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STANDING COMMITTEE ON CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (2022-23)

SEVENTEENTH LOK SABHA

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

DEMANDS FOR GRANTS (2023-24)

TWENTY FIFTH REPORT



LOK SABHA SECRETARIAT NEW DELHI

March, 2023/ Phalguna, 1944 (Saka)

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DEMANDS FOR GRANTS (2023-24)

Presented to Lok Sabha on 21.03.2023 Laid in Rajya Sabha on 21.03.2023



LOK SABHA SECRETARIAT NEW DELHI

March, 2023/ Phalguna, 1944 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION

Mrs. Locket Chatterjee - Chairperson

Lok Sabha

- 2. Dr. Farooq Abdullah
- 3. Shri Sudip Bandyopadhyay
- 4. Shri Girish Bhalchandra Bapat
- 5. Shri Shafigur 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. Dr. Ashok Bajpai

LOK SABHA SECRETARIAT

1. Shri Srinivasulu Gunda - Joint Secretary

2. Dr. Vatsala Joshi - Director

3. Dr. Mohit Rajan - Deputy Secretary
 4. Shri Dong Lianthang Tonsing - Under Secretary

INTRODUCTION

I, the Chairperson of the Standing Committee on Consumer Affairs, Food and Public Distribution (2022-23) having been authorized by the Committee, to present on their behalf the Twenty Fifth Report (Seventeenth Lok Sabha) on Demands for Grants (2023-24) relating to the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs).

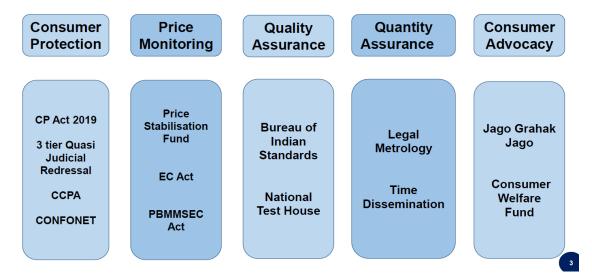
- 2. The Committee examined/scrutinized the detailed Demands for Grants (2023-24) of the Ministry which were laid on the Table of the House on 10 February, 2023. The Committee took oral evidence of the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) on 27 February, 2023.
- 3. The Committee wish to express their thanks to the officers of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) for appearing before the Committee and furnishing the material and information which the Committee desired in connection with the examination of the Demands for Grants (2023-24).
- 4. The Draft Report was considered and adopted by the Committee at their sitting held on 13.03.2023.
- 5. For facility of reference and convenience, the observations/recommendations of the Committee have been printed in **bold** type in the body of the Report.

NEW DELHI; 13 March, 2023 22 Phalguna,1944 (Saka) LOCKET CHATTERJEE
Chairperson
Standing Committee on Consumer Affairs,
Food and Public Distribution

CHAPTER - I

INTRODUCTORY

1. DEPARTMENT AT A GLANCE



2. ROLE OF THE DEPARTMENT

- 1.2 The Department of Consumer Affairs (DCA) is one of the two Departments under the Ministry of Consumer Affairs, Food & Public Distribution. The mandate of the Department is consumer advocacy. India was pioneer in consumer advocacy with the Consumer Protection Act (CPA), a path breaking legislation at the time, enacted in 1986 and the establishment of a separate government department dedicated to consumer affairs as early as in 1997. The new Consumer Protection Act, 2019 came into force on July 20th, 2020 in India, replacing the previous enactment of 1986. The new Act overhauls the administration and settlement of consumer disputes in India. It provides for strict penalties, including jail terms for adulteration and for misleading advertisements. More importantly, it now prescribes rules for the sale of goods through e-commerce. Translating this mandate into action entail:
- Enabling consumers to make informed choices;
- Ensuring fair, equitable and consistent outcomes for consumers; and
- Facilitating timely and effective consumer grievance redress (Para 2.0, AR)

- 1.3 The Department has been entrusted with administering: -
- The Consumer Protection Act, 2019
- The Essential Commodities Act, 1955 (Supply, Price and Distribution of Essential Commodities not dealt with specifically by any other Department).
- Prevention of the Black marketing and Maintenance of Supplies of Essential Commodities
 Act, 1980;
- Legal Metrology Act, 2009;
- Regulation of Packaged Commodities.
- The Standards of Weights and Measures.
- Price Stabilisation Fund
- The Emblems and Names (Prevention of Improper Use) Act, 1952.
- The Bureau of Indian Standards Act, 2016.
- Consumer Cooperatives.
- Monitoring of prices and availability of essential commodities.
- National Test House.

CHAPTER - II DEMANDS FOR GRANTS (2023-24)

1. OVERVIEW

The Budget Estimate (BE), Revised Estimate (RE) and Actual Expenditure (AE) of the Department of Consumer Affairs(DoCA) for the last five years is as follows:

(in crores of Rupees)

| Year | BE | RE | AE | Shortfall in |
|---------|---------|---------|-------------------------|--------------|
| | | | | AE vis- vis |
| | | | | RE |
| 2017-18 | 3744.45 | 3733.85 | 3730.55 | 3.3 |
| 2018-19 | 1804.52 | 1799.37 | 1787.63 | 11.74 |
| 2019-20 | 2291.82 | 2069.50 | 1942.36 | 127.14 |
| 2020-21 | 2561.00 | 12298.9 | 11388.86 | 910.05 |
| | | 1 | | |
| 2021-22 | 3237.60 | 2717.14 | 2262.69 | 454.45 |
| 2022-23 | 1762.38 | 256.55 | 231.92(upto 26.02.2023) | 24.63 |
| 2023-24 | 287.66 | | | |

2.2 In response to a query as to why budget allocation for the year 2022-23 was reduced from Rs. 1762.38 crore to 256.55 crore, DoCA in a written reply submitted as under :

"The BE (2022-23) allocation has been reduced at RE (2022-23) stage on account of reduction in the allocation of Rs.1500 under Price Stabilisation Fund. The scheme, Price Stabilisation Fund (PSF), has been set up for strategic market inventions to control the volatility in prices of agri-horticultural commodities, namely, pulses and vegetables such as onion. The annual budgetary supports accrued into a Corpus Fund and price stabilisation operations involving procurement, storage and disposal of stocks are funded out of the Fund. Sale proceeds of stocks are ploughed back into the Corpus Fund. Since the balance fund in the PSF Corpus has been sufficient to meet the buffer operation during 2022-23, the budgetary support of Rs.1500 in 2022-23 (BE) has been reduced to Rs.1.00 lakh in RE (2022-23. The balance fund in the PSF Corpus as on 13th February, 2023 is Rs.5,925 crore which is sufficient fund to meet price stabilisation operations during 2023-24. The Government is committed to providing requisite

additional allocation for price stabilization, if the need arises during the coming financial year (2023-24).

2.3 In written reply to Committee's query as to the reason for under utilization during the years 2019-20, 2020-21 and 2021-22 vi-a- vis RE, the Department of Consumer Affairs (DoCA) replied as follows :

(Rs. crore)

| Year | BE | RE | AE | Unspent w.r.to RE | Reasons |
|-------------|---------|----------|----------|-------------------------|--|
| 2019- 20 | 2291.82 | 2069.50 | 1942.36 | 127.14 | The Major Component for saving of Rs. 127.14 cr. Are as under:- a). There was saving of Rs. 107.00 crore in Price Stabilization Fund under M.H. 2552 NER. Saving was due to non-receipt of sufficient proposals from the NE States. b). Saving of Rs. 6.11 cr. was under Consumer Awareness (Publicity). Savings were due to primarily outdoor awareness campaigns, electronic media, print campaign having been drastically reduced and dissemination being done primarily through social media channels. |
| 2020- 21 | 2561.00 | 12298.91 | 11388.86 | 910.05 | The Major Component for saving of Rs. 910.05 cr. Are as under:- a). There was saving of Rs. 664.70 crore in Price Stabilization Fund under M.H. 2552 NER. Saving was due to non-receipt of sufficient proposals from NE States. b). Rs. 238.08 cr. from Consumer Welfare Fund were to be utilized by the CBIC for |

| | | | | | publicity/consumer awareness on GST. The saving was due to non-utilisation of fund by CBIC. |
|---------|---------|---------|---------|--------|---|
| 2021-22 | 3237.60 | 2717.14 | 2262.69 | 454.45 | The Major Component for saving of Rs.454.45 cr. are as under:- a). There was saving of Rs. 210.17 crore in Price Stabilization Fund under M.H. 2552 NER. Saving was due to non-receipt of sufficient proposals from NE States. b). There was saving of Rs. 226 Cr. in Consumer Welfare Fund. The saving was due to non-utilization of funds by CBIC for Publicity/ Consumer Awareness on GST. |

2. ALLOCATIONS UNDER CENTRAL SECTOR SCHEMES

2.4 The Department has informed the Committee that in the ensuing Budget of 2023-24 a BE of Rs. 113.50 Crore has been has been proposed for the Department of Consumer Affairs for the Central Sector Schemes as follows:

| Scheme | RE 2021- 22 | BE 2022- 23 | RE 2022-23 | Expenditure (Till 26.02.2023) | % of Actual to RE 2022-23 | BE 2023- 24 |
|-----------------------|----------------|----------------|---------------|-------------------------------------|---------------------------|----------------|
| Total Revenue | 2,328.84 | 1,579.15 | 71.72 | 66.72 | 93% | 86.47 |
| Total Capital | 19.41 | 19.35 | 26.62 | 16.68 | 63% | 27.03 |
| Scheme Grand Total | 2,348.25 | 1,599.00 | 98.34 | 83.40 | 85% | 113.50 |
| (Revenue+Capital) | | | | | | |

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2.5 The Scheme-wise break-up of the above is as follows:

| Sche | me | RE 2021- | BE 2022- | RE 2022- | Expenditure | % of | BE 2023- |
|------|----------|----------|----------|----------|-------------|-----------|----------|
| | | 22 | 23 | 23 | (Till | Actual to | 24 |
| | | | | | 26.02.2023) | RE 2022- | |
| | | | | | | 23 | |
| 1. | Consumer | 23.00 | 25.00 | 17.50 | 15.70 | 90% | 17.99 |

| | 1 | | 1 | T | | 1 |
|---------------------|----------|----------|-------|-------|------|--------|
| Awareness | | | | | | |
| (Publicity) | 10.00 | 10.00 | | | 000/ | 44.00 |
| 2. Consumer | 42.00 | 40.00 | 37.82 | 37.15 | 98% | 44.00 |
| Protection | | | | | | |
| (i) Strengthening | 2.79 | 6.00 | 3.16 | 2.70 | 85% | 7.00 |
| Consumer | | | | | | |
| Commissions | | | | | | |
| (ii) CONFONET | 32.00 | 27.00 | 29.26 | 29.26 | 100% | 29.40 |
| (iii) Consumer | 0.40 | | | | | |
| Helpline | | | | | | |
| (iv) ICGRS | 6.81 | 7.00 | 5.40 | 5.19 | 96% | 7.60 |
| (Consumer | | | | | | |
| Protection Cell) | | | | | | |
| 3. Weights and | 18.15 | 17.00 | 23.00 | 15.14 | 66% | 28.00 |
| Measures | | | | | | |
| (i) Strengthening | 0.93 | 3.00 | 3.00 | 3.00 | 100% | 6.75% |
| of W&M | | | | | | |
| Infrastructure | | | | | | |
| (ii) Strengthening | 7.48 | 4.70 | 4.85 | 2.42 | 50% | 16.00 |
| of RRSL and IILM | | | | | | |
| (iii) Dissemination | 9.74 | 9.30 | 15.15 | 9.72 | 64% | 5.25 |
| of Time | | | | | | |
| 4. National Test | 13.50 | 14.75 | 17.00 | 12.32 | 72% | 17.00 |
| House | | | | | | |
| 5. Bureau of | | | | | | |
| Indian Standards | | | | | | |
| (i) Gold | 0.10 | 0.75 | 0.01 | 0.01 | 100% | 0.50 |
| Hallmarking | | | | | | |
| Total | 0.10 | 0.75 | 0.01 | 0.01 | 100% | 0.50 |
| 6. Strengthening | 1.50 | 1.50 | 3.00 | 2.22 | 74% | 6.00 |
| Price Monitoring | | | | | | |
| Structure | | | | | | |
| 7. Price | 2,250.00 | 1,500.00 | 0.01 | 0.00 | 0% | 0.01 |
| Stabilization Fund | | | | | | |
| Grand Total | 2,348.25 | 1,599.00 | 98.34 | 82.54 | 84% | 113.50 |
| (Scheme) | | | | | | |

2.6 The Committee note that allocation and utilization of funds by the Department of Consumer Affairs shows that the Actual Expenditure (AE) for the last 5 years has shown enormous surrenders. The Committee therefore, recommend that the Department should make better planning at the Revised Estimate Stage so as to spend as much as estimated and reduce the chances of surrender of funds.

3. REVENUE SECTION

2.7 The BE, RE and AE under Revenue Section for the last five years and the current year is as follows:

(in crore of Rupees)

| Year | BE | RE | AE |
|---------|---------|----------|--------------|
| 2017-18 | 3723.10 | 3716.85 | 3714.03 |
| 2018-19 | 1755.93 | 1744.56 | 1739.17 |
| 2019-20 | 2240.32 | 2051.64 | 1928.93 |
| 2020-21 | 2505.60 | 12264.72 | 11355.49 |
| 2021-22 | 3191.55 | 2697.73 | 2244.16 |
| 2022-23 | 1742.53 | 229.93 | 202.08(upto |
| | | | 20.02.2023) |
| 2023-24 | 259.59 | | |

4. CAPITAL SECTION

2.8 Data on Allocation and utilisation of resources under capital head during the last 5 years as furnished by the Department of Consumer Affairs is as under:

(in crores of Rupees)

| Year | BE | RE | AE |
|---------|-------|-------|------------------|
| 2017-18 | 21.35 | 17 | 16.52 |
| 2018-19 | 48.59 | 54.81 | 48.46 |
| 2019-20 | 51.50 | 17.86 | 13.43 |
| 2020-21 | 55.40 | 34.19 | 33.37 |
| 2021-22 | 46.05 | 19.41 | 18.53 |
| 2022-23 | 19.85 | 26.62 | 16.53 |
| 2022 20 | 10.00 | 20.02 | (as on 20.02.23) |
| 2023-24 | 28.07 | | |

2.9 In written reply to a query as to the reasons for under spending of allocations vis- a- vis reduced RE during 2019-20 to 2021-22, Department of Consumer Affairs replied as under:

| Year | BE | RE | AE | Unspent | Reasons |
|------|----|----|----|-----------|---------|
| | | | | w.r.to RE | |
| | | | | | |

| 2019-20 | 51.50 | 17.86 | 13.43 | 4.43 | a). Saving of Rs. 2.74 crore was due to less procurement of M&E (Machinery and Equipment) under Dissemination of Time project of LM Division. b). Saving of Rs. 1.69 crore was due to non-materialization of proposals for procurement of M&E(Machinery and Equipment) and requirement of less fund by CPWD for construction of building |
|---------|-------|-------|-------|------|---|
| 2020-21 | 55.40 | 34.19 | 33.37 | 0.82 | Savings are minor. |
| 2021-22 | 46.05 | 19.41 | 16.84 | 2.57 | Due to covid restrictions, some of the planned activities could not be completed on time resulting in the saving. |

2.10 On being asked about the reasons that necessitated downward revision at the RE vis-àvis BE since 2019-20 the Department replied as under :

"The allocation at RE stage has been reduced hence there is reduced REallocation in Capital heads in respect of BE allocation during these years. Due to prevalence of COVID-19 pandemic the implementing agencies like NPL/FCRI and CPWD etc. could not utilize the funds and, therefore, the RE was reduced. However, in the current year due to modernization and upgradation of laboratories, RE was enhanced for 2022-23 and the same will be fully utilized".

2.11 In written reply to a query on the efforts made by the Department of Consumer Affairs to create capital assets for consumer protection in the country during the last five years, the Department furnished the following reply:

"The Department is primarily a regulatory department and is entrusted with the implementation of various Acts such as "The Consumer Protection Act 2019", Legal Metrology Act 2009, Essential Commodities Act 1955 etc. However, the department has created capital assets by constructing regional reference standards laboratories and upgrading and modernizing scientific testing equipment in National Test House. New building blocks in National Test House for impulse test laboratories have also been constructed in Chennai and Mumbai".

2.12 About theplans to utilize the allocated fund during the year 2023-24, the Department stated as follows:

"Funds allocated for the year 2023-24 in capital head will be utilized for procurement of timing instruments for time dissemination project, standards weight and measures for testing and calibration of weighing and measuring instruments, and modernization and expansion of the activities of National Test House. Advance action will be taken to expedite procurement".

2.13 The Committee also note that The Department has created capital assets by constructing regional reference standards laboratories and upgrading and modernizing scientific testing equipment in National Test House. They also note that new building blocks have also been constructed in National Test House for impulse test laboratories in Chennai and Mumbai. They also note that funds allocated for the year 2023-24 in capital head will be utilized for procurement of timing instruments for time dissemination project, standards weight and measures for testing and calibration of weighing and measuring instruments, and modernization and expansion of the activities of National Test House. For while the Department has plans to take advance action to expedite procurement. The Committee desire that creation of capital assets should be executed with proper planning at appropriate stage in such a way as to ensure timely completion.

CHAPTER - III

CONSUMER PROTECTION

The Department has informed about main objectives of the Consumer Protection Programme as under:

- To create suitable administrative and legal mechanisms which would be within the easy reach of consumers and to interact with both Government and non-Governmental Organizations to promote and protect the welfare of the consumers.
- To involve and motivate various sections of society including consumer organizations, women and youth to participate in the programme.
- To generate awareness among consumers about their rights and responsibilities, motivate them to assert their rights and not let them compromise on the quality and standards of goods and services and to seek redressal of their disputes in Consumer Commissions, if required.
- To educate the consumers to be aware of their rights & social responsibilities.
- to provide a meaningful consumer protection through proper legislation.

1. THE LEGAL FRAMEWORK

- 3.2 With a view to modernise the Consumer Protection Act, 1986 and to further strengthen the Act in the new era of globalization, tools and technologies, e-Commerce markets, Consumer Protection Bill, 2019 was passed in the Parliament 09.08.2019. The Consumer Protection Act, 2019 has since been implemented w.e.f. 20th July, 2020.
- 3.3 Under the provisions of the Consumer Protection Act, 2019, a three tier-quasijudicial mechanism, called Consumer Commission, has been established at the District, State and National levels to provide speedy, simple and inexpensive resolution of consumer disputes. As per the provisions of the Act, it is the responsibility of the State Governments to establish and effectively run the District Commission and State Commissions in their respective States/UTs. However, to supplement the efforts of the State Governments, the Department of Consumer Affairs, Government of India has been extending financial assistance under the scheme to strengthen the infrastructure of Consumer Commission so that a minimum level of facilities are

made available at each Consumer Commissions, which are required for their effective functioning. Under the scheme, financial assistance is provided to the State/UT Governments for construction of new buildings of the Consumer Commission, carrying out addition/alteration/renovation of existing building and grant for acquiring non-building assets such as furniture, office equipment, installing CCTV cameras etc.

2. CONSUMER PROTECTION FRAMEWORK



3.4 The basic objectives of the scheme 'Consumer Protection' are to enable Consumers to make informed choices; ensure fair, equitable and consistent outcomes for consumers; and facilitate timely and effective grievance redressal. It also seeks to empower consumers through awareness and education; enhance consumer protection and safety through progressive legislations and prevention of unfair trade practices; enable quality assurance through standards; ensure access to affordable and effective grievance redressal mechanisms etc.

3. CONSUMER PROTECTION SCHEME

3.5 The BE, RE and AE for Consumer Protection under the Major Head 3456 during the last 5 years is as given below:

| Year | BE | RE | AE |
|---------|-------|-------|-------|
| 2017-18 | 32.00 | 26.40 | 26.18 |
| 2018-19 | 70.00 | 60.00 | 58.90 |
| 2019-20 | 35.00 | 48.49 | 46.38 |
| 2020-21 | 49.00 | 40.41 | 39.18 |
| 2021-22 | 44.00 | 42.00 | 41.7 |
| 2022-23 | 40.00 | 37.82 | 36.62 |
| 2023-24 | 44.00 | | |

3.6 Asked about the steps taken or proposed to be taken for realistic budget allocation, the Department replied:

"Budget is proposed based on the funds to be released to States/UTs under scheme Strengthening of Consumer Commissions, expected expenditure in organizing meetings/conferences and demand under CONFONET project. All efforts are made to have realistic budget such as discussion with stakeholders, scrutinizing proposals at hand, budget received in previous financial years are studied before finalizing the budget".

4. STRENGTHENING CONSUMER COMMISSIONS (SCC)

- 3.7 As stated earlier a three tier-quasi-judicial mechanism, called Consumer Commission, has been established at the District, State and National levels to provide speedy, simple and inexpensive resolution of consumer disputes under the provisions of the Consumer Protection Act, 2019.
- 3.8 The Committee have also been informed that under the Scheme, financial assistance is provided to the State/UT Governments for construction of new buildings of the Consumer Commissions, carrying out addition/alteration/renovation of existing building and grant for acquiring non-building assets such as furniture, office equipment, installing CCTV cameras etc.

3.9 The allocation and expenditure on Consumer Disputes Redressal Commission under Major Head 3456 for the last 5 years is given below:

(in thousands of Rupees)

| Minor Head | 03 (Consumer Disputes Redress Commission | | | | |
|------------|--|--------|-------------------------|--|--|
| Year | BE | RE | AE | | |
| 2017-18 | 143400 | 145140 | 143169 | | |
| 2018-19 | 179800 | 166050 | 160788 | | |
| 2019-20 | 176200 | 183200 | 178589 | | |
| 2020-21 | 203750 | 183800 | 176885 | | |
| 2021-22 | 206550 | 225800 | 206931 | | |
| 2022-23 | 370400 | 335330 | 305707(upto20.02.2023) | | |
| 2023-24 | | | | | |

^{3.10} The details of yearwise release of funds to the States as given by the Department of Consumer Affairs are as follows:

(in lakhs of Rupees)

| SI.No. | State/UT | Total Grant Released | Pending UCs |
|--------|--------------------|-------------------------|-------------|
| 1 | Andhra Pradesh | 1068.60 | 229.30 |
| 2 | Arunachal Paradesh | 1059.55 | 0.00 |
| 3 | Assam | 301.92 | 4.93 |
| 4 | Bihar | 822.78 | 256.63 |
| 5 | Chhattisgarh | 827.64 | 200.00 |
| 6 | Goa | 70.00 | 0.00 |
| 7 | Gujarat | 2245.82 | 10.57 |
| 8 | Haryana | 753.24 | 183.45 |
| 9 | Himachal Pradesh | 427.64 | 52.57 |
| 10 | Jammu & Kashmir | 105.00 | 0.85 |
| 11 | Jharkhand | 195.00 | 57.63 |

| 12 | Karnataka | 1462.77 | 6.65 |
|----|--------------------|----------|---------|
| 13 | Kerala | 1051.12 | 195.82 |
| 14 | Madhya Pradesh | 1714.69 | 28.15 |
| 15 | Maharashtra | 821.56 | 56.49 |
| 16 | Manipur | 237.49 | 0.00 |
| 17 | Meghalaya | 308.27 | 0.00 |
| 18 | Mizoram | 475.62 | 4.90 |
| 19 | Nagaland | 979.25 | 80.00 |
| 20 | Odisha | 856.76 | 19.59 |
| 21 | Punjab | 519.77 | 54.18 |
| 22 | Rajasthan | 1563.43 | 488.02 |
| 23 | Sikkim | 282.30 | 0.00 |
| 24 | Tamil Nadu | 1393.47 | 0.00 |
| 25 | Telangana | 73.00 | 0.00 |
| 26 | Tripura | 366.95 | 0.03 |
| 27 | Uttar Pradesh | 2860.66 | 239.57 |
| 28 | Uttarakhand | 380.54 | 171.36 |
| 29 | West Bengal | 2546.35 | 1013.65 |
| 30 | A & N Islands. | 159.60 | 125.00 |
| 31 | Chandigarh Admin. | 29.80 | 0.00 |
| 32 | Dadra Nagar Haveli | 60.00 | 40.12 |
| 33 | Daman & Diu | 70.00 | 52.90 |
| 34 | Ladakh | 0.00 | 0.00 |
| 35 | Lakshadweep | 60.00 | 30.20 |
| 36 | Delhi | 191.65 | 78.31 |
| 37 | Puducherry | 95.00 | 35.00 |
| | Total | 26437.24 | 3715.87 |

- 3.11 While some states/UTs have performed well by furnishing the full Utilization Certificate (UC) of funds received, UC are outstanding against some states. In a post evidence reply the Ministry submitted as under:
 - "...out of the funds released to the tune of Rs. 26437.24 lakhs, Utilization Certificates for an amount of only Rs. 3715.87 lakhs is pending i.e. 14% only of released amount. Out of amount Rs. 3715.87 lakhs, pending Utilization Certificates of amount Rs. 1501.67 lakhs relates to only 2 States i.e. West Bengal and Rajasthan.

The issue of pending UCs is being taken up regularly with the concerned States/UTs by the Department. In this regard, various VC meetings have taken place with the concerned States/UTs in groups of 7-8 states. The latest round of such VC Meetings was held from 09.02.2023 to14.02.2023. During the course of meetings, it has been urged to furnish the pending UCs for the funds released to the respective states under the SCC scheme".

5. STATE CONSUMER HELPLINE SCHEME

- 3.12 Funds were also released under the State Consumer Helpline Scheme for running the State Consumer Helpline, which has since been discontinued.
- 3.13 Asked about the amount of fund sanctioned and released State/UT-wise, along with dates of sanctioning and releasing of funds vis-a-vis utilization thereof under the Scheme of State Consumer Helplines till date, the Department furnished the following reply:

"The State/UT-wise details of funds released along with details of Unspent balance may be seen as per the table below:

| Status (| | Pending UCs under the elpline Scheme | State Consumer | | | | |
|----------|---|---|--------------------|--|--|--|--|
| | (Amount in Rs.) | | | | | | |
| SI. No | SI. No State/UT Total Grant Released Unsp. Balance & Pending UC | | | | | | |
| | | (2007-08 to 2022-23) | (as on 02.08.2022) | | | | |
| 1 | Andhra Pradesh | 2725000 | 1183722 | | | | |
| 2 | Arunachal | 2396616 | 0 | | | | |

| | Pradesh | | |
|----|---------------------|----------|---------|
| 3 | Assam | 6496174 | 4086187 |
| 4 | Bihar | 6610130 | 834722 |
| 5 | Chhattisgarh | 5920732 | 2724116 |
| 6 | Goa | 0 | 0 |
| 7 | Gujarat | 3274148 | 0 |
| 8 | Haryana | 15019408 | 0 |
| 9 | Himachal Pradesh | 2591721 | 2591721 |
| 10 | Jammu & Kashmir | 2987978 | 2987978 |
| 11 | Jharkhand | 2680000 | 75848 |
| 12 | Karnataka | 6620732 | 1488000 |
| 13 | Kerala | 8920702 | 2167688 |
| 14 | Madhya Pradesh | 9103000 | 3778000 |
| 15 | Maharashtra | 12861624 | 79000 |
| 16 | Manipur | 5464848 | 1349116 |
| 17 | Meghalaya | 2195000 | 788733 |
| 18 | Mizoram | 7748080 | 0 |
| 19 | Nagaland | 4867732 | 0 |
| 20 | Odisha | 7017536 | 0 |
| 21 | Punjab | 2760000 | 2760000 |
| 22 | Rajasthan | 15094580 | 0 |
| 23 | Sikkim | 7746464 | 0 |
| 24 | Tamil Nadu | 13888080 | 0 |
| 25 | Telangana | 5673268 | 1354029 |
| 26 | Tripura | 5457615 | 1349116 |
| 27 | Uttar Pradesh | 12521464 | 0 |

| | 1 | | |
|----|-----------------------|-----------|----------|
| 28 | Uttarakhand | 2410000 | 1283532 |
| 29 | West Bengal | 6496174 | 2309658 |
| 30 | A & N Islands. | 2195000 | 1916330 |
| 31 | Chandigarh Admin. | 4059572 | 1414771 |
| 32 | Dadra Nagar Haveli | 2195000 | 2195000 |
| 33 | Daman & Diu | 2299558 | 2299558 |
| 34 | Delhi | 0 | 0 |
| 35 | Ladakh | 0 | 0 |
| 36 | Lakshadweep | 2195000 | 1453000 |
| 37 | Puducherry | 6814784 | 1669499 |
| | Total | 207307720 | 44139324 |

3.14 In written reply to a query about the steps taken to ensure States/UTs to furnish UCs, the Department replied:

"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 including the scheme of "State Consumer Helpline (since discontinued). 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 for seeking the Utilization Certificate on 20.01.2023...... Besides the above, concerned State/UT Govts. are being regularly requested through meeting to furnish pending Utilization Certificate against the funds released to State Govt./UT under various Schemes".

3.15 The Committee note that in order to supplement the efforts of the State Governments to run quasi-judicial Consumer Commissions, the Department of Consumer Affairs, under Consumer Protection Act, 2019, 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. The Committee, therefore, hope that the Department will continuously pursue and take strong measures to ensure utilization of the full amount and obtain UCs from such States/UTs at the earliest.

6. COMPUTERIZATION AND COMPUTER NETWORKING OF CONSUMER FORA IN THE COUNTRY, (CONFONET)

3.16 Under the Scheme of Computerization and Computer Networking of Consumer Commissions in the country (CONFONET) all the three tiers of the Consumer Commissions were to be fully computerized. The Automation and Networking of Consumer Commissions across the country is supported by the CONFONET Project of the Department which is being Designed, Developed and implemented by the NIC. Steps have been initiated for revamping the software to bring in exponential changes with the latest technology.

3.17 The BE, RE and AE since 2017-18 is as follows:

(in crore of Rupees)

| Year | BE | RE | AE | % out of RE |
|---------|-------|-------|-------|-------------|
| 2017-18 | 10 | 14.5 | 14.45 | 100 |
| 2018-19 | 18.50 | 38.50 | 38.49 | 99.9 |
| 2019-20 | 22 | 33.63 | 26.63 | 100 |
| 2020-21 | 29.50 | 29.50 | 29.50 | 100 |
| 2021-22 | 26 | 32 | 26 | 81.3 |
| 2022-23 | 20.00 | 29.26 | 29.26 | 100 |
| 2023-24 | 29.40 | | | |

3.18 The details of old/obsolete hardware being replaced in various Consumer Commissions in last 5 years as furnished by the Department is as under:

| Hardware replac | Remarks | | | | |
|-----------------|---------|-------|----|-------|-------------------------------------|
| Year | SCDRC | DCDRC | СВ | Total | |
| 2018-2019 | | | | 0 | |
| 2019-2020 | 31 | 378 | 6 | 415 | |
| 2020-2021 | | | | 0 | Desktops, All In One and UPS are |
| 2021-2022 | 3 | 196 | 1 | 200 | Supplied |
| 2022-2023 | | 24 | 5 | 29 | |
| Total | 34 | 598 | 12 | 644 | |

- 3.19 Regarding the current status of implementation of the Scheme, the Department informed that as informed by NIC, the implementing agency of the CONFONET, the site is under preparation in the following States:
 - 1. 4 sites of Arunachal Pradesh (Anjaw, Dibang Valley, KurungKumey, Tirap): Site under preparation.
 - 2. 2 sites of Chhattisgarh (Bijapur, Narayanpur): Site under preparation
 - 3. 1 site in J&K (Srinagar)No Consumer Commission functional as of now.
 - 4. 3 sites in Nagaland (Peren, Longleng, Kiphire): Site under preparation
 - 5. 2 sites in Laddakh (Laddakh SC, Leh): No Consumer Commission functional as of now.
 - 6. Further, Dadra and Nagar Haveli and Daman and Diu have been merged into 1 UT now. The migration of data from Daman and Diu into Dadar and Nagar Haveli has been done and it is functioning. Moreover, 1 DMA is also provided at Dadar and Nagar Haveli District Commission.
- 3.20 On being asked about the overlapping work under CONFONET and Strengthening of Consumer Commissions with respect to provision of computers, the Department of Consumer Affairs in a written reply submitted as under:

"Under the SCC scheme, the Central Government has been providing financial assistance to the State Governments for strengthening the building and non-building infrastructure of Consumer Commissions so that minimum level of facilities are made available at each Consumer Commission. The financial assistance is limited to the creation of build up the area of 5000 sq. ft. in respect of District Commission building

and 11000 sq. ft. in respect of State Commission building, which include in both cases 1000 sq. ft. for construction of Mediation Cell. Assistance for non-building assets is provided for purchase of furniture, computer, office equipment, library books etc within the overall cost ceiling of Rs.25.00 lakh in respect of a State Commission and Rs.10.00 lac in respect of a District Commission. Assistance for installation of CCTV cameras is also provided by the Central Govt.

On the other hand, under CONFONET only technical manpower and software/hardware of IT items is being provided. The basic objective of the CONFONET scheme is to set up ICT infrastructure and implement an e-Governance solution for monitoring the consumer cases filed, disposed & pending with the consumer commissions at NCDRC, State Commissions and District Consumer Commissions. The scheme aims at providing e- Governance, efficiency, transparency, systematizing of working and monitoring of Consumer Commissions. The scheme is being implemented through NIC on a project mode. Under the scheme, funds are released to NICSI on the advice of NIC. The NIC, in turn, provides hardware, software and technical manpower to the Consumer Commissions through NICSI.

Hence, there is no overlapping of work under CONFONET and Strengthening of Consumer Commissions Scheme (SCC)".

3.21 The Department has also informed about current status of implementation of the CONFONET project as follows:

| H/w | H/w supplied to M/P deployed Consumer Commiss operational on OCN 01/04/2012 to 14/ | | | n OCMS | (During | | | | |
|-----------|--|-----------|-----------|--------|-----------|---------------|----|-----------|-------------|
| SCDR C | СВ | DCDR C | SCD RC | СВ | DCD RC | SC DR C | СВ | DCD RC | Clubbe d |
| 35 | 15 | 591 | 32 | 10 | 591 | 35 | 13 | 588 | 49 |

7. E-DAAKHIL PORTAL

- 3.22 A Consumer Commission online application portal named "edaakhil.nic.in" has been developed to facilitate the consumers/advocates to file the consumer complaint online through the e-Daakhil portal from home or anywhere at their own comfort. This E-daakhil software also provides facility to pay the complaint fees online as well as having option to pay the fees offline with uploading the proof of payment of fee. The pecuniary jurisdiction is decided on the consideration paid on the goods or services procured. No fee is required to be paid for registering a complaint regarding a product or service below Rs.5,00,000/- As of now, the e-Daakhil portal can be accessed in NCDRC and in 34 States/UTs except in Jammu &Kashmir(UT) and Ladakh(UT).
- 3.23 The e-Daakhil portal has been launched covering 34 States/UTs to provide facility to all the aggrieved consumers to register online consumer complaints in different Consumer Commissions from anywhere in India. It allows consumers to pay the complaints fees online, upload case documents and track the process. The purpose is to provide timely and effective administration and settlement of consumer disputes
- 3.24 The Committee note that under the Scheme of Computerization and Computer Networking of Consumer Commissions in the country (CONFONET) all the three tiers of the Consumer Commissions were to be fully computerized. The Committee are appreciative of the trend of spending of the funds viz-a –viz revised estimate since 2017-18. They also appreciate the supply of hardware in 35 State Commissions (SC), 15 Circuit Benches (CB) and 591 District Commissions (DC), deployment of manpower in 32 SCs, 10 CBs and 591 DCs and operationalization of the Commissions of that 35 SCs, 13 CBs and 588 DCs on Online Case Monitoring System (OCMS). The Committee express their satisfaction that E-Daakhil Portal has covered 34 States/UTs and providing facility for online registration of consumer complaints in different consumer commissions. The Committee hope that the Department will strive to continue the trend in future also.

CHAPTER - IV

STRENGTHENING OF LEGAL METROLOGY AND QUALITY ASSURANCE

1. LEGAL FRAMEWORK

The Department has informed to the Committee that Legal Metrology (Weights and Measures) Laws form the basis of commercial transaction in any civilized society. To ensure accuracy of measurement in such transaction, the Government has enacted legislation namely, the Legal Metrology Act, 2009 (1 to 2010).

- 4.2 The following Legal Metrology Rules have been framed under the Legal Metrology Act, 2009 for protection of consumer interest:
 - a) The Legal Metrology (Packaged Commodities) Rules, 2011
 - b) The Legal Metrology (General) Rules, 2011
 - c) The Legal Metrology (Approval of Models) Rules, 2011
 - d) The Legal Metrology (National Standards) Rules, 2011
 - e) The Legal Metrology (Numeration) Rules, 2011
 - f) The Indian Institute of Legal Metrology Rules, 2011
 - g) The Legal Metrology (Government Approved Test Centre) Rules, 2013.

2 RRSL Guwahati

4.3 The data on fund allocation/ Capital Outlay on NE Areas under Major Head 4552, made for Regional Reference Standards Laboratory (RRSL), Guwahati for Machinery and Equipment for development of NE region under Minor Head 01.00.52 is furnished by the Department as follows:

(in thousands of Rupees)

| Year | BE | RE | AE |
|---------|-------|------|--------|
| 2017-18 | 1000 | 0 | 0 |
| 2018-19 | 5000 | 5000 | 5000** |
| 2019-20 | 5000 | 5000 | 5000** |
| 2020-21 | 10000 | 0 | 0 |
| 2021-22 | 5000 | 0 | 0 |
| 2022-23 | 0* | 0 | 1913 |
| 2023-24 | 0* | | |

"N.B. *The funds are re-appropriated in functional head before utilising for NE regions i.e. RRSL, Guwahati. Therefore, during 2022-23 and 2023-24 funds for RRSL, Guwahati will be utilised from functional heads. Out of the total RE of Rs. 1.50 cr, a sum of Rs. 0.19 crore was utilised for RRSL Guwahati which is more than 10 % of the total.

**The funds were utilised after re-appropriating in functional head for RRSL, Guwahati".

- 4.4 On the issue of the BE being reduced drastically at RE stage and not being spent at all since 2017-18 and funds being allocated only to be surrendered thereby causing cost escalation on machinery and equipment in the intervening period, the DOCA submitted as follows:
 - "... The Minor Head 05.00.52 is a non-functional head and therefore, funds are reappropriated in the functional head before utilizing. The funds available at RE stage in the said non-functional head were re-appropriated in the functional head and were spent. During 2017-18 RE was reduced from BE of Rs. 10.0 Lakh to rupees zero, as the funds from functional head of RRSL's were utilized for RRSL Guwahati. During 2018-19 and 2019-20 the funds were released to National Physical Laboratory (NPL), New Delhi, Fluid Control Research Institute (FCRI), Palakkad, Kerala or RITES for creating capital assets, however being the non-functional head the funds were utilized after re-appropriating in the functional head.

During 2020-21 and 2021-22 due to prevalence of COVID-19 pandemic the funds could not be utilized and therefore, funds at RE level were reduced. The equipment needs to be fabricated and established which could not be done during that period.

During 2022-23 funds for RRSL, Guwahati were utilized from functional head of RRSLs meant for M&E.

Further, keeping pace with the latest technology and ever changing international standards, the up-dated equipment needs to be procured for RRSLs, which are the apex level laboratories for weights & measures and fulfills the demand of the States/Industries in the region".

4.5 The Committee note that for Machinery and Equipment for development of NE region under Minor Head 01.00.52, the Department spent amounts Rs. 50 Lakh each during the years 2018-19 and 2019-20 and Rs. 19.13 Lakh in the year 2022-23 through reappropriation. Further, no allocation has been made for the year 2023-24. The Department informed that this Head is a non-functional Head and funds are reappropriated in the functional Head before utilising. The Committee would like to be apprised of the reasons for resorting to re-appropriation for utilizing the funds.

3. TIME DISSEMINATION

4.6 In India, dissemination of Time, one of the seven base units, is being maintained at only one level which is at NPL, New Delhi. The Group of Secretaries on Science & Technology, constituted by the Cabinet Secretariat in 2016, recommend that, "Presently, Indian Standard Time (IST) is not being adopted mandatorily by all Telecom Service Providers (TSPs) and 'Internet Service Providers' (ISPs). Nonuniformity of time across different systems creates

problems in investigation of cybercrime by the law enforcement agencies (LEAs). Hence, synchronization of all networks and computers within the country with a national clock is a must, especially for the real time applications in strategic sector and national security. Accurate time dissemination as well as precise time synchronization has significant impact on all societal, industrial, strategic and many other sectors like monitoring of the power grid failures, international trade, banking systems, automatic signaling in road & railways, weather forecasting, disaster managements, searching for natural resources under the earth's crust requires robust, reliable and accurate timing systems.

- 4.7 The Project of Time Dissemination was started in 2017 and was originally slated for completion in the year 2022. But the deadline for completion of the project has since been set at the year 2023.
- 4.8 The BE, RE and AE under Major Head 5475 for Dissemination of Time for Machinery & Equipment (Minor Head 17.00.52 and Minor Head 05.00.52) for the last 4 years is as given below:

(in thousands of Rupees)

| 17.00.52 (Machinery | | | , | | | |
|---------------------|---------------------------------|--|--|---|--|--|
| &Equip | | s) | | | | |
| BE | RE | AE | BE | RE | AE | |
| 150000 | 373700 | 337842 | 0 | 0 | 0 | |
| 210000 | 11240 | 11240 | 30000 | 10000 | 10000* | |
| 180000 | 190561 | 190561 | 30000 | 30000 | 30000* | |
| 150000 | 72400 | 72350 | 40000 | 18000 | 18000* | |
| 70000 | 116000 | 70000 | 17000 | 23000 | 17000 | |
| 22000 | | | 18000 | | | |
| | | 579643 | | | | |
| | 8 BE 150000 210000 180000 70000 | &Equipments BE RE 150000 373700 210000 11240 180000 190561 150000 72400 70000 116000 | &Equipments) BE RE AE 150000 373700 337842 210000 11240 11240 180000 190561 190561 150000 72400 72350 70000 116000 70000 22000 | &Equipments) BE RE AE BE 150000 373700 337842 0 210000 11240 11240 30000 180000 190561 190561 30000 150000 72400 72350 40000 70000 116000 70000 17000 22000 18000 | &Equipments) BE RE AE BE RE 150000 373700 337842 0 0 210000 11240 11240 30000 10000 180000 190561 190561 30000 30000 150000 72400 72350 40000 18000 70000 116000 70000 17000 23000 22000 18000 | |

^{*} After re-appropriating in functional head 17.00.52.

4.9 When asked about the targets for 2023-24, the Department of Consumer Affairs in their written reply submitted as under:

"

| Minor | , , , | | | 05.00.52 (Machinery &Equipments) | | | |
|---------|--------------------|---------------|---------------|----------------------------------|-------------|----------------|--|
| Head | | | | | | | |
| Year | ear BE Target Plan | | BE | Target | Plan | | |
| 2023-24 | 2.20 | Funds will be | NPL has | 1.80 | Funds will | NPL has | |
| | | utilised for | requested to | | be utilised | requested to | |
| | | procurement | release the | | for | release the | |
| | | of timing | funds for | | procuremen | funds for | |
| | | equipment | procurement | | t of timing | procurement | |
| | | | of | | equipment | of equipment, | |
| | | | equipment, | | | and therefore, | |
| | | | and | | | funds will be | |
| | | | therefore, | | | released to | |
| | | | funds will be | | | NPL | |
| | | | released to | | | | |
| | | | NPL | | | | |
| | | | | | | | |

4.10 With regard to physical achievement after incurring expenditure of about Rs. 58 Crore under Minor Head 17.00.52, the Department furnished the following reply:

"An MoU with NPL for dissemination of Indian Standard Time was signed on 28.12.2018 and the project is expected to be completed by 31.3.2024. Under the MoU, the hardware and software for setting up the time ensembles will be procured, installed and commissioned by NPL. NPL will handhold LM and shall provide requisite technical support. The MoU also envisages setting up of a Disaster Recovery Centre (DRC) at RRSL, Bengaluru. In the meeting held with PSA on 03.01.2020, it was decided that:

- (a) NPL jointly with ISRO will review and finalize the timing equipment/hardware specifications and thereafter NPL will procure the timing equipment as per such specifications.
- (b) ISRO will integrate the indigenous software with the time ensembles to be procured and installed by NPL.
- (c) NPL will handhold LM for time dissemination to the end users.

It is to submit that for establishing timing centres, highly precise atomic clocks, hydrogen masers etc. needs to procured from the International suppliers which are very few and takes upto one year delivery time.

Tenders / orders for almost all the highly sensitive equipment have been placed by NPL, which are expected to be supplied during 2023. Few of them have been supplied at ISRO for integration/ testing etc.

Permission for Global tender Enquiry has already been solicited from Cabinet Secretariat vide letter dated 10th December 2020".

4.11 The Department further clarified as under:

"The purpose of the project is to disseminate the Indian Standard Time at the earliest. The monthly meetings with all stake holders and implementing agencies are being held under the Chairmanship of Secretary (Consumer Affairs). All the agencies have been asked to implement the project at the earliest. Joint Meetings with Secretary, Department of Scientific & Industrial Research and Secretary, Consumer Affairs are also being held to speed up the project".

4.12 Asked about the time for meeting the target for proper stamping of IST in various transactions based on the National Clock, the Government clarified:

"It is expected that the entire instrument for timing centres will be received by the end of 2023. The dissemination and time stamping is expected to be started during 2024 after integration/ testing of the timing instrument".

4.13 During the course of oral evidence, the representatives of the Department deposed:

"विधिक मापविज्ञान का भी एक्ट है, जिसके अंतर्गत हम टाइम डीसेमिनेशन का एक प्रोजेक्ट रन कर रहे हैं।".

4.14 The Committee note that synchronization of all networks and computers within the country with a national clock is a must, especially for the real time applications in strategic sector and national security. The Project of Time Dissemination was started in 2017 and originally slated for completion in the year 2022. They were informed that now it is expected that the entire instrument for timing centres will be received by the end of 2023 and that the dissemination and time stamping is expected to be started during 2024 after integration/ testing of the timing instrument. In the mean time about Rs. 58 Crore has been spent under Minor Head 17.00.52 (Machinery & Equipments). They also note that for establishing timing centres, highly precise atomic clocks, hydrogen masers etc. needs to procured from the International suppliers which are very few and takes upto one year delivery time; Tenders / orders for almost all the highly sensitive equipment have been placed by NPL and are expected to be supplied during 2023; few

of them have been supplied at ISRO for integration/ testing etc.; and permission for Global tender Enquiry has already been solicited from Cabinet Secretariat vide letter dated 10th December 2020. The Committee are of the opinion that as synchronization of all networks and computers within the country with a national clock is a must, especially for the real time applications in strategic sector and national security. The Committee, therefore, recommend the Department of Consumer Affairs to take the project of Time Dissemination on highest priority for expediting its completion and rope in people with domain expertise, if needed so that the benefits accrued may reach to the to various sectors of the economy and society at the earliest.

4. NATIONAL TEST HOUSE

- 4.15 On National Test House, the Committee have been apprised that National Test House, a subordinate office under the administrative control of Department of Consumer affairs, Ministry of Consumer Affairs, Food & Public Distribution, Government of India, traveled a long journey and in the year 2022, it completed 110 years of dedicated service to the Nation.
- 4.16 National Test House works in the field of Testing, Evaluation and Quality Control of various engineering materials and finished products, Calibration of measuring equipment /instruments and devices on chargeable basis. To be more precise, National Test House works by issuing test certificates in scientific & engineering fields conforming to national/international specification or customer standard specification
- 4.17 The BE, RE and AE for National Test House during the last 5 years and the current year is furnished by the Department as:

(in crores of rupees)

| Year | BE | RE | AE |
|---------|-------|-------|---------------|
| 2017-18 | 20.00 | 17.00 | 17.23 |
| 2018-19 | 29.00 | 20.00 | 17.06 |
| 2019-20 | 25.00 | 10.07 | 8.06 |
| 2020-21 | 20.00 | 14.00 | 13.43 |
| 2021-22 | 23.45 | 13.50 | 12.40 |
| 2022-23 | 14.75 | 20.50 | 11.64* (as on |
| | | | 10.02.2023) |
| 2023-24 | 17.00 | - | - |

*Bills pending of major equipment and services of Rs. 5.0 Crore, awaiting for release of RE amount "

4.18 Asked about the purpose of the allocation and Heads under which the allocations were made, the Ministry furnished the following information:

| S.No. | Heads | Purpose of the allocation | | |
|-------|------------------------------|---------------------------------------|--|--|
| | Scheme | | | |
| 1. | Office Expenses | office rent and utilities (phone, | | |
| | 3425.60.101.02.01.13 | electricity, etc.), recurring | | |
| | | expenditure, staff paid from | | |
| | | contingencies, general audit, | | |
| | | general training expenses etc., | | |
| 2. | Machinery & Equipment (5425) | Procurement of scientific | | |
| | 4552.00.102.03.00.52 | equipment, material for lab/ | | |
| | | workshop etc., | | |
| 3. | Machinery & Equipment (4552) | NER fund (under 10% GBS) for | | |
| | 4552.00.102.03.00.52 | procurement of scientific | | |
| | | equipment, material for lab/ | | |
| | | workshop etc., | | |
| 4. | Travel Expenses | travel expenses of personnel on | | |
| | 3425.60.101.02.01.11 | official duties, transfer cases etc., | | |
| 5. | Foreign Traveling Expenses | travel expenses of personnel on | | |
| | 3425.60.101.02.01.12 | official duties to foreign countries | | |
| 6. | Information Technology | Procurement, repair & maintenance | | |
| | 3425.60.101.02.99.13 | of IT related products etc., | | |
| 7. | Minor Works | Calibration & AMC of Machinery | | |
| | 3425.60.101.02.01.27 | Equipment & CPWD M/w. | | |
| 8. | Land & Building (5425) | Establishment of new infrastructure, | | |
| | 5425.00.600.01.00.53 | building through CPWD | | |
| 9. | Land & Building (4552) | NER fund for establishment of new | | |
| | 4552.00.102.03.00.53 | infrastructure, building through | | |
| | | CPWD | | |

,

4.19 As regards the reasons for mismatch between allocation and utilization both in Capital and Revenue Heads over the years, the Department stated as follows:

(Values in Rs. In Crore)

| S.N | Sche | Financi | BE | RE | AE | % out | Reason for shortfall/ excess |
|-----|--------|---------|-------|-------|------|-------|---------------------------------|
| - | me | al Year | | | | of RE | expenditure |
| 1. | Capita | 2017- | 14.00 | 11.7 | 11.9 | 101.8 | - |
| | l Head | 18 | | | | | |
| | (M&E/ | 2018- | 20.34 | 12.61 | 9.95 | 78.9 | non-materialization of bids |
| | L&B) | 19 | | | | | under procurement, |
| | | 2019- | 16.50 | 4.92 | 1.37 | 27.9 | non-materialization of the item |
| | | 20 | | | | | under procurement & short fall |
| | | | | | | | in expenditure occurred due to |
| | | | | | | | covid-19 pandemic, delay by the |
| | | | | | | | implementing agency in |
| | | | | | | | completion of NTH building, |
| | | | | | | | Mumbai leads to less release. |
| | | 2020- | 10.40 | 4.95 | 4.47 | 90.3 | Short fall in expenditure |
| | | 21 | | | | | occurred because of non-receipt |
| | | | | | | | of adequate Proposals due to |
| | | | | | | | covid-19 pandemic. |
| | | 2021- | 11.55 | 4.05 | 3.24 | 80 | Tender enquiry for Major |
| | | 22 | | | | | equipment could not be carried |
| | | | | | | | out because non- |
| | | | | | | | responsiveness of the offer |
| | | | | | | | against indented requirement |
| | | | | | | | during the Covid-19 pandemic. |
| | | 2022- | 5.65 | 10.92 | 3.82 | 34.9 | Major equipment GCMS |
| | | 23 | | | | | Impulse Voltage Generator has |
| | | | | | | | already been installed and |
| | | | | | | | awaiting for payments. Beside |

| | | | | | | | 10% GBS amount for NER full |
|----|----------|-------|----------|------|------|------|-----------------------------------|
| | | | | | | | fund will be utilized under ME |
| | | | | | | | Head for order place under |
| | | | | | | | GeM. |
| | | | | | | | GCIVI. |
| | | 2023- | 6.45 | - | - | | |
| | | 24 | | | | | |
| | | | Aver | age | | 68.9 | |
| 2. | Rev | 2017- | 6.00 | 5.30 | 5.24 | 98.9 | Almost full amount was utilized |
| | Head | 18 | | | | | |
| | (OE, | 2018- | 8.66 | 7.39 | 6.93 | 93.8 | Almost full amount was utilized |
| | DTE/F | 19 | | | | | |
| | TE, IT | 2019- | 8.50 | 6.71 | 6.71 | 100 | Almost full amount was utilized |
| | &MW) | 20 | | | | | |
| | | 2020- | 9.60 | 9.05 | 8.84 | 97.7 | Due to pandemic situation all |
| | | 21 | | | | | meetings were conduct through |
| | | | | | | | VC. Hence, DTE amount was |
| | | | | | | | not incurred in official tour and |
| | | | | | | | treated as saving and amount of |
| | | | | | | | ₹0.35 crore and FTE ₹0.05 |
| | | | | | | | crore has been surrender |
| | | | | | | | against RE. |
| | | 2021- | 11.95 | 9.45 | 9.17 | 97 | Almost full amount was utilized |
| | | 22 | | | | | |
| | | 2022- | 9.10 | 9.58 | 7.54 | 78.8 | Pending Bills are under process |
| | | 23 | | | | | in different Heads. |
| | | | | | | | E-Office under IT Head are |
| | | | | | | | under process &awaiting for |
| | | | | | | | payments. CPWD works in |
| | | | | | | | completion stage & full amount |
| | | | | | | | will be utilized in FY 22-23. |
| | | 2023- | 10.55 | _ | - | | |
| | | 24 | | | | | |
| | <u> </u> | | <u>I</u> | | l . | L | |

4.20 The status of utilization of funds for the year 2022-23 is given by the Department as:

"The status of utilization of funds for the year 2022-23 as on date is as below:

| S.No. | Scheme Head | BE | RE | AE | Remarks |
|-------|------------------------|------|------|------|------------------------------|
| 1. | Office Expenses | 4.5 | 3.9 | 3.76 | Electricity Bills, telephone |
| | 3425.60.101.02.01.13 | | | | bills and payment against |
| | | | | | outsourcing staff are |
| | | | | | pending & is in process. |
| 2. | Travel Expenses | 0.45 | 0.6 | 0.48 | Bills for tour of officials |
| | 3425.60.101.02.01.11 | | | | are under process. |
| 3. | Foreign Traveling | 0.05 | 0.0 | 0.0 | Saving likely to be occur. |
| | Expenses | | | | |
| | 3425.60.101.02.01.12 | | | | |
| 4. | Information Technology | 0.5 | 1.21 | 1.05 | NICSI Payment has been |
| | 3425.60.101.02.99.13 | | | | processed for E-office, |
| | | | | | other Payment will be |
| | | | | | made against pending |
| | | | | | bills of IT purchase |
| | | | | | equipment and |
| | | | | | consumables etc., |
| 5. | Minor Works | 3.6 | 3.87 | 2.24 | LOA issued to CPWD for |
| | 3425.60.101.02.01.27 | | | | an amount of Rs.3.0 |
| | | | | | crore, work is under |
| | | | | | progress & expected to |
| | | | | | be utilized by FY 22-23 |
| 6. | Machinery & Equipment | 3.92 | 8.97 | 3.50 | Major equipment GCMS |
| | (5425) | | | | and Impulse Voltage |
| | 4552.00.102.03.00.52 | | | | Generator have already |
| | | | | | been installed for Rs. 5.0 |
| | | | | | crore & full amount will be |

| | | | | | utilized. RE amount of Capital head shall be received in final batch of Supplementary. |
|----|--|------|------|------|--|
| 7. | Machinery & Equipment (4552) 4552.00.102.03.00.52 | 1.48 | 1.7 | 0.33 | Setting up of Electrical lab. Is under process, orders for procurement of equipment are processed through GeM. |
| 8. | Land & Building (5425) 5425.00.600.01.00.53 | 0.25 | 0.25 | 0.0 | LOA issued to CPWD for an amount of Rs. 21 Lakh and is expected to be utilized by March'23. |

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4.21 The Ministry also informed the Committee about the measures taken to realize or help realize the mandate of the Government in the matter of testing and calibration of products through NTH as follows:

"NTH is constantly focused on serving consumers through quality testing, which is an essential part of developing a quality product & helps manufacturers to create products that are reliable within certain technical standards. Through product testing NTH is constantly ensuring that an item is safe for general use. NTH is also serving country through participating in various Government projects. Few of them, such as Under 'One Nation, One Fertilizer' scheme NTH is in process to ensure quality testing of fertilizer samples across the country. Under Clean Ganga project NTH is in process to testing drainage water, Non-Destructive Testing of the pillars of India's first Vertical Lift Railway Sea Bridge, and the upcoming New Pamban Bridge in Tamil Nadu, Measurement of "Photometric and Color characteristics of Precision Approach Path Indicator Light" which help to maintain the correct approach while landing of the aircraft at threshold of the runway at various airports, Welding and certification of welders in the newly constructed Chenab River Bridge Project in J&K, Test Book Samples Tested for M/s Tamil Nadu Test Book School Corporation, Chennai, In the category "Testing & Calibration Service" to meet the testing needs of all Government departments, CABs,

and PSUs etc. NTH provides dedicated services to various nation building projects and has carried out scientific testing and quality assessment of different types of bridges, road & highways, airport, steel plants, refineries, power plants, railway projects, testing of plastic and textile products including quality testing of drinking water, NTH is now poised to expand further with a vision to build it as a center of product quality testing starting from single user to high end multiuser products and which will satisfies consumer's needs, serves its purpose and meet industry standards".

4.22 As regards the physical and financial targets set the year 2023-24 vis-à-vis the manner in which the same is planned to be accomplished, the Committee has been apprised by the Department as follows:

"For modernization of laboratories Region wise planning for major procurement as per physical & financial requirements are as below.

Major Financial and Physical Targets:

(Amount in Crore)

| Head of | BE 2023-24 | Major Physical targets |
|---------|------------|--|
| Account | | |
| Scheme | 17.00 | For modernization &upgradation of existing equipments of laboratories. Creation of full testing facility as per Indian Standards and new facilities etc. EV Batteries Testing facilities in NTH(WR), Mumbai & (ER), Kolkata Transformer testing facility at Jaipur Creation of an electrical testing lab at NTH(NER), Guwahati for the purpose of testing transformers, cables, and other electrical components for the NER Region. Drone Testing facility at NTH(NR), Ghaziabad Development of Varanasi laboratory and expand the laboratory facilities. A variety of items relating to the paper, plastic, rubber, and clothing industries will be tested at NTH Varanasi. Additionally, chemical laboratory will offer a capability for analyzing packaged drinking water. All NTH laboratories would purchase equipment such as Automatic Nitrogen Diffuser utilized for Fertilizer Nitrogen Analysis in order to enhance the available services & testing facility of Fertilizer Samples. |

- In order to improve testing capabilities and adopt a more contemporary perspective, the Mechanical Laboratory of NTH(ER), Kolkata, will be outfitted with a Universal Testing Machine (UTM), which has a capacity of 2000 kN and can test mechanical qualities such as tensile, flexural, compressive, and shear.
- For e-office implementation, development of new MIS application, hiring of IT consultant, E-Sign solution, maintenance of repair of existing IT systems etc.,
- Electricity Bills, telephone bills and payment against outsourcing staff, recurring expenditure, staff paid from contingencies, general audit, general training expenses etc.,

*Note: Physical & Financial target will exceed the allotted BE amount for which additional fund will be required, subject to the availability of fund".

- 4.23 The Department also informed the Committee that installation and commissioning of the voltage impulse generator has been completed and that samples have been received from various manufacturers and testing, started in the month of February 2023.
- 4.24 The Department further informed the Committee :

"Proposals for EV Batteries Testing facilities at NTH, Kolkata and Mumbai, Drone Testing Facility at Ghaziabad and Transformer testing project at Jaipur, Rajasthan are planned during the financial year 2023-24 subject to availability of Capital Budget to the tune of Rs. 52.84 crore by Ministry of Finance."

4.25 On the query about the steps taken or proposed for a realistic budget allocation, the Department replied:

"For proper utilization of allocated budget, regular monitoring and supervision were carried out. The appropriate actions were taken after an analysis of the previous year's expenditure report, with a focus on setting priorities for projects and equipment purchases. Major obstacle to spending was due to delay in installation & commissioning of various high value equipments. Also non-utilization of funds in NER under 10% GBS was observed due to which fund utilization suffered. Essential planning had only recently been completed & development is underway. Also training programmes for scientists has been initiated and interns from engineering and technical institutions are being encouraged to undertake projects on modern testing techniques. More such training programmes will be undertaken in the next financial year. Further, additional

budgetary allocation will be needed in FY 23–24 to undertake new projects including EV Batteries Testing facilities at NTH, Kolkata and Mumbai, Drone Testing Facility at Ghaziabad, Transformer testing project at Jaipur, Rajasthan, testing of fertilizer samples under 'One Nation, One Fertiliser' scheme and testing of drainage water under Clean Ganga project, among others."

4.26 Appearing before the Committee on 27 February, 2023, the representatives of the Department apprised the Committee as under:

"यह विशेषकर रेल सिस्टम में जो मैकेनिकल सिस्टम पहले यूज होते थे, उसकी टेस्टिंग के लिए था। उत्तर भारत में ब्रिटिश सरकार ने रेल नेटवर्क बनाया था। उसमें प्रयुक्त होने वाला समान स्टैन्डर्ड के अगेंस्ट कैसे टेस्ट किया जाए, यह प्राइमरली उसके लिए था। किन्तु धीरे-धीरे इसका फैलाव होता गया। पानी या प्लास्टिक या जितनी भी चीजें हैं, उसकी टेस्टिंग के लिए होता है। Some of the labs are very modern. I personally visited labs in Guwahati, Mumbai and many other places. We want it to bring it to the top level इससे जो टेस्ट के रिजल्ट आते हैं, जैसे हमारी इन्फोर्समेंट एजेंसी है, सी बी आई, सेंट्रल विजिलेंस कमीशन, जब इनको कोई शिकायत मिलती है और कोई केस इन्वेस्टिगेट करते हैं तो ये भी टेस्टिंग के लिए एनटीएच के पास भेजते हैं और एनटीएच के रिजल्ट पर ही ये इन्वेस्टिगेशन का फैसला देते हैं, वह डिपेंड करता है कि प्रोडक्ट सही था या खराब था। एनटीएच का सुदृढ़ीकरण बहुत आवश्यक है।

एनटीएच को हमने स्क्ट ऑरबिट में भी लेकर जाने का प्रयास कर रहे हैं। जो नई टेक्नोलॉजी हैं, इलेक्ट्रिक कारें, इलेक्ट्रिक थ्री व्हीलर है, उनकी बैटरी की टेस्टिंग की फेसिलिटी एनटीएच में डेवलप कर रहे हैं। हमने इसके लिए प्रोजेक्ट रिपोर्ट बना ली है। अगर उसके लिए अतिरिक्त संसाधनों की आवश्यकता हुई तो – we will approach the Finance Department. उसके साथ नॉन-मिलिट्री सिविलयन ड्रोन, एग्रीकल्चर इत्यादि में यूज होते हैं, उनकी भी टेस्टिंग अभी दो-तीन प्राइवेट लोगों के हाथ में है और इसके लिए बहुत ज्यादा पैसा लेते हैं। यह शिकायत हमारे पास आई थी। ड्रोन फेडरेशन ऑफ इंडिया ने हमसे अप्रोच किया कि अगर सरकार के सिस्टम में यह व्यवस्था हो, ड्रोन के पार्ट्स की टेस्टिंग थोड़ा सस्ती हो जाए, स्टार्ट-अप या कृषि क्षेत्र में जो ड्रोन यूज हो रहे हैं, उनकी कॉस्ट में भी फर्क पड़ेगा, इसके लिए भी हम मुंबई और कोलकाता में फेसिलिटी तैयार कर रहे हैं।

उत्तर पश्चिमी भारत में ट्रांसर्फर की टेस्टिंग की कोई व्यवस्था नहीं थी। राजस्थान ने हमको फ्री में लैंड एलॉट कर दिया है। एक्सक्लूसिव ट्रांसर्फमर के लिए लैब वहां बनाने जा रहे हैं। उद्योग को अपने इक्किपमेंट की टेस्टिंग के लिए अनावश्यक रूप से बहुत ज्यादा ट्रैवल न करना पड़े जिससे उसकी इकोनॉमिक कास्ट न बढ़े। "

4.27 The Committee note that the National Test House works in the field of Testing, Evaluation and Quality Control of various engineering materials and finished products, Calibration of measuring equipment /instruments and devices. The Committee further observe that an additional budgetary allocation to the tune of Rs. 52.84 crore will be needed by NTH in FY 23-24 to undertake new projects including EV Batteries Testing facilities at NTH, Kolkata and Mumbai, Drone Testing Facility at Ghaziabad, Transformer testing project at Jaipur, Rajasthan, testing of fertilizer samples under 'One Nation, One Fertiliser' scheme and testing of drainage water under Clean Ganga project, among others. The Committee think that NTH is one of its kind organization which provides authentic testing facility which may be directly used by the Government Organisations as well as private sector clients. The Committee, therefore, desire that funds crunch should not be allowed to come in the way of NTH which is working on aforementioned emerging technologies. Suitable steps should be taken to ensure adequate funding is made available to NTH in order to modernize the NTH labs across the country. Further, the Committee urge the Ministry to popularize the work of NTH amongst the citizens and to collaborate with the colleges/universities and arrange the visits of students in order to make them acquainted with the work of NTH.

CHAPTER - V

PRICE MONITORING AND STABILIZATION

The Department has informed that the Essential Commodities Act, 1955 empowers the Government to regulate prices, production, supply, distribution etc. of essential commodities for maintaining or increasing their supplies and for securing their equitable distribution and availability at fair prices.

- 5.2 The Department also informed that Price Monitoring Division oversees the implementation of two central sector schemes namely, Price Monitoring Cell (PMC) and Price Stabilization Fund (PSF). Under Price Monitoring Cell, this department collects the daily retail and wholesale prices of 22 essential commodities from price reporting centers through mobile app viz. Price Monitoring System (PMS). These daily prices constitute critical inputs to take decisions purported to mitigate price surge, market intervention, restricting import-export duties and calibrate the monetary policy. Whereas under Price Stabilization Fund, government builds buffer stocks of agri-horticultural commodities viz. onion, potato and pulses which are vulnerable for prices fluctuation and protect the interests of consumers. Building buffer stock enables not only to ensure effective market intervention, and rectify the prices as move out of trajectory, but also put a curb on the speculative activities. In addition, these commodities are procured from the farmers/farmer's association at the time of harvesting which enhances the farmer's economic fortune.
- 5.3 Initially, Price Monitoring Division (PMD) was tasked with monitoring prices of 14 essential food items across 18 centers in the country. The 22 commodities being monitored by PMD include five item groups i.e., Cereals (Rice & Wheat), Pulses (Gram, Tur, Urad, Moong, Masur), Edible Oils (Groundnut Oil, Mustard Oil, Vanaspati, Soya Oil, Sunflower Oil, Palm Oil), Vegetables (Potato, Onion, Tomato), and Other items (Atta, Sugar, Gur, Milk, Tea, and Salt).
- 5.4 In response to a query as to the mechanism of data collection with regard to prices of Essential Commodities and reasons for variations in the expenditure against REs during the years, the Department furnished the following reply:

"The Department of Consumer Affairs monitors the retail and wholesale prices of 22 essential commodities from 461 price reporting centres in the States/UTs. The price reporting centres submitted daily prices through PMS mobile app. The retail prices are taken from three shops/markets and the average is reported while wholesale prices are

collected from the one market. Revised Estimate (RE) has been enhanced to Rs.3.00 crore from Rs.1.50 crore Budget Estimate (BE) for 2022-23 to meet the expenditure requirement of new price reporting centres".

Budgetary Allocation

5.5 The BE, RE and AE for the last 5 years is furnished by the Department as follows:

" (in Lakh of Rupees)

| Year | BE | RE | AE | % out of RE |
|---------|-----|-----|---------------|-------------|
| 2018-19 | 200 | 200 | 199.01 | 99.5 |
| 2019-20 | 200 | 160 | 137.36 | 85.9 |
| 2020-21 | 200 | 100 | 98.90 | 98.9 |
| 2021-22 | 200 | 150 | 143.81 | 95.9 |
| 2022-23 | 150 | 300 | 217.00 | 72.3 |
| | | | (on 20.02.23) | |
| 2023-24 | 600 | | | |

1. PRICE REPORTING CENTRES

5.6 The Department also informed the Committee about the steps proposed to be taken to utilize the proposed allocation for 2023-24 as follows:

"The number of price reporting centres has increased from 178 in 2021-22 to 461 in 2022-23 (till date) and the Department has decided to cover all the districts in the country. These price reporting centers would be provided the financial assistance of approx. Rs.2.99 lakh per annum for the functioning of the centres. Therefore, the allocated fund will be utilised fully".

- 5.7 The Committee were also informed in a written reply:
 - "...the Department has decided to cover all the districts in the country. These price reporting centers would be provided the financial assistance of approx. Rs.2.99 lakh per annum for the functioning of the centres. In view of above, the RE 2022-23 and BE for FY 2023-24 has been increased to Rs.3.00 crore Rs. 6.00 Crore, respectively. The

allocated in RE 2022-23 of Rs.3.00 crore and BE 2023-24 of Rs.6.00 crore will be fully utilized".

Regarding market intelligence, the Department informed the Committee:

"For regular market intelligence feedback and price forecasting, the Department engaged AGRIWATCH, a professional market intelligence organization, since 21.12.2020. The weekly interaction with AGRIWATCH have been attended by other Department/organizations like Department of Agriculture and Farmer Welfare, NAFED and NCCF. To ensure the accuracy in price reporting, mobile app namely, Price Monitoring System (PMS) has been launched since 01.01.2021 to capture daily prices having inbuilt feature of geo-tagging and average retail calculation thereby reduce the chance of human errors".

5.8 The Committee note that the Price Monitoring Division (PMD) set up by the Department of Consumer Affairs in 1998 is keeping a close watch on the prices of selected food items as well as the structural and other constraints affecting the availability of 22 commodities of five item groups i.e., Cereals (Rice & Wheat), Pulses (Gram, Tur, Urad, Moong, Masur), Edible Oils (Groundnut Oil, Mustard Oil, Vanaspati, Soya Oil, Sunflower Oil, Palm Oil), Vegetables (Potato, Onion, Tomato), and other items (Atta, Sugar, Gur, Milk, Tea, and Salt). During the last 5 years, on an average, 90.5 % of the Revised Estimates (RE) figures got utilized and the BE for 2023-24 is Rs. 600 Lakh. with which financial assistance of approx. Rs. 2.99 lakh per annum is provided per annum for functioning of the centres. They also note that the number of Price Reporting Centres (PRCs) has increased from 178 in 2021-22 to 461 in 2022-23 and the Department has decided to cover all the districts in the country. The Committee therefore desire the Department of Consumer Affairs to review their planning for covering all the districts of the country.

2. PRICE STABILIZATION FUND

5.9 The Committee have been informed that The Price Stabilization Fund (PSF) was set up with an initial corpus of ₹500 crore to tackle price volatility in some agri-horticultural commodities viz. onion, potato and pulses to protect the interests of consumers. These commodities are to be procured from farmers/farmer's association at the time of harvesting and stored for regulated release during lean season to help bring down their prices. Such

market intervention by Government would not only help send the appropriate market signal but also deter speculative/hoarding activities. To begin with, the Fund was to be used only for market interventions in case of perishable agri-horticultural commodities such as onion and potato which showed extreme volatility of prices. Subsequently, pulses were also covered. Under the PSF, interest free working capital advance is provided to Central Agencies, State/ UT Governments/Agencies to undertake such market intervention operations. Apart from domestic procurement from farmers/wholesale mandis, imports may also be undertaken under PSF.

5.10 In this regard The Department has further informed that-

"as per the Government's decision, the PSF was transferred to the Department of Consumer Affairs (DoCA) w.e.f. 1st April, 2016. Price stabilization operations are determined at the Centre by the Central Price Stabilization Fund Management Committee (PSFMC) which was reconstituted on transfer of Scheme and is now headed by Secretary, Department of Consumer Affairs. The Corpus Fund is managed by Small Farmers Agribusiness Consortium (SFAC). There is also a Sub-committee for investing surplus from PSF corpus chaired by Financial Adviser, M/o CA, F&PD. Till now, 57 meetings of the Re-constituted PSMFC have been held. The buffer stock with the Government also discourages hoarding and unscrupulous speculation by traders.

5.11 The BE, RE and AE with respect to PSF of the last 5 years are as follows:

(Rs. in Crore)

| | BE | RE | AE |
|---------|------|-------|----------|
| 2018-19 | 1500 | 1500 | 1500 |
| 2019-20 | 2000 | 1820 | 1713 |
| 2020-21 | 2000 | 11800 | 11135.30 |
| 2021-22 | 2700 | 2250 | 2030.83 |
| 2022-23 | 1500 | 0.01 | 0 |
| 2023-24 | 0.01 | - | - |

5.12 On being asked about the negligible allocation for the year 2023-24 under PSF, the Department informed as under:

"The balance fund in the PSF Corpus as on 13th February, 2023 is Rs.5,925 Crore. This balance fund is expected to be sufficient to meet the requirements of PSF Operations of this F.Y. 2023-24. The B.E. allocation in 2023-24 is 0.01 crore(a token amount). It may be noted that, at this stage feasibility of PSF scheme of DoCA and Price Support Scheme (PSS) of Department of Agriculture and Farmers Welfare (DAFW) is being examined. After the fate of PSF scheme is decided as per the proposed merger, a call shall be taken on the fund requirements.

5.13 Asked about the latest status of merger of PSS & PSF position, the Department of Consumer Affairs apprised the Committee:

"The scheme, Price Stabilization Fund (PSF), has been set up for strategic market inventions to control the volatility in prices of agri-horticultural commodities, namely, pulses and vegetables such as onions. Buffer stock of pulses are maintained by procuring from the farmers at MSP when prevailing market price is below MSP and also at market price when prevailing price is above MSP. For the buffer, the purchase of imported stocks is also allowed when stocks are not available in the domestic market. The quantum of buffer stock acts both as a deterrent for unscrupulous traders as well as an instrument for strategic market intervention by releasing in the market to stabilize price volatility. Apart from market disposal, pulses from the buffer are also supplied to States for welfare schemes and also to the Army/CAPF. Buffer stock of onion is maintained by procuring from farmers/FPOs during Rabi crop harvest. The stock is released during deficit months between Rabi crop arrival and Kharif crop arrival, August to November/December, to stabilize prices during this period. Stock from the buffer are released in a targeted and calibrated manner to cool down prices in major consumption centres. During 2022-23, 2.51 lakh metric ton of onion was procured and disposed under the PSF. The annual budgetary supports for PSF are transferred to the PSF Corpus Fund and price stabilization operations involving procurement, storage and disposal of stocks are funded by drawing out of the Corpus Fund. Sale proceeds of stocks are ploughed back into the Corpus Fund.

A Committee chaired by Member, NITI Aayog recommended that Price Support Scheme (PSS) & Price Stabilization Fund (PSF) may be brought under one Ministry. In this regard, the inter-Ministerial consultation among Department of Consumer

Affairs(DoCA), Department of Agriculture and Farmers Welfare(DA&FW), and Department of Food and Public Distribution(DFPD) has decided the following:

- i. To formulate a combined scheme for Price support and buffer management by combining PSS and PSF schemes to be implemented by a single Ministry i.e. DAFW
- ii. The modus operandi pertaining to buffer norms and management to remain under administrative control of DoCA.
- iii. The combined scheme will be put up for EFC appraisal and Cabinet approval.
- iv. Till the final approval is obtained from Cabinet, status quo to be maintained for implementing PSS and PSF and extension for Pradhan Mantri Annadata Aay SanraksHan Abhiyan (PM-AASHA) to be sought till 30.09.2023 so that procurement of pulses and oilseeds is not hampered during the ensuing Rabi season".
- 5.14 During the course of oral evidence, the representatives of the Department deposed: "कई बार एक प्रश्न यह उठता है कि हमारा बीई से इतना कम कैसे हो गया, तो मैं बताना चाहूंगा कि हमारे पास 1500 करोड़ रुपये का प्रावधान Price Stabilization Fund का था, लेकिन हमारा जो Price Stabilization Fund का corpus है, वह लगभग 5,800 करोड़ ऑलरेडी हमारे पास है। उसमें से जो पल्सेज और प्याज का बफर है, उसकी खरीद हम करते हैं और जब बेचते हैं, तो उससे वह वापस recoup होता है। इसीलिए हमारी वित्तविभाग के साथ यह सहमति है कि जब भी हमें 5800 करोड़ रुपये से अधिक आवश्यकता होगी, तो वे हमें पैसा दे देंगे। अभी हमारे पास corpus लगभग 5800 करोड़ रुपये से ऊपर है, इसलिए इस वर्ष जो 1500 करोड़ रुपये का प्रावधान था, उसको उन्होंने नोशनल एक लाख कर दिया है। पैसे की कोई कमी नहीं है। इस वर्ष भी हमने बहुत सारी दालों का प्रोक्योरमेंट और ढाई लाख टन प्याज का प्रोक्योरमेंट किया है। आपने कल-परसों पढ़ा होगा कि नासिक के पास प्याज की कीमतें काफी कम हो गयी थीं। NAFED के माध्यम से हमने तुरंत इंटरवेंशन कराकर खरीद शुरू कर दी है। चूंकि खरीफ की प्याज केवल एक महीने तक ही रख सकते हैं, इसलिए जिन-जिन क्षेत्रों में कीमतें ज्यादा हैं, उन्हें हम वहां बेच रहे हैं। हमारा जो असली प्याज का प्रोक्योरमेंट होगा, वह रबी की फसल से होगा, जो 15 मार्च से आएगी। इसके बाद जब वह थोड़ी ड्राई हो जाती है, तो हम अप्रैल से उसे इकट्टा करके ढाई लाख टन अपने बफर में

मैडम, इसीलिए भारत के किसी भी भाग में पिछले वर्ष प्याज की कीमतो में 30-35 रुपये से ज्यादा रिटेल में प्राइस नहीं बढ़े, जबिक पूर्व के वर्षों, मुख्यत: फरवरी के एंड और मार्च के पहले सप्ताह या अगस्त, सितंबर में कई बार यह देखा गया कि 70 या 80 रुपये कीमत भी हो जाती थी। मैं पूरे विश्वास के साथ आपको बताना चाहता हूं कि पिछले वर्ष प्याज की कीमतें बफर की वजह से ही स्टेबल रहीं। इसका एक ग्राफ है, जिसे मैं आपकी अनुमित से दिखाना चाहता हूं। इस ग्राफ में हमने यह नोटिस किया है कि जब बफर हमारे पास होता है, तब कीमतों में स्पाइक नहीं होता है। जैसे कि वर्ष 2019 में बफर नहीं था, तो पहला शूट-अप 90 से 100 रुपये के बीच चला गया, फिर हमने

रखते हैं और जहां-जहां कीमतें ज्यादा होती हैं, वहां सेल करते हैं।

थोड़ा बफर वर्ष 2020 में किया, तो कीमतें 60 रुपये तक गयीं। उसके बाद हमने माननीय मंत्रीगण की सिमिति, जिसके माननीय गृहमंत्री जी अध्यक्ष हैं, की अनुमित लेकर ढाई लाख टन का बफर किया। इससे मार्केट को एक सिग्नल मिलता है कि सरकार के पास बफर है और अगर किसी ट्रेडर ने किसी गलत धारणा से दाम बढ़ाया, तो सरकार उसे मार्केट में इन्फ्यूज कर देती है। अत: प्राइसेज डिमांड सप्लाई के अतिरिक्त सेंटीमेंट से भी गवर्न होती हैं, खासतौर पर कमोडिटीज की। अत: यह एक बड़ा अच्छा एक्सपेरिमेंट सामने आया। यही चीज दालों में भी हुई है और इस वर्ष दालों की कीमतों में बहुत ज्यादा बढ़ोत्तरी नहीं होगी। ".

PRICE STABILIZATION FUND

5.15 The Committee note that the Price Stabilization Fund (PSF) was set up with an initial corpus of ₹500 crore to tackle price volatility in some agri-horticultural commodities viz. onion, potato and pulses to protect the interests of consumers. As per the Government's decision, the PSF was transferred to the Department of Consumer Affairs (DoCA) w.e.f. 1st April, 2016. The buffer stock created out of the fund with the Government discourages hoarding and unscrupulous speculation by traders. As on13th February, 2023 there is an amount of Rs.5,925 Crore in the PSF corpus. The Committee also note that with a view to bring the Price Support Scheme (PSS) presently operated by the Department of Agriculture and Farmers Welfare(DA&FW) & Price Stabilization Fund (PSF) presently operated by Department of Consumer Affairs (DoCA) under one Ministry, inter-Ministerial consultation is going on among DoCA, DA&FW and Department of Food and Public Distribution (DFPD). In the mean time a token amount of Rs. 0.01 Crore has been allocated for PSF for the Financial Year 2023-24. Further, the inter ministerial consultation has decided to formulate a combined scheme for Price support and buffer management by combining PSS and PSF schemes to be implemented by a single Ministry i.e. DAFW, the modus operandi pertaining to buffer norms and management to remain under administrative control of DoCA, the combined scheme will be put up for EFC appraisal and Cabinet approval. The Inter-Ministerial consultation also decided that till the final approval is obtained from Cabinet, status quo may be maintained for implementing PSS and PSF and extension for Pradhan Mantri Annadata Aay Sanraks Han Abhiyan (PM-AASHA) to be sought till 30.09.2023 so that procurement of pulses and oilseeds is not hampered during the ensuing Rabi season. The Committee desire that a decision in the matter should be arrived at the earliest so that the Government is ready to tackle any possible price volatility and Committee may be apprised about the progress made in the matter.

CHAPTER - VI

CONSUMER AWARENESS (PUBLICITY) PROGRAMME

1. CONSUMER AWARENESS (ADVERTISING AND PUBLICITY)

The Committee have been informed that Under the scheme of Consumer Awareness, awareness campaigns are undertaken in the form of print, electronic, outdoor and social media through Bureau of Outreach and Communication (BOC) / National Film Development Corporation (NFDC), All India Radio (AIR), Doordarshan (DD), and other organizations like Indian Railway Catering & Tourism Corporation (IRCTC), Common Service Centres(CSCs) etc.. Under this Scheme, funds are also released to State / UT governments for consumer awareness programmes based on local themes. These funds can be used for advertisements in print and electronic media, local exhibitions, street plays, cultural functions etc. to educate the citizens about consumer rights. In order to create awareness amongst the people living in rural & backward areas, the Department also takes part in important fairs / festivals of various States / UTs keeping in view of the fact that such fairs / festivals draw a large number of people from rural & backward areas. The Department is actively using various social media platforms for generating consumer awareness. The Department is making use of Common Service Centers (CSCs) across the country by displaying posters on consumer awareness. Innovative campaigns have been run by way of scroll messages, laptop branding, mug branding, news report captions on Doordarshan network channels. Sponsored Radio Programmes (SRPs) in North-Eastern region and Ad libs (messages by RJs) are being broadcast on All India Radio (AIR) to generate awareness.

6.2 The Department has stated in a written reply to a question that as a part of the scheme, Department has been conducting country-wide multimedia awareness campaigns titled "JagoGrahakJago" which started in 2006. Through simple messages, consumers are made aware of fraudulent practices and problems and the mechanism to seek redressal. The entire strategy of the IEC activities under the scheme of Consumer Awareness has been designed to conduct an effective and intensive consumer awareness campaign so as to reach the urban, semi-urban as well as the rural and remote areas.

The Budgetary allocation

6.3 The BE, RE and AE for Consumer Awareness under Major Head 3456 during the last 6 years is as follows:

| Year | BE | RE | AE | % out of RE | |
|---------|-------|-------|-------------------------|-------------|--|
| 2017-18 | 62.00 | 62.00 | 61.78 | 99.7 | |
| 2018-19 | 70.00 | 60.00 | 58.90 | 98.2 | |
| 2019-20 | 62.00 | 40.00 | 33.89 | 84.8 | |
| 2020-21 | 60.00 | 42.50 | 42.25 | 99.4 | |
| 2021-22 | 44.50 | 23.00 | 22.99 | 99.9 | |
| 2022-23 | 25.00 | 17.50 | 14.91(as on 20.02.2023) | 85.2 | |
| 2023-24 | 17.99 | | | | |

6.4 Asked about the reasons for spending less than estimated over the years for Consumer Awareness, the Department of Consumer Affairs submitted the following:

| " S | Year | Reason |
|-----|---------|---|
| N. | | |
| 1 | 2018-19 | All funds utilized fully. |
| 2 | 2019-20 | Due to increased digitalization, the use of zero-cost dissemination for consumer awareness using social media increased during this year which led to less use of traditional print, electronic and outdoor media |
| 3 | 2020-21 | All funds utilized fully. |
| 4 | 2021-22 | All funds utilized fully. |
| 5 | 2022-23 | All funds are expected to be utilized fully. |

6.5 Asked about the measures taken to realize the mandate of the Government in the matter of spreading Consumer Awareness, the Department replied:

"Under the scheme of Consumer Awareness, awareness campaigns are undertaken in the form of print, electronic, outdoor and social media through Central Bureau of Communication (CBC) / National Film Development Corporation (NFDC), All India Radio (AIR), Doordarshan (DD), and other organizations like Indian Railway Catering & Tourism Corporation (IRCTC), Common Service Centres(CSCs) etc. Under this Scheme, funds are also released to State / UT governments for consumer awareness programmes based on local themes. These funds can be used for advertisements in

print and electronic media, local exhibitions, street plays, cultural functions etc. to educate the citizens about consumer rights. In order to create awareness amongst the people living in rural & backward areas, the Department also takes part in important fairs / festivals keeping in view of the fact that such fairs / festivals draw a large number of people. The Department is actively using various social media platforms for generating consumer awareness. The Department has made use of Common Service Centres (CSCs) across the country by displaying posters on consumer awareness. Innovative campaigns have been run by way of scroll messages, laptop branding, mug branding, news report captions on Doordarshan network channels. Sponsored Radio Programmes (SRPs) in North-Eastern region and Ad libs (messages by RJs) are being broadcast on All India Radio (AIR) to generate awareness. The Department has launched "Jagriti", a mascot for empowering consumers and making them aware of their rights. By bringing the Jagriti mascot, DoCA aims to strengthen its consumer awareness campaign presence in digital and multimedia and reinforce a young empowered and informed consumer as a top-of-mind consumer rights awareness recall brand.

6.6 About the physical targets fixed to be achieved with the available fund of Rs. 17.99 Crore during the year 2023-24, the Committee are informed by the Department as follows:

"The Department intends to use a holistic approach by utilizing various media like electronic, outdoor publicity and social media for generating consumer awareness specifically in scheduled caste, scheduled tribe and backward areas of the country. Traditional media campaigns in form of electronic and outdoor media through PrasarBharati, Central Bureau of Communication (CBC) and National Film Development Corporation (NFDC) will be taken up. The Department intends to produce attractive infographics, gifs and videos on various consumer related issues specifically by engaging celebrities to generate awareness among the masses through social media and other platforms. Besides, the Department will participate in various big fairs, festivals and events and also assist States/UTs in form of grant-in-aid for generating consumer awareness at regional level".

6.7 The Committee note that under the scheme of Consumer Awareness, awareness campaigns are undertaken in the form of print, electronic, outdoor and social media through Central Bureau of Communication (CBC) / National Film Development Corporation (NFDC), All India Radio (AIR), Doordarshan (DD), and other organizations

like Indian Railway Catering & Tourism Corporation (IRCTC), Common Service Centres(CSCs) etc. The Committee also note that the Department is actively using various social media platforms for generating consumer awareness and also has made use of Common Service Centres (CSCs) across the country by displaying posters on consumer awareness. Sponsored Radio Programmes (SRPs) in North-Eastern region and Ad libs (messages by RJs) are being broadcast on All India Radio (AIR) to generate awareness. The Department has launched "Jagriti", a mascot for empowering consumers and making them aware of their rights. By bringing the Jagriti mascot, DoCA aims to strengthen its consumer awareness campaign presence in digital and multimedia and reinforce a young empowered and informed consumer as a top-of-mind consumer rights awareness recall brand. The Committee think that despite publicity by various means, there is need for better penetration of the awareness programme specially in rural, tribal and NE areas. The Committee are happy to note that department is giving attention to the North Eastern areas of the country which have been sidelined for long. The Committee applaud the efforts of the Department in spreading awareness programmes in North Eastern States and further desire that the awareness campaign should specifically mention the various schemes of the Department such as Consumer Protection, Weights and Measures, Hallmarking of Jewellery, Testing and Calibration, Price Monitoring and Stabilization, etc. especially for consumers residing in rural, tribal and the North Eastern Region by involving local Voluntary Organisations/ Non-Government Organisations/ Self-Help Groups and Farmer **Groups and Anganwadi Centres.**

2. CONSUMER WELFARE FUND

6.8 Asked about the time since when the fund was started and details of sources of the fund, the Department of Consumer Affairs replied:

"Consumer Welfare Fund (CWF) has been releasing funds since 2010-11. Consumer Welfare Fund is a Public Fund, set up under the Central Excise Act, 1944, accrued mainly from the :

- (i) amount which could not be returned to the consumers under the Central Excise Act, 1944; and later CGST in 2017.
- (ii) Fines imposed by NCDRC.

Accordingly, Consumer Welfare Fund Rules were framed and notified in the Gazette of India in 1992, which have been incorporated in Rule 97 of the CGST Rules, 2017 after introduction of GST Act. Consumer Welfare Fund has been setup under section 57 of the CGST Act, 2017.

Under the Rules 97(4) of CGST Rules, 2017, a Standing Committee headed by Secretary, Department of Consumer Affairs has been constituted to make recommendations for proper utilization of the money credited to the Consumer Welfare Fund for the welfare of consumers. Empowered by the CWF Rules, the Standing Committee has made guidelines for the management, and administration of the Consumer Welfare Fund which is under revision.

The Consumer Welfare Fund is being operated by the Ministry of Consumer Affairs, Food & Public Distribution, Department of Consumer Affairs. Consumer Welfare Fund (CWF) is a Public Fund and not voted in Parliament".

- The Department, in their written reply, has informed the Committee that money that is not refundable to the manufacturers etc. is credited to the Consumer Welfare Fund. The Consumer Welfare Fund Rules were framed and notified in the Gazette of India in 1992, under the Central Excise and Salt Act, 1944 (1 of 1944) pursuant to its amendment in 1991. On enactment of the CGST Act, 2017, the Consumer Welfare Fund has been setup under section 57 thereof. Rule 97 of the CGST Rules, 2017 deals with the Consumer Welfare Fund.

 6.10 It has further stated that based on the decisions of the Standing Committee, Financial assistance from CWF is given to various consumer awareness/publicity programmes of DoCA, Autonomous Institutions like Universities/ Corporations/Educational Institutes etc., Central/State/UT departments/organisations, Voluntary Consumer Organizations (VCOs), Government bodies and States to promote and protect the welfare of the consumer, engaged in consumer awareness/protection activities, for consumer awareness/protection and strengthen consumer movement in the country.
- 6.11 Asked about the break-up of amounts flowing into the fund alongwith name of the sources till date, the Department replied:

"Consumer Welfare Fund is a Public Fund, set up under the Central Excise Act, 1944, accrued mainly from the :

- (i) amount which could not be returned to the consumers under the Central Excise Act, 1944; and later CGST in 2017.
- (ii) Fines imposed by NCDRC".

6.12 During the last 4 years and the current year, there is an average utilization of 87.6 % of Revised Estimates (RE) as shown below in the table:

| Year | BE | RE | AE | % out of RE |
|---------|---------|---------|--------|-------------|
| 2018-19 | 193500 | 178500 | 178163 | 99.8 |
| 2019-20 | 195000 | 195000 | 190958 | 97.9 |
| 2020-21 | 2610000 | 2610000 | 229201 | 8.7 |
| 2021-22 | 2635000 | 2635000 | 370018 | 14 |
| 2022-23 | 375000 | 370000 | 804995 | 217.6 |
| 2023-24 | 370000 | | | |

6.13 Against the Year 2022-23 projects for conducting capacity building programme for the members of consumer commission by Dharmashastra National Law University Jabalpur, Madhya Pradesh and National Law School University of India, Bangaluru, Karnataka were financed amounts of Rs 315000/- Rs. 489995/- from the CWF respectively.

3 CONSUMER WELFARE (CORPUS) FUND

- 6.14 Grants from Consumer Welfare Fund is also given to States/UTs for creating a State/UT level Consumer Welfare (Corpus) Fund upto a seed money upto Rs. 20.00 Crore. The contribution of Centre and State/UT is in the ratio of 75:25 (90:10 in the case of Special Category States/UTs), in the corpus. The money is to be deposited in a dedicated interest bearing bank account in any Nationalised Bank to be opened and operated by the concerned State/UT. The interest generated out of the Corpus Fund is to be used by the State/UT for consumer welfare activities as per the extant CWF Guidelines and directions of the Central Government. The concerned State/UT government has to furnish to the Central Government, details of interest accrued, activities undertaken out of the above interest, Audited statement of accounts, details of the account, proof of the State share deposited etc. as required by the Central Government. Status of Grants Released under the Corpus Fund Scheme
- 6.15 The Department has informed the Committee that 21 states have opted for this scheme, covering around 80% of India's population. A total of Rs. 21367.77 Lakh Grants under the Schemes has been released from CWF Corpus Fund and an amount of Rs. 37 Crore (with Rs. 32 Crore under the relevant head for Consumer Welfare (Corpus) Fund) for setting up / enhancement of Consumer Welfare (Corpus) Fund in States/UTs has been allocated in the BE 2023-24.
- 6.16 Asked how the Union Government monitor the implementation of the project, the Department replied:

"The concerned State/UT government furnishes details of interest accrued, activities undertaken out of the above interest, Audited statement of accounts, details of the account, proof of the State share deposited etc. to the Central Government".

6.17 The Committee note that money that is not refundable to the manufacturers etc. is credited to the Consumer Welfare Fund, the Rules of which were framed and notified

in the Gazette of India in 1992, under the Central Excise and Salt Act, 1944 (1 of 1944) pursuant to its amendment in 1991. On enactment of the CGST Act, 2017, the Consumer Welfare Fund has been setup under section 57 thereof. Rule 97 of the CGST Rules, 2017 deals with the Consumer Welfare Fund. Financial assistance from CWF is given inter-alia to Government bodies and States to promote and protect the welfare of the consumer, engaged in consumer awareness/protection activities, for consumer awareness/protection and strengthen consumer movement in the country. Grants from Consumer Welfare Fund is also given to States/UTs for creating a State/UT level Consumer Welfare (Corpus) Fund upto a seed money upto Rs. 20.00 Crore with contribution of Centre and State/UT in the ratio of 75:25 (90:10 in the case of Special Category States/UTs), in the corpus. The concerned State/UT government has to furnish to the Central Government, details of interest accrued, activities undertaken out of the above interest, Audited statement of accounts, details of the account, proof of the State share deposited etc. as required by the Central Government. So far 21 states have opted for this scheme, covering around 80% of India's population. A total of Rs. 21367.77 Lakh Grants under the Schemes has been released from CWF Corpus Fund and an amount of Rs. 37 Crore (with Rs. 32 Crore under the relevant head for Consumer Welfare (Corpus) Fund) for setting up / enhancement of Consumer Welfare (Corpus) Fund in States/UTs has been allocated in the BE 2023-24. In this regard, the Committee desire that the scheme should encourage the remaining States to create the Consumer Welfare (Corpus) Fund so that the activities relating to consumer awareness/ protection could be strengthened in these States.

NEW DELHI; 13 March, 2023 22 Phalguna,1944 (Saka) LOCKET CHATTERJEE
Chairperson
Standing Committee on Consumer Affairs,
Food and Public Distribution

APPENDIX I

MINUTES OF THE FIFTH SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2022-2023) HELD ON MONDAY, 27 FEBRUARY, 2023.

The Committee sat from 1430 hrs. to 1610 hrs. in Committee Room No.'D', Parliament House Annexe, New Delhi.

PRESENT

Smt. Locket Chatterjee - Chairperson

MEMBERS

Lok Sabha

- 2. Dr. Farooq Abdullah
- 3. Shri Khagen Murmu
- 4. Shri Mitesh Rameshbhai Patel
- 5. Dr. Amar Singh
- 6. Smt. Kavita Singh
- 7. Shri Saptagiri Sankar Ulaka
- 8. Shri Rajmohan Unnithan
- 9. Shri Ve. Vaithilingam

RAJYA SABHA

- 10. Shri Satish Chandra Dubey
- 11. Shri Baburam Nishad
- 12. Ms. Dola Sen
- 13. Dr. Ashok Bajpai

SECRETARIAT

- 1. Shri Srinivasulu Gunda
- 2. Dr. Vatsala Joshi
- 3. Dr. Mohit Rajan

- Joint Secretary
- Director
- Deputy Secretary

LIST OF WITNESSES

| SI. No. | Name | Designation |
|---------|----------------------------|---------------------------|
| 1. | Shri Rohit Kumar Singh | Secretary (CA) |
| 2. | Shri Shantmanu | AS&FA |
| 3. | Ms. Nidhi Khare | Additional Secretary (CA) |
| 4. | Shri Vinod Kumar | DDG (Finance) (BIS) |
| 5. | Shri Vineet Mathur | Joint Secretary |
| 6. | Shri Anupam Mishra | Joint Secretary |
| 7. | Dr. Kamkhenthang Guite | Joint Secretary |
| 8. | Shri Shashi Bhushan | Advisor (Cost) |
| 9. | Shri Dhruva Kumar Singh | CCA |
| 10. | Mrs. Mamta Upadhyaya Lal | ADG (BIS) |
| 11. | Shri M. Suresh Babu | Director |
| 12. | Shri Sanjay Goswami | Scientist F & H |
| 13. | Shri K.C. Singha | Director |
| 14. | Shri S.K. Prasad | Director |
| 15. | Shri Subhash Chandra Meena | Director |
| 16. | Shri N. Natarajan | Director (NIC) |

2. At the outset, Hon'ble Chairperson welcomed the Members to the sitting of the Committee convened for taking oral evidence of the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) on Demands for Grants (2023-24).

[The witnesses were then called in.]

- 3. Thereafter, the representatives of the Department of Consumer Affairs were called to depose before the Committee in connection with examination of Demands for Grants (2023-24). The Hon'ble Chairperson then welcomed the representatives of the Department of Consumer Affairs to the sitting of the Committee and invited their attention to the provisions contained in Direction 55 of the Directions by the Speaker, Lok Sabha regarding the proceedings to be treated as confidential.
- 4. The representatives of Department of Consumer Affairs with the permission of Chairperson made a power point presentation highlighting major initiatives of the Department, Events and Outreach, Workshops, Reduction in Vacancies in Consumer Commissions, Disposal of Cases, Mediation, Right to Repair Portal, Fake and Deceptive Reviews in e-Commerce, Consumer Helpline, Modifications in CONFONET, e-Daakhil, the Budget Allocation and Expenditure, etc.
- 5. The Secretary also briefed the Committee on various aspects of the Demands for Grants (2023-24) of the Department and highlighted various initiatives of the Department in the field of e-commerce, check on misleading advertisements and NTH, etc.
- 6. The Committee then sought clarifications on the issues related to the Demands for Grants (2023-24) of the Department of Consumer Affairs such as awareness about rights and existence of consumer commissions, celebrity endorsement, obtaining utilization certificates from States/agencies, modernization of NTH, standardization of contract between buyer and seller, insurance services, etc.
- 7. The Secretary, Department of Consumer Affairs responded to the queries of the Members. Thereafter, the Chairperson thanked the Secretary and other officials of the Department for appearing before the Committee for providing valuable information and also directed the Department to furnish written replies to the queries in respect of which the information was not readily available with them at the earliest.
- 8. The evidence was concluded.
- 9. A verbatim record of the proceeding of the Committee has been kept.

The Committee then adjourned.

MINUTES OF THE NINTH SITTING OF THE STANDING COMMITTEE ON CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (2022-2023) HELD ON MONDAY, 13 MARCH, 2023

The Committee sat from 1500 hrs. to 1540 hrs. in Committee Room No.'3', Block-A, Extension to Parliament House Annexe, New Delhi.

PRESENT

Smt. Locket Chatterjee - Chairperson

Members

Lok Sabha

- 2. Dr. Farooq Abdullah
- 3. Ms. Debasree Chaudhuri
- 4. Shri Anil Firojiya
- 5. Shri Khagen Murmu
- 6. Shri Mitesh Rameshbhai Patel
- 7. Shri Ganesan Selvam
- 8. Dr. Amar Singh
- 9. Smt. Himadri Singh
- 10. Shri Saptagiri Sankar Ulaka
- 11. Shri Rajmohan Unnithan
- 12. Shri Ve. Vaithilingam

Rajya Sabha

- 13. Shri Satish Chandra Dubey
- 14. Dr. Fauzia Khan
- 15. Shri C. Ve Shanmugam
- 16. Ms. Dola Sen

SECRETARIAT

- Shri Srinivasulu Gunda Joint Secretary
- Dr. Vatsala Joshi Director
- 3. Dr. Mohit Rajan Deputy Secretary

- 2. At the outset, Hon'ble Chairperson welcomed the Members to the sitting of the Committee convened for consideration and adoption of the Draft Reports on Demands for Grants (2023-24) relating to the (i) XXXXXXXX XXXXXXXXX XXXXXXXXX (ii) Department of Consumer Affairs respectively.
- 3. Thereafter the Committee took up for consideration the following two Draft Reports :-
 - (i) XXXXXXX XXXXXXXX XXXXXXX
 - (ii) The Demands for Grants (2023-24) of the Department of Consumer Affairs
- 4. After some deliberations, the Committee adopted both the Draft Reports with minor modifications.
- 5. The Committee then authorized Hon'ble Chairperson to finalize the report and present/lay the same in both Houses of Parliament. The amendments made may be seen at Annexures I&II.
- 6. Thereafter, the Committee also decided to undertake an on-the-spot Study Visit after the current Budget Session of Parliament.

The Committee then adjourned.

XXXXXXX Matter does not relate to the Report.

Important Recommendations/Observation of the Committee

| SI.No. | Para No. | Recommendation/observations |
|--------|---|--|
| 1 | BUDGET ALLOCATION 2.6 | The Committee note that allocation and utilization of funds by the Department of Consumer Affairs shows that the Actual Expenditure (AE) for the last 5 years has shown enormous surrenders. The Committee therefore, recommend that the Department should make better planning at the Revised Estimate Stage so as to spend as much as estimated and reduce the chances of surrender of funds. |
| 2 | Capital Section 2.13 | The Committee also note that The Department has created capital assets by constructing regional reference standards laboratories and upgrading and modernizing scientific testing equipment in National Test House. They also note that new building blocks have also been constructed in National Test House for impulse test laboratories in Chennai and Mumbai. They also note that funds allocated for the year 2023-24 in capital head will be utilized for procurement of timing instruments for time dissemination project, standards weight and measures for testing and calibration of weighing and measuring instruments, and modernization and expansion of the activities of National Test House. For while the Department has plans to take advance action to expedite procurement. The Committee desire that creation of capital assets should be executed with proper planning at appropriate stage in such a way as to ensure timely completion. |
| 3 | UTILIZATION CERTIFICATE UNDER THE SCHEME OF STRENGTHENING OF CONSUMER | The Committee note that in order to supplement the efforts of the State Governments to run quasi-judicial Consumer Commissions, the Department of Consumer Affairs, under Consumer Protection Act, 2019, is extending financial |

| | 3.15 | Consumer Commission required for their effective functioning. The Committee, therefore, hope that the Department will continuously pursue and take strong measures to ensure utilization of the full amount and obtain UCs from such States/UTs at the earliest. |
|---|---|---|
| 4 | CONFONET 3.24 | The Committee note that under the Scheme of Computerization and Computer Networking of Consumer Commissions in the country (CONFONET) all the three tiers |
| | | of the Consumer Commissions were to be fully computerized. The Committee are appreciative of the trend of spending of the funds viz-a –viz revised estimate since 2017-18. They also appreciate the supply of hardware in 35 State Commissions (SC), 15 Circuit Benches (CB) and 591 District Commissions (DC), deployment of manpower in 32 SCs, 10 CBs and 591 DCs and operationalization of the Commissions of that 35 SCs, 13 CBs and 588 DCs on Online Case Monitoring System (OCMS). The Committee express their satisfaction that E-Daakhil Portal has covered 34 States/UTs and providing facility for online registration of consumer complaints in different consumer commissions. The Committee hope that the Department will strive to continue the trend in future also. |
| 5 | RE- APPROPRIATION OF FUNDS 4.5 | The Committee note that for Machinery and Equipment for development of NE region under Minor Head 01.00.52, the Department spent amounts Rs. 50 Lakh each during the years 2018-19 and 2019-20 and Rs. 19.13 Lakh in the year 2022-23 through re-appropriation. Further, no allocation has been made for the year 2023-24. The Department informed that this Head is a non-functional Head and funds |

| | | The Committee would like to be apprised of the reasons for |
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| | | resorting to re-appropriation for utilizing the funds. |
| 6 | TIME | The Committee note that synchronization of all networks |
| | DISSEMINATION | and computers within the country with a national clock is a |
| | 4.14 | must, especially for the real time applications in strategic |
| | | sector and national security. The Project of Time |
| | | Dissemination was started in 2017 and originally slated for |
| | | completion in the year 2022. They were informed that now it |
| | | is expected that the entire instrument for timing centres will |
| | | be received by the end of 2023 and that the dissemination |
| | | and time stamping is expected to be started during 2024 |
| | | after integration/ testing of the timing instrument. In the |
| | | mean time about Rs. 58 Crore has been spent under Minor |
| | | Head 17.00.52 (Machinery & Equipments). They also note |
| | | that for establishing timing centres, highly precise atomic |
| | | clocks, hydrogen masers etc. needs to procured from the |
| | | International suppliers which are very few and takes upto |
| | | one year delivery time; Tenders / orders for almost all the |
| | | highly sensitive equipment have been placed by NPL and |
| | | are expected to be supplied during 2023; few of them have |
| | | been supplied at ISRO for integration/ testing etc.; and |
| | | permission for Global tender Enquiry has already been |
| | | solicited from Cabinet Secretariat vide letter dated 10 th |
| | | December 2020. The Committee are of the opinion that as |
| | | synchronization of all networks and computers within the |
| | | country with a national clock is a must, especially for the |
| | | real time applications in strategic sector and national |
| | | security. The Committee, therefore, recommend the |
| | | Department of Consumer Affairs to take the project of Time |
| | | Dissemination on highest priority for expediting its |
| | | completion and rope in people with domain expertise, if |
| | | needed so that the benefits accrued may reach to the to |

| | | various sectors of the economy and society at the earliest. |
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| 7 | National Test House | The Committee note that the National Test House works in |
| | | the field of Testing, Evaluation and Quality Control of |
| | 4.27 | various engineering materials and finished products, |
| | | Calibration of measuring equipment /instruments and |
| | | devices. The Committee further observe that an additional |
| | | budgetary allocation to the tune of Rs. 52.84 crore will be |
| | | needed by NTH in FY 23-24 to undertake new projects |
| | | including EV Batteries Testing facilities at NTH, Kolkata |
| | | and Mumbai, Drone Testing Facility at Ghaziabad, |
| | | Transformer testing project at Jaipur, Rajasthan, testing of |
| | | fertilizer samples under 'One Nation, One Fertiliser' |
| | | scheme and testing of drainage water under Clean Ganga |
| | | project, among others. The Committee think that NTH is |
| | | one of its kind organization which provides authentic |
| | | testing facility which may be directly used by the |
| | | Government Organisations as well as private sector |
| | | clients. The Committee, therefore, desire that suitable |
| | | steps should be taken to ensure adequate funding is made |
| | | available to NTH in order to modernize the NTH labs across |
| | | the country. Further, the Committee urge the Ministry to |
| | | popularize the work of NTH amongst the citizens and to |
| | | collaborate with the colleges/universities and arrange the |
| | | visits of students in order to make them acquainted with |
| | | the work of NTH. |
| 8 | PRICE REPORTING CENTRES | The Committee note that the Price Monitoring Division |
| | | (PMD) set up by the Department of Consumer Affairs in |
| | | 1998 is keeping a close watch on the prices of selected |
| | 5.8 | food items as well as the structural and other constraints |
| | | affecting the availability of 22 commodities of five item |
| | | groups i.e., Cereals (Rice & Wheat), Pulses (Gram, Tur, |
| | | Urad, Moong, Masur), Edible Oils (Groundnut Oil, Mustard |

Oil, Vanaspati, Soya Oil, Sunflower Oil, Palm Oil), Vegetables (Potato, Onion, Tomato), and other items (Atta. Sugar, Gur, Milk, Tea, and Salt). During the last 5 years, on an average, 90.5 % of the Revised Estimates (RE) figures got utilized and the BE for 2023-24 is Rs. 600 Lakh. with which financial assistance of approx. Rs. 2.99 lakh per annum is provided per annum for functioning of the centres. They also note that the number of Price Reporting Centres (PRCs) has increased from 178 in 2021-22 to 461 in 2022-23 and the Department has decided to cover all the districts in the country. The Department of Consumer Affairs to review their planning for covering all the districts of the country. The Committee note that the Price Stabilization Fund (PSF) 9 PRICE STABILIZATION was set up with an initial corpus of ₹500 crore to tackle **FUND** price volatility in some agri-horticultural commodities viz. onion, potato and pulses to protect the interests of 5.15 consumers. As per the Government's decision, the PSF was transferred to the Department of Consumer Affairs (DoCA) w.e.f. 1st April, 2016. The buffer stock created out of the fund with the Government discourages hoarding and unscrupulous speculation by traders. As on13th February, 2023 there is an amount of Rs.5,925 Crore in the PSF

corpus. The Committee also note that with a view to bring

the Price Support Scheme (PSS) presently operated by the

Department of Agriculture and Farmers Welfare(DA&FW) &

Price Stabilization Fund (PSF) presently operated by

Department of Consumer Affairs (DoCA) under one

Ministry, inter-Ministerial consultation is going on among

DoCA, DA&FW and Department of Food and Public

Distribution (DFPD). In the mean time a token amount of

Rs. 0.01 Crore has been allocated for PSF for the Financial

| | | Year 2023-24. Further, the inter ministerial consultation |
|----|--|---|
| | | has decided to formulate a combined scheme for Price |
| | | support and buffer management by combining PSS and |
| | | PSF schemes to be implemented by a single Ministry i.e. |
| | | DAFW, the modus operandi pertaining to buffer norms and |
| | | management to remain under administrative control of |
| | | DoCA, the combined scheme will be put up for EFC |
| | | appraisal and Cabinet approval. The Inter-Ministerial |
| | | consultation also decided that till the final approval is |
| | | obtained from Cabinet, status quo may be maintained for |
| | | implementing PSS and PSF and extension for Pradhan |
| | | Mantri Annadata Aay Sanraks Han Abhiyan (PM-AASHA) to |
| | | be sought till 30.09.2023 so that procurement of pulses and |
| | | oilseeds is not hampered during the ensuing Rabi season. |
| | | The Committee desire that a decision in the matter should |
| | | be arrived at the earliest so that the Government is ready to |
| | | tackle any possible price volatility and Committee may be |
| | | apprised about the progress made in the matter. |
| 10 | CONSUMER AWARENESS (PUBLICITY) PROGRAMME | The Committee note that under the scheme of Consumer |
| | | Awareness, awareness campaigns are undertaken in the |
| | | form of print, electronic, outdoor and social media through |
| | 6.7 | Central Bureau of Communication (CBC) / National Film |
| | | Development Corporation (NFDC), All India Radio (AIR), |
| | | Doordarshan (DD), and other organizations like Indian |
| | | Railway Catering & Tourism Corporation (IRCTC), Common |
| | | Service Centres(CSCs) etc. The Committee also note that |
| | | the Department is actively using various social media |
| | | platforms for generating consumer awareness and also has |
| | | made use of Common Service Centres (CSCs) across the |
| | | country by displaying posters on consumer awareness. |
| | | Sponsored Radio Programmes (SRPs) in North-Eastern |
| | | region and Ad libs (messages by RJs) are being broadcast |

on All India Radio (AIR) to generate awareness. The launched "Jagriti", a Department has empowering consumers and making them aware of their rights. By bringing the Jagriti mascot, DoCA aims to strengthen its consumer awareness campaign presence in digital and multimedia and reinforce a young empowered and informed consumer as a top-of-mind consumer rights awareness recall brand. The Committee think that despite publicity by various means, there is need for better penetration of the awareness programme specially in rural, tribal and NE areas. The Committee are happy to note that department is giving attention to the North Eastern areas of the country which have been sidelined for long. Committee applaud the efforts of the Department in spreading awareness programmes in North Eastern States and further desire that the awareness campaign should specifically mention the various schemes of the Department such as Consumer Protection, Weights and Measures, Hallmarking of Jewellery, Testing and Calibration, Price Monitoring and Stabilization, etc. especially for consumers residing in rural, tribal and the North Eastern Region by involving local Voluntary Organisations/ Non-Government Organisations/ Self-Help **Groups and Farmer Groups and Anganwadi Centres.** The Committee note that money that is not refundable to the manufacturers etc. is credited to the Consumer Welfare Fund, the Rules of which were framed and notified in the Gazette of India in 1992, under the Central Excise and Salt Act, 1944 (1 of 1944) pursuant to its amendment in 1991. On enactment of the CGST Act, 2017,

the Consumer Welfare Fund has been setup under section

57 thereof. Rule 97 of the CGST Rules, 2017 deals with the

CONSUMER
WELFARE
(CORPUS) FUND
6.17

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Consumer Welfare Fund, Financial assistance from CWF is given inter-alia to Government bodies and States to promote and protect the welfare of the consumer, engaged in consumer awareness/protection activities, for consumer awareness/protection and strengthen consumer movement in the country. Grants from Consumer Welfare Fund is also given to States/UTs for creating a State/UT level Consumer Welfare (Corpus) Fund upto a seed money upto Rs. 20.00 Crore with contribution of Centre and State/UT in the ratio of 75:25 (90:10 in the case of Special Category States/UTs), in the corpus. The concerned State/UT government has to furnish to the Central Government, details of interest accrued, activities undertaken out of the above interest, Audited statement of accounts, details of the account, proof of the State share deposited etc. as required by the Central Government. So far 21 states have opted for this scheme, covering around 80% of India's population. A total of Rs. 21367.77 Lakh Grants under the Schemes has been released from CWF Corpus Fund and an amount of Rs. 37 Crore (with Rs. 32 Crore under the relevant head for Consumer Welfare (Corpus) Fund) for setting up / enhancement of Consumer Welfare (Corpus) Fund in States/UTs has been allocated in the BE 2023-24. In this regard, the Committee desire that the scheme should encourage the remaining States to create the Consumer Welfare (Corpus) Fund so that the activities relating to consumer awareness/ protection could be strengthened in these States.