STANDING COMMITTEE ON FOOD, CONSUMER AFFAIR AND PUBLIC DISTRIBUTION (2015-16)

SIXTEENTH LOK SABHA

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

DEMANDS FOR GRANTS (2016-17)

ELEVENTH REPORT



LOK SABHA SECRETARIAT NEW DELHI

May, 2016/ Vaisakha, 1938 (Saka)

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Presented to Lok Sabha on 03.05.2016 Laid in Rajya Sabha on 03.05.2016



LOK SABHA SECRETARIAT NEW DELHI

May, 2016/ Vaisakha, 1938 (Saka)

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Standing Committee on Food, Consumer Affairs and Public Distribution (2015-16)

Shri J.C. Divakar Reddy, Chairperson

Lok Sabha

- 2. Shri Anto Antony
- 3. Shri Babu Lal Choudhary
- 4. Shri Sanjay Jadhav (Bandu) Haribhau
- 5. Shri Dinesh Kashyap
- 6. Shri Dharmendra Kumar
- 7. Shri Ravinder Kushawaha
- 8. Smt. Sakuntala Laguri
- 9. Dr. Sakshi Maharaj
- 10. Shri R. K. Bharathi Mohan
- 11. Shri Sunil Kumar Mondal
- 12. Shri Kamlesh Paswan
- 13. Shri Ram Chander Paswan
- 14. Shri C.S. Putta Raju
- 15. Smt. Priyanka Singh Rawat
- 16. Shri P.V. Midhun Reddy
- 17. Shri Bhola Singh
- 18. Shri Brij Bhusan Sharan Singh
- 19. Shri Shibu Soren
- 20. Shri Prabhubhai Nagarbhai Vasava
- 21. Shri Nandi Yellaiah

Rajya Sabha

- 22. Shri Ritabrata Banerjee
- 23. Shri Shadi Lal Batra
- 24. Shri Mithun Chakraborty
- 25. Dr. Bhushan Lal Jangde
- 26. Dr. Prabhakar Kore
- 27. Ms. Rekha
- 28. Dr. K. Keshava Rao
- 29. Shri Dhiraj Prasad Sahu
- 30. Shri Veer Singh
- 31. Vacant*

Secretariat

1. Shri P.V.L.N. Murthy - Joint Secretary

2. Shri Lovekesh Kumar Sharma - Director

3. Shri Khakhai Zou - Additional Director

^{*} Shri Pankaj Bora, MP (RS) ceased to exist as members of the Committee on Food, Consumer Affairs and Public Distribution (2015-16) consequent upon their retirement from the membership of Rajya Sabha w.e.f. 02.04.2016.

INTRODUCTION

I, the Chairperson of the Standing Committee on Food, Consumer Affairs and Public Distribution (2015-16) having been authorized by the Committee, present on their behalf the Eleventh Report on Demands for Grants (2016-17) 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 (2016-17) of the Ministry, which were laid on the Table of the House on 15 March, 2016. The Committee took evidence of the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) on 11 April, 2016.
- 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 for furnishing the material as desired by the Committee in connection with the examination of the subject.
- 4. The Draft Report was considered and adopted by the Committee at their sitting held on 02 May, 2016.
- 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 <u>02 May, 2016</u> 12 Vaisakha, 1938 (Saka) J. C. DIVAKAR REDDY,
Chairperson,
Standing Committee on Food,
Consumer Affairs and Public Distribution

CHAPTER - I

IMPLEMENTATION OF THE COMMITTEE'S RECOMMENDATIONS

The Fourth Report of the Committee on Food, Consumer Affairs and Public Distribution on Demands for Grants (2015-16) of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) was presented to Lok Sabha on 27 April, 2015 and laid on the Table of Rajya Sabha the same day. The Report contained 12 Observations/Recommendations.

- 1.2 The Minister concerned is required to make Statement under Direction 73-A of Directions by the Speaker, Lok Sabha about the status of implementation of Recommendations contained in the original Report of the Committee within six months of presentation of Report to the Parliament. Statement under Direction 73-A in the context of the Fourth Report was made by the Minister of Consumer Affairs, Food and Public Distribution on 22 December, 2015 in Lok Sabha and 18 December, 2015 in Rajya Sabha.
- 1.3 On the basis of the Action Taken Notes received on 10 August, 2015 from the Department of Consumer Affairs in respect of the Fourth Report, the Committee presented their Seventh Report to the Houses on 03 March, 2016. The Committee commented on the Action Taken Notes furnished by the Department at Para Nos. 1.7, 1.10, 1.13 and 1.16 of the Seventh Report. An analysis of the Action Taken Notes revealed that the Government has accepted 50% Recommendations of the Committee. The Committee did not desire to pursue 16.67% Recommendations. 16.67% Recommendations have not been accepted by the Government thus requiring reiteration. Replies in case of 16.66% Recommendations are of interim nature.

1.4 The Committee note that the Action Taken Replies regarding the action taken by the Government on the Observations/Recommendations contained in the Fourth Report of the Committee were furnished by the Government on 10 August, 2015 though the Report on Demand for Grants were presented to the House on 27 April, 2015 and the Statement of the Minister under Direction 73-A was made in Lok Sabha on 22 December, 2015 and Laid in Rajya Sabha on 18 December, 2015. An analysis of the Action Taken Notes revealed that the Government has accepted 50% Recommendations of the Committee. The Committee did not desire to pursue 16.67% Recommendations. 16.67% Recommendations have not been accepted by the Government thus requiring reiteration. Replies in case of 16.67% Recommendations are of interim nature. The Committee desire the Department to inform them the status of implementation of the recommendations which were of interim nature and those in respect of which the replies have not been accepted by the Committee at the earliest.

CHAPTER - II

Introductory

Role of the Department

The Department of Consumer Affairs (DCA) was constituted as a separate Department in June 1997 under the Ministry of Consumer Affairs, Food & Public Distribution to act as a nodal Department to focus exclusively on protecting the rights of consumers including redressal of consumer grievances as well as to promote standards of goods and services, standards in weight and measures, regulation of packaged commodities, etc. The Department has been entrusted with the following work:

- (i) Internal Trade.
- (ii) Inter-State Trade: The Spurious Preparation (Inter-State Trade and Commerce) Control Act, 1955 (39 of 1955).
- (iii) The Essential Commodities Act, 1955 (10 of 1955) (supply, price and distribution of essential commodities not dealt with specifically by any other Department).
- (iv) Prevention of Black Marketing and Maintenance of Supplies of Essential Commodities Act, 1980 (7 of 1980), persons subject to detention thereunder.
- (v) To regulate weighing and measuring instruments used in trade and transaction, industrial production and for protection of human safety including regulation of packaged commodities.
- (vi) Training in Legal Metrology.
- (vii) The Emblems and Names (Prevention of Improper Use) Act, 1952 (12 of 1952).
- (viii) The Standards of Weights and Measures Act, 1976 (60 of 1976) and the Standards of Weights and Measures (Enforcement) Act, 1985. To regulate weights and measures and commodities in prepackaged form.
- (ix) The Bureau of Indian Standards Act, 1986 (63 of 1986).
- (x) Laying down specifications, standards and codes and ensuring quality control of bio-fuels for end users.
- (xi) Consumer Cooperatives.
- (xii) Monitoring of prices and availability of essential commodities.
- (xiii) National Test House.
- (xiv) The Consumer Protection Act, 1986 (68 of 1986).
- (xv) Establishment of Price Stabilization Fund.

- 2.2 Department of Consumer Affairs' mandate consists of 4 (Four) main areas of responsibilities:-
 - (i) Consumer protection,
 - (ii) Internal Trade,
 - (iii) Quality infrastructure and policies consisting of standards and legal metrology,
 - (iv) Monitoring of prices and availability of essential commodities.
- 2.3 In carrying out its mandate, the Department is assisted by the following organizations:
 - (i) Bureau of Indian Standards (BIS).
 - (ii) National Test House (NTH).
 - (iii) National Consumer Disputes Redressal Commission (NCDRC).
 - (iv) National Cooperative Consumer's Federation (NCCF).
 - (v) Indian Institute of Legal Metrology (IILM).
 - (vi) Regional Reference Standards Laboratories (RRSLS).
- 2.4 The Minister of Consumer Affairs, Food and Public Distribution laid on the Table of the Lok Sabha, the Detailed Demands for Grants (2016-2017) relating to the Department of Consumer Affairs on 15 March, 2016. The Detailed Demands for Grants for the Department of Consumer Affairs shows a gross budgetary provision of Rs. 1,241.61 crore. This includes Rs.1,050.00 crore for plan activities and Rs. 191.61 crore for non-plan programmes after adjusting the recoveries of Rs. 15.50 crore under Consumer Welfare Fund schemes.
- 2.5 The Committee have examined the various issues related to implementation of different schemes/programms of the Department in the context of Demands for Grants (2016-17). The examination and detailed analysis along with recommendations/ observations of Demands for Grants (2016-17) is given in succeeding paragraphs.
- 2.6 The overall allocation in respect of the Department of Consumer Affairs for the year 2016-17 vis-a-vis 2014-15 and 2015-16 with regard to Plan and Non-Plan heads of account on Revenue and Capital side are as under:-

(Rs. in Crores)

Head of account	2014-15				2015-16				2016-17							
		Pla	n	N	lon-p	lan		Plan			Non-pla	ın	Plan Non-pl		lan	
	BE	RE	AE	BE	RE	AE	BE	RE	AE	BE	RE	AE	BE	RE	BE	RE
Revenue	-	-	116.00	-	-	69.47	159.30	155.77	139.63	81.77	129.66	120.50	1032.70	-	191.61	-
Capital	-	-	15.93	-	-	-	20.70	20.70	-	-	-	-	17.30	-	-	T-
Total			131.93	-	-	69.47	180.00	176.47	139.63	81.77	129.66	120.50	1050.00	-	191.61	-

2.7 The details of the overall allocation in respect of the Department of Consumer Affairs under the Plan and Non-plan Schemes of the Department for the years 2014-15, 2015-16 and 2016-17 are given at Appendix-I .

2.8 The Committee note that against Actual Expenditure incurred of Rs. 131.93 crore under the combined heads of Revenue and Capital on Plan Side and Rs. 69.47 crore on the non-plan side during the year 2014-15, the Department was allocated Rs. 180.00 crore on plan side and Rs. 81.77 crore on non-plan side at BE in 2015-16. This allocation was reduced to Rs. 176. 47 crore and Rs. 129.66 crore at RE stage while the Actual Expenditure incurred was Rs. 139.63 crore and Rs. 120.50 crore under Plan scheme and Non-plan scheme respectively. The Committee are surprised to note that the Department was allocated Rs. 20.70 crore at BE and RE stages under Capital head during the same year but no expenditure was incurred under both Plan and Non-plan Schemes. The Committee are constrained to say that the upward/downward variation of funds at BE/RE/AE stages indicates lack of proper planning and monitoring on the part of the Department which needs to be avoided in future. The Committee also would like to be apprised of the reasons for upward/downward revision of budget allocation.

The Committee further note that the Department has been allotted Rs. 1050 crore under plan and Rs. 191.61 crore under non-plan totaling Rs. 1241.61 crore for the year 2016-17. The allocation of Rs. 1050 crore under the Plan Scheme includes Rs. 900 crore towards Price Stabilization Fund. Keeping in view the fact that the Department of Consumer Affairs has been entrusted with a very important responsibility of ensuring stability of prices of commodities, their continued availability in the market at reasonable prices and to control speculative activities etc. the Committee strongly urge the Department to strictly monitor the expenditure of funds from the initial stage itself so that the allocated funds are properly utilized during the financial year itself unlike the previous years.

CHAPTER - III

Demands for Grants (2016-17) – An overview

The Demand for Grants (2016-17) of the Department of Consumer Affairs makes a net provision of Rs. 1241.61 crore with Plan component of Rs. 1050.00 crore and Non-Plan component of Rs. 191.61 crore. An overview of scheme-wise BE (2016-17) is as under:-

SI. No.	Name of Scheme	Amount (Rs. in Crore)
	Plan	
1.	Consumer Awareness (Publicity)	60.00
2.	Consumer Protection, Consumer Helpline, CONFONET	33.00
3.	Weights and Measures Establishment of Laboratories	39.00
4.	National Test House	15.00
5.	Strengthening of Price Monitoring Cell	1.00
6.	Setting up of Gold Hallmarking Assaying Centres	1.00
7.	Bureau of Indian Standards (Standardisation & Quality Control)	1.00
8.	Price Stabilisation Fund	900.00
	Sub Total	1050.00
	Non-Plan	
1.	Secretariat Economic Services	23.41
2.	National Test House	32.61
3.	Consumer Cooperatives and Subsidies	115.00
4.	Consumer Protection	13.76
5.	Regulation of Weights & Measures	6.58
6.	International Cooperation	0.25
7.	Consumer Welfare Fund	15.50
	SubTotal	207.11
	Deduct recoveries	(-)15.50
	Net Total	191.61
	Grand Total (Plan + Non-plan) (1050.00 + 191.61)	1241.61

SCHEME WISE ANALYSIS

A. Plan Schemes

1. <u>Consumer Awareness (Publicity)</u>

- 3.2 The objective of the consumer awareness scheme is to create awareness amongst all the consumers about their rights. The Consumer Awareness Campaign has been carried out on all India basis through various media like Newspapers, Magazines, All India Radio, Doordarshan, C&S Channel, Community Radio, Website, SMS, Digital Cinema, Pvt. FM Channel, Interactive Railway Enquiry Service, Bus Panel, Bus Queue Shelter, and Display Board at Railway Stations / Metro etc. The objective of reaching entire population is yet to be achieved.
- 3.3 Protection of consumer interests and welfare has become a critical function of good governance and consumer awareness is increasingly being recognized as a step in that direction. Though the consumer movement is slowly gaining ground in our country, a lot of ground still needs to be covered. Due to the sheer size and complexity of the country the level of consumer awareness varies from State to State depending upon the level of literacy and social awareness of the people. Educating more than 120 crore people of various categories of population, particularly those in rural areas on various subject matters of consumer interests being dealt by different Ministries/ Department is a Herculean task. It can only be undertaken as a sustained national programme with adequate resource availability.
- 3.4 Under the scheme, print, electronic and outdoor awareness campaigns are released through DAVP, All India Radio, Doordarshan and Lok Sabha Television. The department has issued campaigns to cover issues on real estate, education, banking, pharmaceuticals, consumer rights, hallmarking, misleading advertisements, wastage of food etc.
- 3.5 Under this Scheme funds are also released to states 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.
- 3.6 When enquired about the publicity through various media- print, electronic, radio and FM radio, the Secretary, Department of Consumer Affairs during oral evidence stated as under:

"Under 'Jaago Grahak Jaago' programme, we take up publicity through various media- print, electronic, radio and FM radio. They all reach upto local level and in local languages also, programmes are being taken up. We have a fund of Rs 80 crore only. With that amount, we take up these programmes to reach various levels."

3.7 The Secretary, Department of Consumer Affairs further stated:

"As far as publicity at the local level is concerned, we are funding under the publicity programme each and every State Government. Government of West Bengal has also been given Rs 65 lakh to spread awareness in West Bengal."

3.8 Asked whether the publicity campaign of the Government with slogan 'Jago Grahak Jago' and other multimedia publicity campaign has brought satisfactory results, the Department of Consumer Affairs stated as below:

"With the persistent effort of this Department the slogan 'Jago Grahak Jago' has now become a household name as a result of widespread publicity campaign undertaken. Through the increased thrust on consumer awareness in the recent past, the Government has endeavored to inform the common man of his rights as a consumer. The campaign has used all possible media that may be required to reach out to consumers.'

The Department further stated:-

'That the slogan 'Jago Grahak Jago' is also telecast on the local channel of Television in regional languages. Tamil, Telugu, Hindi, Assamese, Gujarati, Bangla, Urdu, Kannada, Malayalam, Marathi, Manipuri, Garo, Khasi, Mizo, Nagamese, Oriya, Punjabi, Kashmiri, English and Dogri languages are used to telecast consumer awareness campaign through the regional channels.'

3.9 When pointed out that a substantial amount of fund has been utilized for creating awareness in the remote, rural and hilly areas of North-Eastern Region, the Department of Consumer Affairs stated the following:

'The Department being the nodal Department for consumer welfare and consumer protection carries out the multi-media campaign (electronic/print/outdoor) for creating consumer awareness on all India basis including urban, rural and backward areas.'

3.10 Asked if any new plans/programmes have been mooted by the Government for making campaigning/publicity on Consumer Movement sustainable, the Department of Consumer Affairs stated the following:

'For making campaigning/publicity on Consumer Movement sustainable Joint campaign with National Pharmaceutical Pricing Authority (N.P.P.A.), Food Safety and Standards Authority of India (F.S.S.A.I.), Telecom Regulatory Authority of India (T.R.A.I.), Reserve Bank of India (R.B.I.), Bureau of Energy Efficiency (B.E.E.) were carried out. New and innovative Medias like internet (website) and bulk SMS on mobiles were used for consumer awareness campaign.'

3.11 The Committee note that one of the important functions of the Department of Consumer Affairs is protection of consumer interest/welfare and the scheme of consumer awareness is a step in that direction. With a population of more than 120 crore people, the job of creating consumer awareness will be a challenging task more so with the diversities on account of language, socio-economic profile, gender and demographic profile of the country. The Department has been carrying out 'Jago Grahak Jago' campaign on various issues relating to consumer rights and responsibilities across diverse subjects. The Committee also note that the Department has recently launched 'Joint Publicity Campaigns' in key sectors like health, Food, Finance service in partnership with other related Government Departments/Organizations like Food Safety and Standards Authority of India (FSSAI), Reserve Bank of India (RBI), National Pharmaceuticals Pricing Authority (NPPA) etc. These joint campaigns are made through various electronic and print media such as television, radio, news papers and outdoor advertisements. The Committee appreciate the Department for taking several steps to create awareness of consumers.

The Committee note that the BE for 2016-17 has been fixed at Rs. 60.00 crore. The Committee, however, are dismayed to note that even after utilizing the budget fully during 2015-16, the Department has not been given increased funds under this scheme. The Committee understand the challenges of the Department in spreading consumer awareness among people and are of the view that a sustained national campaign is required to educate the consumers about their rights and welfare. The Committee further note that under this scheme, the Department also releases funds to States for educating consumers based on awareness programmes on local themes and other advertisements in local exhibitions, street plays, cultural functions etc. to educate the citizens about consumer rights. The Committee are of the firm view that the scheme of

consumer awareness should be further strengthened for which allocation of more funds is required to extend the spread of scheme to various parts of the country so that citizens are aware about their rights and the mechanism available for redressal of their grievances or complaints they suffer from. The Committee, therefore, recommend that the Department should approach the Ministry of Finance for increased allocations for the scheme at the RE stage. They be apprised of the steps taken in this regard with outcome thereof.

2. Consumer Protection, Consumer Helpline, CONFONET

3.12 The Department of Consumer Affairs has furnished the Scheme-wise proposed vis-a-vis, Revised proposal during Twelfth Plan (2012-17) as under:-

Plan

(Rs. In crore)

SI. No.	Name of the Scheme/Project/ Programme	Existing Funding pattern	12th Plan Outlay	2012-13	2013-14	20	14-15	2015-16		BE 2016-17	
				Actual Expen.	Actual Expen.	RE	Actual Expen.	BE	RE	Expen. Upto 31.01.16	Finalised
1	Consumer Awareness (Publicity)	Central Sector Plan Schemes	409.29	66.46	68.08		71.49	75.00	80.00	70.31	60.00
2	Consumer Protection Unit		244.81	18.33	42.67		18.12	45.00	45.00	31.54	34.00
3	Weights and Measures		300.00	22.35	49.12		20.39	33.00	23.92	16.98	39.00
4	National Test House		88.90	9.44	10.47		16.93	17.00	17.55	12.05	15.00
5	Bureau of Indian Standards		26.00	1.80	0.60		5.00	10.00	10.00	8.75	2.00
6	Price Stabilisation Fund		0.00	0.00	0.00		0.00	0.00	0.00	0.00	900.00
	Total		1069.00	118.38	170.94		131.93	180.00	176.47	139.63	1050.00
7	Forward Market Commission*		191.00	8.02	9.15		0.00	0.00	0.00	0.00	0.00
	G.Total		1260.00	126.40	180.09		131.93	180.00	176.47	139.63	1050.00

^{*}Transferred to Ministry of Finance, Department of Economic Affairs, North Block, New Delhi.

(a) Consumer Protection Unit

- 3.13 The Department of Consumer Affairs stated that the release of grants for these schemes are based on proposals from the State Governments. Since adequate number of proposals, especially from North-eastern States have not been received from the States, the funds remained unutilized.
- 3.14 When enquired whether the Department of Consumer Affairs faces any difficulty in the implementation of its schemes/programmes/project, the Ministry stated that difficulties faced in implementation of its schemes/programs/projects are given below:

Grants under the schemes of "Strengthening Consumer Fora" and under the scheme "State Consumer Helpline" are released to States/UTs on the basis of proposals received. Further, grants are released only after they have furnished utilization certificates in respect of previous grants. It has been observed that adequate number of proposals complete in all respects are not received from the States/UTs. A number of States/UTs have not furnished UCs in respect of previous grants.

To tackle the above situation, the State Governments are being impressed upon through National and Regional Consultation Meetings to utilize the funds and furnish the pending UCs and also for sending fresh proposals for financial assistance. The Minister of Consumer Affairs, Food and Public Distribution has also written to the Chief Ministers of the States in this regard. A Task Force has also been constituted on the recommendations of the Parliamentary Standing Committee to monitor implementation of the schemes and the pending UCs—with officers of the level of Director/Deputy Secretary being deputed to States/UTs to discuss the problems faced by the State Governments in the implementation of the scheme and also to pursue the pending UCs.

3.15 When the Committee asked about the Grahak Suvidha Kendras being launched at five places, the Secretary, Department of Consumer Affairs during the evidence submitted as follows:-

"Yes, Sir. Grahak Suvidha Kendras as a pilot project has been taken up in five locations - Bengaluru, Patna, Ahmedabad, Jaipur and Kolkata....

At these five places, Grahak Suvidha Kendras were opened. Five voluntary consumer organisations were selected and they have been given funding to ensure that they act as a single window for consumer grievances in that region, whether it is mediation, taking up the consumer grievances, taking up cases with the industry, taking up the matters with Consumer Courts as class action suit etc. So, this has been taken up as a pilot project. It has been launched recently. We will have to see the working of these Kendras. It will take us a little time to assess to know how successful they are. We thought that voluntary consumer organisations should also be activated. So, this was a pilot project that has been taken up."

3.16 In response to a query whether in the wake of the recent agitation in Haryana, the airfares charged by airlines shot up to very high and at unreasonable levels putting the customers to a great difficulty, the Department of Consumer Affairs in their written replies stated as under:

'Department of Consumer Affairs is aware of the situation but the matter of regulation and fixing of unreasonable airfare by the airlines comes within the jurisdiction of the Ministry of Civil Aviation.'

(b) Strengthening of Consumer Fora (SCF)

3.17 The details of BE, RE and actual expenditure incurred for strengthening the Consumer Fora during the last three years are given as under:

Year	BE	RE	Actual expenditure
2013-14	22.22	19.04	19.04
2014-15	27.60	5.07	5.07
2015-16	24.00	24.00	21.57

- 3.18 When enquired whether the target fixed has actually been achieved, the Department of Consumer Affairs informed that as per the provisions of the Consumer Protection Act, 1986, the State Governments are responsible for setting up of Consumer Fora and provide infrastructure for the same. To supplement the efforts of the State Governments, the Central Government provides financial assistance for strengthening infrastructure of Consumer Fora. Grants are released to States based on proposals received. Grants have, accordingly been released to the States which have submitted proposals. During the last three years 14 States, namely, Arunachal Pradesh, Bihar, Chhattisgarh, Haryana, Himachal Pradesh, Kerala, Madhya Pradesh, Meghalaya, Mizoram, Nagaland, Tamil Nadu, Rajasthan, Sikkim and West Bengal have been released grants amounting to Rs 43.91crore.
- 3.19 The Department of Consumer Affairs further stated that under the provisions of Consumer Protection Act, 1986 it is the responsibility of the State Governments to provide support staff to the State Commissions and the District Fora.
- 3.20 About the steps taken to strengthen the infrastructure of Consumer Fora for the speedy disposal of grievances of the Consumers, the Department of Consumer Affairs informed that as per the provisions of the Consumer Protection Act, 1986, the State Governments are responsible for setting up of State Commissions and District Fora and to provide infrastructure and manpower required. The State Governments are also required to fill up the positions of President and Members in these Commissions/Fora.
- 3.21 The Department, however, further stated that to supplement the efforts of the State Governments, the Central Government has been providing financial support for construction of buildings of Consumer Fora and for acquiring non-building assets for Consumer Fora. The position of grants released under SCF to different States/UTs during the last three years given at **Appendix-II**.
- 3.22 In response to another query, the Ministry stated that out of 657 District Consumer Fora in the country, 626 District Consumer Fora are functioning and 31 District Consumer Fora are not functioning as on 31.12.2015.

- 3.23 Regarding vacancy position in respect of President and Members in State Commission and District Fora, the Ministry has stated that out of 585, there are 86 vacant post of President and out of 1270 Members, 252 post of Members are vacant as on 29/02/2016.
- 3.24 When enquired whether the concept of Lok Adalat/Circuit Bench has been adopted in all the States/UTs to clear the backlog of cases filed in State Commission and District Fora, the Department of Consumer Affairs stated that during the last 3 Circuit Benches sittings one held in Lucknow, & two held in Chandigarh w.e.f. 02.02.2015 to 13.02.2015 and 20.03.2015 to 1.04.2015 and 30.11.2015 to 11.12.2015 44, 57 and 27 cases were disposed of respectively by the National Commission. The position of disposal of cases by Lok Adalat in different States is given at **Appendix-III.**
- 3.25 Regarding disposal of cases in Consumer Fora, the Department in their reply to a query stated that the pendency of cases in Consumer Fora are due to several reasons such as non-filling of vacancies of President and Members, lack of infrastructure, shortage of support staff, procedural delay etc. Cases are pending for more than five years.
- 3.26 Asked if any step has been taken for expeditious disposal of pending cases, the Department stated that the National Commission monitors the functioning of the Consumer Fora. The Ministry has been holding National and Regional Conferences with the State Governments to fill up the vacancies and the Presidents of the State Commissions to impress upon them for disposal of the pending cases. The Statement showing the number of cases filed/disposed of/ pending since inception, in the National Commission and State Commission as on 31.01.2016 is given at **Appendix IV.**

(c) Strengthening of Consumer Fora Phase - II

3.27 It is stated that for Strengthening of Consumer Fora Phase - II, against an outlay of Rs. 24.00 crore, an amount of Rs. 16.12 crore has been actually utilized till 31st December, 2015 and this has been sanctioned to four States namely Madhya Pradesh, Rajasthan, Sikkim and West Bengal. When enquired about the status regarding creation of infrastructure of Consumer Fora in these States, the Department of Consumer Affairs stated that grants were released to the States of Madhya Pradesh in September 2015, Rajasthan in December 2015 and February 2016, Sikkim in October 2015 and West Bengal in September 2015 respectively. The Department further stated that the position of utilization of these grants is awaited from the States.

3.28 When enquired about achieving certain objectives of Dr. Ambedkar Law University, Chennai that was sanctioned an amount of Rs. 94.95 lakhs for 5 years from 2011 to 2016, the Department of Consumer Affairs stated that a number of lectures/seminars/conferences were conducted. More than 800 cases of Supreme Court and National Consumer Disputes Redressal Commission have been studied and summary of each case have been prepared. The first volume of the compendium comprising nearly 400 cases was released on 15.03.2016 at National level workshop. A field survey on Consumer Awareness in the Tamil Nadu State was conducted in which 3200 peoples interviewed. The findings are likely to be publish in April, 2016. A Diploma course on Consumer Law and Protection has been started. A workshop cum training for Project Coordinators and Student Volunteers was held in April, 2015. A Consumer Legal Aid Cell has been set up in the University Campus to provide assistance to those who may need help. One day National level workshop on "Antibiotics off the Menu – Issues & Challenges" was organized 15.03.2016.

(d) Consumer Helpline

- 3.29 The Ministry in their written replies have informed that total 1, 05,660 phone calls had been received by the National Consumer Helpline during the year 2015-16 till 29 February, 2016.
- 3.30 In response to a query about the States with un-operational State Helplines and difficulties are coming in the way of getting them operational, the Ministry stated that four States of Assam, Punjab, Meghalaya and Tripura and the Union Territories of Andaman & Nicobar, Chandigarh and Lakshadweep have been released grants for setting up State Consumer Helpline. However, Helplines have not been made operational by these States/UTs. In case of UT of Chandigarh, grant has been released in 2015-16. With regard to sanctioned/released of funds to States/UTs, the Department stated that Jammu and Kashmir, Delhi and Goa, despite the matter being taken up with them, have not so far submitted any proposal for financial assistance for setting up of State Consumer Helplines.

The State-wise funds sanctioned and released vis-a-vis utilization of funds under State Consumer Helplines during the last two years are as under:

Financial Year 2014-15

(Amount in Rs.)

SI. No.	State/UT	2014-15	Pending UC
1	Chhattisgarh	2724116	2724116
2	Haryana	2724116	Nil

3	Himachal Pradesh	1829800	2591721*			
4	Kerala	1860854	1860854			
5	Maharashtra	2973371	640104			
6	Odisha	414000	Nil			
7	Sikkim	1349116	1349116			
8	Tamil Nadu	2724116	Nil			
9	Telangana	2300478	1187716			
10	Daman & Diu	2299558	2299558			
	Total	21199525	10061464			
* This includes unspent balance carried forward from previous year						

Financial Year 2015-16

(Amount in Rs.)

			(Alliount in Rs.)
SI. No.	State/UT	2015-16	Unspent Balance
1	Haryana	2724116	2724116
2	Maharashtra	2724116	2724116
3	Manipur	571616	571616
4	Mizoram	1349116	1349116
5	Nagaland	760116	760116
6	Odisha	246000	246000
7	Rajasthan	2724116	716022
8	Tamil Nadu	2724116	2724116
9	Uttar Pradesh	4313232	4313232
10	Chandigarh Admin.	2300478	2300478
11	Puducherry	571616	571616
	Total	21008638	19000544

(e) **CONFONET**

3.31 For computerization and computer networking of Consumer Fora, an allocation of Rs. 6.00 crore has been made during 2016-17. When asked about target fixed for computerization of Consumer Fora during 2013-14, 2014-15 and 2015-16 and whether the target has actually

been achieved? If not, the reasons therefor, the Department of Consumer Affairs informed as under:

Year	Target for	Hardware	Manpower	Using online
	Computerization of	supplied	supplied	case
	Consumer Fora			monitoring
				system
2013-14	415	415	308	176
2014-15	554	554	469	487
2015-16	613	586	595	526

3.32 Under CONFONET against an outlay of Rs. 25 crore during 2014-15 only Rs. 10.12 crore was spent, the Department of Consumer Affairs informed that the funds remained unutilized as the target could not be met for want of site readiness in States for providing hardware. When enquired against an outlay of Rs. 15 crore for the year 2015-16, Rs.12 crore has been spent till 31st December, 2015 by way of release to NIC for carrying out activities under the scheme, total requirement of funds under this scheme and names of the States which have been covered till now, the Department of Consumer Affairs stated that the names of states which have been covered till now are as under:

SI No.	STATE	TOTAL CFs		H/w	supplied	M/P deployed	
		*SC	*DCF	*AT SC	*AT DCF	*AT SC	*AT DCF
1	Andaman & Nicobar	1	1	1	1	1	1
2	Andhra Pradesh	1	17	1	16	1	17
3	Arunachal Pradesh	1	16	1	11	1	11
4	Assam	1	23	1	21	1	21
5	Bihar	1	37	1	11	1	11
6	Chandigarh	1	2	1	2	1	2
7	Chhattisgarh	1	18	1	16	1	16
8	D & N. Haveli	0	1	0	1	0	1
9	Daman & Diu	1	2	0	1	0	1
10	Delhi	1	10	1	10	1	10

	State Commission F						502
36	West Bengal TOTAL	3 5	22 610	1 34	22 552	33	22 562
35	Uttarakhand	1	13	1	10	1	10
34	Uttar Pradesh	1	79	1	74	1	79
33	Telangana	1	12	1	12	1	12
32	Tripura	1	4	1	4	1	4
31	Tamilnadu	1	31	1	31	1	31
30	Sikkim	1	4	1	4	1	4
29	Rajasthan	1	41	1	40	1	41
28	Punjab	1	20	1	17	1	20
27	Puducherry	1	1	1	1	1	1
26	Orissa	1	31	1	31	1	31
25	Nagaland	1	11	1	7	1	7
24	Mizoram	1	8	1	8	1	8
23	Meghalaya	1	7	1	7	1	7
22	Manipur	1	3	1	3	1	3
21	Maharashtra	1	42	1	42	1	42
20	Madhya Pradesh	1	24	1	24	1	24
19	Lakshadweep	1	1	1	1	0	1
18	Kerala	1	14	1	14	1	14
17	Karnataka	1	31	1	31	1	31
16	Jharkhand	1	24	1	24	1	24
15	Jammu & Kashmir	1	3	1	2	1	2
14	Himachal Pradesh	1	4	1	4	1	4
13	Haryana	1	21	1	21	1	21
12	Gujarat	1	30	1	26	1	26
11	Goa	1	2	1	2	1	2

*SC= State Commission, DCF= District Consumer Fora

- 3.33 About the huge increase in unspent balance under Consumer Protection Unit i.e. Rs. 59.53 crore as on 01 April, 2015 against Rs. 34.14 crore in 01 April, 2014, the Department of Consumer Affairs stated that this was due to non-settlement of UCs in respect of previous year's grants.
- 3.34 Asked whether the Consumers at present are able to file cases online and access the status of the cases in the District Fora and State Commissions where networking has already been done, the Department of Consumer Affairs stated that there is no provision at present in the Consumer Protection Act, 1986 for online filing of cases. In the new Consumer Protection Bill 2015, introduced in Lok Sabha, provision is proposed for e-filing.
- 3.35 When enquired about difficulties faced by NIC in selection of sites for installation of computer at District Fora/State Commissions, the Department of Consumer Affairs stated that the selection of sites for supply of Hardware is the responsibility of concerned State Commission/ State Government. Before supply of hardware to the field locations, NIC request the State Government/ State Commission (through NIC State coordinators) to provide list of locations, their postal address, contact details of nodal officers and site readiness confirmation for the delivery and timely installation of the hardware. Site readiness means that there is sufficient space in the consumer forum with proper earthing and electric points for the installation of the computers. Site readiness confirmation is required because if computers are delivered without site readiness confirmation, it remains uninstalled for a longer period. For using web enabled Online Case Monitoring System (OCMS) application, internet connectivity is required at the consumer forum. As on date, NIC has supplied hardware and manpower at all the locations from where above mentioned details are received. However, due to earthing problems at Haridwar and Rudra Prayag in Uttrakhand the computers are yet to be installed. Similarly, there are internet connectivity problems in Assam and Bihar states which need to be resolved by the State Government. The State Governments may be asked to release the funds for the same. NE states also may have similar kind of problems. Among major states, NIC is not receiving postal address, contact details of nodal officers and site readiness confirmation from the remaining 26 locations of Bihar State which needs to be resolved.
- 3.36 The Ministry also stated that the Department holds regular meetings with NIC to review implementation of CONFONET Project. At the Department level, Deputy Secretary (CPU) interacts with the Technical Director &CONFONET coordinator in NIC headquarters to sort out

the issues with NICSI/ vendors w.r.t. delivery and installation of computers. At the State level, one officer from NIC State office is designated as CONFONET State Co-coordinator who coordinates with State Commission/ State Government for the installation of the computers and deployment of manpower in the consumer forums. Similarly, at District level, District Informatics Officer (DIO) of NIC provides technical supports to the District Consumer forum as and when required.

3.37 The Committee note that the Department of Consumer Affairs administers Consumer Protection Act, 1986. Under Consumer Protection Unit various schemes/projects are being implemented to improve the functioning of consumer fora. A scheme for Strengthening Consumer Fora Phase-II, a scheme for Computerization and Networking namely CONFONET, State Consumer Helplines are some of the important programmes being implemented under Consumer Protection Unit. The Budget allocated under this scheme during the year 2016-17 is Rs. 34.00 crore. The Committee note that during 2015-16, the Department had allocated Rs. 45.00 crore for Consumer Protection Schemes and incurred actual expenditure of Rs. 31.54 crore (upto 31.01.2016) indicating a utilization of 70.08%. The Committee are disappointed to further note that the allocations under the scheme for 2016-17 has been reduced to Rs. 34.00 crore against RE of Rs. 45.00 crore out of which Rs. 31.54 crore was spent. The Committee are of the view that Consumer Protection is a very important component of the Department of Consumer Affairs and the strengthening of various consumer fora envisaged under this scheme needs to be fully supported with adequate funds. They, therefore, recommend that the Department should seek additional funds under this scheme, during the course of the year from the Ministry the Finance. They desire to be apprised of the outcome of the efforts made in this direction.

3.38 The Committee note that as on 29.02.2016 the percentage of disposal of cases at the National, State and District Fora stands at 89.76%, 86.11% and 92.21% respectively with a total 395129 pending cases and overall percentage of disposals at 91.20%. They are further constrained to note that out of 657 District Fora, 626 are functional as on 31.12.2015 and 86 posts of President and 252 posts of members are vacant in different fora as on 29.02.2016. They strongly feel that the vacancies need to be filled up in a time bound manner which would go a long way in reducing the pendency position. The Committee find that though the performance of the consumer fora in the country is more or less satisfactory as per records, however, they are constrained to observe that the grievances of consumers in various sectors of the economy are not being adequately addressed. The Committee, therefore, desire that the Department should urge upon the State Commission/District Fora to make every effort to dispose of the pending cases with them at the earliest.

The Committee further note that timely justice is essential for the consumers and disposal of cases in a reasonable time would inspire the confidence of consumers to get their grievances redressed by the various consumer fora and strengthen the consumer movement in the country. The Committee, therefore, strongly recommend that the Department of Consumer Affairs should strictly monitor the disposal of cases at regular intervals and offer necessary guidance to State and District Fora in expediting the disposal of cases.

3.39 The Committee furthermore note that unspent balances under Consumer Protection Unit as on 01.04.2014 and 01.04.2015 stand at Rs. 34.14 crore and Rs. 59.53 crore respectively. This is reportedly due to non-settlement of utilization certificates in respect of previous year's grants. The Committee find that between these two years, unspent balances increased by about Rs. 15 crore. They desire the Department to take up this matter of unspent balances and non-receipt of utilizations certificates earnestly with all concerned States to rectify the anomalous situation. They are of the firm view that rising unspent balances would result in lesser allocations in succeeding years which in turn would weaken the consumer movement in the form of monitoring pendency of cases etc. They desire to be apprised of the steps taken in this regard.

3.40 The Committee note that the scheme of Computerization and Computer Networking of Consumer Fora in the country (CONFONET) was launched in March, 2005. Under the scheme, the consumer fora at all the 3 tiers were to be fully computerized to enable access to information and quicker disposal of cases. Hardware, software and technical manpower are provided to the Consumer Forum. An On-line Case Monitoring System Application has also been developed.

The Committee note that against the target of 613 for computerization during 2015-16, hardware had been supplied to 586, manpower was provided to 595 and 526 consumer foras are using on-line case management system. The Committee observe that in this age of computerization and with the Government initiative for Digital India, the Department should take up the computerization of consumer fora in right earnest and complete them quickly so that the entire consumer movement would get a fillip to its activities. The Department should also conduct a thorough review of the last ten years' efforts that were gone into the scheme by an independent evaluation agency and complete computerization of the remaining consumer fora in a time bound manner preferably by 2018-19.

The Committee note that for using the On-line Case Management System Application, internet connectivity is required at the Consumer Forum. However, due to certain technical problems in Uttarakhand, the computers are yet to be installed. The Committee note that similarly there are internet connectivity problems in Assam, Bihar and North-Eastern States. The Committee recommend that the Department should hold review meetings with concerned States and such issues be resolved at the earliest so that the On-line Case Management System can be used by all Consumer Fora uninterruptedly.

3. Weights and Measures

3.41 Legal Metrology (Weights and Measures) Laws form the basis of commercial transactions in the modern market place. It is the basis of quantity assurance to a consumer by ensuring the accuracy of measurement in such transactions, thus guaranteeing value for money. The Government enacted the Legal Metrology Act, 2009, consolidating two older legislations: the Standards of Weights & Measures Act, 1976 and the Standards of Weights & Measures (Enforcement) Act, 1985. The Legal Metrology Act, 2009 has come into force from 1st April, 2011, Seven sets of Rules have also been notified for better implementation of the Act. The Legal Metrology Division of the Department of Consumer Affairs oversees the implementation of the Legal Metrology Act 2009, and aims to safeguard the interests of consumers to get the correct quantity for the price charged by ensuring use of the correct, tested calibrated and certified weights and measures.

3.42 When enquired whether the Department of Consumer Affairs faces any difficulties in the implementation of its schemes/programmes/projects, the Department of Consumer Affairs stated that difficulties faced in implementation of its schemes/programs/projects are given below:

Procedural difficulties are being faced in the implementation of the schemes like non-finalization of tenders by DGS&D, non-utilization of funds by CPWD for construction/renovation of Buildings etc.

To overcome these difficulties regular review meetings with the senior officers, letters andregular follow-up with the concerned agencies for utilization of the funds is made. Also letters are written to the agencies such as CPWD to expedite utilization/finalization of tender.

- 3.43 The Department further stated that the utilization certificates pending with the State Governments are for the Grant in Aid released to them for the construction of Laboratory Buildings, which takes lot of time like finalization of land, selection of executing agency, approvals/ clearances of many Departments and actual construction of building which is a time consuming process. However, with regular efforts and pursuing the matter with the State Governments the States have been submitting the pending Utilization Certificates.
- 3.44 In Weights and Measures Scheme, against the RE of Rs. 5.47 crore, only Rs. 1.80 crore has been spent until December, 2015 and the BE of 2016-17 shows an amount of Rs.

16.45 crore. As regards utilization of funds, the Department of Consumer Affairs stated that during 2015-16 RE of Major Head 3475 is Rs. 5.47 Crore, out of which Rs. 3.33 Crore has been spent till 29.2.2016 and balance funds are expected to be spent by 31.3.2016. As far as higher BE in Major Head 3475 of Rs. 16.45 Crore during 2016-17 is concerned, it is stated that the proposal for the procurement of standards equipment for calibration and verification of weights and measures used in transaction and protection are in the final stage with DGS&D and therefore funds will be required for the said purpose. Hence, Rs. 16.45 Crore are proposed under BE of 2016-17 in Major Head 3475.

3.45 The Ministry further stated that steps are being taken for the better implementation of the scheme and proper utilization of funds allocated to NE States through review meetings with senior officers of State Government and by requesting them for speedy disposal of the targets as well as visits were also made by the officers of the Department to ensure proper utilization of funds allocated to NE States.

3.46 The Committee note that the Legal Metrology Division of the Department of Consumer Affairs oversees the implementation of the Legal Metrology Act, 2009 which is aimed to safeguard the interest of consumers to get the correct quantity for the price charged by ensuring use of the correct, tested, calibrated and certified weights and measures. The Legal Metrology Rules mandate certain consumer-friendly declarations like the name and address of the manufacturer/ packer, the name of the commodity, the net quantity, the MRP, the month and year of manufacture/packing etc. The Committee hope that the funds allotted to the scheme 'Weights and Measures' during the year 2016-17 of Rs. 16.45 crore at BE would be judiciously utilized by the Department with the objective of achieving the set goal.

The Committee note that certain procedural difficulties are being faced by the Legal Metrology Division in implementation of its schemes like non-finalization of tenders by DGS&D and non-utilization of funds by CPWD for construction/renovation of buildings etc. The Committee are unhappy at such delays and the reasons furnished are not satisfactory and convincing and require intervention by senior officials in the Department of Consumer Affairs and Legal Metrology Division. The Committee, therefore, recommend that all irritant issues be sorted out with DGS&D and CPWD should hold regular interactions with DGS&D and ensure that the requirements of the Legal Metrology Division are made available and the infrastructure is set up as envisaged in the plans in a time bound manner. They desire the Department to closely monitor the progress of implementation.

4. National Test House (NTH)

- 3.47 The National Test House (NTH) is a premier test and quality evaluation laboratory for industrial, engineering and consumer products under the administrative control of the Government of India since the year 1912. The NTH works in the field of Testing, Evaluation and Quality control of various engineering materials and finished products, calibration of measuring equipment/instruments and devices. To be precise, the NTH issues test certificates in scientific & engineering fields to certify conformity to national/international specifications or customer standard specifications.
- 3.48 The Ministry in their written reply stated the BE, RE and actual expenditure incurred for Establishment of Laboratories during the last three years which is given as under:

(Rupees in Thousand) Name of the 2013-14 2014-15 2015-16 BE No Scheme/ Project 2016-17 RE Programme BE RE Actual Shortfal BE Actual Shortfall(BE RE Actual Shortfal % short +)/ I (+)/ fall/ Ехр Excess(-Exp Excess Exp Up Excess Excess (-) exp. If exp. If to (-) exp. ехр. any 31.01.1 If any Year indication indication indicati wise reasons reasons in brief in brief reasons in brief NATIONAL 25000 28500 28296 33000 9144 50000 204 32000 35700 32924 2776 33000 28151 TEST HOUSE 3425 (REV) 18800 18800 21000 21000 17000 17000 15000 (CAPITAL) (NER) 5425 143700 66470 76330 157000 140300 136348 120000 125500 85000 (CAPITAL) 142500 TOTAL 162500 85270 76330 8940 178000 161300 136348 24952 137000 123240 19260 13 52 100000 (CAP) 187500 104626 175500 151391 Grand Total 113770 9144 210000 197000 169272 27728 170000 24109 13.74 150000 3.49 When enquired whether the Department of Consumer Affairs faces any difficulties in the implementation of its schemes/programmes/projects, the Department of Consumer Affairs stated that difficulties faced in implementation of its schemes/programs/projects are given below:

"NTH has started construction of New Laboratory Buildings at Mumbai, Jaipur & Chennai. The fund allocated under "Land & Building" during the financial year of 2016-17 may not be adequate for completion of project."

- 3.50 The Ministry further stated that in case of NTH, Utilization Certificates are provided only by CPWD and the final Utilization Certificates are expected to be received after March, 2016 (as informed by CPWD authorities). So far as the other Plan & Non-Plan utilizations are concerned, NTH regularly collects the same from respective Pay & Account Office and forward to Department of Consumer Affairs.
- 3.51 When asked about the efforts/steps taken by the Ministry to ensure proper utilisation of funds allocated to North East States, the Department in their written replies stated as follow:

"The regional centre of NTH at Guwahati started functioning in the year of 1995 from few small semi-permanent shades. From there, NTH (NER) - Guwahati has come with One Four Storied Residential Building and One Four Storied Office-cum-Laboratory Building.

The cost of the Residential building was around Rs.0.99 crore and the newly constructed Office-cum-Laboratory Building has been constructed with the cost of around 12.06 crore."

- 3.52 The Department further stated that a number of State-of-the-Art equipment have been procured for the NTH-Guwahati as mentioned below:
 - (i) UTM with the cost of around Rs.1.00 crore.
 - (ii) HPLC with the cost of around Rs.30 Lakh.
 - (iii) OES with the cost of around Rs.30 lakhs.
 - (iv) AAS with the cost of around Rs.25 Lakhs.

It is also stated that Universal Hardness Tester will be procured in the year 2016-17 with the cost of around Rs. 20 Lakh. The existing Workshop at NTH-Guwahati will be modernized and upgraded in 2016-17. In every financial year 10% gross budgetary support is provided to the Guwahati Centre of NTH.

A plan scheme namely construction of laboratory building is under implementation at three regional centres of NTH.

(i) Mumbai

G+4 Phase-II Building at NTH(WR), Mumbai was conceived during 12th Five Year Plan with a view to create more space for expansion of the existing Test Facilities. An estimate of Rs.25.26 crorewas submitted by the CPWD(WZ).Construction of the Building was initiated in the year 2013-14. Of the allocation of Rs.12.88 Cr over a period 2013-14 to 2015-16 authorized to CPWD, an amount of Rs. 7.12 Cr, has been utilized, so far. During the initial period, some funds were surrendered by the CPWD Authority for want of Approvals of the Local Authority on issues such as approval of Building Plan etc.. However, the construction process accelerated from the year 2014-15. The Electrical Division has also initiated their Procurement Process. The building is expected to be completed by the next financial year (as informed by CPWD) subject to the availability of sufficient fund under the Major Plan Head "Land & Building".

(ii) Jaipur

The Construction of One Additional Floor over the existing Laboratory Building at NTH(NWR), Jaipur was conceived during the 12th Five Year Plan with a view to expand the existing Test Facilities for SOLAR Based Appliances, Testing of Food and Packaged Drinking Water. The Construction was initiated in the year 2013-14 but much of the Authorised funds could not be utilised by CPWD for some tender related issues. From 2014-15, the construction process accelerated and presently the Building is on the verge of completion. So far ,Rs. 2.16 crore has been utilised by CPWD(NWZ), Jaipur

(iii) Chennai.

Construction of the Impulse Voltage Laboratory at NTH(SR), Chennai was conceived during the 12th Five Year Plan with a view to create Facilities for Testing of High Voltage Line Materials at NTH(SR), Chennai. The construction process was initiated during the year 2014-15. During the current financial year the construction process was hampered largely due the Natural Calamity occurred in Tamilnadu and an amount of Rs.1.40 crore was surrendered by CPWD(SZ), Chennai during 2015-16. So far ,Rs. 1.41 crore has been utilised by CPWD.

3.53 When asked about the gap in regard to fund allocated and funds required for completion of New Laboratory Building at Mumbai, Jaipur and Chennai by NTH, the Department stated that the requirement of funds which was projected for BE 2016-17 in respect of Major Works for construction of new buildings at NTH Jaipur, NTH, Mumbai and NTH was Rs. 15.00 crore (Jaipur Rs.1.00 crore, Mumbai Rs.11.00 crore and Chennai Rs.3.00 Crore). Of the total requirement of Rs.15.00 Crore an allocation of Rs.4.03 crore was approved by Ministry of Finance. Thus there is a gap of Rs.10.97 crore between the requirement and final allocation for BE 2016-17. Accordingly, the internal distribution of funds is Rs.0.50 crore to NTH, Jaipur for completion of electrical works, Rs.2.00 crore for NTH, Mumbai and Rs.1.52 crore to NTH, Chennai.

- 3.54 When asked about the new initiatives taken by the Department during 2015-16 and proposed in 2016-17 under NTH, the Department of Consumer Affairs stated as under:
 - Under the guidance of the Hon'ble Secretary-CA, NTH has installed 100 KW Roof-Top SOLAR PV Project on the roof of the NTH Salt Lake Building. The project is on the verge of completion and expected to be delivering substantial amount of Green Power and will help in saving some funds which are spent for Electricity Consumption Charge.
 - 2) It is creating facilities for Testing of Packaged Drinking Water (i/c Micro-Biology Test) in it's regional centres.
 - 3) It is conceiving to test Food items in one of its centre at Jaipur.
 - 4) It is creating Test Facility for LED based Luminaires at its centre at Kolkata.
 - 5) It is creating Test Facility for SOLAR based Accessories at its Jaipur centre.
 - 6) Once all the New constructions are completed, NTH will extend its Existing Testing Facilities and consumers are expected to get more comprehensive survives from NTH.
- 3.55 The following statement shows the BE, RE and AE incurred for Establishment of Laboratores during the last three years:

Rupees in Thousand

SI. No.	Name of the Scheme/ Project		3-14		2014-15				2015-16				BE 2016- 17		
	Programme	BE	RE	Actual	Shortfall (+)/	BE	RE	Actual	Shortfall(+)	BE	RE	Actual	Shortfall (+)/	% short fall/	
				Ехр	Excess(-) exp. If any indicatio n reasons in brief			Ехр	Excess (-) exp. If any indication reasons in brief			Exp Up to 31.01.16	Excess (-) exp. If any indicatio n reasons in brief	Excess exp. Year wise	
1	NATIONAL TEST HOUSE	25000	28500	28296	204	32000	35700	32924	2776	33000	33000	28151	9144		50000
	3425 (REV)														
	4552 (CAPITAL) (NER)	18800	18800	0		21000	21000	0		17000	17000	0			15000
	5425 (CAPITAL)	143700	66470	76330		157000	140300	136348		120000	125500				85000
	TOTAL (CAP)	162500	85270	76330	8940	178000	161300	136348	24952	137000	142500	123240	19260	13.52	100000
	Grand Total	187500	113770	104626	9144	210000	197000	169272	27728	170000	175500	151391	24109	13.74	150000

3.56 The Committee note that a plan scheme for construction of laboratory building is under implementation at three regional centres of National Test House at Mumbai, Jaipur and Chennai with a view to creating more space for expansion of the existing Test Facilities at NTH(WR), Mumbai. A G+4 Phase II building was conceived during 12th Five Year Plan with an estimated cost of 25.26 crore as prepared by CPWD (WZ), the construction of the building was initiated in the year 2013-14. Out of the allocation of Rs. 12.88 crore over a period 2013-14 to 2015-16 authorized to CPWD, an amount of Rs. 7.12 crore could be utilized. The building is expected to be completed by the financial year 2016-17 subject to availability of sufficient fund under the major Plan Head "Land & Building". Similarly, construction of one additional floor over the existing Laboratory Building at NTH (NWR), Jaipur was conceived during the 12th Five Year Plan with a view to expanding the existing test facilities for based appliances, Testing for Food and Packaged Drinking Water. Construction was initiated in the year 2013-14 but much of the allocated funds could not be utilized by CPWD for some tender related issues. So far, Rs. 2.16 crore has been utilized by CPWD (NWZ) and the building is on the verge of completion. Further, construction of the Impulse Voltage Laboratories at NTH(SR), Chennai was conceived during the 12th Five Year Plan with a view to create facilities for Testing of High Voltage Line Materials. The construction was initiated during the year 2014-15. During the year 2015-16 the construction process was hampered largely due to the Natural Calamity that occurred in Tamil Nadu. Rs. 141.00 crore has been utilized by CPWD for this purpose.

The Committee note that the requirement of funds projected for BE 2016-17 (Rs. 15.00 crore) for construction of the new buildings (Jaipur Rs. 1.00 crore, Mumbai Rs. 11.00 crore and Chennai Rs. 3.00 crore) of the total requirement of Rs. 15.00 crore an allocation of Rs. 4.03 crore only was approved by Ministry of Finance. Accordingly, the internal distribution for construction activities got reduced – Rs. 0.50 crore to NTH

Jaipur for completion of electrical works, Rs. 2.00 crore for NTH, Mumbai and Rs. 1.52 crore to NTH Chennai.

The Committee feel that the pace of construction by CPWD is very slow and there is lack of coordination between the two Departments. Further there is huge gap of Rs. 10.97 crore between the requirement and final allocation for BE 2016-17. Since current year is the last year of 12th Five Year Plan and at some places most of the work has been completed by the Agency, it should, therefore, be decided with the coordination of CPWD as to how much work could be completed by them and accordingly Ministry of Finance be approached for higher allocation of funds for this purpose. The Committee recommend that adequate funds be allocated for the purpose so that funds spent earlier for construction of laboratories could be utilized for testing services for consumers. Further all efforts should be made to locate savings from within the overall capital Budget of the Department. They also desire that these constructions should be completed in the current fiscal year.

The Committee are also happy to note the effort of the Department for Green Power generation by installing of 100 KW Roof Top Solar Power Project on the roof of the NTH salt lake building which would help in saving some funds towards charges for electricity consumption. The Committee desire the Department to replicate this effort of generating Green Power at other places particularly where new construction is being undertaken or envisaged in the near future.

5. <u>Bureau of Indian Standards</u>

- 3.57 The Bureau of Indian Standards was set up as a statutory organization under the Bureau of Indian Standards Act, 1986 taking over the assets and liabilities of the Indian Standards Institution (ISI) that came into existence in 1947. The Bureau has its Headquarters in New Delhi. It has a network of 05 regional offices, 32 branch offices and 08 laboratories which act as effective link between BIS, government, industry and consumers.
- 3.58 There are two schemes/programmes under implementation by the Ministry of Consumer Affairs, Food &Public Distribution (Department of Consumer Affairs) under the BIS. These schemes / Programmes are as under:
 - **(A) Hallmarking Scheme:** Scheme for setting up of Gold Assaying/ Hallmarking Centres in India with Central Assistance. There are two components of the Hallmarking Scheme:
 - i) Infrastructure Building: Setting up of Assaying & Hallmarking (A&H) Centres under this component.

The rate of one time financial assistance for 'Setting up of Gold Assaying and Hallmarking Centres' in India where no Assaying & Hallmarking Centre (assisted or otherwise) exists is as follows:-

Area	Rate				
	To Private Entrepreneur	To PSUs			
Normal	30%	50%			
NE/SCS/RA	50%	75%			

NE – North East States; SCS - Special Category States; RA – Rural Areas

The Special Category states include the seven north east states, Sikkim, Jammu and Kashmir, Himachal Pradesh, and Uttarakhand. Concerned Municipal Acts is the basis for definition and identification of rural areas.

ii) Capacity Building:-Various Training Programmes like Artisan Training, A&H Personnel Training and BIS officers Training are being conducted under this component.

(B) National System for Standardization (NSS) Scheme

BIS is operating National System for Standardization (NSS) Scheme to promote the Standardization at national and International level. Through this scheme, R&D projects at National Level, Intensifying participation of BIS Technical Committee members,

Seminars, Workshops & training programmes and intensifying participation of BIS Officials / Technical Committee members at International level are being organized. The scheme has an outlay of Rs. 19.345 crore as approved by Ministry of Consumer Affairs vide their letter no. 8/3/2012-BIS dated 21 October 2013.

(i) Gold Hallmarking

- 3.59 When enquired about the efforts/steps have been taken by the Ministry to ensure proper utilization of funds allocated to NE States, the Department of Consumer Affairs stated that BIS receives funds for the implementation of two Plan Schemes. As regards to Standardization Scheme (NSS), the scheme is not region specific. Therefore, no separate allocation for NE region has been made by BIS.
- 3.60 Under the Hallmarking Scheme, financial assistance for machinery and equipment to Assaying & Hallmarking (A&H) Centres in deficient locations is given. To the NE States, the financial assistance is at a higher rate compared to other States. Therefore, in the scheme itself there is an inbuilt mechanism for enhanced support to the NE region.
- 3.61 During 2013-14, financial assistance to the tune of Rs. 27.44 lakhs was released (first installment) to M/s Assam Hallmarking Center of Govt. of Assam. During 2015-16, the assistance released to the same A&H Center by way of second and final installment was Rs. 22.56 lakhs.
- 3.62 In order to encourage setting up of A&H Center in the NE region, an Expression of Interest (EOI) for setting up Assaying & Hallmarking Centre in North-East States under the Central Assistance Scheme has been hosted on BIS website where last date for submitting EOI is 31st March 2016. Four applications have already been received, which shall be processed during the financial year 2016-17.
- 3.63 The Ministry stated that the reasons for shortfall in expenditure during 2015-16 viz-a-viz the allocation of scheme-wise and Major Head-wise are as under:

(a) Hallmarking Scheme:

Out of Rs 3.75 crore received, Rs 3.38crore has already been spent and Rs 0.25 crore would be released by 31st March 2016.

(b) NSS Scheme:

 Plan scheme was approved by Ministry of Consumer Affairs vide their letter no. 8/3/2012-BIS dated 21 October 2013,

- ii) The guidelines for taking up R&D Projects are cumbersome, due to which, R&D projects could not be initiated,
- iii) At the National level, participation in BIS Technical Committee meetings and conducting training programmes / seminars / workshops were below the assigned targets. Moreover, the financial out lay was on higher side vis-à-vis the expenditure incurred for such participation and conducting such programmes, and
- iv) At the International level, the physical targets were almost achieved. However, the financial targets were not met which indicates that financial outlay was on higher side.
- 3.64 It is further stated that the cases of violation of BIS Act filed (as on 29 February, 2016) in different States and action taken thereon are as under:

State	2013-14	2014-15	2015-16 (as on 29.02.2016)
Andhra Pradesh	22	5	-
Assam	-	-	-
Bihar	-	-	-
Chandigarh UT	-	-	-
Chhattisgarh	-	-	-
Daman UT	-	-	-
Delhi	9	8	1
Gujarat	10	4	7
Haryana	-	2	3
Himachal Pradesh	1	-	-
J & K	-	-	-
Jharkhand	-	-	-
Karnataka	1	-	-
Kerala	2	2	2
Madhya Pradesh	3	-	-
Maharashtra	3	1	1
Orissa	-	-	1
Punjab	-	-	-
Rajasthan	-	-	3

Tamilnadu	6	3	4
Uttar Pradesh	1	3	-
Uttrakhand	-	-	-
West Bengal	3	2	1
Telangana	-	4	-
Total	61	34	23

3.65 After filing of the cases in respective Courts of law, the matter is regularly followed up by BIS. This has resulted into rate of conviction being more than 95% during the last three years.

3.66 The Committee had visited Udaipur A&H Centre during its study visit October/November, 2015. The Committee observed certain deficiencies in the functioning of A&H Centre. It was observed that the hallmark stamp on gold ornaments etc. were being given without strict testing and no inspection have been made by the officials of BIS/Department of Consumer Affairs. When enquired as to whether all the merchants are approaching the hallmarking centres, the Secretary, Department of Consumer during oral evidence submitted the following:

"I assure you that we will certainly look into it. I have not gone to Jaipur. I went and saw a hallmarking centre in Hyderabad. That is a very good centre. The Jaipur centre may have been bad. I do not know whether all others are like that or not."

(ii) Standardisation & Quality Control

3.67 When enquired as to why out of the RE of Rs.10 crore only Rs. 8.75 crore was utilized under BIS, the Director General BIS during the oral evidence submitted the following:

"For hallmarking the initial outlay was Rs. 60 lakh every year. In fact, on our request it was raised to Rs. 9.7 crore. We had those Bureau obligations but some of them did not materialise because of something or the other; and until and unless they meet all the criteria we do not release the entire amount according to this scheme. Where there are no A&H centres only subsidy is given. In India right now there are 373 centres out of which in the Plan Scheme 73 centres had been put up."

3.68 The Committee note that there are two schemes under implementation by the Department of Consumer Affairs namely Hallmarking Scheme for setting up of Gold Assaying & Hallmarking centres and National System for Standardization Scheme to promote the standardization at national and international level. The Committee feel that the 373 Assaying & Hallmarking centres in the country as on date are unable to meet the expectations of the consumers. There are two components of the hallmarking schemes namely Infrastructure Building and Capacity Building. Under infrastructure building, one time financial assistance for setting up of gold assaying and hallmarking centres where no such centre exist, 30% to private entrepreneurs and 50% to PSUs is provided. However, the same increases to 50% to private entrepreneurs and 70% to PSUs in case of North East States. Under the component of capacity building, training programmes like Artisan Training, A&H Personnel Training and BIS Officers Training are conducted.

The Committee are concerned with the less than satisfactory working of A&H sector as these sectors do not seem to have made much of a difference to the consumers in purchase of gold. The Committee have observed during their study tour last year to Udaipur A&H centre that proper testings are not being done before hallmark seal are made available for the gold which needs to be ensured by BIS/Department of Consumer Affairs very strictly. This scheme needs appropriate monitoring and regular testing of samples from the centres. The Committee are of the considered view that the consumers should have the benefit of hallmark gold not only at the time of buying but also at a time of selling. At present, there seems to be no benefit for a seller if he sells a hallmark or non-hallmark gold which fetches a similar value. The Committee would expect the Department of Consumer Affairs to review the functioning of hallmarking scheme and take necessary steps to improve its functioning among the consumers and

traders. The Committee further view that this is a good scheme and needs proper implementation by the Department of Consumer Affairs and therefore recommend that the Department conduct a thorough review of the functioning of the scheme as well as A&H centres immediately by an independent external evaluator in a time bound manner and take corrective action wherever required as suggested by the reviewing agency. They would like to be apprised of the action taken on this aspect at an early date.

6. Price Stabilisation Fund

The Price Stabilization Fund plan scheme though presently being implemented by the Department of Agriculture, Cooperation & Farmers, it is being transferred to the Department of Consumer Affairs with effect from 01.04.2016. The Department of Agriculture & Cooperation has approved the Price Stabilization Fund (PSF) as a Central Sector Scheme, with a corpus of Rs.900 crore, to support market interventions for price control of perishable agro-horticultural commodities. PSF is used to advance interest free loan to State Governments and Central agencies to support their working capital and other expenses on procurement and distribution interventions for such commodities. For this purpose, the States will set up a revolving fund to which Centre and State will contribute equally (50:50). The ratio of Centre-State contribution to the State level corpus in respect of North East States will however be 75:25. The revolving fund is being mooted so that requirements for all future interventions can be decided and met with at the State level itself. Central Agencies will, however, set up their revolving fund entirely with the advance from the Centre. Procurement of these commodities will be undertaken directly from farmers or farmers' organizations at farm gate/Mandi and made available at a more reasonable price to the consumers. The fund is to be used for price stabilization operation for onion, potato and pulses. Losses incurred, if any, in the operations will be shared between the Centre and the States.

3.70 When asked how the Department implements price stabilization operation for onion, potato and pulses, the Secretary, Department of Consumer Affairs during the oral evidence submitted the following:

"Sir, most of it is domestic. I can give you the break-up also. We have procured domestically 45,000 tonne of Toor dal; 5,000 tonne of Urad dal and so far we have contracted about 25,000 tonnes of Toor and Urad Dals that we have imported. Stocks have yet to arrive but we have already finalised the tender and contracted 25,000 tonnes of Toor and Urad dals. So, totally, we will be having 75,000 tonnes of Toor and Urad dals with the Government as a buffer stock. The ultimate aim is by 2018 we will be having about 5 lakh tonnes of these dals so that like wheat and rice the Government has certain stock with it so that the traders do not speculate and increase the prices. This is the corrective measure that the Department has taken for this year because last year we had seen that the prices of essential commodities, especially dal had gone up.

We have also intensify, every week I have a meeting with all the Departments. Every 15 days we have meeting with enforcement agencies, income tax, directorate of revenue intelligence, intelligence bureau, Delhi police and various polices of Maharashra, Haryana and Rajasthan. Continuously we are telling States that this time we will not let any speculative tendencies to take place. There is a shortage of pulses this year. This year is going to be bad because this is the second successive drought year. The production of pulses

has again not been good. Before last year there was good production so some opening balances were there. This year it is the second year of drought. Therefore, there is no opening balance and production also this year has been less. So, we will have a tough time but we are ensuring that at least speculative tendencies are put to rest.

The importers have been really dealt very hard. Income tax raids have been conducted. IB is being specifically told to monitor the prices, the speculative tendencies, the messages which they are transmitting also are being looked into to ensure that there are not great speculative tendencies either by importers or traders. We are trying to do our best. From the Central Government side we are requesting the State Governments successively to keep a check on the speculative tendencies and hoarders."

- 3.71 Price Stabilization Fund also aims to maintain a strategic buffer stock that would discourage hoarding and unscrupulous speculation and also to protect consumers by supplying such commodities at reasonable prices through calibrated release of stock.
- 3.72 Price Stabilization Fund aims at creation of buffer stock of 1.5 lakh MT of pulses from Kharif and Rabi Marketing Seasons of 2015-16 and 15000 MT onions from Rabi Season at reasonable and affordable prices particularly during the lean seasons. The Price Stabilization Fund also solicits specific project proposals from agencies wanting to make market interventions in this regard.

3.73 The Committee note that the Price Stabilization Fund which was a plan scheme earlier implemented by Department of Agriculture, Cooperation and Farmers Welfare has been transferred to the Department of Consumer Affairs w.e.f. 1/4/2016 and Rs. 900 crore have been allotted for the scheme during the year 2016-17. This scheme is primarily aimed to support market interventions for price control of perishable agrohorticultural commodities. The Committee further note that this price stabilization fund is used to advance interest free loans to State Governments and Central agencies to support their working capital and other expenses on procurement and distribution interventions of such commodities. For this purpose, the States will set up revolving fund to which Centre and States will contribute equally at the ratio of 50:50 whereas in respect of North East States the ratio will be 75:25. The fund is to be used for price stabilization operation for onion, potato and pulses. The Committee also note that the procurement of these commodities will be undertaken directly from farmers or farmers' organisations at farm gate/Mandis and made available at a more reasonable price to the consumers. Losses incurred, if any, in the operations will be shared between Center and States.

They also note that the Department has been taking certain measures to keep a check on traders and importers/exporters to monitor prices of essential commodities such as pulses and onions etc. to arrest speculative tendencies in the markets. The Committee, therefore, recommend that the Department of Consumer Affairs in coordination with the other Central Government Agencies and State Governments to ward off speculative tendencies and excessive profiteering by traders and ensure that essential commodities required for the common man is made available in a timely and efficient manner.

B. <u>NON-PLAN SCHEMES</u>

1. Consumer Cooperatives and Subsidies

- 3.74 The National Cooperative Consumers' Federation of India Ltd. (NCCF) was set up on 16 October 1965 to function as the apex body of consumer cooperative societies in the country; it is registered under the Multi-State Co-operative Societies Act, 2002 with its Head Office in Delhi and it operates through a network of 29 Regional Offices located in different parts of the country. With a 78 percent shareholding, Government is the majority owner of the NCCF.
- 3.75 The Department has been allocated a sum of Rs. 115.00 crore in BE (2016-17) under the head Consumer Cooperatives and Subsidies. When enquired as to how the Ministry intends to spend the amount against Actual Expenditure of just Rs. 10.00 crore incurred under the scheme during the previous year, the Department stated that they reimburse the actual losses for import of pulses undertaken by NAFED, PEC, STC and MMTC and supplied in the domestic market during 2008-09, 2009-10 and 2010-11 up to 15% under the scheme. For the period within the validity of the scheme, claims vetted by the O/o Chief Adviser of Cost (CAC) on the basis of 20% re-imbursement limit are considered. The vetted claims amount to around Rs. 178 crore out of which Rs. 63 crore has been reimbursed to the designated agencies. For BE 2016-17, allocation of Rs. 215 crore under pulses subsidy (Non-plan) for releasing the pending arrears has been proposed under the scheme, while the allocation under BE 2016-17 has been Rs. 115 crore.
- 3.76 When enquired whether the Government have started giving subsidy to PSUs which buy pulses and distribute them, the Secretary, Department of Consumer Affairs during the evidence submitted as follows:

"It is because the PSUs had suffered huge losses. We wanted to compensate them to certain extent. They were agitating and again we are giving them money to buy pulses and we are building a buffer stock. MMTC is importing pulses for us. We are involving them for further programmes also. NAFED has been involved in the programme of procurement of pulses in the States. So, they have again been actively involved in procurement of pulses for buffer stock. Government felt that it was genuine demand they had suffered huge losses and we need to compensate them to certain extent and see that they are again helping us."

The Secretary further elaborated as below:

"It is because of variation of prices. What happens is that when the Government enters into market, sometimes it happens. Right now, in the price stabilization fund also, we are procuring. It may so happen that when we sell the stock, the prices may come down and we may incur the losses. But that is not the main

aim. Supposing the prices come down, the main aim of the Government is that the prices come down. If the prices have come down for the common man, I think the purpose is well served. Therefore, to compensate for the losses, the Government decided that instead of 15 per cent losses that we compensate under the scheme, we raise the limit to 20 per cent. That is why additionality was required. All their accounts have been closely scrutinized by the Ministry of Finance. The Cost Accounts Branch has gone through every detailed account of theirs and then given their clearance and then only we release money to these PSUs. The Cabinet took the decision and that is why these provisions have been made. Now, we move to the next slide."

3.77 The Committee note that the Department has been allocated Rs. 115.00 crore in BE of 2016-17 against the Actual Expenditure of Rs. 10.00 crore only last year under the scheme Consumer Cooperatives and Subsidies. The Committee further note that the funds are allocated for the purpose of reimbursing upto 15% of the actual losses for import of pulses undertaken by NAFED, PEC, STC and MMTC and supplied to domestic markets during the years 2008-09, 2009-10 and 2010-11. The percentage of reimbursement has since been increased upto 20% of losses and the vetted claim amount outstanding for reimbursement to the PSUs is Rs. 178.00 crore, out of which Rs. 63.00 crore has since been reimbursed to the designated agencies. The Committee note that during last year certain Central Public Undertakings like MMTC and STC had suffered losses on account of import of pulses and these undertakings were reimbursed up to 20% losses after duly vetting of their accounts by Government agencies. The Committee desire that these PSUs and other Agencies are doing market intervention on the direction of the Government and hence need all support and should be adequately compensated for losses incurred in such activities. The Committee note that last year namely 2015-16 was drought year and would caution the Department of Consumer Affairs to be well prepared for the current year and take all necessary actions including building of buffer stocks of essential commodities. The Committee hope that the Department would utilize the BE amount fully and liquidate the outstanding amounts at the earliest.

2. Consumer Welfare Fund

3.78 The overall objective of the Consumer Welfare Fund is to provide financial assistance to the Organizations/States to promote and protect the welfare of the consumers and strengthen the consumer movement in the country.

The financial assistance is given mainly for following purposes:

- I. Creation of chairs / centres of excellence in institutions/universities of repute, to foster research teaching and training on consumer related issues.
- II. Funding States/UTs to establish the Consumer Welfare Fund at the State level, through co-contribution
- III. Innovative projects for spreading consumer literacy and awareness and programmes for consumer education to the VCOs/NGOs;
- IV. Consumer clubs in schools/colleges/Universities
- 3.79 In reply to a query, the Department of Consumer Affairs stated that the funds allocated to Consumer Welfare Fund for funding of the schemes for the last three years are as under:-

(Rs. In crores)

Year	BE	RE	Actual Expenditure
2012-13	21.80	31.80	30.54
2013-14	45.80	45.80	39.25
2014-15	15.00	15.00	13.11

- 3.80 The Ministry in their written replies stated that Dr. Ambedkar Law University, Chennai was sanctioned in June, 2011 an amount of Rs. 94.45 lacs to set up a Chair on Consumer Law and jurisprudence over a period of five years from 2011 to 2016. Out of the sanctioned amount, an amount of Rs. 34.00 lacs was released on 11.07.2011. The objectives of the project of Dr. Ambedkar Law University, Chennai as under:
 - (a) To provide for the advancement and dissemination of knowledge of law and their role in the development of better education.
 - (b) To promote legal education and well being of the community generally;
 - (c) To develop in the student and research scholar a sense of responsibility to serve the society in the field of law by developing skills in regard to advocacy legal services, legislation, law reforms and the like;
 - (d) To organize lectures, seminars, symposia and conferences;
 - (e) To provide access to legal education of large segments of the population and in particular to the disadvantaged groups;
 - (f) To promote acquisition of legal knowledge in rapidly developing and changing society and to continually offers opportunities for upgrading knowledge, training and skills in the context of innovation, research and discovery in all field of human endeavours.

2. Setting up of Complaint Handling/Counseling/Guidance Mechanism

3.81 The endeavour of the Department is to partner with credible and committed voluntary consumer organisations in the task of raising awareness amongst consumers as well as to redress their grievances where possible. Towards this end the department has created some key collaborative platforms. The brief outline of each of these is set out below:

(i) Consumer Education and Research Centre (CERC), Ahmedabad

The Department of Consumer Affairs has approved in July, 2015 a project proposal for an amount of Rs. 1.00 crore over a period of five years to be released in five equal instalments of Rs.20.00 lacs each year to Consumer Education and Research Centre (CERC), Ahmedabad for bringing out National Consumer Magazine INSIGHT in Hindi for 5 years. Grant in aid of Rs. 20.00 lacs (1st installment) for the project was released in August 2015.

(ii) Advertising Standards Council of India (ASCI), New Delhi

Advertising Standards Council of India (ASCI), New Delhi has been sanctioned in June, 2015 Rs.10.00 lacs for a period of one year in two equal instalments for resolving complaints on misleading and false advertisements. Grant in aid of Rs. 5.00 lacs (1st instalment) for the project was released in September 2015.

(iii) Centre for Comparative Testing of Products and Services (Voice Society)

The VOICE Society, New Delhi was sanctioned Rs.40.00 lacs during 2014 for undertaking comparative testing of 6 products & 2 services with the objective of disseminating empirical data on product quality and safety. Grant in aid of Rs. 40.00 lacs for the project was released in September 2014.

The objectives of comparative testing of products and services are to:

- Provide consumers unbiased information that will enable them to make a rational choice among major brands available in the market. This will help them get value for money.
- ➤ Help raise public awareness regarding quality and safety and bring demand pressure to bear on manufacturers to improve the quality of products.
- Serve as the basis for advocacy campaigns for policies that will enhance consumer protection.
- ➤ Communicate with government, regulatory and standards authorities on the testresults for appropriate action against malpractices, if any.
- Educate consumers about the product; amongst many in the market that will likely suit their needs best and thus strengthen consumer choice.
- Draw public attention to unsafe goods and unfair trade practices.
- ➤ Verify the claims made by different brands especially of health related products against the relevant national Standard for that product.

3.82 On being asked, whether any criteria has been made by user of Grants for dissemination of information observed through testing to general public, the Department of Consumer Affairs stated as under:

'A Memorandum of Understanding (MoU) was concluded between this Ministry and VOICE Society in August, 2014 for undertaking comparative testing of products and services. The information observed on the basis of comparative testing is being disseminated to the consumers through publication of results of comparative testing in an attractive and reader friendly manner in the magazine Consumer Voice in English and Hindi, through the website of Consumer Voice and also through link provided on the website of Department of Consumer Affairs. The reports on comparative test conducted on 81 products since 2011 are available on the website of the Department of Consumer Affairs.'

3.83 The committee note that the Department of Consumer Affairs grants funds to Voluntary

Consumer Organizations (VCOs)/NGOs for undertaking comparative testing of products and

services so as to provide consumers with unbiased information that will enable them to make

rational choice, raise public awareness regarding quality and safety, educate customers about

the product amongst the many in the market fulfilling their needs, draw public attention to

unsafe and unfair trade practices and verify claims made by different brands against relevant

national standard for the product etc.

The Committee note the VOICE Society, New Delhi was sanctioned Rs. 40 lakhs during

2014 for undertaking comparative testing of 6 products and 2 services with the objective of

disseminating empirical data. VOICE Society had conducted comparative testing of packaged

milk, honey, mixed fruit jam, besan, rice bran oil and broad band service evaluation etc. and the

results have been disseminated through the website of VOICE Society and to the magazine

Consumer Voice. Similarly, the Committee note that Dr. Ambedkar Law University, Chennai was

sanctioned an amount of Rs. 94 lakhs for five years from 2011 to 2016 to achieve certain

objectives, dissemination of knowledge of law with reference to consumer advocacy and

Advertisement Standards Council of India (ASCI), New Delhi have been sanctioned Rs. 10 lakhs

during 2015 for resolving complaints on misleading and false advertisements. The Committee

has also noted that CERC, Ahmedabad has been released an amount of Rs. 20 lakhs during

2015-16.

The Committee note that such initiatives by the Ministry to encourage VCOs/NGOs to

take up consumer awareness and consumer protection issues among the citizens in different

parts of the country is a welcome step and more such initiatives and funding to different VCOs

in diverse fields of consumer interest may be taken up. The Committee recommend that the

Ministry should strictly monitor the performance of the VCOs in attainment of the objectives for

which the funds are given to them in the areas of consumer awareness and consumer

protection.

NEW DELHI <u>May, 201</u>6

Vaisakha, Saka 1938

J.C. DIVAKAR REDDY, Chairperson, Standing Committee on Food,

Consumer Affairs and Public Distribution

(Para 2.7)

Statement showing the overall allocation of the Department of Consumer Affairs under Plan and Non-plan Schemes for the years 2014-15, 2015-16 and 2016-17:

PLAN

						ILAN				(R	s. In crores)
S. N o.	Name of the scheme/proje ct/ programme	eme/proje gramme				2015-2016					2016-2017
	PLAN SCHEMES	BE	RE	AE	Short fall/exce ss expn. If any indicatin g reasons in brief.	BE	RE	Expr. upto 31.01.20 16#	Short fall/ex cess expn. If any indicat ing reason s in brief.	% short fall /excess expn. Year wise 2013-14 2014-15 2015-16	BE
1	Consumer Awareness (Publicity)	67.20	68.67			67.50	72.50			-4.11	54.00
	NER	7.80	7.80			7.50	7.50			-6.51 -12.11	6.00
	Total	75.00	76.47	71.49	-4.98	75.00	80.00	70.31	-9.69	-12.11	60.00
2	Consumer Protection, Consumer Helpline,CON FONET etc.	50.70	16.42	71.49	-4.90	38.70	38.70	70.51	-7.07	-0.63	29.70
	NER	5.30	1.30			4.30	4.30			-2.31	3.30
										-29.12	
3	Total Weights and Measures Establishment of Laboratories	56.00 54.80	17.72 17.25	17.31	-0.41	43.00 29.25	43.00 20.17	30.48	-12.52	-9.51	33.00 34.95
	NER	6.20	2.82			3.75	3.75			1.59	4.05
										-29.01	
	Total	61.00	20.07	20.39	0.32	33.00	23.92	16.98	-6.94		39.00
4	National Test House	18.90	17.60			15.30	15.85			-8.00	13.50
	NER	2.10	2.10			1.70	1.70			-14.06	1.50
	Total	21.00	10.70	16.02	2 77	17.00	17.55	12.05	5.50	-31.34	15.00
5	Stregthening of Price Monitoring Cell	21.00 1.80	19.70 0.93	16.93	-2.77	17.00 1.80	17.55 1.80	12.05	-5.50	0.00	1 5.00 0.90
	NER	0.20	0.11			0.20	0.20			-22.12	0.10
										-47.00	
	Total	2.00	1.04	0.81	-0.23	2.00	2.00	1.06	-0.94	22.46	1.00
6	Forward Markets Commission*	0.00	0.00			0.00	0.00			-22.46	0.00
	NER	0.00	0.00			0.00	0.00			0.00	0.00
										0.00	
7	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	Setting up of Gold Hallmarking Assaying	0.54	0.54			4.50	4.50			0.00	0.90

	Centres in India.										
	NER	0.06	0.06			0.50	0.50			0.00	0.10
										-25.00	
	Total	0.60	0.60	0.60	0.00	5.00	5.00	3.75	-1.25		1.00
8	Bureau of Indian Standards (Standardrisati on& Quality Control)	3.96	3.96			4.50	4.50			0.00	0.90
	NER	0.44	0.44			0.50	0.50			0.00	0.10
										0.00	
	Total	4.40	4.40	4.40	0.00	5.00	5.00	5.00	0.00		1.00
9	Price Stabilisation Fund									0.00	810.00
	NER									0.00	90.00
										0.00	
	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		900.00
	G.TOTAL	220.00	140.00	131.93	-8.07	180.00	176.47	139.63	-36.84		1050.00

Expenditure against NER is included in the relevent functional heads.
*FMC transferred to Ministry of Finance, Department of Economic Affairs.
Includesauthorisation of Rs.42.46 crore issued to other agencies.

Short fall shown in (-) and Excess shown in (+)

NON-PLAN

(Rs. In crores)

S.No.	Name of the		2014-15				2015-16				n crores) 2016-17
5.110.	scheme/project/ programme		2014-15				2015-10				2010-17
	NON-PLAN	BE	RE	AE	Short fall/excess expn. If any indicating reasons in brief.	BE	RE	Expr. upto 31.01.2016 #	Short fall/excess expn. If any indicating reasons in brief.	% short fall /excess expn. Year wise 2013-14 2014-15 2015-16	BE
1	Secretariat Economic Services	20.68	21.17	19.68	-1.49	23.20	20.51	17.23	-3.28	-0.80	23.41
										-7.04	
2	National Test House	29.41	28.69	28.40	-0.29	30.32	28.19	25.24	-2.95	-15.99 -0.15	32.61
										-1.01	
										-10.46	
3	Consumer Cooperatives and Subsidies	10.00	9.50	5.29	-4.21	10.00	63.00	63.00	0.00	-0.13	115.00
										-44.32	
										0.00	
4	Consumer Protection	10.68	11.14	10.73	-0.41	12.07	11.85	10.21	-1.64	1.54	13.76
										-3.68	
5	Regulation of Weights & Measures	4.87	5.23	5.19	-0.04	5.93	5.86	4.87	-0.99	-13.84 -2.12	6.58
										-0.76	
										-16.89	
6	International	0.15	0.15	0.19	0.04	0.25	0.25	0.00	-0.25	53.33	0.25
	Cooperation									26.67	
	D 141 C	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-100.00	0.00
7	Regulation of Markets*	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.66	0.00
										0.00	
0	D	15.00	15.00	12.11	1.00	15.00	15.00	10.54	4.46	0.00	15.50
8	Projects under Consumer Welfare Fund	15.00	15.00	13.11	-1.89	15.00	15.00	10.54	-4.46	-14.30	15.50
										-12.60	
	T-4-1 C	00.70	00.00	02.50	0.20	06.55	144.66	121.00	12.55	-29.73	205.11
9	Total Gross Deduct	90.79 15.00	90.88 15.00	82.59 13.11	-8.29 -1.89	96.77 15.00	144.66 15.00	131.09 10.54	-13.57 -4.46	1420	207.11 15.50
9	Recoveries	15.00	13.00	13.11	-1.89	15.00	15.00	10.54	-4.46	-14.30	15.50
										-12.60	
	3 7 /		## OC	(0.40	C 40	01.55	100 (120 ==	0.11	-29.73	101.61
	Net	75.79	75.88	69.48	-6.40	81.77	129.66	120.55	-9.11		191.61

^{*}FMC transferred to Ministry of Finance, Department of Economic Affairs.
Includes authorisation of Rs .0.42 crore issued to other agencies.
Short fall shown in (-) and Excess shown in (+)

Position of grant released under SCF to States/UTs during the year 2013-14, 2014-15 and 2015-16

SI. No.	Name of the State	Assistance released in SCF Scheme in Financial Year 2013-14
1	Arunachal Pradesh	335.00
2	Bihar	502.78
3	Chhattisgarh	200.00
4	Haryana	53.20
5	Himachal Pradesh	52.57
6	Kerala	112.94
7	Meghalaya	82.81
8	Mizoram	20.00
9	Nagaland	200.00
10	Tamilnadu	300.00
11	W. Bengal	45.00
Total	,	1904.30

SI. No.	Name of the State	Assistance released in SCF Scheme in Financial Year 2014-15
1	W. Bengal	507.65
Total		507.65

SI. No.	Name of the State	Assistance released in SCF Scheme in Financial Year 2015-16
1	Madhya Pradesh	493.09
2	Rajasthan	740.04
3	Sikkim	50.00
4	W. Bengal	697.00
Total	•	1980.13

Disposal of cases by Lok Adalats in Different States/UTs

	National Commission	2	31.01.2016	
Sl. No.	States	STATE COMMISSION	DISTRICT FORUMS	As On
1	Andhra Pradesh	Nil	Nil	31.12.2015
2	A & N Islands	N.A.	N.A.	0
3	Arunachal Pradesh	Nil	Nil	30.09.2015
4	Assam	Nil	Nil	30.11.2015
5	Bihar	30	390	30.09.2015
6	Chandigarh	127	3251	31.12.2015
7	Chhattisgarh	6	436	31.12.2015
8	D & N Haveli/Daman &Diu	N.A.	N.A.	0
9	Delhi	78	1953	31.01.2010
10	Goa	3	87	31.01.2016
11	Gujrat			31.12.2015
12	Haryana	705	5443	31.12.2015
13	Himachal Pradesh	Nil	1023	30.11.2015
14	Jammu & Kashmir	70	N.A.	31.03.2009
15	Jharkhand	N.A.	6	31.12.2007
16	Karnataka	Nil	Nil	31.12.2015
17	Kerala	347	1065	30.09.2015
18	Lakshadweep	Nil	Nil	30.09.2015
19	Madhya Pradesh	11	4594	31.12.2015
20	Maharashtra	143	1278	31.12.2015
21	Manipur	N.A.	N.A.	0
22	Meghalaya	N.A.	N.A.	0
23	Mizoram	1	N.A.	31.03.2008
24	Nagaland	N.A.	N.A.	0
25	Odisha	106	440	30.09.2013
26	Pondicherry	Nil	Nil	31.12.2015
27	Punjab	583	5930	30.11.2015
28	Rajasthan	198	12375	30.06.2015
29	Sikkim	Nil	Nil	0
30	Tamil Nadu	4	12	31.12.2015
31	Telangana	Nil	Nil	31.12.2015
32	Tripura	Nil	Nil	31.12.2015
33	Uttar Pradesh	443	3018	31.08.2015
34	Uttarakhand	4	61	31.12.2015
35	West Bengal	Nil	10	31.10.2010
	TOTAL	2859	41372	
Note: 'N	.A.' means 'Not Available'.			

Total Number of Consumer Complaints Filed / Disposed since inception Under Consumer Protection Law

Sl.	Name of Agency	Cases filed	Cases	Cases	% of total	Remarks
No.		since	disposed of	Pending	Disposal	
		inception	since			
			inception			
1	National Commission	100149	89892	10257	89.76%	
2	State Commissions	704841	606972	97869	86.11%	
3	District Forums	3684358	3397355	287003	92.21%	
	TOTAL	4489348	4094219	395129	91.20%	

Statement of Cases Filed / Disposed of / Pending in the National Commission and State Commissions

Sl. No.	Name of State	Cases filed since	Cases disposed of	Cases Pending	% of Disposal	As On
		inception	since			
			inception			
	National Commission	100149	89892	10257	89.76	29.02.2016
1	4 II D 1 I	21075	21200	(77	07.00	21.01.2016
1	Andhra Pradesh	31975	31298	677	97.88	31.01.2016
2	A & N Islands	111	106	5	95.50	30.06.2015
3	Arunachal Pradesh	81	68	13	83.95	31.10.2015
4	Assam	2825	2458	367	87.01	31.12.2015
5	Bihar	18141	13700	4441	75.52	30.09.2015
6	Chandigarh	15157	14890	267	98.24	31.01.2016
7	Chhattisgarh	10875	10397	478	95.60	31.01.2016
8	Daman & Diu and DNH	25	20	5	80.00	31.03.2011
9	Delhi	42272	36839	5433	87.15	31.12.2015
10	Goa	2733	2713	20	99.27	31.01.2016
11	Gujarat	52940	48330	4610	91.29	31.12.2015
12	Haryana	46701	45625	1076	97.70	31.01.2016
13	Himachal Pradesh	9098	9003	95	98.96	31.01.2016
14	Jammu & Kashmir	8703	7525	1178	86.46	31.12.2015
15	Jharkhand	5678	5167	511	91.00	31.12.2015
16	Karnataka	50683	44774	5909	88.34	31.01.2016
17	Kerala	28553	26370	2183	92.35	31.01.2016
18	Lakshadweep	18	16	2	88.89	31.10.2015
19	Madhya Pradesh	48981	41209	7772	84.13	31.01.2016
20	Maharashtra	68780	57614	11166	83.77	31.12.2015
21	Manipur	170	164	6	96.47	31.12.2015
22	Meghalaya	300	285	15	95.00	31.03.2015
23	Mizoram	219	207	12	94.52	31.01.2016
24	Nagaland	165	136	29	82.42	30.09.2015
25	Odisha	24210	17636	6574	72.85	31.12.2015
26	Puducherry	1036	989	47	95.46	29.02.2016
27	Punjab	34909	32815	2094	94.00	31.12.2015
28	Rajasthan	60077	52815	7262	87.91	31.12.2015
29	Sikkim	57	54	3	94.74	31.03.2015
30	Tamil Nadu	27188	24497	2691	90.10	31.12.2015
31	Telangana	1666	46	1620	2.76	31.01.2016
32	Tripura	1672	1658	14	99.16	31.01.2016
33	Uttar Pradesh	77317	51186	26131	66.20	31.12.2015
34	Uttarakhand	5664	4596	1068	81.14	31.12.2015
35	West Bengal	25861	21766	4095	84.17	31.12.2015
	TOTAL	704841	606972	97869	86.11	31.12.2013

Statement of Cases filed/disposed of/pending in District Fora

Sl. No.	Name of State	Cases filed since inception	Cases disposed of since inception	Cases Pending	% of Disposal	As On
1	Andhra Pradesh	115624	113479	2145	98.14	31.01.2016
2	A & N Islands	767	720	47	93.87	30.06.2015
3	Arunachal Pradesh	415	378	37	91.08	31.10.2015
4	Assam	15351	13933	1418	90.76	30.11.2015
5	Bihar	98622	84086	14536	85.26	30.09.2015
6	Chandigarh	53304	51936	1368	97.43	31.01.2016
7	Chhattisgarh	44469	39773	4696	89.44	31.01.2016
8	Daman & Diu and DNH	162	144	18	88.89	31.03.2011
9	Delhi	254168	236589	17579	93.08	31.03.2015
10	Goa	7004	6603	401	94.27	31.01.2016
11	Gujarat	201526	188168	13358	93.37	31.12.2015
12	Haryana	243525	230547	12978	94.67	31.01.2016
13	Himachal Pradesh	62517	59670	2847	95.45	31.01.2016
14	Jammu & Kashmir	20792	18855	1937	90.68	31.12.2007
15	Jharkhand	38117	33917	4200	88.98	31.12.2015
16	Karnataka	183295	170339	12956	92.93	31.01.2016
17	Kerala	200483	189681	10802	94.61	31.01.2016
18	Lakshadweep	83	65	18	78.31	31.10.2015
19	Madhya Pradesh	216350	198213	18137	91.62	31.01.2016
20	Maharashtra	298078	275771	22307	92.52	31.12.2015
21	Manipur	1297	1240	57	95.61	31.12.2015
22	Meghalaya	1005	925	80	92.04	31.03.2015
23	Mizoram	3771	3733	38	98.99	30.06.2015
24	Nagaland	652	598	54	91.72	30.09.2015
25	Odisha	104137	96180	7957	92.36	31.12.2015
26	Puducherry	3138	2931	207	93.40	29.02.2016
27	Punjab	181473	174250	7223	96.02	31.12.2015
28	Rajasthan	344925	311700	33225	90.37	31.12.2015
29	Sikkim	338	324	14	95.86	31.03.2015
30	Tamil Nadu	112140	103895	8245	92.65	31.12.2015
31	Telangana	88446	84452	3994	95.48	31.01.2016
32	Tripura	3385	3234	151	95.54	31.01.2016
33	Uttar Pradesh	641423	567022	74401	88.40	31.12.2015
34	Uttarakhand	38988	36169	2819	92.77	31.12.2015
35	West Bengal	104588	97835	6753	93.54	31.12.2015
	TOTAL	3684358	3397355	287003	92.21	

MINUTES OF THE SEVENTEENTH SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2015-16) HELD ON MONDAY, 11 APRIL, 2016

The Committee sat from 1030 hrs. to 1210 hrs. in Committee Room 'E', Basement, Parliament House Annexe, New Delhi.

PRESENT

Shri J.C. Divakar Reddy - Chairperson

Members

Lok Sabha

- 2. Shri Babu Lal Choudhary
- 3. Shri Sanjay Haribhau Jadhav
- 4. Shri Dharmendra Kumar
- 5. Smt. Sakuntala Laguri
- 6. Dr. Sakshi Maharaj
- 7. Shri Sunil Kumar Mondal
- 8. Shri Ram Chander Paswan
- 9. Shri Bhola Singh
- 10. Shri Brij Bhusan Sharan Singh
- 11. Shri Prabhubhai Nagarbhai Vasava

Rajya Sabha

- 12. Dr. Bhushan Lal Jangde
- 13. Shri K.K.Ragesh
- 14. Shri Veer Singh

SECRETARIAT

1. Shri P. V. L.N. Murthy - Joint Secretary

2. Shri Lovekesh Kumar Sharma - Director

Shri H. Ram Prakash
 Shri Khakhai Zou
 Shri R. C. Sharma
 Additional Director
 Deputy Secretary

WITNESSES

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

SI. No.	Name	Designation
1.	Shri C. Viswanath	Secretary
2.	Smt. Chandralekha Malviya	Pr. Adviser
3.	Shri P.K. Jha	Special Secretary & Financial Advisor
4.	Smt. Alka Panda	Director General, BIS
5.	Shri P. V. Ramasastry	Joint Secretary
6.	Shri Anil Bahuguna	Joint Secretary (Parliament)
7.	Shri U. Thanu	Director General, NTH
8.	Shri Anil Srivastava	Registrar (NCDRC)
9.	Shri Awadhesh K. Chaudhary	Economic Adviser
10.	Shri Ravinder Kumar	Director
11.	Shri B. N. Dixit	Director

2. At the outset, the Chairperson welcomed the members of the Committee and apprised them that the sitting had been convened to take oral evidence of the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) in connection with examination of the Demands for Grants (2016-17) and to consider and adopt the draft Report on 'The Consumer Protection Bill, 2015'.

[Witnesses were then called in]

3. The Chairperson welcomed the representatives of the Department of Consumer Affairs to the sitting and apprised them about Direction 55 (1) of the Directions by the Speaker regarding confidentiality of the proceedings. The Secretary, Department of Consumer Affairs thereafter explained with the help of power point presentation the function of the Department highlighting its achievements during the last one year including the various schemes/programmes being implemented by the Department such as the Consumer Protection and Awareness, Monitoring prices of essential commodities, Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities, Internal Trade, National

Test House, Weights & Measures, State Consumer Helpline, Computerization and Computer Networking of Consumer Fora in the country (CONFONET), Gold Hallmarking/Standardization & Quality Control etc. Thereafter, the Chairperson and Members raised various issues relating to the Demands for Grants (2016-17) of the Department which were responded to by the representatives of the Department.

4. The Hon'ble Chairperson then thanked the Secretary and other representatives of the Department of Consumer Affairs for their free and frank discussions.

[Witnesses then withdrew]

5. X X X X X

6. A verbatim record of the proceedings has been kept.

The Committee then adjourned.

X Matter not related with the Report.

MINUTES OF THE NINETEENTH SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2015-16) HELD ON MONDAY, 02 MAY, 2016

The Committee sat from 1000 hrs. to 1040 hrs. in Committee Room 'D', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri J.C. Divakar Reddy - Chairperson

Members

Lok Sabha

- 2. Shri Babu Lal Choudhary
- 3. Shri Sakuntala Laguri
- 4. Dr. Swami Sakshiji Maharaj
- 5. Shri Sunil Kumar Mondal
- 6. Shri Ram Chander Paswan
- 7. Shri Bhola Singh

Rajya Sabha

- 8. Shri Shadi Lal Batra
- 9. Dr. Bhushan Lal Jangde
- 10. Shri Veer Singh

SECRETARIAT

1. Shri P.V.L.N. Murthy - Joint Secretary

2.Shri Lovekesh Kumar Sharma - Director

3.Shri Khakhai Zou - Additional Director

- 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 (2016-17) relating to the (i) Department of Food and Public Distribution, and (ii) Department of Consumer Affairs under the Ministry of Consumer Affairs, Food and Public Distribution.
- 3. Thereafter the Committee took up for consideration the Draft Report :-
 - (i) XXXX XXXX XXXX XXXXX XXXXX
 - (ii) The Demands for Grants (2016-17) of the Department of Consumer Affairs. After brief discussion, the Committee adopted the Draft Report without any amendments/modifications.
- 4. The Committee then authorized the Chairperson to finalize the aforesaid Draft Report in the light of factual verifications from concerned Department and present the same to Parliament in the current Session of Parliament.

The Committee then adjourned.

xxxx Matter not related to the Report.