

FIFTEENTH REPORT

**STANDING COMMITTEE ON FOOD, CIVIL
SUPPLIES AND PUBLIC DISTRIBUTION
(2002)**

(THIRTEENTH LOK SABHA)

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

**DEMANDS FOR GRANTS
(2002-2003)**

Presented to Lok Sabha on.....23/4/02
Laid in Rajya Sabha on.....24/04/02



**LOK SABHA SECRETARIAT
NEW DELHI**

April. 2002/Chaitra, 1924 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON FOOD,
CIVIL SUPPLIES AND PUBLIC DISTRIBUTION
(2002)

Shri Devendra Prasad Yadav – *Chairman*

MEMBERS

Lok Sabha

2. Shri Vishnu Dev Sai
3. Shri Sahib Singh Verma
4. Shri Mansinh Patel
5. Shri Ram Chandra Veerappa
6. Shri Ram Naresh Tripathee
7. Shri Namdeorao Harbaji Diwathe
8. Shri Shyam Bihari Mishra
9. Shri Abdul Hamid
10. Smt. Preneet Kaur
11. Shri Rameshwar Dudi
12. Shri Tara Chand Bhagora
13. Shri Sujan Singh Bundela
14. Shri Sisram Ola
15. Shri A.P. Abdullakutty
16. Shri Baju Ban Riyan
17. Shri Ram Sagar Rawat
18. Shri Rajbhar Babban
19. Shri Ezhilmalai Dalit
20. Capt. (Retd.) Inder Singh
21. Shri Nagmani
22. Shri Jai Prakash
- *23. Shri M.V.V.S. Murthi
24. Vacant
25. Vacant

* Ceased to be a member of the Committee w.e.f. 18th January, 2002 (*vide* Bulletin Part-II, No. 2540, dated 18th January, 2002).

(iv)

26. Vacant
27. Vacant
28. Vacant
29. Vacant
30. Vacant

Rajya Sabha

31. Smt. Bimba Raikar
- *32. Shri Abdul Gaiyur Qureshi
- *33. Shri W. Angou Singh
34. Smt. Gurcharan Kaur
- *35. Shri Lakkhiram Agarwal
36. Shri Lajpat Rai
- **37. Shri Dawa Lama
38. Shri M.A. Kadar
39. Dr. Swami Sakshi Ji Maharaj
40. Shri Vijay Singh Yadav
41. Shri Anil Sharma
42. Shri R.N. Arya
- ***43. Dr. (Ms.) P. Selvie Das
- @44. Shri C. Perumal
45. Vacant

SECRETARIAT

- | | | |
|-----------------------|---|-----------------------------|
| 1. Shri John Joseph | — | <i>Additional Secretary</i> |
| 2. Shri Ram Autar Ram | — | <i>Joint Secretary</i> |
| 3. Shri A.S. Chera | — | <i>Deputy Secretary</i> |
| 4. Shri R.S. Mishra | — | <i>Under Secretary</i> |

* Ceased to be a member of the Committee consequent upon retirement from Rajya Sabha w.e.f. 9.4.2002.

** Ceased to be a member of the Committee consequent upon retirement from Rajya Sabha w.e.f. 2.4.2002.

*** Nominated to the Committee w.e.f. 17th January, 2002 (*vide* Bulletin Part-II, No. 2575, dated 25th January, 2002).

@ Nominated to the Committee w.e.f. 8th April, 2002 (*vide* Bulletin Part-II, No. 2796, dated 10th April, 2002).

INTRODUCTION

1. I, the Chairman of the Standing Committee on Food, Civil Supplies and Public Distribution (2002) having been authorised by the Committee to submit the Report on their behalf, present this Fifteenth Report on Demands for Grants (2002-2003) 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 (2002-2003) of the Ministry which were laid on the Table of the House on 19th March, 2002.

3. The Committee took evidence of the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) on 28th March, 2002.

4. 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 placing before them detailed written notes on the subject and for furnishing the information to the Committee, desired in connection with the examination of the subject.

5. The Report was considered and adopted by the Committee at their sitting held on 11th April, 2002.

6. For facility of reference and convenience, the Observations and Recommendations of the Committee have been printed in thick type in the body of the Report.

NEW DELHI;
12 April, 2002

22 Chaitra, 1924 (Saka)

DEVENDRA PRASAD YADAV,
Chairman,
Standing Committee on Food,
Civil Supplies and Public Distribution.

PART I
CHAPTER I
INTRODUCTORY

The Department of Consumer Affairs is entrusted with the functions of monitoring of prices and availability of essential commodities, control of futures trading and matters relating to regulation of Weights and Measures, Standardization and Quality Control, Consumer Protection and Integrated Management of Prices. In the field of Cooperation, the Ministry is responsible for Consumer Co-operative Schemes only.

1.2 The Department has also the following attached and subordinate offices entrusted with the responsibility of implementation of policies laid down by the Government of India :-

- (1) Weights and Measures Unit;
- (2) Forward Markets Commission; and
- (3) National Test House.

1.3 The Department has administrative responsibility of the following Organisations functioning under the administrative control of the Ministry :-

- (1) Bureau of Indian Standards (BIS);
- (2) National Consumer Disputes Redressal Commission (NCDRC);
- (3) National Co-operative Consumers' Federation (NCCF);
and
- (4) Super Bazar, New Delhi.

1.4 The details of the Budget Estimate and Revised Estimate for (2001-2002) as well as Budget Estimates for (2002-2003) are as under:-

(In Crores of Rupees)

| | Major Head | (Budget 2001-2002) | | | Revised (2001-2002) | | | Budget (2002-2003) | | |
|---------------------------------|------------|--------------------|----------|-------|---------------------|----------|-------|--------------------|----------|-------|
| | | Plan | Non-Plan | Total | Head | Non-Plan | Total | Head | Non-Plan | Total |
| REVENUE SECTION | | | | | | | | | | |
| Secretariat-Economic Services | 3451 | 0.28 | 5.11 | 5.39 | 0.28 | 5.50 | 5.78 | 0.20 | 5.57 | 5.77 |
| Other Scientific Research | 3425 | 3.35 | 10.73 | 14.08 | 2.00 | 10.61 | 12.61 | 3.95 | 10.80 | 14.75 |
| Industries | 2852 | 2.09 | ... | 2.09 | 2.09 | ... | 2.09 | 0.45 | ... | 0.45 |
| Civil Supplies | 3456 | 3.40 | 33.19 | 36.59 | 3.40 | 31.86 | 35.26 | 3.35 | 31.08 | 34.53 |
| | Charged | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| | Voted | 3.40 | 33.19 | 36.59 | 3.40 | 31.86 | 35.26 | 3.45 | 31.08 | 34.53 |
| Other General Economic Services | 3475 | 0.33 | 4.25 | 4.58 | 0.33 | 3.97 | 4.30 | 0.33 | 4.03 | 4.36 |
| Total-Revenue Section | | 9.45 | 53.28 | 62.73 | 8.10 | 51.94 | 60.04 | 8.83 | 51.48 | 59.86 |
| | Charged | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| | Voted | 9.45 | 53.28 | 62.73 | 8.10 | 51.94 | 60.04 | 8.83 | 51.48 | 59.86 |
| CAPITAL SECTION | | | | | | | | | | |
| Capital Outlay on other | | | | | | | | | | |
| General Economic Services | 5475 | 1.70 | ... | 1.70 | 1.97 | ... | 1.97 | 1.22 | ... | 1.22 |
| North Eastern Area | 4552 | 0.70 | ... | 0.70 | 0.70 | ... | 0.70 | 0.55 | ... | 0.55 |
| Loans for other General | | | | | | | | | | |
| Economic Services | 7475 | ... | ... | ... | ... | 15.00 | 15.00 | ... | 6.00 | 6.00 |
| Total-Capital Section | | 2.40 | ... | 2.40 | 2.67 | 15.00 | 17.67 | 1.77 | 6.00 | 7.77 |
| Grand Total | | 11.85 | 53.28 | 65.13 | 10.77 | 66.94 | 77.71 | 10.15 | 57.48 | 67.63 |
| | Charged | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| | Voted | 11.85 | 53.28 | 65.13 | 10.77 | 66.94 | 77.71 | 10.15 | 57.48 | 67.63 |

1.5 The details of recoveries adjusted on account of expenditure for Revenue and Capital Section are as under :-

| Major Head | (Budget 2001-2002) | | | Revised (2001-2002) | | | Budget (2002-2003) | | |
|-----------------|--------------------|----------|-------|---------------------|----------|-------|--------------------|----------|-------|
| | Plan | Non-Plan | Total | Head | Non-Plan | Total | Head | Non-Plan | Total |
| Revenue Section | ... | -5.00 | -5.00 | .. | -3.70 | -3.70 | .. | -5.00 | -5.00 |
| Civil Supplies | 9.45 | 48.28 | 57.73 | 8.10 | 48.24 | 56.34 | 8.38 | 46.48 | 54.86 |
| Capital | 2.40 | .. | 2.40 | 2.67 | 15.00 | 17.67 | 1.77 | 6.00 | 7.77 |
| Total | 11.85 | 48.28 | 60.13 | 10.77 | 63.24 | 74.01 | 10.15 | 52.48 | 62.63 |

1.6 A statement showing Budget Estimate and Revised Estimate for the year (2000-2001) and (2001-2002) and expenditure incurred under both plan and non-plan schemes/programmes under Department of Consumer Affairs upto 28.2.2002 alongwith percentage expenditure is enclosed :

PLAN

(Rs. in crore)

| SCHEME | (2000-2001) | | | | | (2001-2002) | | | | |
|---|-------------|------|--------------------|-----------------------|-----------------------|-------------|------|-----------------------------------|-----------------------|-----------------------|
| | RE | BE | Actual Expenditure | %with Reference to RE | %with Reference to BE | BE | RE | Actual Expenditure upto 28.2.2002 | %with Reference to BE | %with Reference to RE |
| Industries & Minerals | | | | | | | | | | |
| (a) Consumer Protection | 3.50 | 3.50 | 3.10 | 88.57 | 88.57 | 3.40 | 3.40 | 1.46 | 42.94 | 42.94 |
| (b) Bureau of Indian Standards | 1.60 | 2.80 | 1.60 | 100.00 | 57.14 | 1.94 | 1.94 | 1.94 | 100.00 | 100.00 |
| (c) Contribution to the Quality Council of India. | 0.15 | 0.15 | 0.00 | 0.00 | 0.00 | 0.15 | 0.15 | 0.00 | 0.00 | 0.00 |
| (d) (i) Weights & Measures | 2.62 | 1.42 | 2.10 | 80.15 | 147.89 | 1.88 | 1.86 | 1.42 | 75.53 | 76.34 |
| (ii) Lumpsum Provision for NE Region including Sikkim | 0.50 | 1.00 | 0.21 | 42.00 | 21.00 | 0.70 | 0.70 | 0.05 | 7.14 | 7.14 |
| (e) Regulation of Markets | 0.89 | 0.89 | 0.76 | 85.39 | 85.39 | 1.15 | 0.17 | 0.00 | 0.00 | 0.00 |
| (f) Information and Technology | 0.24 | 0.24 | 0.24 | 100.00 | 100.00 | 0.28 | 0.28 | 0.06 | 21.43 | 21.43 |
| (g) National Test House | - | - | - | - | - | 3.35 | 2.00 | 1.16 | 34.63 | 58.00 |
| (h) National Consumer Disputes Redressal Commission | - | - | - | - | - | 0.00 | 0.27 | 0.27 | - | 100.00 |

*Including authorisation for Rs. 1.39 crore issued in favour of DAVP, New Delhi.

**Including authorisation for Rs. 1.20 crore issued in favour of CPWD for construction of Laboratory building.

***Due to court case relating to land dispute, the amount of Rs. 0.05 crore earmarked for construction of laboratory building could not be utilised.

NON-PLAN

(Rs. in crore)

| SCHEME | (2000-2001) | | | | | (2001-2002) | | | | |
|--|-------------|-------|--------------------|-----------------------|-----------------------|-------------|-------|-----------------------------------|-----------------------|-----------------------|
| | RE | BE | Actual Expenditure | %with Reference to RE | %with Reference to BE | BE | RE | Actual Expenditure upto 28.2.2002 | %with Reference to BE | %with Reference to RE |
| Secretariat | 5.11 | 4.91 | 4.54 | 88.85 | 92.46 | 5.11 | 5.50 | 4.62 | 90.41 | 84.00 |
| Forward Markets Commission | 2.32 | 2.32 | 1.68 | 72.41 | 72.41 | 2.59 | 2.53 | 1.74 | 67.18 | 68.77 |
| Weights & Measures | 1.43 | 1.38 | 1.07 | 74.83 | 77.54 | 1.52 | 1.31 | 0.94 | 61.84 | 71.76 |
| Consumer Protection Unit | 0.13 | 0.13 | 0.10 | 76.92 | 76.92 | 0.14 | 0.14 | 0.14 | 100.00 | 100.00 |
| National Consumer Disputes Redressal Commission | 0.83 | 0.84 | 0.73 | 87.95 | 86.90 | 0.95 | 0.92 | 0.89 | 93.88 | 96.74 |
| Contribution to International Organisation of Legal Metrology | 0.14 | 0.13 | 0.11 | 78.57 | 84.62 | 0.14 | 0.13 | 0.10 | 71.43 | 76.92 |
| National Test House | - | - | - | - | - | 10.73 | 10.61 | 9.34 | 87.05 | 88.03 |
| National Agricultural Co-operative Marketing Federation of India | 2.10 | 25.00 | 25.00 | 1190.48 | 100.00 | 27.10 | 27.10 | 27.00 | 99.63 | 99.63 |
| Project under Consumer Welfare Fund | 2.00 | 2.00 | 0.74 | 37.00 | 37.00 | 5.00 | 3.70 | 0.78 | 15.60 | 21.08 |
| Loans to Super Bazar | 0.00 | 8.00 | 11.00 | | 137.50 | 0.00 | 15.00 | 15.00 | | 100.00 |

1.7 Asked whether any amount allocated under Budget Estimate/Revised Estimate in various heads has been diverted to other heads during the financial year (2001-2002), the Ministry has furnished details of diversion of funds and reasons thereof as:-

| (Rs. in Thousands) | | | |
|--------------------|--|---|---|
| Sl. No. | From | To | Reasons |
| 1 | 2 | 3 | 4 |
| 1. | (a) Major Head 3456 Civil Supplies 03 Consumer Disputes Redressal Commission 03.00.11 Domestic Travel Expenses Rs. 1.00 Major Head 3475 Other General Economic Services 00.106 Regulation of Weights & Measures 05 Weights & Measures Unit 05.00.12 Foreign Travel Expenses Rs. 1.50 Total Rs. 2.50 | Major Head 3456 Civil Supplies 03 Consumer Disputes Redressal Commission 03.00.13 office expenses Rs. 2.50 | The National Consumer Disputes Redressal Commission incurred an amount of Rs. 6.20 on the maintenance of official residence allotted to the President, NCDRC. The President, NCDRC is entitled for furnished residence, This accommodation was lying unoccupied for a long time and was not unlivable. An amount of Rs. 2.16 lakhs was incurred on repairs/additions/alterations in the office chamber of the President, NCDRC and on repairs etc. of Court dais. |
| | Major Head 3475 Other General Economic Services 00.798 International Co-operation | Major Head 3456 Civil Supplies 03 Consumer Disputes Redressal Commission 03.00.13 Office Expenses | Two photocopier machines were purchased in replacement of old machines at a cost of Rs. 3.57 lakhs |

| 1 | 2 | 3 | 4 |
|----|--|---|--|
| | 03 Contribution to International Organisation of Legal Metrology 03.00.32 Contribution Rs. 1.20 | Rs. 1.20 | |
| | Major Head 3456 Civil Supplies 03 Consumer Disputes Redressal Commission 03.00.01 Salaries Rs. 7.00 | Major Head 3456 Civil Supplies 03 Consumer Disputes Redressal Commission 03.00.13 Office Expenses Rs. 7.00 | |
| 2. | Major Head 5475 Capital Outlay on other General Economic Services 00.12 Civil Supplies 06 Regional Reference Standard Laboratory, Faridabad 06.00.52 Mach. & Equipment Rs. 15.00 | 5475-Capital Outlay on other General Economic Services. 00.102 Civil Supplies 06 Regional Reference Standard Laboratory, Faridabad 06.00.53 Major Works Rs. 15.00 | The construction work of RRSL, Faridabad progressed at a fast pace requiring additional funds for completion of the building. |
| 3. | Major Head 5475 Capital Outlay on other General Economic Services 00.102 Civil Supplies 07 Regional Reference Standard Laboratory, Bhubaneswar 07.00.53 Major Works Rs. 1.60 | 5475-Capital Outlay on other General Economic Services. 00.102 Civil Supplies 10 Regional Reference Standard Laboratory, Ahmedabad 10.00.52 Machinery & Equipments Rs. 1.60 | The amount has been diverted for the purchase of machinery and equipments in connection with the modernisation of the RRSL, Ahmedabad. |

| 1 | 2 | 3 | 4 |
|----|---|---|---|
| 4. | Major Head 5475 Capital Outlay on other General Eco- nomic Services 00.102 Civil Sup- plies 07 Regional Reference Stan- dard Laboratory, Bhubaneswar 07.00.53 Major Works Rs. 22.00 | 5475-Capital Outlay on other General Eco- nomic Services. 00.102 Civil Supplies (i) Regional Reference Standard Laboratory, Bhubaneswar 07.00.52 Machinery & Equipments Rs. 7.00 (ii) 06 Regional Refer- ence Standard Labora- tory, Faridabad 06.00.53 Major Works <u>Rs. 15.00</u> Total Rs. 22.00 | (i) The amount has been diverted for the purchase of machin- ery and equipments in connection with the modernisation of the RRSL, Bhubaneswar. (ii) The amount has been diverted for the purchase of machin- ery and equipments in connection with the modernisation of the RRSL, Faridabad. |
| 5. | Revenue Section (Non-Plan) Major Head 3475 Other General Economic Ser- vices (i) Regional Ref- erence Standard Laboratories 06.00.13 Office Expenses Rs. 1.10 (ii) 07 Indian In- stitute of Legal Metrology 07.00.52 Machin- ery & Equipments <u>Rs. 2.40</u> Total Rs. 3.50 | Revenue Section (Non- Plan) Major Head 3475 Other General Economic Ser- vices 07 Indian Insti- tute of Legal Metrology 07.00.13 Office Ex- penses Rs. 3.50 | The Indian Institute of Legal Metrology re- ceived an electricity bill for Rs. 12.00 lakhs (approx.) The savings available have been diverted to office ex- penses of IILM, Ranchi for making part payment of the elec- tricity bill. |
| 6. | Major Head 3475 Other General Economic Ser- vices 07.789 Interna- tional Co-opera- tion 03 Contribution of International Organisation of Legal Metrology 03.00.32 Contri- bution Rs. 75 | Major Head 3475 Other General Economic Ser- vices 06.106 Regulation of Weights & Measures 05 Weights & Mea- sures Unit 05.00.13 Office Expenses Rs. 75 | This amount has been diverted to meet addi- tional expenditure in Office Expenses. |

1.8 As regards the expenditure incurred by BIS against the plan allocation for the year (2001-2002) the Committee was informed that the Department had released the entire allocation of Rs. 1.94 crore to BIS by 28.02.2002 and the BIS had incurred an actual expenditure of Rs. 66.60 lakh upto 28.02.2002.

1.9 The representative of Ministry clarified during the course of evidence :-

"The amount of Rs. 66.6 lakh was the expenditure incurred during (2001-2002) and that, this apart, an amount of Rs. 1.14 crore had been spent during (2000-2001). Thus, the total expenditure come to Rs. 1.80 crore. The incomplete work would spill over to the 10th Five Year Plan for which extra provision of Rs. 3.7 crore has been made."

1.10 Regarding RRSL, Guwahati, out of the total outlay of Rs. 79 lakh the Ministry could spend just 25% i.e. Rs. 19.7 lakh. Asked the reason why less expenditure had been incurred in RRSL, Guwahati, the Ministry has replied that construction of compound wall around the plot of land had been completed and CPWD was finalising the design of the laboratory building. Concerted efforts had been made for early vacation of the High Court stay order. Secretary, Department of Consumer Affairs wrote several letters to the Chief Secretary to get the stay vacated or to provide alternative land. State Government was pursuing the matter with the High Court through the Government Counsel.

1.11 Adding further, the representative of Ministry stated during evidence :-

"Once the laboratory starts functioning expenditure will increase. At this moment it is functioning in rented accommodation."

1.12 The Committee are not satisfied with the overall performance of the Ministry in regard to their percentage expenditures over Budget. Estimate (2001-2002) in both Plan and Non-Plan

allocations. The percentage expenditure during the year 2001-2002 in Plan and Non-Plan schemes stood at 45 and 80 respectively, which is even less than the expenditure incurred in the previous year. Even the funds allocated for Information and Technology and National Test House under Plan heads could not be utilised fully. This is clearly indicative of the fact that the Monitoring Committee set up by the Ministry has not been able to deliver any good to the running schemes. Further, funds allocated under some of the heads have been diverted to other heads for petty matters such as maintenance of official residence of President, National Consumer Disputes Redressal Commission (NCDRC), purchase of machinery and equipments, etc. clearly display poor planning. The reason put forth by the Ministry in regard to less expenditure on RRSI at Guwahati that the State Government could not provide alternative land for the project is not very convincing. In the opinion of the Committee the monitoring of the Ministry over its various schemes and also its coordination with the State Governments have not been up to the mark. The Committee, therefore, strongly recommend that the Ministry's monitoring mechanism should be further strengthened to ensure that the projects undertaken are completed within the stipulated time. The Committee further urge the Ministry to take steps to release funds for the projects in a phased manner so that major spending at the fag end of the year may be avoided.

CHAPTER II
CONSUMER PROTECTION

Major Head – 3456

The Consumer movement is a socio-economic movement which seeks to protect the rights of the consumers in relation to the goods purchased and services availed. Government has accorded high priority to the programme of consumer protection. As a nodal Department, the Department of Consumer Affairs has initiated a number of steps to promote a responsible and responsive consumer movement in the country. Such measures included the use of mass media for promoting consumer awareness and encouraging consumers' involvement through voluntary consumer organisations. The main objectives of the consumer protection programme are:-

- (i) To create suitable administrative and legal mechanisms which would be within the easy reach of consumers;
- (ii) To involve and motivate various sections of society such as consumer organisations, women and youth to participate in programme;
- (iii) To assist, encourage and provide financial assistance to voluntary consumer organisations to take up various consumer protection activities; and
- (iv) To generate awareness among consumers about their rights and responsibilities, motivate them to assert their rights and not to compromise on quality and standards of goods and services and seek redressal in consumer courts, wherever required.

2.2 The BE and RE (2001-2002) and BE (2002-2003) are as given below:-

(In Crores of Rupees)

| BE (2001-2002) | | | RE (2001-2002) | | | BE (2002-2003) | | |
|----------------|----------|-------|----------------|----------|-------|----------------|----------|-------|
| Plan | Non-Plan | Total | Plan | Non-Plan | Total | Plan | Non-Plan | Total |
| 3.40 | 1.09 | 4.49 | 3.40 | 1.06 | 4.46 | 3.45 | 1.08 | 4.53 |

Consumer Courts and Fora

2.3 The Consumer Protection Act, 1986 (68 of 1986) is a milestone in the history of socio-economic legislation in the country. It is one of the most progressive and comprehensive pieces of legislation enacted for the protection of consumers. It is a unique piece of legislation enacted for the protection of consumers. It is a unique piece of legislation as it provides a separate three-tier consumer dispute redressal machinery at the national, state and district levels. The Act is intended to provide simple, speedy and inexpensive redressal of the consumer' grievances.

2.4 Last year, a total of 48 District Fora remained non-functional due to delay in filling up of the vacant posts of President/Members. The position has further deteriorated during the year 2001-2002 as of now 49 District Fora are non-functional. State wise information regarding functional/non-functional District Fora is placed at Annexure-A.

2.5 Clarifying the position, the Ministry in a note furnished to the Committee has stated that it is the responsibility of the State Government to establish and effectively run the State Commission and District Forums uninterruptedly. However, the Central Government has been taking up the matter with the State Governments/UT Administrations from time to time at different levels and different forums to fill up the vacancies on time so as to ensure uninterrupted functioning of the consumer forums. For example, subsequent to the review of the functioning of the Consumer Forums in the Central Consumer Protection Council (CCPC) meeting held in November, 2000, the Minister for Consumer Affairs, Food and Public Distribution has taken up the matter with the Chief Ministers on 5.12.2000 to ensure that all the non-functional

redressal agencies are made fully functional by filling up vacant posts. Similarly, Secretary, Consumer Affairs has taken up the matter with Chief Secretaries on 24.8.2001 as a follow up action of the Minister's letter and also conveying the deep concern of the Parliamentary Standing Committee of the Ministry expressed while examining Demand for Grants, about the non-functional consumer forums and to ensure functioning of all the forums. The filling up of vacant post of President/ Members is one of the agenda items kept for discussion in the Central Consumer Protection Council meeting being held on 23.3.2002. Review of the functioning of the Consumer Fora including the non-functional forums was discussed in the recently held National Conference of the Presidents of the State Commissions and Secretaries of the State Government on 9-10 February, 2002 at Vigyan Bhawan, New Delhi and impressed upon them to ensure that the forums are made functional immediately, among other things.

2.6 The Ministry has further stated that the matter regarding 17 non-functional District Fora in Bihar has been taken up with the State Government and the State Government has given an assurance that these vacancies will be filled by the end of the month (March).

2.7 When asked to explain the role of the Ministry in making the District Fora functional, the representative of the Ministry stated during evidence :-

"It was not my intention to say that it is not the responsibility of the Ministry to monitor the functioning of the District Forum. I was only saying that the statutory responsibility has been given to the National Commission. It is also definitely the responsibility of the Ministry to see that these are functional. There is no doubt in it."

2.8 Regarding data of cases disposed within the stipulated time limit, the Committee have been informed that the same has not been maintained by the National Commission.

2.9 The Ministry in a subsequent reply furnished to the Committee has stated that information regarding statistics of cases disposed off within time limit is at the moment not being maintained by the National Commission, since the State Commissions and District

Forums were unable to maintain and provide such data due to shortage of supporting staff. However, the need for maintaining such data was impressed upon the participants in the Conference. It was also agreed that computerization of consumer forums would greatly facilitate maintenance of vital statistics by the consumer forums and collection of such information from them. The State Governments were requested during the Conference to provide computer facility to the State Commissions and District Forums. Computerization of all consumer forums and installation of facilities for online transmission of data on disposal of cases and other related matters would be a long term exercise.

2.10 The Committee note with concern that despite the Government's assurance last year during the examination of Demands for Grants that non-functional District Fora would be made functional, no sincere efforts have been made by them in this regard. In fact the number of non-functional District Fora has increased than that of the last year. This clearly shows that the Government did not take up the issue in right earnest. Another matter of grave concern for the Committee is that the National Commission is still not maintaining data regarding cases disposed of within the stipulated time. Though the Government have assured the Committee to take up the issue with the National Commission during the examination of the 'The Consumer Protection (Amendment) Bill, 2001' nothing has been done so far in this regard. The Committee, therefore, strongly recommend that the Government should vigorously persuade the State Governments to make these non-functional District Fora functional by filling the vacant posts of President and Members without further delay keeping in view the larger interests of the consumers of the country. The Government should also ensure that the data of cases disposed of within the stipulated time is maintained by the National Commission at the earliest as has been impressed upon by the participants in the National Conference of the Presidents of the State Commissions and Secretaries of State Governments and also assured by the Government during examination of the Consumer Protection (Amendment) Bill, 2001. For this, efforts should be made to link the Consumer Courts in a computer network so that information is readily available to the consumers for quick redressal of their grievances.

CHAPTER III
CONSUMER COOPERATIVES

Consumer Cooperatives have been playing a significant role in the distribution of consumer goods, particularly supply of essential consumer items at fair prices to the rural community, especially in the remote, inaccessible and hilly areas. The objective of consumer cooperatives has been to eliminate the middleman and to protect the interests of consumers. They have no profit motive as they buy goods in bulk from wholesalers and sell to consumers at reasonable prices. The surplus, if any, is distributed among the members as bonus on purchases or used for growth of the cooperatives. Consumer Cooperatives have received good deal of support from the Government as they help to check rise in prices of consumer goods.

The National Cooperative Consumers' Federation (NCCF)

3.2 The National Cooperative Consumers' Federation (NCCF) of India Ltd., New Delhi is the national level consumer cooperative society with the entire country as its area of operation. It renders technical and promotional guidance and assistance for increasing operational and managerial efficiency of the consumer cooperative stores. The commercial operations of the NCCF are undertaken through its Headquarters at New Delhi and 20 Branches with 10 depots located in various parts of the country. The salient features of the NCCF are :-

| | 1999-2000 | 2000-2001 |
|-----------------------------------|-----------|-----------|
| Membership | 123 | 125 |
| Paid-up Share capital (Rs. Mill.) | 194.21 | 194.47 |
| Share of Government (Rs. Mill.) | 165.52 | 165.52 |
| Total Sales Turnover (Rs. Mill.) | 3121.97 | 4037.9 |
| Profit/Loss (Rs. Mill.) | (+) 27.80 | (+) 44.50 |

Outstanding dues

3.3 The Ministry has furnished the following statement regarding the position of outstanding dues recoverable from sundry debtors as on 30.9.2001 :-

(Fig. in lakhs of Rs.)

| Ageing of outstanding | 1998-99 | 1999-2000 | 2000-2001 | 2001-2002 |
|-----------------------|---------|-----------|-----------|-----------|
| Below one Year | 5710 | 6295 | 8322 | 4808 |
| 1 Year to 3 years | 1447 | 568 | 501 | 455 |
| 3 years and above | 511 | 765 | 964 | 938 |
| Total | 7668 | 7638 | 9787 | 6201 |

3.4 The Ministry has further stated that recoveries under 3 years and above involved 182 major parties and about 200 sundry parties spread over 24 branches/sub-branches. During the year 2001-2002 (upto 28.2.02), a sum of Rs. 50.34 lakh was recovered as against dues of Rs. 947.66 lakh, which works out to 5.31 % of recoveries under this group. For the current year, the NCCF proposed to recover at least 8% of total over-dues under this group. For this purpose, the target for each branch/sub-branch is worked out for implementation in the current year. On request, the Ministry had also intervened in 5 cases of major outstanding and a sum of Rs. 37.00 lakh was recovered prior to March, 2001.

Vigilance Activities

3.5 Asked to furnish the details regarding preventive and curative activities taken by the federation to check corruption, the Ministry has replied that workshops of preventive vigilance were being organized in collaboration with Regional Institute of Cooperative Managements for the benefit of NCCF staff on regular basis. In addition to the above, Preventive Vigilance Manual had also been brought out and circulated to all, containing guidelines to be followed while conducting business operations. Regular inspections were also conducted by Vigilance. Besides, the major transactions were also checked and

inspected by the nodal officers and internal auditors. With the revised sourcing policy for purchase of items required by the Government departments, the cases of irregularities had come down substantially.

3.6 Asked whether higher officers of NCCF have been found involving in irregularities, the Ministry has replied in the affirmative and stated that the officers found guilty in the enquiry conducted by the Government of India (Department of Consumer Affairs) have been served with charge-sheets/show cause notices and that further action will be taken on receipt of replies from them.

Sarvapriya Scheme

3.7 A new scheme was launched in July, 2000 under the name 'Sarvapriya' meaning "dear to all" for distribution of 11 selected items of consumer goods for the benefit of the consumers. The NCCF is the nodal agency for this scheme. The scheme envisages distribution of 11 selected items of consumer goods to benefit the lower income group and those living in the rural area. The 11 items thus identified include salt, tea, four varieties of pulses, edible oils, toilet soap, detergent cake, exercise note books and toothpaste which are proposed to be distributed through the fair price outlets and also other retail units of State Civil Supplies Corporations and Cooperatives throughout the country. The State Civil Supplies Departments in different States have to ensure availability in accordance with the demand and make arrangement for distribution of these items in the State. The scheme is voluntary and does not involve any Government subsidy. The structure of pricing of the commodities proposed to be handled under the scheme is given in the Annexure 'B'.

3.8 The Ministry has further stated that Sarvapriya Scheme was in operation in the States of Rajasthan, Tripura, Himachal Pradesh, Maharashtra (under FDS). The Sarvapriya Scheme was launched in July, 2000. A Statement indicating the stocks supplied as on 28.2.2002 is enclosed in Annexure 'C'.

3.9 Giving reasons for delay in the implementation of the Scheme, the Ministry has stated that the main difficulty in implementation of the Sarvapriya Scheme was that neither the State Governments nor the State Agencies want to involve their funds. The scheme was not run on profit basis and as such NCCF was unable to provide any credit facility. The other difficulty was that the functionaries at retail level such as Fair Price Shops, outlets of State Civil Supplies, Corporation and cooperative outlets were habituated in selling subsidized items and were not interested to sell low margin introduced under "Sarvapriya" Scheme. Besides it was noticed that some States were having similar schemes for supply of selected items of daily use through the said outlets.

3.10 The Committee wanted to know whether addition of subsidy element has been given a thought or whether the Government had adopted any special strategy to improve the performance of the scheme, the Government in a subsequent note furnished to the Committee has stated that at the time of launching of the Sarvapriya Scheme, it had made clear that no subsidy would be provided for the Sarvapriya Scheme. The objective of the scheme was to eliminate middlemen by procuring essential items directly from the first sources of supply and to provide these items to common consumers at reasonable rates. NCCF was appointed as the nodal agency for procurement of essential commodities from the manufacturers and distribution was the State responsibility in association with their State Agencies. The FPS through whom foodgrains and sugar were sold at subsidized rates, did not show much interest in the Sarvapriya Scheme. As the scheme is voluntary and not for profit, the Central Government can only persuade the State Governments to implement the Scheme and the State Governments had been repeatedly requested for the same. NCCF had also approached the State Governments individually. Recently, the Board of Directors of NCCF had asked its members to pursue with the State Governments at appropriate level for successful implementation of the scheme.

3.11 The Committee are concerned to note the involvement of higher officers of NCCF in reported irregularities. The Committee

have been informed that the guilty officers have been served with charge sheets/show cause notices after the inquiry conducted by the Government. The Committee are of the opinion that the Government should take immediate steps to dispose of the cases of irregularities at the earliest and the amounts embezzled, if any, by the guilty officers should be recovered without loss of time. The Committee would also like to have the details of these cases along with the penalties imposed upon the guilty.

3.12 The Committee take note of the fact that though the position of the out-standing dues recoverable from sundry debtors have improved in the year 2001-2002 from that of last year, Rs. 6201 lakh still remains to be recovered and that part of the outstanding dues is more than 3 years old. The Committee, therefore strongly urge the Government to make special efforts realize the out-standing dues at the earliest which will also enable the federation to make itself financially strong.

3.13 The Committee note that Sarvapriya Scheme was launched in July, 2000 for distribution of 11 selected items of consumer goods to benefit the lower income groups and those living in rural areas. The scheme, however, could not make much headway except in the States of Rajasthan, Tripura, Himachal Pradesh and Maharashtra. The reasons given by the Government in non-implementation of the scheme in other States that the State Governments/State Agencies do not want to involve their funds is not satisfying to the Committee. The Committee's experience in this regard has been different. During their study visit to Andaman and Nicobar Islands, the Committee were informed that neither from the Central Government nor from NCCF was any attempt made to launch the scheme in the Islands. It was on the insistence of the Committee that the Government of Andaman and Nicobar Islands placed an order in December, 2001 for supply of goods to NCCF. Keeping in view this fact, this Committee strongly recommend the

Government to make sincere efforts in coordination with State Governments to make the scheme a success. For this, the Government should re-think over allocation of subsidy for running the scheme as it caters to the needs of the people belonging to lower income groups and those living in remote and rural areas. The Committee may be apprised of the steps taken and progress made in this regard.

The Cooperative Store Ltd. (Super Bazar, New Delhi)

3.14 The Cooperative Store Ltd., popularly known as Super Bazar, was originally registered in 1966 under the Bombay Cooperative Societies Act. (1925) as extended to the Union Territory of Delhi. It was set up in the wake of the devaluation of the rupee and the steep rise in prices of essential and scarce consumption commodities. In January, 1996, it was registered under the Multi State Cooperatives Societies Act 1984. Super Bazar has been running 152 retail outlets in the capital of which 4 are located in Noida (U.P.)

3.15 The sales turnover of Super Bazar was Rs. 13654.73 lakh in 1995-96 with a net profit of Rs. 26.61 lakh. The turnover declined continuously from 1997-98 onwards and reached the level of Rs. 3713 lakh by the end of year 2000-2001. Super Bazar started incurring losses from 1996-97 onwards. The accumulated losses of Super Bazar are Rs. 3928 lakh. The main reasons for the losses in Super Bazar could be attributed to the following factors :-

- (a) Excess number of employees and disproportionate wage bill in comparison to its volume of business;
- (b) Inadequacy of working capital;
- (c) Non-recovery of outstanding amount against sales made in the past; and
- (d) Increase in the level of fixed cost and wage bills.

3.16 The annual performance of sales and profitability since 1995-96 onwards is shown below :-

(Rs. in Lakh)

| Year | Sales (Net) | Net Profit/Loss |
|-----------|-------------|-----------------|
| 1995-96 | 13654.73 | 27.61 |
| 1996-97 | 13847.85 | (-) 67.75 |
| 1997-98 | 12680.31 | (-) 321.33 |
| 1998-99 | 12527.27 | (-) 706.80 |
| 1999-2000 | 8167.35 | (-) 1372.52 |
| 2000-2001 | 3713.00 | (-) 1629.00 |

3.17 Super Bazar has been requesting the Government for loan to bridge its resources gap and meet the salary liabilities of its employees since July, 2000. Till date, an amount of Rs. 26 crore has been released to Super Bazar to recoup the financial gap. The Government also informed in the subsequent note that Branches of Super Bazar are being operated, though they are running in loss.

3.18 Asked about the remedial steps to make Super Bazar viable, the representative of the Government stated that as per the provisions of Multi-State Cooperative Societies Act, 1984, the Government have a limited liability in the business affairs of any Society. The policies relating to sales and marketing are framed by the Board of Directors and its programmes are approved by the smaller Representative General Body of Super Bazar. The composition of the Board of Directors is given at Annexure 'D'.

3.19 Asked to comment on the fact that the Government is unable to run the Super Bazar on one hand and increasing the accumulated loss progressively on other, the Government stated in its post evidence reply:-

"The Super Bazar is run by its Board of Directors. The Central Registrar of Cooperative Societies had ordered an inquiry

under Section 69 of Multi State Cooperative Societies Act, 1984 and the report has been received. The final decisions of the Central Registrar of Cooperative Societies is awaited in this regard".

Liability

3.20 The Ministry has furnished a statement showing the dues payable to Super Bazar and liability of Super Bazar as under :-

| | | |
|----|--|-------------------------------|
| 1. | The dues payable to Super Bazar by various Departments/Institutions. | Rs. 545 crore (un-audited) |
| 2. | Amount payable by Super Bazar to suppliers | Rs. 32.50 crore |
| 3. | Government loans recoverable from Super Bazar | Rs. 26.36 crore |
| 4. | Contribution of equity | Rs. 1.16 crore |
| 5. | The liabilities of Super Bazar | Rs. 62.96 crore |

3.21 The Ministry has stated that recovery is being given due priority and a unit/section has also been created for this purpose.

Branch-wise Maintenance of Profit and Loss Account

3.22 Asked to state whether some branches of Super Bazar are incurring losses alongwith steps taken by the Government to prevent these losses, the Ministry has informed the Committee that several branches of Super Bazar are incurring losses and that due to centralized accounting system. It was not possible to ascertain the branch-wise position of profit and loss.

3.23 Giving reasons for not maintaining the branch-wise account of profit and loss, the Ministry has stated that purchases are made centrally and when the purchased goods are transferred to branches, the

name of the branch is not entered into account books. But accounts of branches are maintained to some extent and are also audited.

Leasing of part of Super Bazar to private organisations

3.24 The Ministry has stated that the Hon'ble Standing Committee was informed about the 10 cases wherein a part of Super Bazar had been leased out/given on contract to private parties. This was based on the information available at that time. Further examination revealed that besides these cases, some other premises were also leased out and given on contract to private parties. These have been given on lease/contract to the private parties prior to 1970 and most of premises were given in Connaught Place, INA and Patel Nagar regional distribution centres. Some parties had left out while there were court cases against some other parties who had not vacated the premises within the time limit. Accordingly, this question was being replied to on the basis of latest available information. It was also added that the record of the Super Bazar were in very bad condition and the information was not fully reliable. The detailed information is attached at Annexure 'E'.

3.25 When asked whether the approval of the Board of Director was taken before leasing the property to Super Bazar to private parties, the Ministry has stated that the old records shows that in some cases approval of the Board of Directors was taken. Due to paucity of time investigation could not be completed.

Irregularities in Super Bazar

3.26 The Ministry has informed the Committee that irregularities committed in Super Bazar by its management and staff are being probed by the Central Bureau of Investigation (CBI). On 7th February, 2002, the CBI was requested to get the inquiry conducted into the alleged irregularities in seven cases. A brief of these seven cases is under :-

1. Purchase of inferior quality of pulses without the approval of the Quality Testing Laboratory of the Super Bazar.
2. Placing of bulk orders of pulses on the eve of reduction in excise duty.

3. Out of turn payments to the suppliers by the then Chairman, Super Bazar without any proper procedure.
4. Purchase of inferior quality of potatoes resulting in losses to Super Bazar without any proper procedure.
5. Allowing a private trader (M/s. BIPS System Ltd.,) to open shop in the Super Bazar, New Delhi.
6. Irregularities in the purchase of spices at higher rates than quoted by the NCCF.
7. Irregularities in the award of contract to M/s. V.V. Construction by Super Bazar to construct "Sant Longowal Tower" in Rajendra Place.

3.27 In the first case, CBI had recommended major penalties proceeding against Shri S.K. Sharma, Assistant Manager (Purchase). Since other officers/office bearers found responsible for lapses had left service or demitted office, CBI did not recommend action against them. In the seventh case, the CBI has registered first information report and RC against Shri S.S. Dhuri, former Chairman, Shri H.S. Josh, Shri J.S. Sindhu and other for attempt to commit criminal misconduct to cause benefit to M/s. V.V. Construction Company. The remaining cases had been dropped by CBI.

3.28 The Ministry has stated that the Vigilance Department of Super Bazar has three cases of embezzlement but no property has been attached for recovery of amount embezzled. The Vigilance Department of the Super Bazar is disposing of the cases against concerned officer at earliest possible. Disposal of cases is also regularly reviewed in quarterly meetings taken by the Secretary, Department of Consumer Affairs.

3.29 As regards recovery from the Directors found guilty by the Central Registrar of Cooperative Societies (CRCS) under Section 69 of Multi State Cooperative Societies Act, 1984. The Ministry has stated that the

cases have been forwarded to concerned District Collectors for recovery in the form of outstanding revenue.

3.30 The Committee are deeply aggrieved over the sorry state of affairs in the Super Bazar which was established with the sole objective of fair and better trade practices to contain the rising trend of prices in the market and to provide commodities at reasonable prices. Super Bazar has virtually failed due to managerial inefficiencies and mismanagement. It gained profit till 1995 and after that it suffered losses totalling to Rs. 62.96 crore till date. Last year the liability of Super Bazar was 32.79 crore. Thus, in a year the liabilities have almost doubled and the Ministry have remained a silent spectator. The Ministry instead of taking corrective steps, have rather been shirking their responsibilities on one pretext or the other. In the opinion of the Committee the affairs in Super Bazar resulted in misuse of public money which could have been avoided. The Committee, therefore, strongly recommend that the Government should accord top priority for settling the issues of Super Bazar in right earnest by exploring all possible alternatives or should come forward with a revival package for running the Branches of Super Bazar. In case the Ministry find it difficult to cope with the problems of Super Bazar, they should reach some decision in regard to running of Super Bazar at the earliest so that the rising trend in liabilities should immediately be checked and public money could be saved.

3.31 The Committee cannot but dismay over the reply furnished by the Ministry regarding leasing of property of Super Bazar to Private Bodies and that record of the Super Bazar are in bad condition and that the information is not fully reliable. The Committee fail to understand as to why and how the matter was not brought to the notice of the Government earlier and no action seems to have been taken by the Government in this regard. This is a very serious lapse on the part of the then Managing Directors and Senior Officers of Super Bazar and the role of vested interests in this regard can also not be ruled out. The Committee, therefore,

very strongly recommend that a thorough investigation should be conducted in the whole affairs and the officers responsible for maintaining the records should be booked without further loss of time. For this, the matter should immediately be referred to CBI as well as Central Registrar of Cooperative Societies. Steps taken in this regard should be communicated to the Committee within 3 months time.

CHAPTER IV

BUREAU OF INDIAN STANDARDS (BIS)

Major Head - 2852

The Bureau of Indian Standards was set up as a statutory organisation under the Bureau of Indian Standards Act, 1986 taking over the assets and liabilities of the Indian Standards Institution (ISI), which had started functioning in the year 1947 with Headquarters at New Delhi. It has a network of five regional offices, 19 branch offices, 5 inspection offices and 8 laboratories which act as effective link between BIS, Government, industry and consumers.

4.2 The BE and RE (2001-2002) and BE (2002-2003) are as given below :-

(In crore of Rupees)

| | BE (2001-2002) | RE (2001-2002) | BE (2002-2003) |
|----------|----------------|----------------|----------------|
| Plan | 2.09 | 2.09 | 0.45 |
| Non-plan | - | - | - |
| Total | 2.09 | 2.09 | 0.45 |

4.3 The Ministry has informed the Committee that in the last three years, the following number of samples were tested in BIS laboratories.

| | |
|-----------|-------|
| 1998-99 | 28838 |
| 1999-2000 | 27697 |
| 2000-2001 | 28407 |

In the current year 28598 samples have been tested upto 28 February, 2002.

The average incidence of non-conformance as observed at laboratory level is as follows :-

| | |
|------------------|-------------|
| Mechanical field | 15% approx. |
| Electrical field | 20% approx. |
| Chemical field | 10% approx. |

In case the samples do not meet the requirement of the relevant standards, BIS takes action as per the provisions of BIS (Certification) Regulations, 1988 such as Stop Marketing Cancellation of licences etc.

4.4 The Committee asked during official evidence whether the Government is satisfied with the performance of BIS and the reasons for the static number of samples checked over the years. The representative of the Ministry stated :

“The performance of BIS in so far as checking of samples is concerned is monitored through independent quality assurance checks conducted by the Quality Assurance Cell in BIS laboratories who conduct cross checks of about 5% samples. Further, major BIS laboratories have been accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL), working under the aegis of Department of Science and Technology for more than three years. As per their procedure, NABL conducts periodic surveillance audits on an independent basis to assess the continued performance of BIS Laboratories and which have been found generally satisfactory.”

4.5 The representative of the Ministry further stated :-

“The number of samples in BIS laboratories have remained static during the past three years because the deployed

strength of testing personnel in BIS has been continuously decreasing due to retirements etc. without any fresh recruitment. The overall sanctioned strength of Testing personnel in the ranks of Technical Assistant, Senior Technical Assistant and Technical Supervisor (officials who perform actual testing) over the last three years as against a sanctioned strength of 214, is as follows :

| Sanctioned | 1998-1999 | 1999-2000 | 2000-2001 |
|------------|-----------|-----------|-----------|
| 214 | 179 | 175 | 170 |

It is given for information that testing of samples is dependent upon available man-hours. However, despite the depleting manpower BIS has strived to maintain the testing of more or less same number of samples over the years by continuous monitoring.

The average incidences of non-conformance at laboratory level indicates general trends observed during the years based on experience. The Laboratories report only observed values and the test reports do not directly conclude conformance or non-conformance of the samples, which is determined at the user end."

Disaster Resistant Building Structures

4.6 In July, 2001 the Government had informed the Committee that BIS had formulated a series of Indian Standards in the field of earthquake engineering pertaining to design and construction of earthquake resistant structures and that the formulation of Indian Standards on Recommendations and guidelines on Planning, Design and Construction of Cyclone Resistant structures was under process. The Government had further stated that State Governments were advised to modify their existing building by-laws in May, 1998.

4.7 Asked, how many State Governments have modified their building bye-laws as per advice given by the Ministry of Consumer

Affairs, Food and Public Distribution in May, 1998 and whether such advice was compulsory or voluntary, the Ministry in a written reply has stated that the building Bye-laws are covered by the National Building Code of India (NBC). NBC has been formulated to serve as a model for adoption by municipal corporation, municipalities and various local bodies and other construction departments such as PWDs etc. of different States. The provisions of NBC are voluntary in nature.

4.8 The Ministry has further added that Housing is a State subject and enactment of suitable legislation on building regulations etc. thus fall under the purview of the State Government. However, Union Government, Ministry of Urban Development and Poverty Alleviation has been pursuing with the State Governments to adopt Techno-Legal Regime involving amendments and revision of building bye-laws and regulations to ensure earthquake resistant construction of Buildings and houses. The Government of Chandigarh, Delhi and Gujarat have amended their building bye-laws incorporating features for disaster resistant construction. Government of Andhra Pradesh, Madhya Pradesh, Punjab, Rajasthan, Tamil Nadu, and Uttar Pradesh have initiated actions in terms of constituting Committees for framing recommendations as also preparing comprehensive blue-print for habitat safety in disaster prone areas.

4.9 Asked about the reasons for non-observance of National Building Code of India (NBC) by States other than Chandigarh, Delhi and Gujarat and whether Government has given a thought to make the provisions mandatory for all the States, the latter in its post evidence reply has stated that BIS has formulated the National Building Code (NBC) of India which is voluntary in nature and is intended to serve as a model for adoption by Central Government and State Governments. Amendment of Building Bye-laws as per the provisions of NBC is totally the responsibility of State Governments. The matter was taken up with the Ministry of Urban Development and Poverty Alleviation who had informed that the recommendations for the observance of the National Building Code were communicated to all the States/UT Governments. Only Governments of Chandigarh, Delhi and Gujarat have amended their

building bye-laws incorporating features for disaster resistant construction and the Governments of Andhra Pradesh, Madhya Pradesh, Punjab, Rajasthan, Tamil Nadu and Uttar Pradesh have initiated actions in this regard. The Ministry of Urban Development and Poverty Alleviation have reminded the remaining States and UT Governments to take appropriate action in this regard. The matter is being pursued with the State Governments by the Ministry of Urban Development and Poverty Alleviation.

4.10 The Committee note with concern that BIS has not been able to achieve its objective which is clear from the fact that the market is overflowing with spurious goods and that too, bearing ISI marks. The Government have not been able to address this problem in view of the fact that the percentage of incidence of non-conformity of samples tested by BIS laboratories for the last 3 years has remained static. The reasons given by the Ministry such as decreasing number of testing personnel are not convincing to the Committee, keeping in view the fact that the ordinary consumer is cheated day by day. The assertion of the Government that laboratory reports do not directly conclude conformity or non-conformity of the samples which is determined at the user's end clearly contradicts the very purpose of existence of BIS which acts as an effective link among the Government, industry and consumers. The Committee therefore, very strongly urge the Government to take the issue with BIS for testing a larger number of samples so that consumers are not cheated. For this, more testing personnel may be deployed. The Government should also take the issue with the Department of Science and Technology for deploying machines using the latest technology in their laboratories.

4.11 As regards non-observance of National Building Code of India (NBC) by the State Governments, the Ministry should take up the matter with the Ministry of Urban Development and Poverty Alleviation so that State Governments are vigorously pursued to observe the NBC which in turn will save the lives of millions at the time of occurrence of disasters such as earthquake.

CHAPTER V

REGULATION OF WEIGHTS AND MEASURES

Major Head – 3475

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 two legislations namely, the Standards of Weights and Measures Act, 1976 and Standards of Weights and Measures (Enforcement) Act, 1985.

5.2 The BE and RE (2001-2002) and BE (2002-2003) are as follows:-

(In crore of Rs.)

| | BE (2001-2002) | RE (2001-2002) | BE (2002-2003) |
|----------|----------------|----------------|----------------|
| Plan | 0.18 | 0.16 | 0.18 |
| Non-plan | 1.52 | 1.31 | 1.33 |
| Total | 1.70 | 1.47 | 1.51 |

5.3 The Ministry has furnished a statement showing the number of cases that came up during the last five years:-

| 1999-2000 | | 2000-2001 | | 2001-2002 | |
|-----------|------------|-----------|------------|-----------|------------|
| Booked | Prosecuted | Booked | Prosecuted | Booked | Prosecuted |
| 1130443 | 139558 | 639356 | 85005 | 951637 | 55579 |

5.4 Giving reasons for decreasing number of cases booked and convicted, the Ministry has stated that the States enforce the Weights and Measures laws. The figures provided are a compilation of data received from the States. The reasons for the decrease in number of cases booked and convicted have to be obtained from the States.

5.5 Asked whether the State Government is satisfied with the overall performance of Weights and Measures Department, the Ministry has stated that the technical infrastructure of the Weights and Measures Departments had to be improved in line with the developments in the technology. However, there were resource constraints due to which a proposal for utilizing the infra-structure available with non-Government sector private organisations for verification of sophisticated weighing and measuring instruments was under consideration. To augment the inspection done by weights and measures officials, vigilance of Consumers is also required and that Voluntary Consumer Organisations also have a role to play in this.

5.6 Asked whether the State Governments have been advised to strengthen their enforcement machinery by way of equipment for modernizing their laboratories, the Ministry in a subsequent reply furnished to the Committee has stated that the State Governments were requested to take steps to improve the enforcement of the Weights and Measures Laws in the States/UTs. They were requested to make provision in their Tenth Five Year Plan to improve the technical Standards of the laboratories and the technical capability of their enforcement agencies. Copy of the letter dated 10.10.2001 addressed to the State Governments in this regard is enclosed as Annexure 'F'.

5.7 The Committee is not at all satisfied with the activities of the Weights and Measures unit of the Ministry. The reply of the Ministry furnished to the Committee that the reason for decrease in the number of cases booked and convicted have to be obtained from the States clearly speaks their lack of coordination with State Governments. The Ministry themselves have agreed that the

technical infrastructure of the Weights and Measures Department has to be improved in line with the developments in technology, that it has not been augmented so far due to resource constraints, is not convincing to the Committee. In the opinion of the Committee, Weights and Measures laws from the basis of commercial transactions in a civilized society and if the laws framed by the Government are not honoured properly, then the poor consumer is likely to be cheated in all eventualities. The Committee, therefore, very strongly recommend that the matter should be taken up with the State Governments on priority for overall improvement in the performance of Weights and Measures Department. The laws in this regard should be strictly enforced so that the ordinary person is not cheated. State Governments should be persuaded to make provision in their Tenth Five Year Plan to improve the technical standards of the laboratory and the technical capacity of the enforcement agencies. The Committee are also of the opinion that the Government should have a thorough monitoring over the functioning of Weights and Measures Departments of the States on a regular basis.

NEW DELHI ;
12 April, 2002
22 Chaitra, 1924 (Saka)

DEVENDRA PRASAD YADAV,
Chairman,
Standing Committee on Food,
Civil Supplies and Public Distribution.

PART II

MINUTES OF THE SECOND SITTING OF THE STANDING COMMITTEE ON FOOD, CIVIL SUPPLIES AND PUBLIC DISTRIBUTION HELD ON THURSDAY, THE 28TH MARCH, 2002

The Committee sat from 10.30 hours to 11.45 hours.

PRESENT

Shri Devendra Prasad Yadav – *Chairman*

MEMBERS

Lok Sabha

2. Shri Sahib Singh Verma
3. Shri Shyam Bihari Mishra
4. Shri Rameshwar Dudi
5. Shri Tara Chand Bhagora
6. Shri A.P. Abdullakutty
7. Shri Baja Ban Riyan
8. Shri Rajbhar Babban
9. Shri Ezhilmalai Dalit
10. Shri Jai Prakash

Rajya Sabha

11. Smt. Bimba Raikar
12. Smt. Gurcharan Kaur
13. Shri Lajpat Rai
14. Shri Dawa Lama
15. Shri Anil Sharma
16. Dr. (Ms.) P. Selvie Das

SECRETARIAT

- | | | |
|-----------------------|---|-------------------------|
| 1. Shri Ram Autar Ram | – | <i>Joint Secretary</i> |
| 2. Shri A.S. Chera | – | <i>Deputy Secretary</i> |
| 3. Shri R.S. Mishra | – | <i>Under Secretary</i> |

WITNESSES

**Ministry of Consumer Affairs, Food and Public Distribution
(Department of Consumer Affairs)**

1. Shri S. Nautiyal, Additional Secretary
2. Shri Manoranjan, Additional Secretary and Finance Adviser
3. Dr. Kalyan Raipuria, Economic Advisor
4. Shri K.M. Saluni, Director General (BIS)
5. Shri Parthasarthy Mitra, Managing Director, Super Bazar
6. Shri Ram Iqbal Singh, Chairman, NCCF
7. Shri Bhagwati Prasad, Managing Director, NCCF
8. Shri A.K. Bhatt, Chairman, Forward Markets Commission, Mumbai
9. Shri Baldev Chand, Member (FMC)
10. Dr. Kewal Ram, Member (FMC)

2. At the outset, the Chairman welcomed the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs). The Chairman then asked the Secretary concerned to introduce his colleagues and the Secretary introduced his colleagues accordingly.

3. The Committee then discussed with the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) the various points arising out of List of Points on Demands for Grants (2002-2003). The queries raised by Members were resolved by the representatives of the Ministry. The evidence was concluded.

The witnesses then withdrew.

4. A verbatim record of the sitting has been kept separately.

The Committee then adjourned to meet again at 12.00 hours.

MINUTES OF THE THIRD SITTING OF THE STANDING
COMMITTEE ON FOOD, CIVIL SUPPLIES AND
PUBLIC DISTRIBUTION HELD ON THURSDAY,
THE 11TH APRIL, 2002

The Committee sat from 12.00 hours to 13.30 hours.

PRESENT

Shri Devendra Prasad Yadav - *Chairman*

MEMBERS

Lok Sabha

2. Shri Sahib Singh Verma
3. Shri Ram Naresh Tripathee
4. Shri Namdeorao Harbaji Diwathe
5. Smt. Preneet Kaur
6. Shri Tara Chand Bhagora
7. Shri A.P. Abdullakutty
8. Shri Baju Ban Riyan
9. Shri Rajbhar Babban
10. Shri Ezhilmalai Dalit

Rajya Sabha

11. Smt. Bimba Raikar
12. Smt. Gurcharan Kaur
13. Shri Lajpat Rai
14. Dr. Swami Sakshi Ji Maharaj
15. Shri Vijay Singh Yadav
16. Dr. (Ms.) P. Selvie Das

SECRETARIAT

1. Shri Ram Autar Ram - *Joint Secretary*
2. Shri A.S. Chera - *Deputy Secretary*
3. Shri R.S. Mishra - *Under Secretary*

ANNEXURE 'A'

INFORMATION REGARDING FUNCTIONAL/
NON-FUNCTIONAL DISTRICT FORA

(District Fora)

| S. No. | States | No. of District Fora | Functional | Non-functional | As on |
|--------|-------------------|----------------------|------------|----------------|------------|
| 1 | 2 | 3 | 4 | 5 | 6 |
| 1. | Andhra Pradesh | 25 | 25 | 0 | 31.12.2001 |
| 2. | A & N Islands | 2 | 2 | 0 | 31.12.2001 |
| 3. | Arunachal Pradesh | 13 | 13 | 0 | 31.12.2001 |
| 4. | Assam | 23 | 23 | 0 | 30.9.2000 |
| 5. | Bihar | 37 | 20 | 17 | 31.12.2001 |
| 6. | Chandigarh | 2 | 2 | 0 | 31.12.2001 |
| 7. | Chhattisgarh | 16 | 16 | 0 | 31.12.2001 |
| 8. | D & N Haveli | 1 | 1 | 0 | 20.11.2001 |
| 9. | Daman & Diu | 2 | 2 | 0 | 31.12.2001 |
| 10. | Delhi | 9 | 9 | 0 | 31.12.2001 |
| 11. | Goa | 2 | 2 | 0 | 31.12.2001 |
| 12. | Gujarat | 19 | 19 | 0 | 31.12.2001 |
| 13. | Haryana | 19 | 19 | 0 | 31.12.2001 |
| 14. | Himachal Pradesh | 12 | 12 | 0 | 31.12.2001 |
| 15. | Jammu & Kashmir | 2 | 2 | 0 | 31.10.1997 |
| 16. | Jharkhand | 18 | 18 | 0 | 30.6.2001 |
| 17. | Karnataka | 23 | 21 | 2 | 31.12.2001 |

| 1 | 2 | 3 | 4 | 5 | 6 |
|-----|----------------|------------|------------|-----------|------------|
| 18. | Kerala | 14 | 12 | 2 | 31.12.2001 |
| 19. | Lakshadweep | 1 | 1 | 0 | 31.12.2001 |
| 20. | Madhya Pradesh | 45 | 38 | 7 | 31.12.2001 |
| 21. | Maharashtra | 34 | 32 | 2 | 31.12.2001 |
| 22. | Manipur | 8 | 8 | 0 | 30.6.2000 |
| 23. | Meghalaya | 7 | 7 | 0 | 4.12.2001 |
| 24. | Mizoram | 3 | 3 | 0 | 30.9.2000 |
| 25. | Nagaland | 8 | 8 | 0 | 20.11.2001 |
| 26. | Orissa | 31 | 31 | 0 | 31.12.2001 |
| 27. | Pondicherry | 1 | 1 | 0 | 31.12.2001 |
| 28. | Punjab | 17 | 17 | 0 | 31.12.2001 |
| 29. | Rajasthan | 33 | 33 | 0 | 31.12.2001 |
| 30. | Sikkim | 4 | 4 | 0 | 31.12.2001 |
| 31. | Tamilnadu | 30 | 23 | 7 | 31.12.2001 |
| 32. | Tripura | 3 | 3 | 0 | 31.12.2001 |
| 33. | Uttar Pradesh | 74 | 64 | 10 | 31.12.2001 |
| 34. | Uttaranchal | 13 | 11 | 2 | 31.12.2000 |
| 35. | West Bengal | 19 | 19 | 0 | |
| | TOTAL | 570 | 521 | 49 | |

ANNEXURE 'B'

1. NCCF's Purchase Rate
2. NCCF's Issue Price
3. Suggestive Consumer Price

SUMMARISED STATEMENT SHOWING PRICE
STRUCTURE OF SELECTED CONSUMER GOODS

| S. No. | Commodity | Unit | Maharashtra | | | Himachal Pradesh | | | Rajasthan | | | Gujarat | | | Andhra Pradesh | | | |
|--------|--------------------|-------------|-------------|-------|--------|------------------|------|------|-----------|-------|--------|---------|-------|-------|----------------|------|------|---|
| | | | 1 | 2 | 3 | 1 | 2 | 3 | 1 | 2 | 3 | 1 | 2 | 3 | 1 | 2 | 3 | |
| 1. | Iodised Salt | 1 Kg. | 2.57 | 2.60 | 2.90 | 2.75 | 2.80 | 3.00 | 2.05 | 2.10 | 2.50 | 1.60 | 1.63 | 1.80 | 3.04 | 3.14 | 3.85 | |
| 2. | Tea | 100/250 gm* | 97.00 | 98.00 | 105.00 | - | - | - | 97.00 | 98.00 | 105.00 | - | - | - | - | - | - | - |
| 3. | Toilet Soap | 100 gm. | 3.04 | 3.10 | 3.50 | 3.08 | 3.15 | 3.50 | 3.27 | 3.35 | 3.75 | 3.20 | 3.30 | 3.70 | - | - | - | - |
| 4. | Detergent Cake | 125 gm. | 2.15 | 2.20 | 2.40 | - | - | - | - | - | - | 2.32 | 2.35 | 2.60 | - | - | - | - |
| 5. | Exercise Notebooks | 192 pages | - | - | - | 8.15 | 8.25 | 8.75 | 8.00 | 8.10 | 8.50 | - | - | - | - | - | - | - |
| 6. | Tooth Paste | 100 gm | - | - | - | - | - | - | - | - | - | 13.60 | 14.00 | 15.00 | - | - | - | - |
| 7. | Toor Dal | 1 Kg. | - | - | - | - | - | - | - | - | - | 23.50 | 24.00 | 26.00 | - | - | - | - |
| 8. | Moong Washed | 1 Kg | - | - | - | - | - | - | - | - | - | 24.50 | 25.00 | 27.00 | - | - | - | - |

Note : Rates are in Rs. FOR destination on single point truck load basis.

(*) Rates of Tea are per Kg.

**NATIONAL COOPERATIVE CONSUMERS FEDERATION OF INDIA LTD.,
NEW DELHI**

**Details of supply of selected commodities under Sarvapriya Scheme during the month
of February and upto February, 2002.**

| Sr. No. | Name of the State | Commodity | Supplies made upto last month | | Supplies made during February 2002 | | Progressive total | |
|---------|-------------------|---------------------|-------------------------------|-----------------|------------------------------------|-----------------|-------------------|-----------------|
| | | | Qty. | Value Rs./lakhs | Qty. | Value Rs./lakhs | Qty. | Value Rs./lakhs |
| 1. | Rajasthan | Salt | 1027.50 Mt. | 20.25 | 122.37 Mt. | 2.41 | 1149.87 Mt. | 22.66 |
| | | Tea | 38936 Kg. | 36.74 | 7267 Kg. | 6.87 | 46203 kg. | 43.61 |
| | | Exercise note books | 341095 pcs | 21.66 | - | - | 341095 pc. | 21.66 |
| | | Pulses | - | - | 80 Kg. | 0.02 | 80 kg. | 0.02 |
| | | Toilet Soap | - | - | 1109 pcs. | 0.05 | 1109 pcs. | 0.05 |
| | | Blanket | 810 | 0.66 | 68 pcs. | 0.06 | 878 | 0.74 |
| | | Total | | | 79.33 | | 9.41 | |

| Sr. No. | Name of the State | Commodity | Supplies made upto last month | | Supplies made during February 2002 | | Progressive total | |
|---------|-------------------------|---|---|--|------------------------------------|--------------------------------|--|--|
| | | | Qty. | Value Rs./lakhs | Qty. | Value Rs./lakhs | Qty. | Value Rs./lakhs |
| 2. | Himachal Pradesh | Toilet Soap Salt Tea Total | 772296 pcs. 5.00 Mtn. 250 kg. Total | 24.35 0.12 0.23 20.70 | 302400 pcs - - Total | 9.13 - - 9.13 | 1074696 pcs. 5.00 Mtn. 250 kg. Total | 33.48 0.12 0.23 33.83 |
| 3. | Maharashtra (Under PDS) | Salt Tea Toilet Soap Detergent cake Total | 1150.500 Mtn. 226.075 Mt 67368 pcs. 72360 pcs Total | 29.86 133.50 2.09 1.59 167.04 | 253 Mt - - - Total | 6.58 - - - 6.58 | 1303.500 Mtn. 226.075 Mtn. 67368 pcs. 72360 pcs. Total | 36.44 133.50 2.09 1.99 173.62 |
| 4. | Tripura | Toilet Soap Detergent cake Mustard Oil Tooth Paste Exercise Note books Grand Total | 1200 cases 600 cases 15000 Ltr. 1200 cases 600 dozens | 9.36 1.80 5.79 28.68 0.55 46.18 317.25 | - - - - - Total | - - - - - 25.12 | 1200 cases 600 cases 15000 Ltr. 1200 cases 600 dozens | 9.36 1.80 5.79 28.68 0.55 46.18 342.37 |

ANNEXURE 'D'

**LIST OF DIRECTORS ON THE BOARD OF
SUPER BAZAR, DELHI**

| Name | Designation | Address | Status |
|--|------------------|---|---------------------------|
| 1. Shri S. Nautiyal Addl. Secretary Department of Consumer Affairs G.O.I. New Delhi | Chairman | Krishi Bhawan New Delhi-1 | Nominated on 14/3/2000 |
| 2. Dr. Kalyan Raipuria Economic Adviser Department of Consumer Affairs, G.O.I., New Delhi | Vice Chairman | Shastri Bhawan | Nominated |
| 3. Managing Director NCCF, New Delhi | Member | 92, Deepali Nehru Place New Delhi-19. | Nominated |
| 4. Commissioner Food & Civil Supplies Delhi Administration, Delhi | Member | Govt. of NCT Delhi, New Delhi-6 | Nominated |
| 5. Controller of Accounts Department of Consumer Affairs G.O.I. New Delhi | Member | Krishi Bhawan New Delhi-1 | Nominated |
| 6. Sh. B.K. Dev Varma, Joint Secretary, D/o Food & PD | Member | Krishi Bhawan New Delhi-1 | Nominated |
| 7. Sh. R.N. Das Joint Secretary, D/o Food & PD | Member | Krishi Bhawan New Delhi-1 | Nominated |
| 8. Smt. Rajni Rajdhan, Joint Secretary, D/o Food & PD | Member | Krishi Bhawan New Delhi-1 | Nominated |

| Name | Designation | Address | Status |
|----------------------------------|-------------|--|-----------|
| 9. Sh. S.K. Alok, IAS (Retd.) | Member | 88, Godavari Apptt. Alaknanda, N. Delhi-90 | Nominated |
| 10. Sh. Raj Singh Mann | Member | U-129, Pitam Pura, Delhi-34 | Elected |
| 11. Sh. Narender Kumar Garg | Member | AB-55, Mjan Wali Nagar, Rohtak Road, Peera Garhi, Delhi | Elected |
| 12. Sh. Gauri Shankar Mondhra | Member | 30/7, Ganesh Bldg. Roshan Pura, Delhi | Elected |
| 13. Mohd. Safi | Member | Y-9, Turkman Gate New Delhi. | Elected |
| 14. Mukesh Bhatt | Member | Shop No. 31 Laxmi Bai Mkt., New Delhi. | Elected |
| 15. Sh. Indu Shekhar | Member | Shop No. 6 R.K. Puram, New Delhi | Elected |
| 16. Sh. P. Mitra, MD | Member | Connaught Place Rajeev Chowk, New Delhi-1 | Convenor |

ANNEXURE-E'

| S. No. | Name of Party | Date of Agreement/ letter | Period mentioned in agreement/ letter | Reason for giving premises | Annual Income | Remarks |
|--------|--|--|--|--|--|--|
| 1. | M/s BIPS Systems Ltd. (Connaught Place) | 18.1.1997 Revised/ renewed on 3.11.1998 | 5 years | In order to meet the requirements of corporate offices and public in general who want to buy computers and then peripherals on cash payment. | Minimum Rs. 37 lacs per annum, with 5% increase each year | Commission is being deducted from the sales of the party on monthly basis. |
| 2. | M/s Rajasthan Meat Shop (INA) | 25.11.1980 | 3 years | Space allotted through letter in which reasons for giving the space to the party not mentioned. It appears that there was a general policy to have diversified businesses in the premises to attract customers and give them complete range of items/services, especially in items/services in which Super Bazar itself was not venturing. | Commission 10 paise per Kg. or 50% of annual profit, whichever is higher subject to minimum of Rs. 35/- per working day. | Presently under litigation though possession of premises taken back by Super Bazar |

| | | | | | | |
|----|---|-----------|---------------|---|--|---|
| 3. | M/s M.M. Goel (Motor Parts) (INA) | 3.12.1976 | 1 year | -do- | 8% of total sales subject to minimum of Rs. 30 per day | Presently under litigation No income at present |
| 4. | Dr. (Mrs.) P. Venkateshwaran (Dental Clinic) (Sub-lettee) (i) Dr. (Mrs.) Nancy Kaul | 31.7.1973 | 1 year | -do- | 15% of turnover subject to minimum of Rs. 10 per day | Presently under litigation The party has unauthorisedly sublet the premises to Dr. (Mrs.) Nancy kaul No income at present |
| 5. | Sh. T.A. Chauhan (Tailoring Shop) (INA) -Appolo | 15.4.1970 | 1 year | -do- | 15% of net turnover subject to minimum of Rs. 20 per day | Presently under litigation No income at present |
| 6. | Dr. (Mrs.) Dharma Chatterji (INA) | 22.1.1977 | Not mentioned | For setting up a clinic for gynaecology | Rs. 30/- per day | -do- |

| | | | | | | |
|-----|--|-----------|--------|---|---|--|
| 7. | Dr. SITU Juneja (Dental Clinic) (Connaught Place) | 25.1.1969 | 1 year | To provide customers with facilities of dental surgeon and sale of connected materials through Super Bazar. | Rs. 6300/- @ Rs. 525/- month | -do- |
| 8. | M/s New Handicrafts (INA) | 24.3.1973 | 1 year | For running business regarding handicrafts, jewellery and other items. | 15% on total sales subject of minimum of Rs. 20/- per day | -do- |
| 9. | Sh. B.D. Sharma (INA) (Sub-lettees) (i) Mrs. Savita Bhatnagar (Beauty Parlour) (ii) Sh.....not known- (Trunk Shop) (iii) Sh.....not known- (Gifts Corner) | 11.8.1972 | 1 year | For running a cafeteria | Commission of 14% of gross sales subject to minimum of Rs. 35/- per day | Under litigation. The party has unauthorisedly sub-let portions of premises to parties who in turn have further sub-let to other parties. Parties also changed from time to time. No income at present |
| 10. | Sh. K.K. Seth (INA) (Seth Electronics) | 1975 | 1 year | For running electronics shop | Not Ascertainable | Possession taken back by Super Bazar. |

ANNEXURE-F

F. No. WM-15 (1)/2001
Government of India
Ministry of Consumer Affairs, Food & Public Distribution
Department of Consumer Affairs

Krishi Bhawan,
New Delhi-110001.
Dated : 10.10.2001

To

The Secretary,
In charge of Legal Metrology (Weights and Measures)
All States and Union Territories.

SUBJECT : *Proposals for incorporation under the Tenth Plan of the States and Union Territories-regarding.*

Sir,

It is found that efforts of the Weights and Measures Departments to enforce the provision of the Weights and Measures Laws are seriously handicapped because of inadequate facilities and equipments. The standards laboratories generally have outdated equipments. Such inadequacies lead to ineffective implementation of the laws, which adversely affects the interests of the consumers.

It is therefore requested that adequate provision be made in the Tenth Plan to improve the technical standards laboratories and their capabilities in the States/UTs so that the enforcement agencies are able to discharge the functions effectively. Some suggestions for achieving this objective are contained in the statement enclosed.

Yours faithfully,

Sd/-
(P.A. Krishnamoorthy)
Director, Legal Metrology

Copy to : Controller of Legal Metrology, All States and Union Territories for information and necessary action.

1. Strengthening of Standards Laboratories

Standards laboratories are maintained by the State Governments at different centers locations where appropriate standard weights and measures are maintained. It is found that equipments in many of the standards laboratories are worn out/outdated due to constant use. Consequently this results in poor maintenance of accuracy of Weights & Measures used in trade and commercial transaction. Besides, under the National Accreditation for Laboratories scheme, all the laboratories undertaking calibration work would have to get themselves accredited. This will go a long way in improving the quality of measurements and ensure credibility in measurements. There is need therefore to replace the existing working standard balances with digital type balances of appropriate accuracy. This will also modernize the laboratories in keeping with development in the field. Each set of Working Standard balances of digital type may contain the following standard balances.

| Capacity | Scale interval |
|----------|----------------|
| 50 kg | 1 g |
| 20 kg | 0.1 g |
| 2 kg | 10 mg |
| 200 g | 0.1 mg |

The approximate cost of a set of 4 balances would be about Rs. 3 lakhs.

2. Strengthening of enforcement activities with reference to verification of weighbridges by providing testing kits.

The Weights and Measures Department in the States/Union Territories generally do not have adequate infrastructure for testing weighbridges. As most of the bulk weighing of goods like steel, cement, food grains, fertilizers etc. is done on weighbridges, maintenance of their

accuracy is of prime importance to the economy of the country. For this purpose it is suggested that one mobile van fitted with crane and higher denomination weights be maintained for ensuring the accuracy of the weighbridges. The test wagons could be moved from place to place with a squad of 3 personnel for verification/ inspection of weighbridges. Each mobile van fitted with a crane is likely to cost around Rs. 6 lakhs. The higher denomination weights of the order of 50 tonne is likely to cost around Rs. 8 lakhs @ Rs. 16 per kg.

3. Creation of enforcement wing in the States for net content checking at factory premises

The Standards of Weights & Measures (Packaged Commodities) Rules, 1977 provides for checking of the net contents contained in a package so as to ensure the correct quantity of commodity in the package. Enforcement of the Rules is inadequate. Ensuring the quantity contained in the packages will go a long way in protecting the interest of the consumers, a separate enforcement wing may be created for this purpose. So that the personnel can inspect the manufacturers premises and carry out the net content checking of the packages regularly. One set of testing kit consisting of weighing instruments programmed to the needs fitted with printer etc, is likely to cost Rs. 2 lakhs.

4. Verification of Clinical Thermometers

Clinical thermometers are measuring instruments regulated under the Standards of Weights and Measures Act, 1976. The specification of clinical thermometer has been specified in the General Rules and the procedure for the testing and verification is also prescribed. However the facilities available in the States for the Verification of clinical thermometers is either inadequate or non-existent. There are wide spread complaints that clinical thermometers sold in the market are often inaccurate. It is therefore necessary that adequate facilities for verification of the clinical thermometers are set up. The cost of equipments required is approximately Rs. 3 lakhs for one set comprising three water baths of $\pm 0.05^\circ\text{C}$ accuracy, set of two standard thermometers for each bath, a centrifuge and a stop watch.

5. Linking of the Weights and Measures Organization of the States/UTs on the nicnet with the Centre.

The Weights & Measures Unit in the Ministry is the nodal agency in the country for all activities relating to Weights & Measures. The enforcement of the provisions is done by the respective State Govt/UTs. In the absence of effective communication link between the Ministry and the Depts. Concerned of the States/UTs, it has not been possible to update the information on various enforcement activities done by the States/UTs.

It is therefore proposed to link Weights & Measures Organizations of all States/UTs with the Centre through NICNET.

The monetary implications is as follows:

| | | |
|-------|---|-----------------|
| (i) | Preparation of Computer room | 1 lakh |
| (ii) | AC installation | 1 lakh |
| (iii) | 5 KVA UPS | 1.5 lakh |
| (iv) | Pentium computer | 1.0 lakh |
| (v) | Other minor provisions like provision of 3 terminal connection, NIC charges | 0.5 lakh |
| | TOTAL | 5.0 lakh |