements and 3 companies agreed for corrective advertisement. Further, CCPA has also imposed penalty in 05 cases wherein company's claims were found false and misleading or they adopted unfair mean to misguide the consumers.

CCPA directed Glaxo Smith Kline Asia to discontinue all advertisements for its Sensodyne product in India which showed endorsement by foreign Dentists, Practicing in UK and also directed to discontinue of advertisement which make claims "Recommended by Dentist World wide"; "World's No.1 Sensitivity toothpaste" as the claims were unsubstantiated by the company. Further, CCPA has also imposed penalty of Rs. 10,00,000 for its false and misleading advertisement.

A penalty of Rs. 10,00,000 has also been imposed to Naaptol with the directions to discontinue all its misleading advertisements and false claim made in the advertisement regarding Magnetic Knee support – Instant pain relief for your knees, Acupressure Yoga Slippers/ Acupressure massage slippers, Gold Jewellery of Rs. 200 (misleading consumers by its name). Further, the company claimed in their advertisement that their products are available for a limited time to pressurize consumers to make an immediate decision and depriving consumers' sufficient time to make an informed decision. Company was thus found exploiting the consumers' sentiments by creating an impression of scarcity in their minds and not truthfully informing the consumer that it was a pre-recorded creative.

CCPA has directed Sure Vision India to discontinue the advertisement of their product "Sure Vision" which make the claims i.e. "It improves eye sight naturally; Eliminates eye

strains; Exercise the ciliary muscles; World's best unisex correction apparatus” and also imposed penalty of Rs. 10, 00, 000, as the company has not conducted any scientific/Laboratory test with regard to the efficacy of the product. Further no specific marketing study/survey were conducted by them to substantiate their claim.

The Department of Consumer Affairs also runs an online portal called GAMA (Grievance Against Misleading Advertisements) where consumers can lodge complaints relating to misleading advertisements. CCPA also take class action on the complaints registered on GAMA Portal which mislead the consumers.

Further, the Department of Consumer Affairs runs National Consumer Helpline (“NCH”) for creating awareness among consumers to protect their rights and inform them of their responsibilities. Consumers can register their grievance on NCH via Toll Free Number, SMS, Online, App’s Consumer NCHAPP, UMANGAPP. Further a new toll free number “1915” has been launched by the Department. CCPA works closely with NCH and takes a class action in case of any misleading advertisement or unfair trade practice such as falsely represents that the goods are of a particular standard, quality, quantity, refund/replacement not provided on the receipt of defective good or deficiency in services provided by the company.

CCPA has also issued advisories relating to preventing misleading advertisement during Covid-19 pandemic, when companies were taking advantage of the consumer sensitivity and another for adhering of Consumer Protection (E-commerce) Rules, 2020 by all marketplace e-commerce platforms for displaying information provided by sellers as per the E-Commerce Rules, 2020 on company’s websites.

Further, CCPA has also issued Safety Notices to alert and make consumers cautious against goods which do not hold valid ISI Mark and violate compulsory BIS standards for the product i.e. Helmets, Pressure Cookers and Cooking gas cylinders and also for household goods including electric immersion water heaters, sewing machines, microwave ovens, domestic gas stoves with LPG etc.

CCPA initiated country-wide campaign to prevent sale of spurious and counterfeit goods that violate Quality Control Orders (QCOs) published by the Government and raise awareness and consciousness among consumers to purchase goods that conform to BIS Standards. Daily use goods, which are commonly available in most households have been identified as part of the campaign, which are - Helmets, Pressure Cookers and Cooking Gas Cylinders.

In this regard, CCPA wrote to District Collectors across the country to investigate unfair trade practices and violation of consumer rights concerning manufacture and sale of the aforementioned goods.

CCPA has written to Chief Secretary of all states and UT'S to spread awareness and take requisite action under law and ensure compliance of compulsory standards to protect the interest of consumers.

CCPA has also written to Director General, Bureau of Indian Standards (BIS) to duly notify all the regional branch of BIS to take immediate cognizance of violation of compulsory standards and to take necessary action accordance with law for protection of consumer interest.

Enforcement action of BIS in case of Helmets as under:-

S. No	Company Name	Action Taken (Search and Seizure Operation)
1	M/s H U F Enterprises & M/s Fame Enterprises	747 quantity of Helmets for riders of two wheeler motor vehicles without ISI Mark were seized.\
2	M/s Ryder Auto Accessories	85 quantity of Helmets for riders of two-wheeler motor vehicles, without ISI Mark were seized.
3	M/s Adeshwars Ryders Arena	14 quantity of Helmets for riders of two-wheeler motor vehicles, without ISI Mark were seized.

4	M/s Project Revolt LLP (M/s Lazy Ass bikers)	90 quantity of Helmets for riders of two-wheeler motor vehicles, without ISI Mark were seized.
---	---	--

Enforcement action of BIS in case of Pressure Cookers as under:-

S. No	Company Name	Action Taken(Search and Seizure Operation)
1	M/s Raja Ratan Industries	Total 963 domestic pressure cooker was available and considered as misuse. 04 domestic pressure cookers of varied capacities (3L to 12 L) were seized and brought as evidence. Remaining quantity sealed and left with firm with issuance of superdari
2	M/s Sohil Impex	A total of 10 invoices were seized during the raid. Subsequently, another raid was carried out at factory premises where 20 number of pressure cookers, 20000 number of corrugated box for packing non-ISI domestic pressure cookers and 3 numbers of sale invoices were seized.
3	M/s Tekshiv Systems Pvt Ltd	47 quantity of non-ISI domestic pressure cookers were seized.
4	M/s Hardtrac Computer Services Pvt. Ltd	02 numbers of non-ISI domestic pressure cookers and 3 invoices of sale were seized.

Recommendation No. 5 (Para No. 4.36)

2.7 The Committee note that in order to supplement the efforts of the State Governments to run quasi-judicial Consumer Commissions commensurate to the Consumer Protection Act, 2019, the Department of Consumer Affairs is extending financial assistance to them to strengthen the infrastructure so that a minimum level of facilities are provided at each Consumer Commission required for their effective functioning. They, however, are constrained to note that in 2019-20, Rs. 600 Lakh was proposed at BE Stage which was revised to Rs. 494 Lakh and the Actuals remained only to the tune of Rs. 353.62 Lakh. Again, in 2020-21, the Actual Expenditure could not be met in full. The Committee find it to their utter dismay that even the reduced allocations are not being repeatedly met at AE Stage by the Department. The Committee do not understand the reasons for this trend. Against this backdrop, the Committee remain apprehensive as to whether an amount of Rs.600 Lakh in BE of 2022-23 would hardly be spent in full and the funds might be surrendered to Government Exchequer. The Committee hope that the Department will take strong measures in formulating the plan prudently and spend the entire funds allocated to the Department in 2022-23.

Reply of the Government

2.8 Funds under the scheme of Strengthening of Consumer Commission are released based on the proposals received from concerned State/UT Govt./Administrator. The proposals are examined in the Department in light of documents submitted as per prescribed proforma, utilization of the previous grants, submissions of utilization certificates and registration of implementing agencies on PFMS portal. Concerned States/UTs are regularly requested through letters and meetings to furnish pending utilization certificates, registration of implementing agencies on PFMS portal and to furnish complete proposals so that funds may be released under the scheme.

Recommendation No. 9 (Para No. 4.40)

2.9 The Committee note that an e-Daakhil portal has been designed/developed and implemented in NCDRC and 24 States/UTs which facilitates the consumers for online filing of complaints in 624 Consumer Commissions. They further note that it has been functional in some of the States/UTs whereas many States/UTs are deprived of the facility. The Committee, therefore, desire that this facility should be extended to all the Consumer

Commissions at the earliest. The Committee would like to be apprised of the latest status as obtaining in the matter.

Reply of the Government

2.10 At present, e-Daakhil portal is operational in NCDRC and Consumer Commissions of 31 State/UTs except in J&K(UT), Ladakh(UT), Daman & Diu and DNH(UT), Mizoram and Puducherry. All efforts are being made to make e-Daakhil operational in remaining States/UTs.

Recommendation No. 11 (Para No. 6.11)

2.11 The Committee note that Price Stabilization Fund (PSF) was set up with an initial Corpus of Rs. 500 Crore to tackle price volatility in some of the Agri-Horticultural Commodities like onion, potato and pulses to protect the interests of the consumers. The Committee also note that price stabilization operations are determined at the centre by the Central Price Stabilization Fund Management Committee (CPSFMC), headed by Secretary, Department of Consumer Affairs, which has held 53 meetings after its reconstitution. The Committee are happy to note that the Department has spent 93.60%, 94.36% & 89.6% of the allocated funds under PSF in the years 2019-20, 2020-21 and 2021-22 respectively. However, the Committee are constrained to note that a quantity of 51582.74 MT of onion has damaged due to spoilage during the years 2019-20 to 2022-21. They observe that the price of onions mounted to high during the recent months and damage of such quantity of onion reflects poor management on the part of the Department who has also set a target of procurement of 2.5 LMT of onion apart from other Essential Commodities in ensuing Budget year of 2022-23. Keeping in view the vast procurement of onion and its price fluctuation, the Committee desire the Department to take due care for proper storage of onions so as to refrain price fluctuation as and when noticed for facilitating consumers and to prevent the black-marketing. The Committee, also recommend the Department to carry out market intervention operations with due diligence, utmost sensitivity and have proper monitoring to meet the needs of consumers particularly in those areas which are prone to price destabilizations.

Reply of the Government

2.12 The Department accorded utmost importance to reduction of storage loss in onion buffer stocks. In 2021-22, the percentage of loss on account of prolonged storage of onion in

the buffer has been reduced to 25.96% from about 28% in 2020-21. Onion is traditionally stored in open ventilated chawls and the development of modern scientific technology is still under experimental stage. In order to develop technologies for primary processing, storage and valorisation of onion, the Department has initiated a hackathon under the guidance of Chief Innovation Officer, Ministry of Education. The hackathon would cover comprehensive solution for the issues in respect of improvement in the design of KandhaChawls created by farmers, pre-harvest care, primary processing such as drying, treatment for fungal infestation, storage at appropriate temperature and valorization.

Onions from the buffer are being released in a targeted and calibrated manner to stabilize prices at local as well as national level by monitoring price trends in various centres, States/UTs and at the all-India level.

Recommendation No. 13 (Para No. 7.5)

2.13 The Committee note that under the Scheme of Consumer Awareness, print, electronic and outdoor awareness campaigns are undertaken. They find that a BE of Rs. 44.50 Crore was proposed for the year 2021-22 and out of this proposal, only 51% i.e. Rs. 23 Crore was earmarked at RE Stage. The Committee find it to their utter dismay that out of this amount, the Department could utilise it to the tune of Rs.21.99 Crore i.e., 95.61% upto 11 February, 2022. In the Budget of 2022-23, an amount of Rs. 25 Crore has been proposed. The Committee do not understand that the Department proposes hefty amount at BE Stage which is revised drastically and even the revised funds are not fully utilized or remain unspent and are surrendered to Government Exchequer. The Committee, therefore, are of the firm opinion that the very purpose of the Scheme, thus, gets defeated and whole exercise of formulation of the Scheme proves to be of little avail, if the target of actual expenditure is not met in full and resultantly the amount has to be surrendered to the Government account. The Committee, therefore, desire the Ministry to formulate their plans realistically so that Scheme of such a vital nature is not hampered and as such the consumers do not face any hardship on this account. The Committee note that the Department has focused on generating awareness through social media at zero dissemination cost. The Committee laud this initiative of the Department and opine that this will go a long way if implemented in letter and spirit with no cost to Exchequer. The Committee would like to be apprised of the progress made in this regard.

Reply of the Government

2.14 The BE of Rs 44.50 cr for 'Consumer Awareness' scheme was reduced to Rs 23.00 cr at RE stage due to reduction of budget of the entire Department at RE stage. Till 11th Feb,

2022, out of RE of Rs 23.00 cr, an expenditure of Rs 21.99 cr was incurred, ie , 95.61%. Other than the expenditure incurred for various media campaigns, awareness has also been generated through social media, Panchayati Raj institutions, Gram Sabhas, and Mygov platform at zero dissemination cost. The Division had committed liabilities which were re-worked due to reduced budget after 11th Feb, 2022 and the division was able to exhaust the entire budget of Rs 23 cr till 31st March, 2022.

Recommendation No. 14 (Para No. 8.44)

2.15 The Committee note that the Department of Consumer Affairs is undertaking the strengthening of Weights & Measures (W&M) infrastructures of States/UTs as also of Regional Reference Standard Laboratories (RRSLs), which serves as a vital link in dissemination of the values of National standards of Legal Metrology down to the commercial level and the Indian Institute of Legal Metrology (IILM), Ranchi. They also note that out of the BE of Rs.15 Crore in 2021-22, an amount of Rs.7.48 Crore was earmarked at RE Stage for the Scheme and the Actual Expenditure was made to the tune of Rs.6.51 Crore as on 31.1.2022. The Committee find that still about Rs. one crore is yet to be spent. The Committee are not satisfied with this pace of spending for execution of the Scheme of paramount importance. The Committee, therefore, urge the Department to bring discipline in their finances and formulate plans prudently and allocate funds judiciously so that no hurdle is faced on this count.

Reply of the Government

2.16 All necessary steps will be taken to ensure that the finances are properly utilized and plans will be formulated for expenditure in a judicious manner.

Recommendation No. 15 (Para No. 8.45)

2.17 The Committee in their Original report observed/recommended as follows:-

"The Committee note that the Department of Consumer Affairs had released grant-in-aid to State Governments for construction of laboratory buildings vis-a-vis Secondary Standard Laboratory (SSL), Working Standard Laboratory, Controller's office, etc. and received requests from Mizoram, MP and Kerala. However, none of these States have submitted the Utilization Certificates and relevant documents for release of further aid. Resultantly,

subsequent grant-in-aid was not released. The Committee further note that component demand for supply of Standard Equipments to States/UTs was also not met. The Committee are not satisfied with the reasons attributed by the Department that the requests were received after BE was revised. They are of the opinion that there is something amiss between the Centre and the States/UTs owing to improper coordination. Utmost alacrity was not shown on seeking the requests/demands/UCs from the States/UTs for release of funds in time. The Committee wish the Department to appoint their Coordinators having sound knowledge in the field to have complete coordination with States to refrain from any delay in release of funds for execution of the Centre's scheme in the States/UTs. The Committee also note that the Department have planned to organize Training Programmes for Legal Metrology Officers of the State Governments. They appreciate this initiative of the Ministry and desire the Department to design the Programme keeping in view the challenges being encountered by them during discharge of their duties."

2.18 The Ministry in its action taken reply has stated:-

"Due care will be taken to ensure proper and timely utilisation of the grant in aid to the States/UTs for the Construction of Standard Laboratories and Controller's offices. The funds for the supply of Standard Equipments to States/UTs have been initiated for utilisation.

The Department will closely monitor the progress of implementation and will make every sincere effort to get the funds utilised."

Recommendation No. 16 (Para No. 8.46)

2.19 The Committee are happy to note that the Department has taken steps for strengthening of RRSLs and IILM, Ranchi. They are, however, constrained to find that the land of RRSL, Nagpur, was under encroachment which delayed construction of the building. To their dismay, they find that the land was swapped and a Deputy Director rank officer has been requested to take necessary action for construction. On the other hand, the Committee have been apprised that in the absence of receipt of utilization certificate for earlier grant-in-aid released by the Centre, next aid is not released. The Department has also informed that the requisition of the State was received after Budget was revised. The Committee opine

that, the Department should have the first hand knowledge of the proposed construction of the Building for release of the fund. The Committee find it a lackadaisical approach on the part of the Department which resulted into non-achievement of the targets and recommend the Department to coordinate with the States/UTs in right earnest in releasing grant for such vital Central Sector Schemes. The Committee note that the Department has made provisions for organizing training programmes for Central Government officials under Capacity Building Programme. They find that these training programmes were not organized due to COVID Pandemic. However, on other hand, the workshop on New Initiatives on Legal Metrology Act, 2009 for State Governments was successfully organized at NITS from 24-25 November, 2021. The Committee find it an act of carelessness and strongly recommend the Department to have uniformity in organizing all its Programmes.

Reply of the Government

2.20 All the necessary efforts will be made to ensure that funds allocated for construction of laboratory buildings and capacity building of Legal Metrology Officers of States/ UTs/ UOI will be judiciously utilized in time without compromising on quality.

The Department will closely monitor for organizing training programmes for Central Government and State Government officials under Capacity Building Programme.

Recommendation No. 17 (Para No. 8.47)

2.21 The Committee note that the Cabinet Secretariat had inter alia recommended in 2016 that non-uniformity of time across different systems creates problems in investigation of cyber crimes by the Law Enforcement Agencies and resultantly synchronization of all networks and computers within the country with a National Clock is a must. For this purpose, implementation of Indian Standard Time (IST) and its dissemination will reduce the error in time dissemination to just a few milli to micro seconds. Accurate time dissemination would ensure national security and will enhance cyber security. The Committee are happy to note that the Department has undertaken the Project of Time Dissemination with a timeline set by march, 2023. The Committee do not understand the rationale behind the delay in establishing a very vital Project of the time dissemination having a bearing on the societal, industrial and international trade, etc., but also national security and cyber crimes, which have been reached at paramount now-a-days. The Committee, therefore, recommend the Department to take swift action on the finalization of the Time Dissemination Project. The Committee would like to be apprised of the action taken for the purpose at the earliest.

Reply of the Government

2.22 The funds provided in RE during this financial year 2021-22 are sufficient as the procurement of equipments for the project of time dissemination could not be started by National Physical Laboratory (NPL) in coordination with ISRO.

However, all the necessary efforts will be made to ensure that funds allocated for procurement of equipment, construction of laboratory buildings and capacity building of Legal Metrology Officers of States/ UTs/ UOI will be judiciously utilized in time without compromising on quality.

The Department will closely monitor the progress of implementation and will make every sincere effort to get the funds utilised.

Recommendation No. 18 (Para No. 8.48)

2.23 The Committee note that the Bureau of Indian Standards (BIS) has been implementing the Plan Scheme for the setting up of Gold Assaying and Hallmarking Centres (AHCs) in the country by way of extending Central assistance. While under the Hallmarking Scheme, jewellers are granted registration, the Assaying and Hallmarking Centres are recognized to assay the purity of the jewellery submitted by the registered jewellers with declaration of purity, etc. The Committee also note that hallmarking of 14, 18 and 22 carats of Gold Jewellery have been made mandatory for jewellers selling gold and artefacts. But, however, the Committee find that out of 85 applications, only 59 applicants could only be permitted to set up the AHCs. However, the Department has assured the Committee that in 2022-23, setting up of more AHC centres would be expedited in deficient districts with follow up action by BIS and assistance required in the matter. The Committee are of the view that setting up of more AHCs will go a long way in serving the interests of the consumers of gold jewellery and to promote quality of goods and services as mandated under BIS. The Committee, therefore, recommend the Department to make all out efforts for early setting up of A&H Centres in the country to safeguard the interests of the consumers.

Reply of the Government

2.24 Under the Plan Scheme for setting up of Gold Hallmarking/Assaying Centres in India with Central Assistance financial is given to AHCs for 'Setting up of Gold Assaying and Hallmarking Centres' in India where no Assaying & Hallmarking Centre (assisted or otherwise) exists i.e. assistance is given for setting up of centre at deficient locations only.

- The Implementation Committee set up by the Government decides on Implementation issues relating to selection of districts, screening of applications and decision on giving go-ahead to the applicants for setting up the AHC etc.
- EOI was invited for setting up of AHC in deficient location with Central Assistance during 2021-22. 85 applications received against the EOI were put up to the Implementation Committee in its 35th meeting held on 20.12.2021 at BIS, HQ, New Delhi. The Committee deliberated on each of the application received and 59 applicants for 51 deficient locations were given go-ahead for setting up AHC in these deficient Districts. 26 Applications were received for the Districts which were not deficient i.e. they already have an AHC and therefore as per the eligibility criteria of the scheme these applications were not accepted for the purpose for providing Central Assistance by the Implementation Committee and the same was informed to the applicants.
- As decided by the Implementation Committee all the Regional Offices of BIS have been advised for regular follow-up with the applicants of their region for an early set-up of the centre.

Recommendation No. 19 (Para No. 8.49)

2.25 The Committee are happy to note that the Department has planned training programmes for the artisans, personnel of Assaying and Hallmarking Centres (AHC) and officers of BIS during the Budget year of 2022-23 under their Capacity Building Programme. In their opinion, it is a good thinking especially seen against the scenario that the Department has set a target of hallmarking of 8 crore jewellery articles during the year 2022-23. The Committee desire the Ministry to take robust measures in this regard and ensure due preparedness for running the Training Programmes as planned by the Department.

Reply of the Government

2.26 As per the targets of the Plan Scheme the yearly targets for Capacity Building for FY 2022-23 have been distributed to the five Regional Offices of BIS with an advice to achieve the targets. Constant follow-up is also being made in order to ensure that the targets are achieved.

Recommendation No. 20 (Para No. 8.50)

2.27 The Committee are happy to note that the National Test House (NTH) has completed 109 years of dedicated service to the nation under the administrative control of the Centre, yet they are constrained to find that during the Financial Year 2021-22, an amount of Rs. 23.50 Crore was proposed at BE Stage which was revised drastically downward and kept as low as Rs. 13.50 Crore at RE i.e. 57% to BE. The Committee fail to appreciate that even after sharp reduction in BE, the Department was not able to spend the entire fund, which remained to the tune of Rs. 9.39 Crore. The Committee, therefore, desire the Ministry to be realistic in formulating the Plans and spent the earmarked fund judiciously.

Reply of the Government

2.28 The reasons for variation in the BE, RE and AE of 2021-22 both in Capital and Revenue Heads is furnished below.

(Rs. in Crore)

Head of Account (Scheme)	BE	RE	AE	Remarks
Revenue (3425)				
Office Expenses (OE)	4.8	4.5	4.39	Almost, full amount has been utilized against this Head, unutilised amount is due to unfinished work for meeting the requirement of all the branches of NTH in respect of outsourcing of various services & other overhead expenditures of laboratories
Traveling Expenses (DTE)	0.65	0.45	0.45	Almost, full amount has been utilized for clearance of pending bills of official duty and transfer posting of officials in FY 2021-22.

Minor Works (MW)	4	3.7	3.59	Almost, full amount has been utilized for day to day building maintenance work by CPWD & AMC & calibration of various equipments by all six NTH Regions in FY 2021-22.
Information Technology (IT)	2.5	0.8	0.74	In this Head maximum amount has been utilised & remaining amount has been left unutilised due to non-mature of cases through GeM& the work order for MIS application was speeded over the FY 2022-23.
Total	11.95	9.45	9.17	97% to RE

(Rs. in Crore)

Head of Account (Scheme)	BE	RE	AE	Remarks
Capital (5425 & 4552)				
Machinery & Equipment (ME-5425)	7.6	2.2	1.98	Nowadays all proposals of procurement of equipments under ME (Scheme) are first approved by TAC followed by approval from DoCA. Thereafter the indents are prepared for floating T/E through CPP/ GeM as per Make In India guidelines. This is a lengthy process and its takes Q1 & Q2 (min.) & for which necessary fund could not be utilised as per schedule. However, in this FY, total 8 nos. of proposal are under process and supply order issued for seven nos. of equipments costing 6.26 crore.

				Another seven cases are under process of costing Rs. 3.5 Crore.
Machinery& Equipment (ME-4552)/ Guwahati	2.35	1.35	0.44	NE Region is allotted 10% of GBS in Plan Funds. Funds for NE region is allotted under a different Major Head 4552 than regular Capital Head 5425. Amount to be utilised is re-appropriated to regular Capital Head. In absence of Revenue Head for NTH (NER), Guwahati 10% of GBS is allotted under Capital Head 4552. Fund cannot be utilised even there is requirement exists to incur expenditure under Revenue Head.
L&B (5425)	1.6	0.5	0.82	Authorisation of Rs. 0.82 Crore has been authorised to CPWD (SZ) for final bill settlement in respect of High Voltage laboratory at NTH(SR), Chennai. Re- appropriation of fund and utilise Rs. 0.22Cr from savings fund of ME(Scheme)
Total	11.55	4.05	3.24	80% to RE
Grand Total (Revenue +	23.5	13.5	12.41	92% to RE

Capital)				
-----------------	--	--	--	--

Recommendation No. 21 (Para No. 9.9)

2.29 The Committee note that the Department had decided that the States/UTs willing to establish a Corpus Fund of Rs. 20.00 Crore for creating State Consumer Welfare Fund, would be supported by the Central Government by contributing 75% of total amount as the Centre's share. For this eligibility, the States/UTs would require to deposit their share in a non-plan, non-lapsable public account. However, the eligible State/UT would be free to draw their own guidelines commensurate with the centre's guidelines for administering the Fund. The Committee find that as of now only 17 States/UTs have established this Fund. In their opinion, this number is not satisfactory. Considering the urgent need of creating consumer awareness in the scenario of increased technology and innovations to further empower the consumers rights and protect interests of the consumers, the Committee desire the Department to vigorously pursue the matter with the remaining States/UTs to create this fund as early as possible.

Reply of the Government

2.30 As per CWF guidelines, the central share can be given only to those States who have set up the Corpus fund by depositing the State share and a request is made for the Central share.

This Department has been vigorously following up the matter with the remaining States/UTs to create Corpus funds at the remaining 19 States/UTs. In this direction, this Department vide D.O letter dated 20th April, 2022 at the level of Additional Secretary (CA) was sent to all the remaining states requesting for setting up the corpus fund and to deposit their share in a non-plan, non-lapsable public account so that the share of Central Government could be released.

Besides above D.O letter through Joint Secretary (CA) had already been sent on 02 February, 2022 to the States where corpus fund has already been setup with 10.00 crore to enhance the same with 20.00 crore and submit the requisite documents to this Department so that the central share could be released.

The States of UP and Uttarakhand have since set up the Corpus fund by depositing the State Share. Approval of releasing the Central share has been obtained (subject to the

ratification of the same in the next meeting of the Standing Committee. UP and Uttarakhand will therefore become the 18th and 19th State respectively to set up the Corpus Fund.

Some other States like Jharkhand, Sikkim, Mizoram etc. have requested for enhancement of Corpus fund. The files in this regard are under submission.

This Department has also been telephonically and through VCs requesting all the remaining States to set up the Corpus Fund/enhancement of the fund at the earliest.

CHAPTER – III

**RECOMMENDATIONS/ OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO
PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES**

- NIL -

CHAPTER – IV

RECOMMENDATIONS/ OBSERVATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation No. 6 (Para No. 4.37)

4.1 The Committee note that in 2021-22, the total allocation of Rs. 279.40 Lakh was released to the State of Karnataka for construction of District Consumer Commission building and non-building assets. The Committee while appreciating the initiative, would like to be apprised of the status thereof. The Committee further note that the Department has received proposals from the States of Jharkhand, Chattisgarh, Karnataka, Kerala, Odisha, Nagaland and Madhya Pradesh for release of funds under the scheme. The Department has informed that these requests are under scrutiny. The Committee, therefore, urge the Department to expedite finalization of their requests on priority basis and release the fund immediately to avoid any hardships on this count.

Reply of the Government

4.2 It has been informed by Karnataka State Consumer Disputes Redressal Commission that the above released amount of Rs. 279.40 Lakh is presently kept in the SB Account in the name of Registrar-cum-Administrative Officer, KSCDRC. The mapping process of both the nodal and implementing agency has been completed. The empowered committee constituted by the State Government has already approved the proposals. The requisite steps will be taken for utilizing the amount sanctioned after receiving the proceedings of the Empowered Committee.

As regards proposals received from **Jharkhand, Chattisgarh, Karnataka, Kerala, Odisha, Nagaland and Madhya Pradesh**, it is informed that the Department has sought certain clarifications from these states regarding issues such as pending UC, submission of proposals in requisite pro forma, mandate form etc. The proposals shall be processed as soon as requisite clarifications are received from these states.

Comments of the Committee

(Please see Para No. 1.11 of Chapter -I of the Report)

CHAPTER - V

RECOMMENDATIONS/ OBSERVATIONS IN RESPECT OF WHICH THE FINAL REPLIES OF THE GOVERNMENT ARE STILL AWAITED

Recommendation No. 1 (Para No. 1.10)

5.1 The Committee note that Budget Estimates (BE), Revised Estimates (RE) and Actual Expenditure (AE) for the year 2021-22 had been kept at Rs. Rs.2974.1 Crore Rs.2453.64 Crore and Rs.2175.69 Crore respectively. The Committee further note that the BE during 2021-22 was reduced by 17.5% at RE stage and kept at Rs. 2453.64. Even, this reduced AE could not be met by the Department at Actual Stage and it fell short by 11.3%. The Committee note with concern that the BE of 2022-23 has however been sharply reduced by 70.2% compared to RE of 2021-22 and has been kept as low as Rs.1724.88 Crore. If the allocation for PSF i.e. Rs. 1500 Crore for 2022-23 is deducted from the total amount of BE of Rs. 1724.88 Crore, this allocation remains to the tune of Rs. 224.88 Crore only which is also 18% lower than the BE for 2021-22 which was kept at Rs. 274.10 Crore. The reasons for the reduction has been attributed to the ceiling imposed by the MOF and downward revision of allocation for Price Stabilisation Fund. The Committee are apprehensive that this drastic reduction in the allocation for 2022-23, the Department of Consumer Affairs would not be able to implement its Major Schemes, which are directly connected with the common people of the country. The Committee, therefore, recommend the Ministry to act proactively and approach the Ministry of Finance to convince them to lift ceiling imposed as such for augmenting the fund for its Major Schemes exclusively dedicated to the consumers in the country. At the same time, the Committee would also impress upon the Department to take strong measures and keep a close monitoring of the Expenditure for proper implementation of Central Schemes with reference to the imperative demands and the targets fixed in respect of each of these Major Schemes.

Reply of the Government

5.2 The annual budget allocation under the Price Stabilisation Fund (PSF) are transferred to the PSF Corpus fund from which funds for PSF operations such as procurement, storage and disposal of pulses and onion are made. The sale proceeds from disposal of these commodities are ploughed back to the Corpus Fund. Currently, about Rs.5,400 crore is available in the PSF Corpus Fund which, together with the budget allocation of Rs.1500 in

2022-23 (BE) are expected to be sufficient to meet the requirements for PSF operations such as procurement of pulses and onion for the buffer. However, DoCA will approach the M/o Finance for additional funds if any shortage arises through Supplementary Grant.

Recommendation No. 7 (Para No. 4.38)

5.3 The Committee note that the State Consumer Helpline Scheme has been discontinued. The Department has expressed the reason for this discontinuation to be overlapping with the work of the Zonal Consumer Helplines (ZCH). They also note that an amount of Rs. 464.24 Lakh has already been released under this Scheme and most of the States/UTs either has not utilized it or it is under-utilized also these States/UTs have not furnished their Utilization Certificates. The Committee do not understand what action the Department is going to take for the unspent/under-utilized funds by the States. The Committee, therefore, suggest the Department to vigorously pursue the matters with the States/UT Administrations to furnish Utilization Certificates and accordingly apprise them of the complete action taken in the matter.

Reply of the Government

5.4 Concerned State/UT Govts. are being regularly requested through meetings/video conferencing and letters to furnish pending Utilization Certificates against the funds released to State/UT Govts. under various schemes of this Department. Recently, meeting with Eastern States on 01.12.2021, Southern States on 25.01.2022, all State/District Commissions on 14.02.2022 and in groups of States/UTs on 04.03.2022, 07.03.2022 and 01.04.2022 have been held wherein States/UTs were requested to furnish pending Utilization Certificates. A letter from the level of Joint Secretary (CA) has also recently been sent on 29.04.2022 to all concerned States/UTs in this regard.

Recommendation No. 8 (Para No. 4.39)

5.5 The Committee note that under the Scheme of Computerization and Computer Networking of Consumer Fora in the country (CONFONET), the Consumer Commissions at all the three tiers throughout the country are to be fully computerized to enable ease of access of information and quicker disposal of cases. They also note that hardware/software have been replaced in 31 State Commissions, 6 Circuit Benches (CB) and 378 District Commissions and procurement/supply of new set of hardware is under process for 200 more

locations which includes 3 State Commissions, 1 CB and 196 District Commissions. The Committee are constrained to note that the scheme of CONFONET has not been implemented owing to the sites not made ready at 4 sites of Arunachal Pradesh, 2 sites each of Chhattisgarh, Daman & Diu and Dadar & Nagar Haveli, 1 in J&K, 3 in Nagaland and 1 in Laddakh. The Committee find it as a lackadaisical approach on the part of the Department and strongly recommend the Department to act proactively to accomplish the tasks as per mandate so as to refrain from causing any hardships to the consumers on this count. The Committee note that the Department has made a provision of BE of Rs. 27.00 Crore in the Budget of 2022-23 with the targets of computerization of 13 Consumer Commissions and holding 6 training sessions to upskill 500 officials on the use of the Confonet system during the year 2022-23. The Committee laud this initiative and desire the Department to vigorously speed up the modalities/site readiness, etc. required for installation of equipments/hardware at Consumer Commissions in conformity to the 'Digital India' initiative.

Reply of the Government

5.6 Apart from computerization of aforesaid 13 Consumer Commissions and training sessions, funds under CONFONET scheme for FY 2022-23 will also be used for also replacement of old Hardwares in 20 Consumer Commissions, Data Center servers and software and for manpower support at approx. 650 Consumer Commissions.

As regard non-receipt of site-readiness certificate for 13 Consumer Commissions, the matter is being regularly taken up with concerned States/UTs from Department as well NIC (implementing agency).

Recommendation No. 10 (Para No. 5.9)

5.7 The Committee note that an amount Rs. 2.00 crore was proposed at BE stage which was revised downward and kept at Rs. 1.50 crore. They are constrained to note that out of this allocation, the Department has spent to the tune of Rs. 1.38 crore as on 11.2.2022. The Committee apprehend that a little time is left in closure of the financial year 2021-22 and the remaining amount hardly been spent. Resultantly, the amount will have to surrender to the Government Exchequer. They, therefore, desire the Department to formulate their planning judiciously so as to leave no chance in spending the earmarked fund timely and consumers could not face any hardship on this count. The Committee further note that the Department plans to engage the service of independent professional organization for studies related to price. They also note that most of the powers under the Essential Act, 1955 and the Prevention of Black-Marketing and Maintenance of Supplies of Essential Commodities, 1980

have been delegated to States as per order dated 30.11.1974 and 9.6.1978. However, the central government regularly advises the States/UTs to implement relevant Acts effectively and enforcement is done through raids. The Committee find that in view of such a very high raids/prosecution/conviction/detention, only 10005 persons were arrested and out of this number only 712 persons were convicted in 2020. Likewise, in 2021, out of 15450 arrested persons, only 1034 were convicted. The Committee do not understand the rationale behind this downward trend in prosecution against raid. They apprehend that defaulters must have been taking the benefits of the loopholes of the provisions contained in the Acts or there may be connivance of officials for their letting from being prosecuted who may, after letting from prosecution, again involve themselves in malpractices. The Committee, therefore, desire the Department to find out the reasons for non-conviction of the persons arrested and not prosecuted and take immediate action to refrain them from indulgence in malpractices and if need be, to amend the relevant Acts.

Reply of the Government

5.8 For Strengthening of Price Monitoring Cell Scheme, the B.E has been allocated Rs.2.00 Crore for 2021-22 which has been revised to Rs.1.50 Crore in R.E. The total expenditure has been incurred Rs. 1.44 Crore till 31.03.2022.

“Vide order dated 30.11.1974 and 09.06.1978, powers have been delegated to States /UTs to enforce both the Acts effectively. However, States/UTs are regularly requested to send the Action Taken Reports through online and offline mode to assess the effectiveness of implementation of the provisions contained in these Acts. In this regard, a D.O. letter has been issued to the states of Andhra Pradesh, Karnataka, Maharashtra, Telengana, West Bengal, Gujarat and Tamil Nadu to specify the reasons for such low conviction rates and also to find whether the defaulters are taking advantage of any loopholes of the provisions of the Acts.

In addition, States/UTs are also advised through different platforms such as National Consultation Meetings, Video Conferencing etc. for proper implementation of these Acts and also to be vigilant so that no person can take advantage of any deficiency in the provisions contained in the Act.”

Recommendation No. 12 (Para No. 6.12)

5.9 The Committee note that State-level Corpus Funds are created with Centre-State sharing on 50:50 basis and with 75:25 basis in case of the NE States. They also note that between the years 2015-16 to 2019-20, a total of Centre’s share of Rs. 164.15 Crore had

been released for setting up of State Level Price Stabilisation Fund with Centre's share of Rs. 50.00 Crore in Andhra Pradesh; Telangana; West Bengal; Odisha; Tamil Nadu; and Assam. Though the utilisation of the fund is monitored by the Department through meetings/ video conferencing and by seeking States Utilization Certificates and Account Statements of the States concerned from time to time, yet the Committee find that many States either do not furnish the Utilization Certificates or delay in submitting the same. The Committee, therefore, recommend the Department to take proactive steps for strict monitoring of the Account Statements of the States to make sure due spending on its part and seeking Utilization Certificates mandatorily from them.

Reply of the Government

5.10 The Department has sent written request to create State Level PSF in a regular interval and also conveyed during National Consultation Meeting of Ministers of States/UTs in-charge of Food, Civil Supplies and Consumer Affairs. Further in Zonal Conference regarding Strengthening of Price Monitoring Cell at State/UTs, State/UTs are urged to create State/UT level PSF.

DoCA has been making regular correspondence with Six States to whom advance has been granted for utilization of the Fund to send the Utilization Certificates (UC). DoCA on 8.3.2021 requested Telangana for sending revised UC. Reply is still awaited. Further, Andhra Pradesh was also requested on 31.3.2022 for sending UC for fund drawn only for PSF activities. Apart from above mentioned two states, rest of four States i.e West Bengal, Odisha, Assam and Tamil Nadu a reminder has been issued on 15.2.2022 requesting them to use the Fund under State Level PSF and send the UCs. DoCA is proactively making regular communication to States for UCs/utilization of Fund.

**NEW DELHI;
10 November, 2022
19 Kartika, 1944 (Saka)**

**LOCKET CHATTERJEE
Chairperson,
Standing Committee on Food
Consumer Affairs and
Public Distribution**

MINUTES OF THE SECOND SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2022-2023) HELD ON WEDNESDAY, 9th NOVEMBER, 2022

The Committee sat from 1500 hrs. to 1730 hrs. in Committee Room '2', Block 'A', Extension to Parliament House Annexe, New Delhi.

PRESENT

Smt. Locket Chatterjee - Chairperson

Members

Lok Sabha

2. Dr. Farooq Abdullah
3. Shri Anil Firojiya
4. Shri Khagen Murmu
5. Shri Mitesh Rameshbhai (Bakabhai)Patel
6. Shri Subrat Pathak
7. Dr. Amar Singh
8. Smt. Kavita Singh
9. Shri Saptagiri Sankar Ulaka
10. Shri Rajmohan Unnithan

Rajya Sabha

11. Shri Satish Chandra Dubey
12. Dr. Fauzia Khan
13. Shri Baburam Nishad
14. Shri Rajmani Patel

SECRETARIAT

1. Shri Srinivasulu Gunda - Joint Secretary
2. Dr. Vatsala Joshi - Director
3. Shri Ram Lal Yadav - Additional Director
4. Dr. Mohit Rajan - Deputy Secretary

XXX XXX XXX

2. XXX Thereafter, the Chairperson welcomed the Members to the sitting of the Committee convened to consider and adopt the draft report on Action Taken by the Government on observations/recommendations contained in the 19th Report (17th LS) on Demands for Grants (2022-23) pertaining to Department of Consumer Affairs; XXXXX Thereafter, the Committee took up for consideration the Draft Report. After due deliberations, the Committee unanimously adopted the said Action Taken Report without any amendment/modification and authorized the Chairperson to carry out verbal and consequential changes, if any, therein and present the same to the Parliament.

XXX XXX XXX

- 3. XXX XXX XXX
- 4. XXX XXX XXX
- 5. XXX XXX XXX
- 6. XXX XXX XXX

The Committee then adjourned.

APPENDIX II

(Vide Para No. 4 of Introduction of the Report)

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE OBSERVATIONS/RECOMMENDATIONS CONTAINED IN THE TENTH REPORT OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2022-2023)

(SEVENTEENTH LOK SABHA)

- (i) Total number of Recommendations: 21
- (ii) Observations/Recommendations which have been accepted by the Government :
- Para Nos.:- 3.4, 4.34, 4.35, 4.36, 4.40, 6.11, 7.5, 8.44, 8.45, 8.46, 8.47, 8.48, 8.49, 8.50 and 9.9
- (Chapter - II, Total 15)
Percentage : 71.43%
- (iii) Observations/Recommendations which the Committee do not desire to pursue in view of the replies received from the Government:
- Para Nos.
- (Chapter - III, Total - NIL)
Percentage : NIL%
- (iv) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:
- Para Nos. : 4.37
- (Chapter - IV, Total -01)
Percentage : 4.76
- (v) Observations/Recommendations in respect of which the interim replies of the Government have been received.
- Para Nos.:- 1.10, 4.38, 4.39, 5.9 and 6.12
- (Chapter - V, Total - 05)
Percentage : 23.81%