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**STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS
AND PUBLIC DISTRIBUTION (2014-15)**

SIXTEENTH LOK SABHA

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

**DEMANDS FOR GRANTS
(2014-15)**

SECOND REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

December, 2014/ Agrahayana, 1936 (Saka)

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**DEMANDS FOR GRANTS
(2014-15)**

Presented to Lok Sabha on 22.12.2014

Laid in Rajya Sabha on 22.12.2014



**LOK SABHA SECRETARIAT
NEW DELHI**

December, 2014/ Agrahayana, 1936 (Saka)

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COMPOSITION Standing Committee on Food, Consumer Affairs and Public Distribution (2014-15).

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
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31. Vacant*

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* Serve Shri Amar Singh and Veer Singh, MP (RS) ceased to exist as members of the Committee on Food, Consumer Affairs and Public Distribution (2014-15) consequent upon their retirement from the membership of Rajya Sabha w.e.f. 25.11.2014.

INTRODUCTION

I, the Chairperson of the Standing Committee on Food, Consumer Affairs and Public Distribution (2014-15) having been authorized by the Committee, present on their behalf the Second Report on Demands for Grants (2014-15) relating to the Department of Consumer Affairs (Ministry of Consumer Affairs, Food and Public Distribution).

2. The Committee examined the detailed Demands for Grants (2014-15) of the Ministry, which were laid on the Table of the House on 5 August, 2014 and in the process heard the representatives of Department of Consumer Affairs at their setting held on 29 September, 2014 and also took their evidence on 20 October, 2014.

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 Committee would also like to place on record their deep sense of appreciation of the invaluable assistance rendered by the officials/staff of Lok Sabha Secretariat attached to the Committee.

5. The Draft Report was considered and adopted by the Committee at their sitting held on 18 December, 2014.

6. For facility of reference and convenience the observations/recommendations of the Committee have been printed in thick type in Part-II of the Report.

NEW DELHI
19 December, 2014
28 Agrahayana, Saka 1936

J. C. DIVAKAR REDDY,
Chairperson,
Standing Committee on Food,
Consumer Affairs and Public Distribution

REPORT

Part – I NARRATION ANALYSIS

I. Consumer Affairs scenario in the country

The present day Consumer Affairs scenario in the country is characterised by *low* consumer awareness in rural areas in the country, *inordinate delays in* Consumer Courts resulting in loss of faith of *the common man in the process of consumer dispute resolution and the* prevalence of large number of misleading advertisements *in several Sectors exploiting the gullible common man and wide spread* adulteration of food items of *common consumption* specially milk. All this *calls* for a national programme of consumer awareness with sufficient funds, fast tracking of lakhs of pending cases before Consumer Courts for *restoring the* faith of common man in these Consumer Courts, strengthening of existing law for protection of consumer rights like Consumer Protection Act, checking misleading advertising and adulteration by prescribing exemplary punishment under the law etc. This calls for greater role for Department for Consumer Affairs for handling of these issues outlined above.

II. Vision and Mission of Department of Consumer Affairs

1.2 With the vision of enabling consumers to make informed choices, ensure fair equitable and consistent outcomes for consumers and facilitate timely and effective grievance redressal, the Department of Consumer Affairs has a Mission to empower consumers through awareness and education, enhance consumer protection and safety through progressive legislations and prevention of unfair trade practices; enable quality assurance through standards and their conformance; and ensure access to affordable and effective grievance redressal mechanism. The functions of the Department of Consumer Affairs (Ministry of Consumer Affairs, Food and Public Distribution) include consumer empowerment, consumer protection, and consumer grievance redressal.

III. Role of the Department

1.3 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: The Spurious Preparation (Inter-State Trade and Commerce) Control Act, 1955
- (iii) The Essential Commodities Act, 1955

- (iv) Prevention of Black Marketing and Maintenance of Supplies of Essential Commodities Act, 1980
- (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
- (viii) The Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. To regulate weight and measures and commodities in prepackaged form.
- (ix) The Bureau of Indian Standards Act, 1986.
- (x) Laying down specifications, standards and codes and ensuring quality control of bio-fuels for end uses.
- (xi) Consumer Cooperatives
- (xii) Monitoring of prices and availability of essential commodities.
- (xiii) National Test House.
- (xiv) Consumer Protection Act, 1986.

1.4 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).

1.5 The Minister of Consumer Affairs, Food and Public Distribution laid on the Table of the Lok Sabha, the Detailed Demands for Grants (2014-2015) relating to the Department of Consumer Affairs on 5th August, 2014. The Detailed Demands for Grants for the Department of Consumer Affairs shows a gross budgetary provision of Rs. 310.79 crores. This includes Rs.220.00 crores for plan activities and Rs. 75.79 crores for non-plan programmes after adjusting the recoveries of Rs. 15.00 crore under Non-Pan schemes.

1.6 The Sixteenth Lok Sabha was constituted on 18th May, 2014 and the General Budget (2014-15) including Demands for Grants (2014-15) of various Ministries were passed by Lok Sabha without referring it to DRSCs by way of suspending Rule 331G of Rules of Procedure and Conduct of Business in Lok Sabha. However, Hon'ble Speaker observed in the House on 15th July, 2014 that DRSCs will examine the respective Demands for Grants (2014-15) of different Ministries/Department under their jurisdiction and make reports thereon so that their recommendations can be used for preparation of respective Demands for Grants next year. The DRSCs in Lok Sabha including Committee on Food, Consumer Affairs and Public Distribution is, accordingly examining the DFG (2014-15) of the Department of Consumer Affairs.

1.7 The examination and analysis of Demands for Grants (2014-15) is given in succeeding paragraphs.

IV. Demands for Grants (2014-15) of the Department of Consumer Affairs – An overview

1.8 The Demand for Grants (2014-15) of the Department of Consumer Affairs makes a net provision of Rs. 295.79 crore with Plan component of Rs. 220.00 crore and Non-Plan component of Rs. 75.79 crore. An overview of scheme-wise BE (2014-15) is as under:-

Sl. No.	Name of Scheme	Amount (Rs. in Crores)
Plan		
1.	Consumer Awareness (Publicity)	75.00
2.	Consumer Protection / HRD/ Capacity Building, Consumer Helpline	56.00
3.	Weights and Measures, Establishment of laboratories	61.00
4.	National Test House (NTH)	21.00
5.	Strengthening of Price Monitoring Cell	2.00
6.	BIS- Setting up of Hallmarking Assaying Centre in India	5.00
	Total	220.00
Non-Plan		
1.	Sectt. Eco services	20.68
2.	National Test House (NTH)	29.41
3.	Consumer Cooperatives and subsidies	10.00
4.	Consumer Protection	10.68
5.	Regulation of Weights and Measures	4.87
6.	International Cooperation	0.15
7.	Projects under Consumer Welfare Fund	15.00
	Total Gross	90.79
	Deduct recoveries	15.00
	Net	75.79

V. FIVE YEAR PLAN ALLOCATIONS

1.9 The proposed outlay by the Department of Consumer Affairs and amount actually provided by the Planning Commission during Eleventh and Twelfth Plan are as under:-

(Rs. in Crores)

Plan period	Proposed Planning Commission	to	Funds allocated by Planning Commission
11th Plan	1484.00		1083.00
12th Plan	2537.36		1260.00

1.10 The Committee during course of examination enquired about the reasons for shortfall of around Rs. 400.00 crores between funds proposed vis-à-vis funds allocated during 11th Plan. The Committee also wanted to know the reasons for 50% reduction of Plan funds by the Planning Commission for 12th Plan, The Department of Consumer Affairs in a written note stated:-

“The Planning Commission imposed a drastic cut on Plan allocation for the Department”.

1.11 The Committee examined to what extent the huge reduction from proposed outlay in actual outlay is going to slow down the process of development during 12th Plan period both in on-going and new schemes, the Department of Consumer Affairs in a written note stated :-

“The reduction will severely affect and slowdown the implementation of the schemes.”

1.12 The Committee further examined whether it not affect the over-all momentum in implementation of different on-going and new Plan Schemes in schemes of the Department of Consumer Affairs, the Department of Consumer Affairs in a written note stated:-

“Yes Sir”.

- (i) Eleventh Plan (2007-12)

Outlay and Expenditure

1.13 The outlay and expenditure of following On-going and new schemes of Department of Consumer Affairs:-

(Rs. in crore)

On-going Schemes			
Sl. No.	Scheme	Approved outlay	Aggregated expenditure
1.	Consumer Awareness	409.00	333.46
2.	Consumer Protection	104.97	77.59
3.	State Consumer Helpline/National Consumer Helpline	25.00	8.58
4.	Weights and Measures	170.00	159.02
5.	National Test House	67.58	48.73
6.	Bureau of Indian Standards	120.33	21.78
		1008.08	722.48
New Schemes			
1.	Consumer Protection	54.30	54.30
2.	National Test House	20.42	18.51
3.	BIS	-	-
4.	Price Monitoring Cell	-	-
5.	Direct Market Intervention to Distribute Essential Commodities through Consumer Cooperatives	-	-
6.	Implementation of IPV (Internet Protocol Version) network in Department	-	-
	Total	1083.00	715.10

1.14 Asked about the reasons for this huge under utilization of Plan funds during 11th Plan, the Department of Consumer Affairs in a written note stated as under:-

“The primary reason for under utilization of funds is that this Department does not have its own field units / staff. All our schemes are implemented through other agencies. DAVP is used for consumer awareness activities. Services of DGS&D is utilized for procurement of machinery for our metrological laboratories. The CPWD constructs laboratory buildings for the Department. Various States and UTs are given funds for construction of consumer courts. Due to dependence on outside agencies and delay in receipt of utilization certificates, the progress of utilization of fund often slows down.

Due to field level difficulties, the progress of implementation by States is slow. Delay in submission of utilization certificates also poses difficulties. The Department is holding regular meetings and video conferences with State Governments to expedite utilization of funds. The DGS&D and CPWD authorities are repeatedly requested to expedite work. Recently, on 15th October, 2014, a regional meeting of all southern States was held in Bangalore where the State Secretaries were prevailed upon to submit utilization certificate in a time bound manner. Similar regional conferences will be held for other zones in next two months. A National level meeting was also convened in the month of July, 2014. The officers of the Department are also regularly touring various States / UTs to monitor work and collect utilization certificates.

A joint campaign with other ministries and independent regulators for better utilization of funds in the field of consumer awareness is underway. Better coordination with States is also ensured.”

(ii) Twelfth Plan Period (2012-17)

1.15 The statement showing figures about proposed vis-a-vis actual outlay during Twelfth Plan (2012-17) in on-going and new schemes that was submitted before the Committee during the course of briefing are as under:-

(Rs. in crore)

A. On-going schemes (scheme-wise)			
Sl. No.	Scheme	Proposed outlay	Actual outlay
1.	Consumer Awareness	665.00	409.29
2.	Consumer Protection		
	(a) Consumer Protection Cell	2.50	
	(b) Computerization and Computer Networking	55.51	
	(c) State Consumer Helpline/National Consumer Helpline	27.34	
	Total	65.25	216.00
3.	Weights and Measures		
	(a) Strengthening of Weights and Measures infrastructure of States/UTs	478.38	
	(b) Strengthening of Regional Reference Standards Laboratories and Indian Institute of Legal Metrology	31.10	
	Total	509.48	300.00
4.	National Test House		
	Total	163.03	88.90
5.	Bureau of Indian Standards		
	(a) Gold Hallmarking Scheme	3.00	-
	(b) Strengthening of Standardization at National level	4.00	-
	(c) Strengthening of Standardization at International level	10.50	
	Total	17.50	26.00
	Total – Ongoing Scheme	1822.26	
B. New Schemes			
1.	Consumer Protection		
	(a) Strengthening of Consumer For a	160.00	
	(b) National Consumer Protection Agency	52.00	
	(c) Consumer Counselling and Mediation	162.00	
2.	Bureau of Indian Standards		
	(a) Registration of Self Declaration of Conformity	-	
	(b) Creating awareness through publicity about advantages of BIS certified products among consumer and about new standards	210.00	
	Total	281.50	26.00
3.	Price Monitoring and Market Intervention/ Strengthening of PMC	21.64	10.81
4.	Direct Market Intervention to Distribute Essential Commodities through Consumer Cooperatives	100.00	
	Total (New Schemes)	715.00	
	Grand Total	2537.36	1069.00

1.16 During the course of examination, the Committee enquired to what extent the huge reduction in allocation is going to slow down the process of development during 12th Plan period both in on-going and new schemes, the Department of Consumer Affairs in a written note stated :-

“The reduction will severely affect and slowdown the implementation of the schemes”

1.17 During the course of evidence, the Committee enquired to know the reasons for lesser funds available with Department of Consumer Affairs during 11th and 12th Plan, the Secretary, Department of Consumer Affairs stated as under:-

“You have raised two important issues. In fact, these are indeed the two most important questions.

Firstly, on the question of expenditure of sums allotted to this department, I would like to submit that in terms of Central Government Ministries and Departments, ours is a small Department. Our Eleventh Plan allocation was about Rs. 1,000 crore; our Twelfth Plan allocation is marginally more than that. In terms of expenditure that takes place in Government of India, ours is a very small Department. The Government schemes we implement are those that substantially involve actions to be taken by other agencies. For instance, we allocate funds to State Governments for their local metrology works. We allocate funds to State Governments for building court complexes and strengthening of court systems. Wherever there is construction involved there are quite often delays which are not in our hands. Even then we have been able to spend up to Rs. 70.75 crore in 2013-14; let us not forget that the 12th Plan did not actually begin on time. There was some lag before the actual Plan began. We are aware of the shortfall in pace of expenditure. We are working hard on ensuring that this does not happen. In the current Plan period, the 12th Plan period was to start in April 2012; but as you know actually the NDC approved the document only at the end of 2012. In 2013-14, we had a Vote on Account and effectively the first six months of the current financial year was not available. However we are hoping to make up and we are very sure that we will spend the current year’s allocation.”

VI. Annual Plans 2012-13 and 2013-14 and BE 2014-15

Outlay and Expenditure

1.18 The Department of Consumer Affairs has given the BE, RE and actual of different Plan and Non-Plan schemes during 2012-13 and 2013-14 and BE 2014-15 and expenditure as on July, 2014 as given below:-

Plan

(Rs. in crore)

Sl. No.	Name of Scheme	2012-13			2013-14			2014-15	
		BE	RE	Actuals	BE	RE	Actuals	BE	Expenditure (upto July 2014)
1.	Consumer Awareness (Publicity)	89.00	58.00	66.46	75.00	71.00	68.07	75.00	15.52
2.	Consumer Protection	48.00	14.49	18.33	59.93	42.94	42.68	56.00	0.62
3.	Weights and Measures	58.00	53.76	22.35	64.00	54.28	49.12	61.00	2.28
4.	NTH	18.00	13.00	9.44	18.75	11.38	10.46	21.00	4.86
5.	Strengthening Price Monitoring Cell	3.00	0.75	0.00	1.84	0.00	0.00	2.00	0.15
6.	BIS	10.00	2.00	1.80	5.28	0.00	0.00	5.00	0.00
	Total	241.00	150.00	126.00	241.00	192.00	180.08	220.00	23.73

Non –Plan

1.	Sectt.	16.68	15.83	15.64	17.11	16.24	16.10	20.68	-
2.	NTH	25.72	26.19	26.13	28.29	26.89	26.85	29.41	-
3.	Consumer Cooperatives and Subsidies	300.00	270.00	270.00	250.00	158.39	158.18	10.00	-
4.	Consumer Protection	7.59	8.53	8.32	8.82	8.46	8.59	10.68	-
5.	Regulation of Weights and Measures	4.63	4.52	4.46	4.89	4.71	4.61	4.87	-
6.	International Cooperation	0.11	0.11	0.10	0.15	0.15	0.24	0.15	-
7.	Regulation of Markets	6.38	6.12	5.66	6.44	6.02	6.18	-	-
8.	Projects under CWF	21.80	31.80	30.54	45.80	45.80	39.25	15.00	-
	Total Gross	338.09	363.10	360.85	361.70	266.66	260.00	90.79	-
	Deduct Recovery	21.80	31.80	30.54	45.80	45.80	39.25	15.00	-
	Net	361.29	331.30	330.31	315.90	220.86	220.75	75.79	-

1.19 During the course of evidence of the representative of Department of Consumer Affairs, the Committee wanted to know the reasons for lower level of expenditure under BE 2012-13 onwards, a representative of Department of Consumer Affairs stated as under:-

“On expenditure, I just wanted to bring to the attention of the hon. Chairman and hon. Members of this Committee that during the 12th Plan in the year 2012-13, the Department’s performance was 85 per cent of the Revised Estimate; in the year 2013-14, last year, we improved it to 94 per cent of the Revised Estimate. This year, as at the end of September, our performance still remains at just about 20 percent; but there were two major reasons why this lag has occurred: one was because we had a Vote on Account for the first four months and because of the Model Code of Conduct we could not incur expenditure. However, I want to assure this Committee that all steps have been taken in all the programmes to provide full support to the State Governments in successfully implementing the programmes and we are confident that we will be able to achieve a better performance than last year. We hope to improve it to close to 100 percent.”

1.20 During the course of examination, the Committee enquired about the reasons for decline trends of total Plan funds from BE to RE and then to actual during 2012-13 and reduction of funds from BE to RE during 2013-14 and asked to give year wise reasons, the Department of Consumer Affairs in a written note stated:-

“Reasons for weights and measures schemes for declining trends of total Plan funds from BE to RE and then to actuals during 2012-13 and reduction of funds from BE to RE during 2013-14:

Sl. No.	Schemes	2012-13	2013-14
1	Weights and Measures	Due to less expenditure in the first two quarters the RE was considerably reduced from BE and further the expenditure was much lesser than the RE due to the following reasons: (1). DGS&D could not finalise the tenders for procurement of equipments due to procedural problems and therefore whole funds meant for procurement of equipments were un-utilised. (2). Land could not be provided by the State Government for the establishment of two new RRSLs at Varanasi and Nagpur.	Due to less expenditure in the first two quarters the RE was considerably reduced from BE. The reasons for less expenditure in first two quarters are: (1) DGS&D could not finalise the tender for the supply of equipments in the beginning of the financial year due to procedural problems. (2) Land could not be provided by the States for the establishment of two new RRSLs at Varanasi and Nagpur.

1.21 The Committee further enquired about the reasons for lesser BE of Rs. 220.00 crore as compared to higher BE of Rs. 241.00 crore each during 2012-13 and 2013-14, the Department of Consumer Affairs in a written note stated :-

“Due to austerity measures and less expenditure during the previous two years lesser BE of Rs. 220.00 crore is allocated as compared to higher BE of Rs. 241.00 Crore each during 2012-13 and 2013-14.”

1.22 The Committee also wanted to know the reasons that Plan Schemes BIS have not performed well during 2012-13, the Department of Consumer Affairs in a written note stated :-

“National System of Standardization

As far as standardization is concern the slow performance in 2012-13 is attributed to the non receipt of approval of 12th Plan Scheme in 2012-13. The scheme was approved at the mid of 2013-14 (i.e. approval of Scheme received vide MoCA letter dated 21st Oct 2013 & 4th Nov 2013).”

1.23 On being pointed out by the Committee that the pace of expenditure during first four months i.e. w.e.f April 2014 to July, 2014 has hardly been encouraging. For instance, out of BE 2014-15 of Rs. 220.00 crore, the expenditure upto July, 2014 is only Rs. 23.73 crore only. The Committee enquired whether the pace of expenditure of Plan funds so far is far from satisfactory and whether the Department of Consumer Affairs will be able to avail Plan fund during 2014-15, the Department of Consumer Affairs in a written note stated :-

“It is true that the pace of expenditure has been slow. This was mainly due to the restriction imposed by vote on account (in the absence of regular budget). However, all efforts are being made to fully utilize the plan funds during 2014-15.”

1.24 During the course of evidence, the Secretary, Department of Consumer Affairs also stated:-

“The Department’s performance during the last financial years, 2013-14, has been reasonable good. As against the RE of Rs. 192 crore, the actual expenditure was Rs. 180 crore, an achievement of 94 per cent of the Plan Budget. In the current financial year, 2014-15, for which the Demands are before the Committee for examination, the BE is Rs. 220 crore and we hope to improve our performance over the last year.”

1.25 The Committee also wanted to know in view of the huge reduction of Plan funds during 2013-14 and 2014-15, how the Department proposes to realise its vision of protecting the consumer interests, the Department of Consumer Affairs in a written note stated :-

“Under the scheme sufficient funds were provided, as were asked. However, they could not be utilised fully due to State based schemes. The Department is proposing to persuade the States through letters, meetings, conferences and review to utilise funds and submit the utilisation certificates, so that funds could be realised under the Scheme.”

1.26 The Committee pointed out that Department of Consumer Affairs while underlining that protection of consumer interests and welfare had become a critical function of good governance and educating more than 120 crore people of various categories of population particularly there in rural areas, is a herculean task. As such it can be undertaken as a sustained national programme with adequate resource availability. Asked about the steps taken regarding taking up the matter of sustained national programme on Consumer Awareness with adequate resource availability with the Government, the Department of Consumer Affairs in a written note stated:-

“The Department has been asking for additional budget resources for consumer awareness scheme in various meetings in Planning Commission, Standing Committee of Parliament and Secretary level meetings with Cabinet secretary.”

1.27 When further asked whether Department of Consumer Affairs intend to approach Parliament for more funds in the form of Supplementary Grants during 2014-15, The Department of Consumer Affairs in a written note stated:-

“Yes, Sir.”

Non-Plan Schemes

1.28 During the course of examination, the Committee pointed out that contrary to under utilization of Plan funds, the utilization of Non-Plan funds during 2012-13 and 2013-14 has been by and large optimal and funds at BE level have been at par at RE level. However, in big scheme of Consumer Cooperatives and subsidies, there has been a reduction of Rs. 30.00 crore in 2012-13 and over Rs. 95.4 crore from BE to RE level during 2013-14. Asked to what extent the reduction in non-Plan funds has affected Consumer Cooperatives during the last two years, the Department of Consumer Affairs in a written note stated that:-

“The reduction of non-plan funds will not affect the consumer cooperatives since this fund was primarily meant for meeting subsidy schemes for onion imports and palmolin oil supply. Both the schemes have been discontinued as per Government decision. As regards the consumer welfare fund, the allocated funds do not lapse. The amount will be disbursed to various VCOs/Universities during the next financial year. The delay in receipt of utilization certificates and certified/audited accounts from VCOs lead to the under utilization.”

SCHEME WISE ANALYSIS

2.1 The following major schemes are being implemented by Department of Consumer Affairs:

1. Consumer Awareness (Publicity)
2. Consumer Protection/Consumer Helpline
3. Weights & Measures
4. National Test House
5. Bureau of Indian Standards (BIS)
6. Price Monitoring Scheme (PMC), a sub-component of Consumer Awareness
7. Consumer Welfare Fund

2.2 A glance of the Budget Documents of the Department of Consumer Affairs for the year 2014-15 reveals that, out of the total amount of Rs. 310.79 crore, the major chunk of the funds are proposed to be utilized for the following three areas:

- (i) Consumer Awareness & Consumer Protection/State Consumer Helpline- Rs.141.68 crore.
- (ii) Weights & Measures, National Test House, Bureau of Indian Standards and Price Monitoring Cell – Rs. 123.28 crore.
- (iii) Consumer Welfare Fund and Consumer Co-operatives and Secretariat – Rs. 45.68 crore.

I. Consumer Awareness (Publicity)

2.3 During the course of examination the Committee pointed out that Department of Consumer Affairs has stated that under this scheme print, electronic and outdoor programmes are released through DAVP, AIR, Doordarshan and NFDC. The Department obtains creative contents on consumer related issues through professional agencies and release those in different media through these agencies. The Department has issued campaigns to cover issues on real estate, education, banking, pharmaceuticals, consumer rights, hallmarking, misleading advertisements, wastage of food etc. Under this Scheme funds are given to States for consumer awareness programmes in local languages. 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.

2.4 The BE, RE Actuals for 2012-13 and 2013-14 and BE for 2014-15 and expenditure upto July, 2014 under the scheme consumer awareness are as under:-

(Rs. in Crores)

Year	BE	RE	Actuals
	Plan	Plan	Plan
2012-13	89.00	58.00	66.00
2013-14	75.00	71.00	68.00
2014-15	75.00	–	15.52 (Upto July, 2014)

2.5 During the course of examination the Committee asked about the details of unspent balances under the scheme in previous years. The Department of Consumer Affairs in a written note submitted the following details:

Utilisation Certificate pending

Sl. No.	Name of State	Year	Amount in Rupees
1	Andhra Pradesh	2010-11	46,00,000.00
		2011-12	34,50,000.00
2	Bihar	2006-07	18,31,681.00
		2007-08	4,80,921.00
3	Chhattisgarh	2012-13	30,00,000.00
4	Goa	2011-12	1,04,000.00
		2012-13	2,34,000.00
5	Gujarat	Nil	Nil
6	Haryana	2007-08	1,15,472.00
7	Himachal Pradesh	2009-10	4,18,000.00
		2012-13	15,82,000.00
8	Jharkhand	2006-07	27,50,000.00
9	Karnataka	2007-08	27,00,000.00
10	Kerala	2010-11	74,892.00
		2011-12	21,00,000.00
		2011-12 (Special Project)	31,00,000.00
11	Madhya Pradesh	2006-07	9,58,708.00
		2012-13	40,41,292.00
12	Maharashtra	2006-07	17,18,215.00
		2009-10	3,99,785.00
13	Odisha	2008-09	17,14,000.00
		2009-10	40,80,000.00
14	Punjab	2012-13	40,00,000.00
15	Rajasthan	2006-07	10,78,441.00
		2009-10	2.75
16	Tamil Nadu	2010-11	47,76,587.00
17	Uttar Pradesh	2006-07	8,75,000.00
18	Uttarakhand	2006-07	16,25,000.00
19	West Bengal	2006-07	2,22,921.00
		2010-11	1,368.00
		2011-12	16,457.00
20	Arunachal Pradesh	2012-13	32,00,000.00
21	Assam	2006-07	6,818.00
22	Manipur	2006-07	11,25,000.00
23	Meghalaya	2011-12	10,50,000.00
24	Mizoram	Nil	Nil
25	Nagaland	2012-13	22,00,000.00
26	Tripura	Nil	Nil
27	Jammu & Kashmir	2006-07	17,50,000.00
28	Sikkim	Nil	Nil
29	Delhi	2006-07	8,29,969.00
30	Puducherry	2006-07	1,25,000.00
		2012-13	8,00,000.00
31	A & N Islands	Nil	Nil
32	Chandigarh UT Admin.	2006-07	1,25,000.00
		2006-07(Special Project)	5,00,000.00
33	Daman & Diu	2006-07	2,50,000.00
34	Dadra Nagar Haveli	2009-10	2,00,000.00
		2010-11	2,00,000.00
35	Lakshadweep	2006-07	1,25,000.00

2.6 Asked as to how Department of Consumer Affairs ensures that the intended consumer awareness reaches to the common man, the Department of Consumer Affairs in a written note stated as under:-

“This Department reaches the common man through sustained multi-media campaign in all possible media that is – newspapers, radio, television, outdoor banners, hoardings, utility bills, railway tickets, passbook of Postal Saving Schemes, bus panels, access cards for visiting Mata Vaishno Devi and Tripati Balaji shrine, etc. Mid-term assessments are made to monitor the impact of these campaigns. Our studies reveal that the multi-media campaign under banner of ‘JAGO GRAHAK JAGO’ has been extremely successful.”

2.7 The Committee further examined about the steps have been taken by the Government to create awareness about the consumer rights and the Consumer Protection Act amongst the masses especially in the rural and remote areas, the Department of Consumer Affairs in a written note stated as under:-

“All consumer related issues like - MRP, expiry date, Quality standards (BIS marks), misleading advertisements, how to approach consumer court, weights and measures, consumer helpline, etc. are examples of few contents on which advertisements were developed and published in various media having penetration in the remote and rural areas of the country. The Department is focusing on community radio, regional TV channels and news papers, small town magazines etc. where the rural population have full access.”

2.8 As regard reviewing the implementation of different schemes under Consumer Awareness, the Committee pointed out that the Department of Consumer Affairs has constituted an inter-ministerial Empowered Committee headed by Secretary (Consumer Affairs) to review implementation and performance of the scheme periodically. Internal Finance Wing also reviews physical & financial targets. Apart from that from time to time evaluation study on consumer awareness are conducted through the independent agencies to access the performance of the scheme. Asked in what way the aforesaid Inter-Ministerial Empowered Committee has been purposeful in implementation of Consumer Awareness Scheme, the Department of Consumer Affairs in a written note stated:

“Inter-Ministerial Empowered Committee discusses in detail the plan for Jago Grahak Jago Campaign in various media for effectively reaching out to maximum number of consumers. It suggests plans for synchronising the efforts of other Ministries in the action plan of Jago Grahak Jago Campaign.”

2.9 The Committee further enquired whether there should be a door-to-door survey at grass roots level, the Department of Consumer in a written note stated:

“A door to door survey of the entire country may not be possible. Hence, different studies were conducted by independent agencies by way of sample surveys which included interviewing consumers.”

2.10 Asked about details of any evaluation study conducted to assess the performance of the scheme so far, the Department of Consumer in a written note stated:

“Executive summary of two such studies conducted by Indian Institute of Mass Communication and M/s Data Metion Consultant Pvt. Ltd. are at **Appendix - I & II.**”

2.11 During the course of examination the Committee pointed out that according to a study commissioned by the Department to assess the impact of the Jago Grahak Jago Campaign, nearly 37 percent of consumers are unaware of the campaign both in the rural and urban Sectors in all the 12 States surveyed for the study. Similarly, in rural India its only 39 percent of people who are still unaware about this initiative as compared to 35 percent in urban India. In view of the above, the Committee enquired what new approach and method the Department would suggest to target these populations who are unaware of the campaign, the Department of Consumer in a written note stated:

“Department of Consumer Affairs have planned intensive multi-media campaign through traditional media like Newspapers, Doordarshan, All India Radio, Cable and Satellite Channels, Bill Boards and also through new and innovative media like Community Radios, Digital Cinema, Mobile services etc. to ensure greater penetration in the rural areas.”

2.12 At this, during the course of evidence, the Committee also enquired about steps taken by Government to create awareness about consumer rights in rural areas where the publicity material of the Department like magazine do not reach, a representative of Department of Consumer Affairs stated:

“I would like to place before this Committee that we agree entirely that there is an urgent need that in the rural consumers in the remote rural areas, awareness is built; we proposed a new scheme, which is proposed this year on a pilot basis, we require the support of this Committee to make this scheme, a pan-India scheme, called *Grahak Suvidha Kendra*. It is intended to be in the rural areas to provide consumers, a host of services under one roof; that will include creating awareness, dissemination of information, complaint or grievance redressal, assistance in filing cases in consumer courts, etc.”

New initiatives taken for checking food adulteration and misleading advertisements

(i) Checking food adulteration

2.13 During the course of briefing of the Department of Consumer Affairs various new initiatives taken by the Department of Consumer Affairs like cell for misleading advertisement, standard pack in 19 commodities, inclusion of potato/ onion among essential commodities etc., were outlined and issue of adulterated food came up in a big way. In this connection, the Secretary, Department of consumer during the course of briefing explained as under:

“There are some initiatives we have launched in addition to the work which we do and we have been doing over the past years. I would like to draw particular attention to one such initiative. We are working with six departments which impact on the consumer. This decision was taken following a round of meetings where it was generally expressed that work relating to consumer welfare and redressal of consumer grievance was limited almost exclusively to the Department of Consumer Affairs and our case has always been that different departments in the work they do, through the schemes they implement and through the programmes they follow, have a direct impact on consumer welfare and accordingly, we have now begun this new initiative of bringing together a group of six most crucial Departments, namely, agriculture, food, health, housing, transport and financial services with a view towards focussing the work in these Department more on the consumer welfare aspect of the activities they undertake. We seek the support of this Committee in the implementation of our programmes.”

2.14 In this connection, the Secretary, Department of Consumer Affairs, further stated:

“Food adulteration, as my colleague explained, comes under the Food Adulteration Act which is administered entirely by the States. So, the powers for seizure, for conducting inspections, for seizing samples, filing cases etc., lie with the State Governments. The regulator in this area is the Food Standards and Safety Authority of India (FSSAI) under the Ministry of Health. So, the standards set by the FSSAI are enforced and implemented essentially through State Governments. But information regarding some of these does come to us from time to time.”

2.15 The Committee also wanted to enquire whether regular mechanism in association with State Governments/FSSAI for strict enforcement of laws, the Department of Consumer in a written note stated as under:

“The Department has noted the valuable suggestions given by the Committee during the last meeting. We have initiated a process of holding regional conferences with State Secretaries / Food Commissioners / legal metrology officials in various zones where the officers concerned are being impressed to carry on special drive against adulterations. They are also being directed to upload the data on raids / seizures / prosecutions on our official website. We propose to hold periodic meetings with FSSAI for mutual cooperation in tackling the menace of adulteration in all consumer items including food products. The laboratories under our department are being offered for utilization by State Government enforcement officials for quality checking and standard verifications.”

2.16 Asked about, whether Department of Consumer Affairs is proposing stricter penalty for commission of offences like food adulteration, the Department of Consumer in a written note stated:

“The FSSAI which is the designated agency for food standards has already laid down strict penalties under its Act against food adulteration. As advised we will again write to them for strict implementation of legal provisions and also for conducting regular enforcement drives through their food commissioners and field staff.”

2.17 During the course of examination the Committee asked about the details of cases registered in consumer fora that involve adulteration of essential food items, the Department of Consumer in a written note stated:

“The Consumer Fora functions in the event of defects in goods or deficiency in service. Major category of cases in the Consumer Fora are of medical negligence, insurance, banking, buildings and other items related to or connected with. Cases pertaining to food adulteration in the Consumer Fora are far and few between. Therefore, no such data is maintained in the Consumer Fora.”

2.18 Asked about steps taken by the Department in this regard the Department of Consumer Affairs in a written note stated:

“The Food Safety and Standards Authority of India (FSSAI) under the Ministry of Health and Family Welfare is the regulatory authority in respect of food adulteration. Therefore, this is for the FSSAI to respond to. However in order to mainstream consumer advocacy into the policy of key sectors such as Food, Agriculture, Health, Housing, Financial Services and Transportation, an Inter-Ministerial group has been constituted under the Chairmanship of Secretary (CA).”

2.19 In reply to a query the representatives of Department of Consumer Affairs further submitted:

“As the Secretary has mentioned, Food Adulteration Act is not really effective. There are five-six items which have now assumed menacing proportions like milk and milk products, vegetables, daals, masalas. At various forums it has been recognised also. I hail from UP. They have specialised factories for artificial milk where they use urea and other toxic poisonous chemicals for manufacturing milk. That is directly going into the paneer and other milk products. I have been interacting with the Standing Committee for quite some time now. I feel it is high time these seven-eight items which are directly affecting the health of the youth and children they must form part of a national policy. Hon. PM is announcing policy on other aspects like cleanliness. What about milk, vegetables, food items like grains where adulteration is injecting poison into our children even in womb. This august body can think of a policy on these crucial absolutely life or death kind of items. These are items which are on concurrent list. Many progressive States must be doing a lot of things. They are answerable to people. Some things have crossed the critical limit and this is one area that I would like to highlight.”

(ii) Checking of misleading advertisement

2.20 The Committee during the course of briefing also pointed out that misleading advertisement by being aired by number of TV Channels. Asked about steps taken against airing these Channels, representatives of Department of Consumer Affairs stated:

“The powers that the Government has at the moment are very limited. The Information and Broadcasting Ministry does issue notice to them and ask them to suspend the advertisements immediately. But it has not been effective. Similarly, the Advertising Standards Council of India tries to take action. The Press Council of India tries to take action.”

2.21 The Committee further asked about the reasons for not writing letter against these false advertisement, representatives of Department of Consumer Affairs stated:

“This is a very serious problem. We are taking many steps to address this problem. One is, we are launching a portal very soon to ensure that consumers can bring to our attention specific complaints of misleading advertisement. Secondly, an inter-Ministerial group has been constituted. The most important thing is that we are amending the Consumer Protection Act to give Government adequate powers to take action against those who indulge in misleading advertisements which today is missing.”

2.22 In this connection the witness further added:

“On the misleading advertisements, I just want to clarify that as the hon. Members have stated this is a very major menace. It is a problem that has to be addressed together by all Departments of Governments and Governments both at the Centre and in the States.”

2.23 Explaining the magnitude of misleading advertisement and the steps suggested in regard thereto the witness further stated:

“One of the problems is that it is not just the electronic or TV advertisements. No doubt it is a big menace but in the rural areas there are various modes by which misleading advertisements occur. Recently, we have obtained a list of 1,500 misleading advertisements which have repeatedly been making misleading advertisements. These pertain to roughly seven or eight Departments. There are advertisements relating to housing, financial services like chit funds, etc. There are problems relating to food, health products, telecom, etc. So, we have done two-three things.

First, we have immediately written to all the regulators. There are independent regulators for each of these. For example, on the sponge scam, there is SEBI; and for telecom, there is TRAI. So, the first action we have taken is to tell each of these regulators to immediately proceed against some of these recalcitrant advertisers.

Secondly, we are trying to ensure that there is co-ordinated action taken in an inter-departmental basis along with the States for some of these issues which will be taken up in our zonal consultation meetings with the State Governments. We hope that in the ensuing months we would also be able to make some visible progress. The problem is, as I pointed out, there are one or two things where we need to take some exemplary action.”

2.24 On being enquired about the print advertisement that continue to violate the Advertisement Standard Council of India (ASCI) decision as of April, May and June, 2014, the Department of Consumer Affairs in a written furnished the following information:

(a) Health Care Sector

Sr. No.	Product, Advertiser (Complaint No.)	Claims objected to	Publication /Edition/Date of Complaint	Consumer Complaint Council Decision
1.	Asharfi clinic (C.4408/332CCC)	1. Guaranteed cure of all sexual problems 2. Guaranteed cure of sugar 3. Successful cure of white spots	Dainik Jagran, Moradabad, 3 rd November, 2012	UPHELD.
2.	Sarkar Dispensary (C.455./344 CCC)	The Best Ayurvedic clinic of 2011	Amar Ujala, Varanasi, dated 18 th Sep., 2012	UPHELD
3.	Alshifa Churna (C.4554 / 334 CCC)	Result in 10 days of extra fat on stomach, Gets you relief from constipation, Sugar, high blood pressure, gas, acidity and piles without operation	Amar Ujala , Meerut 18th Sep., 2012	UPHELD
4.	18 Plus Power Capsule / Tila (Medikom Healthcare) (C. 4679 / 335 CCC)	1. No. 1 course in Weakness, Premature ejaculation, taking less time, Weakness of nerves, small size, Crookedness, and to get rid of Nil Sperms. 2. Helpful in increasing size and time.	Punjab Kesari, Jammu , 13th January 2013	UPHELD.
5.	Dr. Batras Positive Health Clinic Pvt Ltd (C.4685 / 336 CCC)	Dr Batras Homeopathic Clinic is World's largest Homeopathy Clinic Chain	Dainik Bhaskar, Jabalpur, 14th January 2013.	UPHELD
6.	Alfa Wellness (C. 4765 / 336 CCC)	1. Reduce weight 3 to 10 kg every Month 2. No surgery, No. gym. No yoga, No side effects	Gujarat Samachar Ahmedabad 29th January 2013	UPHELD
7.	Breast Care Capsule-Oil & Gel (Balaji Ayurved Sansthan) (C.4789 /336 CCC)	1. Increases the beauty and gives you the feeling of womanhood by developing the breasts that are underdeveloped and not in proper shape. 2. Increase the shape and beautifies the small, loose, shapeless breasts. 3. Take a 3 month test for sure. 4. Advt. is information for R.M.P. only.	Prabhat Khabar, Kolkata, 13th January 2013.	UPHELD.
8.	Gain Capsule (Hercules Healthcare) (C. 4807 / 337 CCC)	1. World's first invention 2. Long Looks" for boys and girls (Grow Faster) 3. Helpful in physical development".	Dainik Jagran, New Delhi, 30th January 2013	UPHELD
9.	Capsules (Prince Pharma) (C. 4817 / 337 CCC)	1. Increases Energy, Brings back youth, makes you healthy 2. For Enthusiasm, Zeal and Strength 3. Adds love to Husband-wife relationship 4. Visual of man and woman implying sexual pleasure	Punjab Kesari-Jalandhar 3rd February 2013	UPHELD
10.	Capsule (Bhagyesh Health & Beauty Care Pvt Ltd) (C. 4842 / 337 CCC)	1. 75 lakh satisfied customers 2. World's No. 1 product. Effective till the age of 34 3. Increase your height up to 3-5 inches in 90 days	Amar Ujala, New Delhi, 14th February 2013	UPHELD.
11.	(C.4843 / 338 CCC)	"Lose 11 KGs in 3 weeks written money back guarantee", "No excuses, no condition, no asterix", "Our solution: No Diet, No Exercise, and No Weight Gain even after you stop the treatment as we correct your Metabolism with homeopathy and with Written Money Back Guarantee", "Losing weight was never so easy and effective".	Times of India , Pune, 13th February 2013	UPHELD

12.	Raj Dawakhana (C.4902 / 339 CCC)	Permanent solution for all type of Sexual problems like Semen in urine, Night fall, Premature Ejaculation, small, thin and lose personal organ.	Dainik Jagran Panipat 24th February 2013.	UPHELD
13.	B GAP Contraceptives Tablet Chaturbhuj Pharma) (C. 4971/ 342 CCC)	"No chance for pregnancy for 6 months", "Complete Ayurvedic", "Hormone Free"	Rajasthan Patrika , Bangalore, 13th March 2013.	UPHELD.
14.	Stay-On Capsules & Oil - Maruti Herbal (C. 5191 / 345 CCC)	"Breakfast Gets Bolder. Be the man she stares hard at, be the man who often teases her fantasies, be the man that makes her blush a deep red. Stay-On to explore a passion that steps from vitality and see yourself to be the man she has always dreamt of. Explore new horizons of happiness. Visual of man and woman implying product meant to enhance sexual pleasure."	Times Of India – New Delhi 24th April, 2013	UPHELD
15.	Bharatbhai Anandvala Healthcare (C. 5263 / 347 CCC)	1. 100% Ayurvedic treatment. 2. Get Blessed With A Child. 3. Make Kidney, Urea, Creatine Normal	Gujarat Samachar Rajkot, 24th April 2013.	UPHELD
16.	Night Riders Afgani Nuskha (Kadyan Overseas) (C. 5291 / 345 CCC)	Right choice of a responsible husband. For premature ejaculations, nightfall, diseases of semen.	Amar Ujala Amar Ujala New Delhi 5th May 2013	UPHELD.
17.	Speed Height Capsule Makewell Pharmaceutical (C.5349 / 346 CCC)	"Effective Ayurvedic Medicine.", "Helps in physical development."	Hindustan- New Delhi 9th May 2013	UPHELD
18.	Nirogya Clinic (C.5581 / 351 CCC)	"Top no.1 in most successful treatment of sex related problems.", "For 100% successful treatment of impotent, night fall, early fall, physical weaknesses, NILL- sperms, thinness of penis, small penis, lacking of tightness, semen in urine, piles. Leucorrhoea, childlessness in women."	Hindustan Bareilly 28th May 2013.	UPHELD
19.	Anand Clinic (C.5658 / 352 CCC)	"Complete treatment and solution of low sperm count, hydrocele without operation, infertility lycoria & infertility caused due to liquor and diabetes.", "Complete treatment of all sexual diseases."	Hindustan Times Lucknow (29/06/2013)	UPHELD.
20.	Balaji Ayurved Sansthan - (Bebo BC Capsule & Massage Oil) (C.5680 /353 CCC)	"Breast care capsule, tel and cream, No Side Effect"	Punjab Kesari Jalandhar (18/07/2013)	UPHELD
21	Sugarnil Powder (Krishna Kripa Industries) (C. 5695 / 353 CCC)	Controls Sugar. Gets rid of all sugar related side effects on eyes, kidney, weakness of nerves, weak bones, calcium deficiency, pain, numbness of hands and legs, fatigue, uninterested in working and generates new energy in the body.	Dainik Bhaskar Chandigarh 30th July, 2013.	UPHELD
22	Energic 31 (Ayurvedik Vikas Sansthan) (C. 5817 / 357 CCC)	Energic-31 is the best health enhancer Ayurvedic Medicine, which is helpful to get rid of the unfitness of all the organs, all types of weaknesses, pains, tiredness, laziness, increases longevity power, immunity power, and efficiency. Equally effective for both ladies and gets.	Dainik Bhaskar Bhopal 10th September, 2013.	UPHELD.
23	Anmol Ayur Clinic (C.6017 / 364 CCC)	"Meet for real successful ayurvedic treatment of impotence, earlyfall, organal defects, semen in urine, nightfall, mental/ physical weakness, all weaknesses related to sex, S.T.D from its roots", "Effect from the very first intake"	Hindustan(*) Bareilly (30/10/13)	UPHELD
24	Benda Acupuncture Sliming Center (C.6025 / 364 CCC)	"Reduce Obesity - Record of reducing 55 kg weight with easy techniques, no side effects.", "Child with cerebral palsy completely treated", "Treatment for Deafness, Increase height and Paralysis".	Dainik Bhaskar Jodhpur 10/11/13	UPHELD
25	B K Stones (C. 6153 / 370 CCC)	"Freedom from stone without operation", "Thousands of patients of anal and bile bag stone all over India" benefitted.	Amar Ujala Varanasi 8th December, 2013	UPHELD.
26	Parasji Gold Capsule (C.6156 / 369 CCC)	"Parasji Gold Capsule - Nightfall, Semen disease, premature ejaculation, thickens the semen and increases energy" "extends borders of love - implies product meant to enhance sexual pleasure"	Dainik Jagran Meerut 14th December, 2013.	UPHELD

27	Repl India - Tatkal Capsules (C.6199 / 371 CCC)	Tatkal - Ayurvedic Medicine. 100% Ayurvedic, No Side effects. Enriched with Ashwagandha, White Musli and Shilajit. Claims imply product meant to enhance sexual pleasure.	Prabhat Khabar Dainik Jagran Dainik Bhaskar Kolkata 29th January Bhopal 28th January Jaipur 31st January	UPHELD
28	Bhagwati Ayurved Private Limited (Bhagwati Constop) (C.6200 / 371CCC)	"HIV- AIDS is no more incurable.", :Bhagwati Constop - A sureshot Ayurvedic Medicine for AIDS", "Destroys HIV Virus, increases CD4 Cells"	Dainik Bhaskar Ratlam 30th Jan 14	UPHELD.
29	Jolly Pharma - Jolly Tulsi 51 (C.6208 / 372 CCC)	Be safe from diseases by consumption of 5 drops , Jolly Tulsi 51 - Increases immunity naturally, With Anti-Ageing, Anti-Bacterial, Anti-Viral and Anti-Fungus qualities - 2 Anti-Toxins as well, Jolly Tulsi 51 is a treasure of 51 very essential medicinal qualities, regular consumption of which is helpful to protect from the initial symptoms of mental stress, sleep, blood pressure, all types of skin diseases, ringworm, scabies, itching, acne-pimples, heart related disease, diabetes, liver diseases, bad breathe, physical weakness.	Dainik Bhaskar Chandigarh 8th Feb 2014	UPHELD
30	Calm-Hi Tablet (C.6278 / 375 CCC)	"Get rid of high blood pressure", "Calm - Hi Tab. - Successful treatment by Ayurved", "Made by 7 pure herbs", "Completely safe no side effects", "Over lakhs Satisfied Patients"	Punjab Kesari Chandigarh 20th February, 2014.	UPHELD

(b) Education Sector

Sr. No	Institute (Complaint No.)	Claims objected to	Publication, Edition and Date	Consumer complaint Council Decision
1	Institute of Computer Accountants (C. 4308 / 332 CCC)	"India's no.1 institute in computerised accountancy", "100% job guarantee", "Jobs will come your way", "ICA Ambala award winning no.1 centre"	Dainik Jagran Amritsar 16th Sept 2012	UPHELD.
2	Shanti Business School Campus (C.4667 / 335 CCC)	Guaranteed Placements	Times Of India Ahmedabad 9th Jan 2013	UPHELD
3	Major Kalshi Classes Pvt Ltd (C.4713 / 335 CCC)	India's No. 1 Defence Training Academy	Dainik Jagran Allahabad 16th Jan 2013	UPHELD
4	Accurate Group of Institutions (C.4850 / 337 CCC)	1. 3rd Asia's Best B-School Awards, Asia's Best B-School (Overall) 2. Amar Ujala B-School Excellence Awards- Best Engineering Institute (North)	Hindustan New Delhi 15th Feb 2013	UPHELD.
5	Footwear Design & Development Institute (FDDI) (C. 4936 / 339 CCC)	100% Placement record with leading corporates in India & Abroad	Times Of India New Delhi 4th Mar 2012	UPHELD
6	Lords Institute Of Management (C.5041 / 341 CCC)	100% Job Guarantee.	Gujarat Samachar Surat 25th Mar 2013	UPHELD

7	Amirta International Institute of Hotel Management (C.5162 / 343 CCC)	100% Job.", "Training in other Countries with International University Diploma."	Dinakaran Trichy 14th Apr 2013	UPHELD.
8	IANT Computer Education (C. 5184 / 344 CCC)	"Join India's No. 1 Hardware & Networking Institute."	Hindustan New Delhi 22nd Apr 2013	UPHELD
9	Jetking Computer Education (Jetking Info train Ltd) (C.5266 / 345 CCC)	"Provides 100% Job Guarantee"	Dainik Jagran Bareilly 25th Apr 2013	UPHELD
10	IAM Institute Hotel Management Institute of Advanced Management (C.5273 / 345 CCC)	"100% Placement for Last 24 Years", "Ranked India's No. 1 Hotel Management Institute of Excellence (2011, 2012)"	Times of India Lucknow 29th Apr 2013	UPHELD.
11	Momentum Coaching (C.5498 / 349 CCC)	"Is Number 1 In Eastern UP."	Amar Ujala Gorakhpur 2nd May 2013	UPHELD
12	Alternative Learning Systems (ALS) (C.5506 / 349 CCC)	"India's No. 1 IAS Training Institution"	The Hindu New Delhi 24th May 2013	UPHELD
13	Maa Gayatri Institute of Tech Khatima (C. 5578 / 351 CCC)	100% Placement	Amar Ujala Nainital 27th May 2013	UPHELD.
14	Blitz Institute of Creative Arts (BICA) (C.5603 /351 CCC)	100% Job Placement	Hindustan Varanasi 31st May 2013	UPHELD
15	New Delhi Institute of Management (C.5605 / 352 CCC)	"100% Finest Placements for 17 years."	Ananda bazar Patrika Kolkata 4th Jun 2013	UPHELD
16	Ambition Law Institute (C.5646 / 353 CCC)	"Ambition is proud to declare that it is No.1 Law Institute in India as it has given the best result in 12-13."	The Hindu New Delhi 20th Jun 2013	UPHELD.
17	Dream Zone School of Interior Design – Cadd Centre (C.5989 / 363 CCC)	"Asia's #1 Cad Training Centre- Now 350 + Centre's World Wide."	Malayala Manorama Kochi 23rd Oct 2013.	UPHELD
18	GLA University (C.6338 /378 CCC)	"Ranked No. 3 in India; Source: Zee News & IPSOS."	Hindustan New Delhi 20th & 21st Mar 2014	UPHELD
19	The Institute of Banking Training – (IBT) (C.6499 / 382 CCC)	"Join India's No. 1 Institute."	Times of India Nagpur 13th Apr 2014	UPHELD.
20	Accurate Academy (C.6530 / 383 CCC)	"100% Pass Guarantee otherwise fees return**"	Sandesh Rajkot 2nd May 2014	UPHELD

III. Consumer Protection Unit (CPU)

2.25 During the course of examination, the Committee pointed out that the Department of Consumer Affairs has stated that CPU in the Department of Consumer Affairs is mandated to administer the Consumer Protection Act, 1986. The schemes, programmes and projects being implemented by Consumer Protection Unit for improving the functioning of consumer fora are as under:-

- (i) Consumer Protection Cell (CPC)
- (ii) Computerization and computer networking of consumer fora in a country (CONFONET)
- (iii) Scheme for Strengthening Consumer Fora (SCF)
- (iv) State Consumer Helpline (SCF)

2.26 The actual position of BE, RE and actual utilisation of Plan funds during 2012-13 to 2014-15 is as under:-

(Rupees in crores)

Year	BE	RE	Actuals
	Plan	Plan	Plan
2012-13	48.00	14.49	18.33
2013-14	59.93	42.94	42.68
2014-15	56.00		0.62 (Upto July, 2014)

2.27 Asked in what way the Department of Consumer Affairs would be able to utilize the Plan funds 2014-15 in full, the Department of Consumer Affairs in a written note stated as under:-

“Efforts are being made to fully utilize the funds by way of holding inter-regional meetings by Senior Officers with the State Governments, visit by area officers nominated by the Department to discuss with the officials the practical problems faced by them in the implementation of the schemes and finding a solution, taking up the matter at the level of Secretary (CA) with Chief Secretary of the concerned States who are lagging behind in the operationalization of the scheme.”

Physical and Financial Performance of schemes under CPU.

2.28 The physical and financial performance under different schemes under CPU during 2013-14 as shown by Department of Consumer Affairs is as under:-

(Rupees in crores)

Sl No	Name of the Scheme/ Programme	Out-lay 2013-14	Achievement in financial terms					Physical Targets	Achievements in physical terms
			Ist Qtr.	IInd Qtr.	IIIrd Qtr.	IVth Qtr.	Total		
1.	Consumer Protection Cell	0.41	-	-	-	0.13	0.13	Hold one meeting of the Central Consumer Protection Council (CCPC) during 2013-14.	CCPC Meeting was held on 03.02.2014.
2.	Computeri-zation and Computer Networking of Consumer Fora (CONFONET)	23.85	15.00	-	-	7.00	22.00	Provision of HR support through Technical Support Personnel and Upgradation of skill by means of training, workshops etc.	Rs. 22.00 crore have been released to NIC for carrying out activities under the scheme.
3.	Strengthening Consumer Fora	22.22	-	8.20	9.30	2.60	20.10	Prioritizing the completion of the infrastructure of those Consumer Fora in 21 States, which were covered under the IPCP scheme. Consumer Fora in remaining States to be also covered subject to eligibility & availability of funds.	Rs. 19.04 crore has been sanctioned under the scheme covering the States of Arunachal Pradesh, Bihar, Chhattisgarh, Haryana, Himachal Pradesh, Kerala, Meghalaya, Mizoram, Nagaland, Tamil Nadu, West Bengal
4.	State Consumer Helpline	3.00	0.37	0.41	-	0.71	1.49	Set up Consumer Helpline in the States not covered so far.	Rs. 1.49 crore has been sanctioned under the scheme.

(i) Consumer Protection Cell (CPC)

2.29 During the course of examination the Committee pointed out whether fixing of single sitting of CCPC is target for in a year is enough for the purpose of Consumer Protection and whether more and more such meetings be organized for that purpose and accordingly yearly targets need to be increased, the Department of Consumer Affairs in a written note stated:-

“As per the Consumer Protection Act, 1986, the CCPC shall meet as and when necessary, but at least one meeting of the Council shall be held every year. However, the Department feels that more such meetings will be useful since it provides a national forum for discussion on consumer issues. It is agreed that more such meetings should be held. We will take steps accordingly.”

(ii) CONFONET

2.30 The Committee during the course of examination pointed out that under CONFONET, Strengthening Consumer Fora and State Consumer Helpline Schemes that as against the outlay for 2013-14 of Rs. 23.85 crore, Rs. 22.22 crore and Rs. 3.00 crore respectively, Rs. 22.00 crore have been released to NIC and Rs. 19.04 crore and Rs. 1.49 crore have been sanctioned to different State Governments/UTs. Asked about

whether Department of Consumer Affairs is getting regular Utilization Certificates from concerned agencies the Department of Consumer Affairs in a written note stated:-

“Under the CONFONET schemes grant is released to NIC & UC is received regularly. Funds are released to the agency only after receipt of Utilization Certificates.

In the case of other two schemes - Strengthening Consumer Fora and State Consumer Helpline, grant is released to State Governments/UTs. Receipt of UCs from State Governments is not regular in some cases. Furnishing of UCs is pursued with the defaulting States/UTs & further grants are released only after getting the UCs. However, non-receipt of utilization certificates hinders, to some extent, progress in the implementation of the schemes.”

2.31 During the course of examination the Department has stated that out of 633 Consumer Fora locations being covered, under the CONFONET Project, the CONFONET project is operational only in 510 Consumer Fora locations. Asked about the State wise details showing the number of CONFONET projects already operational vis-à-vis projects yet to be made operational, the Department of Consumer Affairs in a written note stated:-

DETAILS OF OPERATIONALISATION OF CONFONET SCHEME

Sl No.	State/UT	No. of Consumer Fora			No. where Hardware supplied	No. where Hardware not supplied	Remarks
		State Commission	District Fora	Total			
1	Andaman Nicobar	1	1	2	1	1	
2	Andhra Pradesh	1	17	18	17	1	In Kurnool, H/w was supplied in 2011.
3	Arunachal Pradesh	1	16	17	8	9	Site preparedness confirmation list was received for 7 DCF only.
4	Assam	1	23	24	1	23	
5	Bihar	1	37	38	12	26	Site preparedness confirmation list was received for 11 DCF only.
6	Chandigarh	1	2	3	3	0	
7	Chhattisgarh	1	18	19	17	2	Site preparedness confirmation list was received for 16 DCF only.
8	Daman and Diu	1	2	3	0	3	Will be supplied in current year.
9	Dadar & Nagar Haveli	1	0	1	0		
10	Delhi	1	10	11	11	0	
11	Goa	1	2	3	3	0	
12	Gujarat	1	30	31	27	4	Site preparedness confirmation list was received for 26 DCF only.
13	Haryana	1	21	22	22	0	
14	Himachal Pradesh	1	4	5	5	0	
15	J and K	1	2	3	1	2	Will be supplied in current year.
16	Jharkhand	1	22	23	1	22	Will be supplied in current year.
17	Karnataka	1	31	32	32	0	
18	Kerala	1	14	15	15	0	
19	Lakshadweep	1	1	2	2	0	
20	Madhya Pradesh	1	46	47	25	22	Site preparedness confirmation list was received for 24 DCF only.
21	Maharashtra	1	42	43	43	0	
22	Manipur	1	3	4	4	0	
23	Meghalaya	1	7	8	8	0	
24	Mizoram	1	8	9	9	0	
25	Nagaland	1	8	9	1	8	Will be supplied in current year.
26	Orissa	1	31	32	32	0	
27	Pondicherry	1	1	2	2	0	
28	Punjab	1	20	21	18	3	In Mohali, Barnala, Tarn Taran DCFs, HW supplied in 2011.
29	Rajasthan	1	41	42	41	1	In Pratapgarh DCF, HW supplied in 2011.

30	Sikkim	1	4	5	5	0	
31	Tamil Nadu	1	31	32	31	1	Will be supplied in current year.
32	Telangana	1	12	13	13	0	Covered under AP
33	Tripura	1	4	5	5	0	
34	Uttar Pradesh	1	75	76	71	5	In Kanshiram Nagar, Auraiya, Bhagpat, Kannauj, Sant Kabir Nagar 1DCFs, HW supplied in 2011.
35	Uttaranchal	1	13	14	1	13	Will be supplied in current year.
36	West Bengal	1	22	23	23	0	
		36	621		510	144	

2.32 The Committee further enquired by when in remaining States such CONFONET projects are likely to be set up, the Department of Consumer Affairs in a written note stated:-

“The project will be fully implemented in all States by the end of 12th Five Year Plan.”

(iii) Strengthening Consumer Fora (SCF)

2.33 In this connection the Committee enquired about the details of pending Utilisation Certificates/Unspent balance in Strengthening Consumer Fora (SCF) the Department of Consumer Affairs in a written note stated as under:

(As on 31.10.2014)

(Rs.in Lakh)

Sl. No.	Name of States / Union Territories	Upto 2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	Total O/S Utilisation Certificate	2013-14	2014-15	Total Unspent Balance
1	Andhra Pradesh	100.29	210.85					311.14			311.14
2	Arunachal Pradesh							0.00	335.00		335.00
3	Assam	48.55						48.55			48.55
4	Bihar	1.44						1.44	502.78		504.22
5	Chhattisgarh							0.00	200.00		200.00
6	Goa							0.00			0.00
7	Gujarat	12.00		240.83				252.83			252.83
8	Haryana	1.07						1.07	53.20		54.27
9	Himachal Pradesh	2.98						2.98	52.57		55.55
10	Jammu & Kashmir							0.00			0.00
11	Jharkhand	57.63						57.63			57.63
12	Karnataka				122.54			122.54			122.54
13	Kerala				5.00	0.02		5.02	112.94		117.96
14	Madhya Pradesh	95.76						95.76			95.76
15	Maharashtra	144.43						144.43			144.43
16	Manipur	60.00						60.00			60.00
17	Meghalaya							0.00	82.81		82.81
18	Mizoram							0.00	0.00		0.00
19	Nagaland							0.00	200.00		200.00
20	Orissa		97.83					97.83			97.83
21	Punjab	22.29				44.41	4.33	71.03			71.03
22	Rajasthan	24.19		65.90				90.09			90.09
23	Sikkim							0.00			0.00
24	Tamil Nadu						0.00	0.00	300.00		300.00
25	Tripura		0.03		46.20		163.80	210.03			210.03
26	Uttar Pradesh	66.24			121.90		188.75	376.89			376.89
27	Uttarakhand	171.36						171.36			171.36
28	West Bengal	0.00						0.00	45.00	507.65	552.65
29	Delhi							0.00			0.00
30	Puducherry							0.00			0.00
31	Andaman & Nicobar	35.40						35.40			35.40
32	Chandigarh	30.20						30.20			30.20
33	Daman & Diu	57.25						57.25			57.25
34	D. & N. Haveli	40.12						40.12			40.12
35	Lakshadweep	30.20						30.20			30.20
	TOTAL	1001.40	308.71	306.73	295.64	44.43	356.88	2313.78	1884.30	507.65	4705.73

Cases in Consumer Courts

2.34 The issue of as high as 3.64 lakh cases pending in different Consumer Courts came up before the Committee in big way. In this connection, the Committee further enquired the about the details of number of cases filed in the National, State and District consumer Fora along with the number of cases disposed of during the last two years including the current year, the Department of consumer Affairs in a written noote stated as under:

“Details of number of cases filed in the National, State and District consumer fora along with the number of cases disposed of during the last two years, as provided by National Consumer Dispute Redressal Commission is given in the table below:

Year	2012		2013		2014 (upto 30.06.2014)	
	Filed	Disposed	Filed	Disposed	Filed	Disposed
National Commission	6117	4994	7223	6602	3292	2804
State Commissions	35201	36132	33405	37615	15712	14131
District Forums	143398	138890	138326	132212	64441	57397
Total	184716	180016	178954	176429	83445	74332

2.35 The Committee also wanted to know whether there is any significant improvement in the number of cases filed and disposed of in these consumer fora, the Department of Consumer Affairs in a written note stated:-

“The disposal rate needs improvement”

2.36 The Committee also pointed out that Outcome Budget (2014-15) shows that over 11,000 cases in National Commission, more than 90, 0000 cases in State Commissions and as high as 2.63 Lakhs cases In District Consumer Courts are pending. Asked whether in the interest of consumers 3.64 lakh cases are to be disposed off as quickly as possible, the Department of Consumer Affairs in a written note stated:-

“Yes, Sir it is felt that the pending cases in Consumer Courts needs to be disposed of as quickly as possible so that the consumers do not lose their faith in the disputes redressal mechanism and the interests of the consumers are best served.”

2.37 In this connection during the course of evidence of the representatives of Department of Consumer Affairs, a representatives of Department of Consumer Affairs also stated:-

“On the court cases, Sir, I just want to place before the hon. Committee the factual position. Cumulatively from 1986 onwards at all the three tiers – the National Commission, State Commission as well as District fora – the total number of cases filed is about 42 lakh, the total number of cases disposed of so far is about 38 lakh,

and the number of cases pending currently in various courts is more than 3.72 lakh.”

2.38 The Committee also pointed out whether Government is not able to create confidence among people on Consumer Courts as large number of people are not approaching the Consumer Courts as they realise that it take years for disposal, the representatives of Department of Consumer Affairs stated:-

“Sir, the number of cases is huge but the second problem we have noticed is that the average pendency in each forum - whether it is District, State or National Commission - is more than three years. Most of these cases are pending for more than three years.”

2.39 Explaining further the witness stated:

“There are some structural difficulties currently in the legislative framework which we are trying to address. I just want to explain this briefly. Today the three-tier system of courts is intended by law to be independent of the Government. Neither the Ministry of Consumer Affairs, Food and Public Distribution, nor the Department of Consumer Affairs at the national level, nor the State Governments over the State Commissions or District Commissions have any administrative control over the disposal of cases.”

2.40 During the course of examination the Committee pointed out that with a jurisdiction of Rs. 1 crore and more for National level, Rs. 20 lakh or more at State level and Rs. upto 20 lakh or less at District level, amount involved in these cases is staggering whether such trials are to be fast tracked, the Department of Consumer Affairs in a written note stated:-

“Yes, it is felt that the trial of the pending cases are to be fast tracked. Keeping this in view Consumer Protection Act, 1986 is being amended comprehensively through Consumer Protection Amendment Bill 2014 to be introduced in the Parliament shortly. Some of the salient features of the proposed amendments are listed below:

- (a) Court annexed Mediation as an alternative disputes mechanism is being introduced to give legislative basis to resolution of consumer disputes through mediation making the process less cumbersome, simple and quicker.
- (b) Concept of “Circuit Bench” is being extended to State Commission and district Fora.
- (c) The process of appointment of President and Members of District Fora is ^{being} reformed.
- (d) Deemed admissibility of complaints if the question of admissibility of the complaints within the specified period of 21 days is being introduced.
- (e) Restrictions on the number of appeal being introduced.
- (f) Provision to streamline the adjudication process for speedy disposal of consumer grievances by establishing normative standards are also proposed.”

(iv) State Consumer Helpline (SCH)

Status of Grants Released/Pending UCs under the Consumer Helpline scheme (Amount in Rs.) (As on 31.10.2014)												
Sl No.	State/UT	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Total Grant Released	Unsp. Bal.	Pending UC
1	Andhra Pradesh	2725000								2725000	2725000	2725000
2	Arunachal Pradesh		2396616							2396616	2396616	2396616
3	Assam		2410000							2410000	2410000	2410000
4	Bihar			2760000			1136616	2713514		6610130	2713514	Nil
5	Chhattisgarh	2425000				771616			2724116	5920732	2724116	0
6	Goa									0	0	0
7	Gujarat	2725000			549148					3274148	549148	549148
8	Haryana						2760000	1362058	2724116	6846174	2724116	Nil
9	Himachal Pradesh							761921	1829800	2591721	2591721	Nil
10	Jammu & Kashmir									0	0	0
11	Jharkhand					2680000				2680000	2680000	2680000
12	Karnataka		2760000			1136616				3896616	0	0
13	Kerala		2410000	786616						3196616	786616	786616
14	Madhya Pradesh	2725000								2725000	2725000	2725000
15	Maharashtra			2760000			2053536	2350601		7164137	2350601	Nil
16	Manipur			2195000						2195000	2195000	2195000
17	Meghalaya						2195000			2195000	2195000	2195000
18	Mizoram		2195000	571616		1141616	1141616	1349116		6398964	0	Nil
19	Nagaland			2195000						2195000	2195000	2195000
20	Odisha	2725000				908420		2724116		6357536	2724116	Nil
21	Punjab			2760000						2760000	2760000	2760000
22	Rajasthan				2760000			1438116		4198116	3.87	Nil
23	Sikkim		2195000	570000	1141616		1141616			5048232	1141616	1141616
24	Tamil Nadu		2760000	1136616	2271616		2271616		2724116	11163964	2724116	Nil
25	Telangana								2274558	2274558	2274558	Nil
26	Tripura							2300478		2300478	2300478	Nil
27	Uttar Pradesh					2760000				2760000	2760000	2760000
28	Uttarakhand				2410000					2410000	2410000	2410000
29	West Bengal		2410000							2410000	2410000	2410000
30	A & N Islands						2195000			2195000	2195000	2195000
31	Chandigarh Admin.									0	0	0
32	Dadra Nagar Haveli				2195000					2195000	2195000	2195000
33	Daman & Diu								2299558	2299558	2299558	0
34	Lakshadweep		2195000							2195000	2195000	2195000
35	Delhi									0	0	0
36	Puducherry				2195920					2195920	2195920	2195920
Total		13325000	21731616	15734848	13523300	9398268	14895000	14999920	14576264	118184216	66546814	41119916

2.41 During the course of briefing of the representatives of Department of Consumer Affairs, the Committee learnt that large numbers of State Consumer Helplines are not functional. When asked about the details of the sanctioned amount released and utilised under State Consumer Helpline, the Department of Consumer Affairs in a written note stated:

2.42 During briefing by the representatives of Department of Consumer Affairs, the Committee learnt that large numbers of State Consumer Helplines are not functional. In this context, the Committee desire to know whether the sanctioned amount has been released and utilised under State Consumer Helpline scheme. The Department furnished the details of 31 States/UTs who have been sanctioned funds wherein only 20 States/UTs have set up State Consumer Helpline as may be seen from the table below:

Position of release of grant and setting up State Consumer Helpline

Sl. No.	Name of State/UT	Total Amount of Grant Released so far (in Rs.)	Helpline No.
1.	Andhra Pradesh	2725000	1800-425-0082, 1800-425-2977
2.	Arunachal Pradesh	2396616	1800-345-3601
3.	Assam	2410000	
4.	Bihar	6610130	1800-345-6188
5.	Chhattisgarh	3196616	1800-233-3663
6.	Gujarat	3274148	1800-233-0222
7.	Haryana	4122058	1800-180-2087
8.	Himachal Pradesh	2591721	
9.	Jharkhand	2680000	
10.	Karnataka	3896616	1800-425-9339
11.	Kerala	3196616	1800-425-1550
12.	Madhya Pradesh	2725000	155343, 0755- 2559778
13.	Maharashtra	7164137	1800-2222-62
14.	Manipur	2195000	
15.	Meghalaya	2195000	
16.	Mizoram	6398964	1800-231-1792
17.	Nagaland	2195000	1800-345-3701
18.	Odisha	6357536	1800-34567-24
19.	Punjab	2760000	
20.	Rajasthan	4198116	1800-180-6030
21.	Sikkim	5048232	1800-345-3209
22.	Tamil Nadu	11163964	044-2859-2828
23.	Tripura	2300478	
24.	Uttar Pradesh	2760000	1800-1800-300
25.	Uttarakhand	2410000	
26.	West Bengal	2410000	1800-345-2808
27.	A&N Islands	2195000	
28.	Dadra Nagar Haveli	2195000	+91-976-212-1200
29.	Daman & Diu	2299558	+91-976-212-1200
30.	Lakshadweep	2195000	
31.	Puducherry	2195920	
	Total	110461426	

2.43 During the course of examination the Committee pointed out that Department of Consumer Affairs has indicated about 21 States having helplines and the rest in the process of being created. The Committee asked about the details of States which do not have helplines a representative of Department of Consumer Affairs stated:

“Your first question was regarding States where special helplines have not yet been established. These are Assam, Himachal Pradesh, Manipur, Meghalaya, Punjab, Tripura and Uttarakhand.”

2.44 When further pointed out that majority of the State Help lines are in North Eastern States and asked by when these will be setup, a representative of Department of Consumer Affairs stated:

“Yes, but we will ensure that they will be covered in this year’s programme.”

WEIGHTS & MEASURES

2.45 There are two schemes which are administered by the Legal Metrology Division of the Department in the 12th Five Year Plan under the scheme Weights and Measures:

- (i) Strengthening Legal Metrology infrastructure of State/ UTs.
- (ii) Strengthening Regional Reference Standards Laboratory [RRSLs] and Indian Institute of Legal Metrology [IILM], Ranchi.

(i) Strengthening Legal Metrology infrastructure of State/ UTs:

2.46 The Department of Consumer Affairs stated that this scheme was started in 11th Plan with its objective to augment State's Legal Metrology Department infrastructure in holistic way namely construction of laboratory building, supply of equipments and capacity building of enforcement officials of effective implementation of weights and measures laws. The Scheme aims at better implementation of weights and measures laws, thus ensuring better consumer protection.

2.47 The said scheme is a continuing scheme during 12th Five year plan period 2012-17 with an outlay of Rs. 270 crore, which includes construction of laboratory buildings, supply of standard equipments for verification of weights and measures used in any transaction & protection and capacity building of Legal Metrology enforcement officials. Under the scheme new proposal for the construction of Controller Office in 12 States and establishment of R&D Centre in 5 States is proposed. Under the scheme a proposal for the supply of mobile laboratories with net content checking for packages is made.

(ii) Strengthening Regional Reference Standards Laboratory [RRSLs] and Indian Institute of Legal Metrology [IILM], Ranchi:

2.48 The Department of Consumer Affairs has stated that the objective of the scheme is to strengthen Regional Reference Standards Laboratories (RRSLs) by complementing the existing facility in mass, volume and length measurement. The total outlay of the scheme is Rs. 30 Crore. The scheme aims at providing new testing facilities in Force, Torque and Flow Measurement for better consumer protection. Laboratory equipments like Mass Comparators, Laser based length measurement instrument etc. May be provided to all Regional Reference Standards Laboratory (RRSL) and Indian Institute of Legal Metrology (IILM), Ranchi for better consumer protection. Flow measurement facilities have been installed a RRSL, Faridabad & Bangalore. Two new RRSLs at Varansasi (UP) and at Nagpur (Maharashtra) may be established.

2.49 The BE, RE and actual for 2012-13 and 2013-14 and BE for 2014-15 and expenditure upto July, 2014 under Weights and Measures scheme are as under:

Year	(Rs. in Crores)					
	BE		RE		Actuals	
	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan
2012-13	58.00	4.63	53.76	4.52	22.35	4.46
2013-14	66.00	4.89	54.28	4.71	49.12	4.61
2014-15	61.00	4.87		--	2.58 (Upto July, 2014)	--

2.50 During the course of examination the Committee pointed out that as compared to Non-Plan funds, the level of utilization in Plan funds from 2012-13 to 2014-15 up July, 2014 has been very less. Asked about the reasons therefore, the Department of Consumer Affairs in a written note stated:

“(i) Under the weights and measures scheme Grant-in-aid is to be released for the construction of laboratory buildings to the State Governments, which needs identification/ provision of land for construction of Laboratory by the State Government and the utilisation of earlier grant in aid released to the State. Many State Governments could not provide the same and therefore lesser funds were utilised.

(ii) Under the schemes most of the equipments for verification of weights and measures are supposed to be procured through DGS&D, which could not finalize the tenders for procurement of equipments in time due to procedural delays like delay in tendering process and very few responses of the tenders, being highly technical and sophisticated nature of equipments.

(iii) Under the scheme the Renovation work of the Central Government Laboratories was done by CPWD, which has taken lot of time in completing the work due to procedural delays. Further land could not be provided by the State Governments for the establishment of two new RRSLs at Varanasi and Nagpur.

The expenditure during first four months i.e. April 2014 to July, 2014 is very less. The utilization of fund through DGS&D is being expedited.”

2.51 The physical and financial performance under two components of the scheme during 2012-13 and 2013-14 are as under:-

Sl. No	Scheme	2012-13			2013-14		
		Physical target	Achievement	Reasons for shortfall	Physical target	Achievement	Reasons for shortfall
1	Strengthening Legal Metrology Infrastructure of States/ UTs	Grant in aid for Construction of laboratory buildings,	Grant in aid of Rs. 20.09 Crore was released and for capacity	DGS&D could not finalised the tenders for procurement of	Grant in aid for Construction of laboratory buildings,	Grant in aid of Rs. 20.09 Crore was released, for	DGS&D could not complete the supply of equipments

		procurement of equipments and capacity building of Legal Metrology Officers of States/ UTs	building of the officers Rs. 87.99 Lakh were spent.	equipments	procurement of equipments and capacity building of Legal Metrology Officers of States/ UTs	equipment Rs. 36.65 Cr were spent and for capacity building of the officers Rs. 87.99 Lakh were spent.	
2	Strengthening of Regional Reference Standards Laboratory [RRSL] and Indian Institute of Legal Metrology [IILM], Ranchi	Renovation work/new construction of Hostel etc. IILM, Ranchi and annual maintenance of RRSLs, procurement of equipments, capacity building of officers and establishment of two new RRSLs at Varanasi and Nagpur	Funds were used for payment of equipments and for renovation work of IILM, Ranchi and for maintenance of RRSLs	Land could not be provided by the States for the establishment of two new RRSLs at Varanasi and Nagpur	Renovation work/new construction of Hostel etc. IILM, Ranchi and annual maintenance of RRSLs, procurement of equipments, capacity building of officers and establishment of two new RRSLs at Varanasi and Nagpur	Funds were used for payment of equipments, for renovation work of IILM, Ranchi, for maintenance of RRSLs and for capacity building of officers	Land could not be provided by the States for the establishment of two new RRSLs at Varanasi and Nagpur

2.52 The Committee during the course of examination pointed out that non-finalization of tenders for procurement of equipment of DGS&D and non-provision of land by States have been shown as reasons for shortfall in achievement of targets in Strengthening of Legal Metrology Infrastructure of States/UTs and Strengthening of RRSLs during 2012-13 and 2013-14. Asked whether Department of Consumer Affairs played any pro-active role in settling these issues, the Department of Consumer Affairs in a written note stated:

“Sir many steps are being taken for the better implementation of the weights and measures scheme through review meetings with senior officers of the Department, meetings with State Government officers and by requesting the State Governments for speedy disposal of the targets. Regional Consultation meetings with the State Governments are also being organised for settling these issues.

Many meetings were held with DGS&D officers for speedy procurement of equipments. Also letters have been written at different levels for early procurement of equipments. States have been requested for expediting allotment of land.”

2.53 During the course of examination the Committee wanted to know the details about unspent balances under the scheme in previous years, the Department of Consumer Affairs in a written note stated as under:

Outstanding / Unspent Balance / Utilisation Certificates Pending Year wise

(Rs. in Crore)

Sl. No	Name of States/ UTs	Grant in Aid 2009-10	Grant in Aid 2010-11	Grant in Aid 2011-12	Grant in Aid 2012-13	Grant in Aid 2013-14	Grant in Aid 2014-15	Grant for which UC pending
1.	Andhra Pradesh	2.25		0.06				2.31
2.	Assam	1.25	0.06	0.06				1.37
3.	Bihar	-	2.06	0.06				2.12
4.	Chhattisgarh	0.15	-	-	0.35			0.50
5.	Goa		0.03	0.03		1.47		1.53
6	Gujarat	0.45	0.06	-	0.48			0.99
7.	Haryana	-	-	1.00	0.42			1.42

8.	Himachal Pradesh	-	1.25	-				1.25
9.	J&K	-	0.06	0.09				.15
10.	Jharkhand			0.03	2.45			2.48
11.	Karnataka	-	0.06	0.06	1.05		4.45	5.62
12.	Madhya Pradesh		0.06	0.06			2.25	2.37
13.	Maharashtra	-		1.31				1.31
14.	Manipur	-			0.60			0.60
15.	Mizoram					1.49	0.71	2.20
16.	Nagaland		-	0.03	1.25	2.50		3.78
17.	Orissa	1.55	0.06	-				1.61
18.	Punjab	-	-	1.25				1.25
19.	Rajasthan	-	0.029	1.56	1.00			2.589
20.	Sikkim	-	0.28	0.03				0.31
21.	Tamil Nadu	-	0.06	1.06		3.25		4.37
22.	Telangana						3.84	3.84
23.	Tripura	-	0.62	-		1.16		1.78
24.	U.P.	-	.023	4.35	5.25			9.623
25.	Uttarakhand	-	0.03	0.53	1.25			1.81
26.	West Bengal	0.75	-	-				0.75
27.	Delhi		0.06	0.06		0.25	0.50	0.87
28.	UT Chandigarh	-	-	-				0.03
29.	Dadar & Nagar Haveli							0.03
Total		6.40	4.802	11.63	14.10	10.12	11.75	58.862

National Test House

2.54 The National Test House (NTH) is a premier Scientific Institution of the country, that has grown up into a laboratory of national importance in the field of testing, evaluation and quality control of various engineering materials and finished products specification. It has Headquarter in Kolkata and 6 Regional Laboratories in Kolkata, Mumbai, Chennai, Gaziabad, Jaipur and Guwahati.

2.55 The BE, RE and Actual & NTH during 2012-13, 2013-14 and 2014-15 (upto July, 2014) are as under:

(Rs. in Crores)

Year	BE		RE		Actuals	
	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan
2012-13	18.00	25.12	13.00	26.19	9.44	26.13
2013-14	18.75	28.29	11.38	26.89	10.46	26.85
2014-15	21.00	29.41		--	4.86 (Upto July, 2014)	--

2.56 During the course of examination the Committee that under NTH, the Plan expenditure has not picked up during 2012-13 to 2014-15 (upto July, 2014) as compared to Non-plan expenditure. Asked about the reasons for not utilizing the precious Plan funds, the Department of Consumer Affairs in a written note stated:

“Due to the late approval of the 12th Plan by SFC, funds could not be utilized fully in 2012-13. However, during the year 2013-14, 99% of the Plan Fund was utilized.”

Financial Targets

(Rs. in crore)

Year	Land & Building (Major Works)			Machinery & Equipments			Recurring Expenditure (OE)			Information Technology			Total		
	BE	RE	Diff.	BE	RE	Diff.	BE	RE	Diff.	BE	RE	Diff.	BE	RE	Diff.
2012-13	10.0	8.0	2.0	4.70	2.50	2.20	3.00	2.24	0.76	0.30	0.26	0.04	18.00	13.00	5.0
2013-14	12.0	5.62	6.38	4.25	3.39	0.86	2.20	2.64	+0.44	0.30	0.21	0.09	18.75	11.86	6.89

Construction of Building and procurement of equipments is going as per the Plan.

2.57 The Committee pointed out that the difference between BE and RE in almost all areas from land and buildings to IT etc. have increased during 2012-13 and 2013-14. Asked about the reasons therefor, the Department of Consumer Affairs in a written note stated:

“During 2012-13 (1st year of 12th plan) much of the funds could not be utilized due to the late approval of 12th Plan. As a result, there was reduction of fund during allocation of RE.

During the year 2013-14, CPWD surrendered almost all the funds allocated to them (as per their demand) for Infrastructure Development. As a result, there was reduction in the RE.”

2.58 Asked about the latest figures during 2014-15 as on September, 2014, the Department of Consumer Affairs in a written note stated:

“Latest figures during 2014-15 upto September, 2014 in respect NTH (Plan) is as under:-

Year 2014-15

(Rs. In crore)

Major Works			Machinery & Equipment			Office Expenses			Information Technology (OE)			Total		
BE	RE	Expn.	BE	RE	Expn.	BE	RE	Expn.	BE	RE	Expn.	BE	RE	Expn.
10.80	*	5.26	5.60	*	1.51	2.00	*	1.25	0.40	*	0.06	18.80	*	8.08

*RE is not yet finalized.

National Test House (NTH)

Allocation under BE --- Rs.21 crore Allocation under -- RE --- Not received

Major Works – allocation – Rs.12 crore Expenditure upto Sept,2014 – Rs.5.27 crore.

Machinery & Equipment – allocation-Rs.5.80 crore - Expenditure upto Sept,2014 – Rs.1.50 crore.

Recurring Head - allocation – Rs.2.80 crore Expenditure upto Sept, 2014 – Rs.1.44 crore.

Information & Technology - allocation – Rs.40 lakh Expenditure upto Sept, 2014 – Rs.6 lakh.”

Strengthening of Price Monitoring Cell

2.59 During the course of examination, the Department of Consumer Affairs has stated that PMC is implementing the Plan Scheme (2012-17) of Strengthening of Price Monitoring Cell as a Sub-component of the Scheme for Consumer Protection with an Twelfth Plan approved outlay of Rs.10.81 crore. Rs. 2.00 crore have been allocated for 2014-15. The scheme components has following:-

- (I) Strengthening Price Monitoring Cell at Centre,
- (II) Strengthening Price Monitoring Cells at the States, and
- (III) Strengthening services of National Informatics Centre at the Centre, specific to PMC.

2.60 The Department of Consumer Affairs has further stated that under this scheme it is proposed to strengthen the existing mechanism of price monitoring, both at Centre and State levels mainly through infrastructural support, organizing training programmes, hiring professionals and conducting commodity specific studies. The scheme is expected to help in streamlining the process of price data reporting, monitoring and analysis especially of essential commodities as well as ensuring the much needed economic analysis based on the trend of prices in national and international arena.

2.61 Asked about how is the scheme progressing at Centre and State level as on September, 2014 for checking price rise, the Department of Consumer Affairs in a written note stated:-

“The Scheme is expected inter alia to achieve the following targets :

1. Increase in the number of price reporting centres from 57 to 100 by the end of XII plan.
2. Enhance/revise the list of essential commodities currently monitored, keeping in view the changing consumption pattern, through periodical market surveys.
3. Improve the efficiency of data collection mechanism including by obtaining price data directly from a few select mandis through independent reporters other than the present reporting centers;
4. Further strengthening of PMC at Centre as well as the reporting centers in states through infrastructural support;
5. Linkage with other related Departments involved in price data gathering would be further strengthened;
6. Impart required training/orientation for price reporting and analysis through periodic training/workshops, to the concerned officials in the Centre and States;
7. Subscribe to the services of professional organizations for getting updates on prices, crop situation; and
8. Undertake commodity-specific research studies/surveys such as demand-supply analysis and consumption pattern of essential food items etc.

Already action have been initiated to strengthen the PMC at centre as well as price reporting units in the States. Infrastructural support has been enhanced at the centre. Specific guidelines for providing assistance to State have also been formulated based on which proposals for assistance received from state Governments will be cleared. Commodity-specific study proposals on pulses and onion are also under consideration. As of today the number of State price reporting centres have been increased to 63 and efforts are on to increase this further. Training programmes for State are also under consideration. PMC is also subscribing to the services of professional organizations such as Cogencis and Agriwatch. The website of PMC www.fcainfoweb.nic.in is already hyperlinked to the related websites of other Ministries/Organizations.”

2.62 Asked whether sufficient infrastructure for running the scheme across the country is available, the Department of Consumer Affairs in a written note stated as under-

“No sir. However action have been taken to improve the same at both the centre and states. Proposals have also been taken up to further strengthen the NIC unit’s assistance to PMC in data compilation & monitoring.”

2.63 The issues like factors responsible for price rise of essential commodities, holding of review meetings both by the Centre and State Ministers for checking the price rise, role of departmental stores like Wallmart in checking price rise etc. have been subject matter of Parliamentary Questions raised during 15th Lok Sabha. Asked about the factors responsible for rise in price of essential commodities viz. foodgrains, pulses, edible oils, and vegetables including onion in the country during the recent months, the Department of Consumer Affairs in a written note stated:-

“In recent months, the rise in prices of essential commodities viz. foodgrains, pulses, edible oils and vegetables specially potatoes, onion and tomato in the country are mainly due to factors such as anticipation of deficient rains with possible shortfall in production, increase in transportation cost, supply constraints like storage facilities for fruits and vegetables and artificial shortage created through hoarding and black marketing.”

2.64 The Committee also enquired whether the Government has taken any remedial steps to contain the rising food prices, the Department of Consumer Affairs in a written note stated:-

“Recent steps taken by the Government to improve the availability and to contain prices of essential food items:

- Minimum Export Price (MEP) fixed for potatoes at USD 450 per M.T. w.e.f. 26.06.2014 and of onions first fixed at USD 500 per M.T. w.e.f. 2.7.2014 but later reduced to USD 300 per M.T. w.e.f. 21.8.2014 due to drop in export quantities and good arrivals and near steady wholesale prices.
- States have been advised to allow free movement of fruits and vegetables by delisting them from the APMC Act.

- Government has approved the release of additional five million tonnes of Rice to BPL & APL families in states pending implementation of National Food Security Act (NFSA).
- Advisory to State Governments issued to take action against hoarding & black marketing and effectively enforce the Essential Commodities Act, 1955 & the Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act, 1980.
- Imposed stock limits in respect of onion and potato for a period of one year with effect from 3rd July, 2014 under the Essential Commodities Act.
- Imposed stock limits from time to time in the case of select essential commodities such as pulses, edible oil and edible oilseeds for a period up to 30.9.2015 and in respect of paddy and rice up to 30.11.2014.
- Based on interaction with the State Governments/UTs on 4th July, 2014, a decision has been taken to amend the Essential Commodities Act to make hoarding and black marketing a non bailable offence and increase the period of detention to one year from existing six months.
- The Government has approved for the current year i.e.2014-15 Open Market Sale of ten million tonnes of wheat in the domestic market.”

2.65 The Committee also wanted to know about the Conference/Meeting of Food and Consumer Affairs Ministers of the States that was held on 4th July, 2014 to address this issue, if so, the Committee also desired the details of discussion held alongwith the suggestions/recommendations, the Department of Consumer Affairs in a written note stated:-

“The conference noted that:

1. Due to structural constraints on the supply side, seasonal variations and the pattern of demand, the period between July-December each year typically constitutes the critical period for the availability of essential commodities of common consumption including vegetables (Onion, tomatoes & potatoes), Cereals (rice, jowar, and bajra), Pulses (masur, tur, and moong dal) and edible oils.
2. The pattern of price movement indicates that prices of these commodities start increasing from July reaching a peak in December before they start moderating with the arrival of Kharif/late Kharif produce in the markets. This period also coincides with rise in demand owing to important festivals such as id-ul-fitr, Durga Pooja, Dusshera, Onam, Deepavali, Muhrram and Christmas. Perishable commodities in particular are price sensitive owing to their limited shelf life.
3. The intermediaries in the market- the mandi merchants, wholesale traders and APMC yards- play a disproportionately important role in controlling the availability of the commodities and during the ensuing six

months the risks, as in the past, of hoarding cartelization and artificial storages are likely.

4. It is, therefore, critical that an Action Plan for maintaining adequate supplies of select essential commodities at reasonable prices is drawn up by each State and monitored closely with the help of Government of India to ensure that market interventions are made on a real-time basis.
5. It was recognized that there is a need to establish a Common National Market. An efficient supply chain management with scientific storage godowns especially for onion and potatoes at strategic locations may be able to address this inflationary trend.
6. The Conference of Food Ministers noting the importance of the government of India and the State Governments working together agreed to the following action plan and its effective implementation over the next six months. The six month Action Plan will include the following elements :
 1. The action plan will cover rice, jawar, bajra, onion, tomatoes, potatoes, moong dal, masoor dal, tur dal and edible oils, bread, milk and eggs.
 2. The States will may vulnerable areas prone to supply shortages for special monitoring and ensure that “stock-out” situations do not occur especially for these items of common consumption.
 3. In areas where Coarse Cereals like Jowar, Bajra and Maize constitute the stable diet, close monitoring of the availability of these commodities and ensuring that the quality of the produce does not deteriorate in storage will be done.
 4. States will mobilize existing storage capacity utilizing the Government/private/cooperative storage infrastructure to ensure that adequate decentralized stocks are maintained across different cities/rural areas of the State to ensure adequate supplies of these commodities.
 5. During the six months period ahead, States will establish a Price Monitoring Cell that will monitor the prices of these specific commodities on the basis of Wholesale prices at the mandis as well as the retail prices obtaining in various parts of the state. This should enable the states to make market interventions on a real time basis.
 6. States are encouraged to establish a revolving fund for buying products/produce in bulk and regulate their storage as well as distribution to meet peak demand during festival season at reasonable price. This should be done through the Public Distribution System for the benefit of the BPL Card Holders.

7. The Food and Civil Supplies Corporation of the States should partner with the network of Cooperative Societies to sell important essential commodities including through PDS shops at the economically weaker sections (Ration Card Holders and Green Card Holders) at reasonable prices.
8. Senior officers such as the District Commissioners/Collectors in the District and the Municipal Commissioners in the cities/towns may be designated as focal points for monitoring the availability and price levels of these commodities.”

2.66 During the course of examination, the Committee also wanted to know whether the logistics techniques and management expertise utilised by globally acclaimed departmental store chains like Wallmart, Tesco, etc. have any impact in arresting price rise of essential commodities, the Department of Consumer Affairs in a written note stated:-

“Government is already following a comprehensive anti-inflationary policy, the policy covers strict fiscal and monetary discipline, rationalization of excise and import/export duties of essential commodities to contain prices and improve their availability and effective supply–demand management including strengthening and streamlining of the Targeted Public distribution System(TPDS).”

2.67 The Committee also wanted to know whether the Government have taken any step through `Market Intervention Fund`/`Price Stabilising Fund` to tackle the rising prices of essential commodities, the Department of Consumer Affairs in a written note stated:-

“In the Union Budget 2014-15, a sum of Rs. 500 crore has been provided for establishing a Price Stabilization Fund with the objective of protecting the farmers from price volatility in agricultural produce. Modalities of Operation of this fund have not yet been finalized.”

2.68 In this context, the representative of the department of Consumer Affairs further stated during briefing that-

'The Price Stabilisation Fund at the moment is only at a conceptual stage. An announcement has been made by the hon. Finance Minister in the Budget. What is envisaged is that particularly for ensuring stability of prices of vegetables and fruits and items of common consumption which include milk etc, typically what happens is there is a variation in prices because of demand supply mismatches. There is also a seasonal variation that occurs. There are some structural imbalances that influence these prices.....So,

price rise to some extent is normal. Through this Price Stabilisation Fund, we will enable the State Government to make market intervention to procure and augment supply. If there is a difference in the supply at which they sell, for example, tomatoes, which the hon. Chairman mentioned, suppose the Government wishes that tomatoes should be made available even when prices are rising at not more than Rs. 30, for example, if they procure it at Rs. 40 and if they sell it at Rs. 30, the differential of Rs. 10 will be met out of the Price Stabilisation Fund. '

2.69 The Committee also enquired about the details of the number of raids conducted/offenders arrested and prosecuted during the last two years along with the action taken against the defaulting States, State-wise, the Department of Consumer Affairs in a written note stated:-

ACTION TAKEN UNDER THE ESSENTIAL COMMODITIES ACT, 1955 DURING THE YEARS 2012 and 2013
(Relating to offences of violation of stock control orders)

Updated as on 16.10.2014

Sl. No.	STATE/Uts	No. of Raids Conducted		No. of Persons						Value of goods confiscated	
				Arrested		Prosecuted		Convicted			
		2012	2013	2012	2013	2012	2013	2012	2013	2012	2013
1	ANDHRA PRADESH	16783	21051	77	138	0	-	1	0	1441.89	2281.54
2	ARUNACHAL PRADESH	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
3	ASSAM	576	969	2	NIL	3	NIL	NIL	NIL	30.07	0.59
4	BIHAR	102	61	42	4	-	-	NIL	-	87.32	17.74
5	CHATTISGARH	482	493	0	92	25	46	1	77	109.63	1543.49
6	DELHI	NIL	NR	NIL	NR	NIL	NR	NIL	NR	NIL	NR
7	GOA	620	640	4	NIL	NIL	NIL	NIL	NIL	NIL	NIL
8	GUJARAT	21868	17707	67	95	36	52	-	-	221.41	241.54
9	HARAYANA	18	113	7	1	3	0	2	2	13.26	9.24
10	HIMACHAL PRADESH	35739	32278	4	-	-	-	-	-	19.10	14.08
11	JAMMU & KASHMIR	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
12	JHARKHAND	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
13	KARNATAKA	569	468	59	172	0	0	0	0	19.19	13.93
14	KERALA	26285	39649	2	0	0	0	0	0	0	13.24
15	MADHYA PRADESH	21607	13929	17	17	36	20	1	1	181.98	115.30
16	MAHARASHTRA	1455	1014	2267	1618	2045	1280	8	2	2016.74	279.87
17	MANIPUR	18	6	16	16	6	-	2	-	12.5	6.24
18	MEGHALAYA	604	1059	NIL	NIL	1	NIL	NIL	NIL	0.02	1.35
19	MIZORAM	172	194	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
20	NAGALAND	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
21	ORISSA	43420	21614	2	-	147	58	-	-	7	1.69
22	PUNJAB	120	450	1	5	1	9	1	-	2.09	0.89
23	RAJASTHAN	195	42	21	6	135	3	108	0	86.49	36.49
24	SIKKIM	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
25	TAMIL NADU	10499	8778	4467	5609	2891	3402	92	162	152.24	131.63
26	TRIPURA	205	81	2	NIL	1	NIL	NIL	NIL	5.12	1.19
27	UTTARAKHAND	-	-	4	4	7	9	-	-	26.59	98.45
28	UTTAR PRADESH	25524	36234	273	332	984	1075	6	8	1112.71	954.73
29	WEST BENGAL	489	339	232	99	0	0	129	8	246.94	27.61
30	ANDAMAN & NICOBAR ISLANDS	211	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
31	CHANDIGARH	9	3	22	7	-	-	-	-	4.44	0.96
32	DADRA & NAGAR HAVELI	5	NIL	13	NIL	5	NIL	NIL	NIL	21.98	NIL
33	DAMAN & DIU	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
34	LAKSHADWEEP	NIL	NR	NIL	NR	NIL	NR	NIL	NR	NIL	NR
35	PUDUCHERRY	770	520	1	3	3	8	0	0	0.06	0.38
36	TELANGANA	8718	13701	NR	NR	NR	NR	NR	NR	35.52	54.04
	TOTAL	217063	211393	7602	8218	6330	5962	351	260	5855.29	5846.21

Source : Reports received from State Governments/UTs

NR : *Not Reported

TOTAL STATEMENT

ACTION TAKEN UNDER THE ESSENTIAL COMMODITIES ACT, 1955 DURING 2014
(Relating to offences under E.C. Act - for other than violation of stock control orders/ for violation of stock control orders)

Updated as on 16.10.2014

SL. NO.	STATE/UTs	No. of Raids Conducted	No. of Persons			Value of goods confiscated (Rs. in lakhs)	Reported upto
			Arrested	Prosecuted	Convicted		
1	ANDHRA PRADESH	6884	64	0	0	239.66	June
2	ARUNACHAL PRADESH						Not Reported
3	ASSAM	148	NIL	NIL	NIL	NIL	June
4	BIHAR	25	9	6	-	19.64	June / Not Reported
5	CHATTISGARH	101	0	0	0	12.06	February / Not Reported
6	DELHI						Not Reported
7	GOA	44	NIL	NIL	NIL	NIL	September
8	GUJARAT	8385	41	25	-	124.46	August
9	HARAYANA	63	15	4	1	7.08	August
10	HIMACHAL PRADESH	13589	-	-	-	12.55	July/Not Reported
11	JAMMU & KASHMIR						Not Reported
12	JHARKHAND						Not Reported
13	KARNATAKA	236	117	0	1	0.38	June/Not Reported
14	KERALA	23126	13	0	0	18.7	August
15	MADHYA PRADESH	3255	35	89	3	276.05	June
16	MAHARASHTRA	515	6475	58	0	11958.18	June
17	MANIPUR	NIL	NIL	NIL	NIL	NIL	July
18	MEGHALAYA	290	NIL	NIL	NIL	NIL	March
19	MIZORAM	107	NIL	NIL	NIL	NIL	Not Reported / July
20	NAGALAND	NIL	NIL	NIL	NIL	NIL	May
21	ORISSA						Not Reported
22	PUNJAB	141	NIL	NIL	NIL	6.34	April
23	RAJASTHAN						Not Reported
24	SIKKIM	NIL	NIL	NIL	NIL	NIL	February / Not Reported
25	TAMIL NADU	9176	3949	1980	2068	87.09	August/ Not Reported
26	TRIPURA						Not Reported
27	UTTARAKHAND						Not Reported
28	UTTAR PRADESH	20312	185	564	0	1401.36	August/Not Reported
29	WEST BENGAL	495	138	28	-	63.83	August
30	ANDAMAN & NICOBAR ISLANDS	NIL	NIL	NIL	NIL	NIL	June
31	CHANDIGARH						Not Reported
32	DADRA & NAGAR HAVELI	3	NIL	NIL	NIL	NIL	August
33	DAMAN & DIU						Not Reported
34	LAKSHADWEEP						Not Reported
35	PUDUCHERRY	900	10	21	0	0.85	August
36	TELANGANA	6408	0	0	0	65.24	August
	TOTAL	94203	11051	2775	2073	14293.47	

Source : *Reports received from States/UTs

NR : *Not Reported

2.70 The Department of Consumer Affairs also stated:

“Under the Essential Commodities Act, 1955 and the Prevention of Blackmarketing and Maintenance of Supplies Essential Commodities Act, 1980, the State Governments/ UTs are the enforcement authorities. It is for these agencies to keep a watch through a well-developed system to ensure hoarding free, zero blackmarketing, fairly priced availability of all the essential commodities. The States were requested in May, 2014 to submit their decision under the Essential Commodities Act for approval of the Central Government. None of the States/ UTs submitted any such decision. Unless the States and UTs implement the Essential Commodities Act and Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act effectively, the availability of essential commodities at fair prices cannot be achieved though it is the statutory responsibility of the State.”

2.71 During the course of briefing of the representatives of Department of Consumer Affairs, on being asked about sudden rise in prices of essential commodities like tomato, the Secretary (Consumer Affairs) admitted that a lot of corrective actions are to be taken by Ministry of Commerce & Agriculture and the effort of Department of Consumer Affairs is to reduce time taken in our response to sudden rise.

2.72 Asked in what way the Department of Consumer Affairs are controlling the supplies of essential commodities from surplus to deficient States and whether it needs further strengthening for timely availability of essential commodities, the Department of Consumer Affairs in a written note stated:-

“The Central Government is making effort to remove all restrictions on the movement of essential commodities across the States/UTs and create an all India National Market. The States have been advised to amend APMC Act so that farmers do not have to mandatorily sell their produce in local mandi. There is need for further strengthening of infrastructure to ensure timely availability of essential commodities and their smooth movement from surplus States to deficit States.”

Bureau of Indian Standards (BIS)

2.73 Department of Consumer Affairs has stated that the BIS operates two Plans in schemes as placed below:-

- (i) Gold Hallmarking
- (ii) National System for Standardization

2.74 The Department of Consumer Affairs about Gold Hallmarking Scheme has stated that components under the scheme Gold Hallmarking are as indicated below this scheme is in continuation from 10th Plan i.e. more than a decade old scheme with the main purpose of creating infrastructure facilities in terms of ‘Hallmarking Centres’ so that jewellers do not face any difficulty in getting their gold or silver articles tested (regarding purity and then hallmarked) from any of such BIS recognized Hallmarking Centres. The components of the scheme are as indicated below:

- (i) Infrastructure Building
 - (ii) Capacity Building
- (i) Gold Hallmarking

2.75 The BE-RE actuals for 2012-13 and 2013-14 and BE-2014-15 and expenditure upto July, 2014 under Gold Hallmarking Scheme are as under:-

Rs. in crores								
2012-13			2013-14		2014-15			
BE	RE	Actual	Reasons for variation	BE	RE	Actual	Reasons for variation	BE
0.60	1.8	1.61	*	0.60	0.60	0.60	-	0.6

2.76 The Committee during the course of examination wanted to know whether the sufficient Gold Assaying and Hallmarking Centres in different States where the gold jewellers can get purity of their gold tested, the Department of Consumer Affairs in a written note stated:

“As on 26th September 2014, there are 311 BIS recognized Assaying and Hallmarking Centres in India. The state wise distribution of Assaying and Hallmarking Centres is as follows:

STATE	No. of A&H centres
Andaman Nicobar	0
Andhra Pradesh	28
Arunachal Pradesh	0
Assam	1
Bihar	3
Chandigarh	3
Chhattisgarh	1
Daman & Diu	0
Dadara & Nagar Haweli	0
Delhi	23
Goa	0
Gujarat	27
Haryana	5
Himachal Pradesh	1
Jammu& Kashmir	1
Jharkhand	1
Karnataka	26
Kerala	38
Lakshadweep	0
Madhya Pradesh	4
Maharashtra	36
Manipur	0
Meghalaya	0
Mizoram	0
Nagaland	0
Odisha	6
Pondicherry	0
Punjab	7
Rajasthan	9
Sikkim	0
Tamil Nadu	55
Tripura	0
Uttar Pradesh	13
Uttarkhand	1
West Bengal	22

“

2.77 The Committee also enquired whether that there is a need for setting up such centres in different States in the interest of gold jewellers, the Department of Consumer Affairs in a written note stated:

“The setting up of Gold Assaying/ Hallmarking Centres is a market driven activity and promotion of setting up of Infrastructural facilities for Gold Assaying & Hallmarking in the country at deficient locations where no centre assisted or otherwise exists, and training of various stakeholders to achieve the objective of ensuring consumer protection in gold jewellery trade is proposed through the Scheme for setting up of Gold Hallmarking/ Assaying Centres in India with Central Assistance.

There has been a huge response to the Scheme with Expressions of Interest received from as many as 65 applicants. The eligible applicants would need to be provided with Central Assistance during the remaining period of the XIIth Plan. This would require the total Outlay under the above Scheme to be revised to Rs 9.7 crores from Rs 3 crores.”

2.78 The Committee also wanted to know funds of Rs. 0.60 crore are sufficient for implementation of important scheme like ‘Gold Hallmarking and whether these need to be scaled up considerably, the Department of Consumer Affairs in a written note stated:

“The response for the scheme has been tremendous. The Department is considering the BIS proposal for enhancing the funds under 12th Plan from 3 crores to 9.7 crores.”

2.79 (i) National System of Standardization operating under the 11th Plan is being continued and the Department of Consumer Affairs has stated that there is a strong need for strengthening standardization activity, both at national and international level, for not only protecting consumers from receipt of sub-standard products but also for the domestic industry for their survival. The importance of technical regulations and their alignment with international standards, as per the provisions of WTO/TBT Agreement, further highlight the necessity of national standards and effective participation at international level so that national standards can be aligned with international standards. Rs. 4.40 crore have been provided under this scheme during 2014-15. The Department of Consumer Affairs has stated that additional fund was required for meeting committed liability and to continue activities in the next financial year. The 11th Plan Scheme was approved (to continue) late in 2013, therefore, no provision could be kept in the financial year 2012-13 and 2013-14.

2.80 The Committee wanted to know whether not much attention and fund have been given on the important scheme of Strengthening System of Standardization so far, the Department of Consumer Affairs in a written note stated:

“Due attention has been given to “Strengthening Standardization”. Approved outlay for 12th plan Scheme as per SFC note is 19.345 Crores and further revised to 23.0 Crores by MOCA.”

2.81 The Committee also wanted to know the steps taken by the Government to ensure supply of quality and standard products to consumer, the Department of Consumer Affairs in a written note stated:

“Continuous awareness programs to enhance consumer awareness to demand for quality product is undertaken. Licencee meet and product review meetings are held periodically to enhance quality & operation of BIS licences and to provide quality product to consumers.

As on June 2014, there are 918 products covered under BIS Product Certification Scheme and 15 Electronics & IT product categories under BIS Compulsory Registration Scheme. There are 92 products under mandatory certification. In addition to this, BIS is launching “Self Declaration of

Conformity (SDOC)” Assessment Scheme for 250 products to ensure that consumers get more number of quality products with BIS Standard Mark.”

2.82 The Committee also invited the attention of Department of Consumer Affairs about instances of irregularities/complaints regarding the quality of packaged drinking water and matters connected with issuance of the licences have been reported to the Department and asked to furnish the details thereof and the steps taken in this regard, the Department of Consumer Affairs in a written note stated:

“Number of complaints received for Packaged Drinking Water (IS 14543)

Year	Complaints	Remarks	Name of the Licensee where Complaints Established	Action Taken where Complaint established
2011-12	08	In 07 cases complaints were established	1.Penna Beverages, Medak, Andhra Pradesh.	i) Investigation was done. ii) Firm offered for replacement but, no reply received from complainant within 15 days time.
			2 Om Sai Food & Beverages, Kurali, Mohali, Punjab.	Stop marking imposed.
			3. Aqua Mineral India, Bangalore, Karnataka	Replacement of material done.
			4. M/s Manikchand Food Breweries, Sagar, MP	Stop marking was imposed
			5. M/s Premier Aqua Industries Kanyakumari, Tamil Nadu	Stop marking was imposed.
			6. M/s Shree Tirupati Ji Enterprises, Mayapuri, Delhi	Stop marking was imposed.
			7. M/s Sri Sai Ganesh Minerals, Bangalore Karnataka	Stop marking was imposed.
2012-13	05	In 03 cases complaints were established	1. M/s Mansarovar Industries, Bangalore Karnataka	Stop marking was imposed.
			2.M/s Rajkumar Industrial Undertaking Nagpur Maharashtra	Stop marking was imposed.
			3. M/s Shri Shyam Aqua Pvt Ltd, Gurgaon	Licence was under stop marking w.e.f 02-11-12 and was later expired.
2013-14	06	In 04 cases complaints are under investigation	1.M/s S R Mineral Water Pvt Ltd, Thiruvallure, Tamilnadu	Stop marking was imposed.
			2. M/s Dharam Raj Product Ballabharg, Faridabad	Redressal done by the licensee. Matter is sub-judice.
			3. M/s Harika Aqua Farms Vizianagaram, AP	Investigation done at licensee end. Further investigation being done.
			4. M/s Reliable Hydrotech Joypur Khunou Bishnupur Distt & Loktak Industries Shed No.18 Industrial Estate Takyel Imphal	Investigation done at complainant end. Further investigation at licensee end being done.
			5. M/s Jukaso Foods, K-225 Site V Industrial Area Kasna, Greater Noida (UP) Gautam Buddha Nagar, UP	Investigation under progress.
			6. Bisleri Bottle (20l) purchased from shop -Rishav Mineral, Manav Vihar New Delhi	Investigation under progress

Year	Complaints	Remarks	Name of the Licensee where Complaints Established	Action Taken where Complaint established
2014-15 (till date)	04		1. Kinley Brand Bottle 2. Bisleri International Ltd, E-12/A Road No.1 VKI Area, Jaipour 3. Vastal Aqua Product D-78 Sector 10 Noida 4. IRA Beverage Pvt Ltd Plot No.31, Vill Kanwra, Faridabad	Investigation under progress Investigation under progress Investigation under progress Investigation under progress

2.83 Before grant of BIS licence, a visit is paid to the premises of the firm for carrying out Preliminary Inspection, to ascertain the availability of the necessary infrastructure for manufacturing Packaged Drinking Water conforming to the Indian Standard IS 14543. The requirements that are checked before the Grant of Licence include the following:

- Availability of necessary manufacturing facility
- Availability of adequate testing facility as per IS 14543
- Satisfactory hygienic conditions, including medically fit personnel engaged by the firm for processing of water
- Availability of Competent Quality Control Personnel
- Conformity of product to the IS 14543
- Adequate power and water supply
- Acceptance of other terms and conditions of BIS licence like acceptance of Scheme of Testing & Inspection and Marking Fee, etc.

2.84 The general discrepancies (shortcomings) observed during the preliminary inspection in some of the cases are as under. However, prior to the grant of licence, it is ensured that the firm has taken all necessary corrective action in compliance to the discrepancies observed during the preliminary inspection.

SI. No.	Discrepancy/ Shortcomings Observed	Action taken by the firm
1.	Testing facilities found incomplete	Testing facilities arranged by the firm
2.	Testing personnel found incompetent	Competent testing personnel appointed
3.	Hygienic conditions needed improvement	Hygienic conditions improved
4.	Medical fitness certificates of personnel engaged in firm found unavailable	Medical fitness certificates obtained by firm.
5.	Test equipments not calibrated	Testing equipments got calibrated

Non Plan Schemes (Projects under Consumer Welfare Fund)

2.85 The Department has informed that CWF Division of the Department of Consumer Affairs operates Consumer Welfare Fund under the Non-Plan Head of the Demands for Grants of the Department.

2.86 The Central Excise and Salt Act, 1944 was amended in 1991 to enable the Central Government to create a Consumer Welfare Fund where the money which is not refundable to the manufacturers, etc. is being credited. Consumer Welfare Fund was created in 1992 with the objective of providing financial assistance to promote and protect the welfare of the consumer, create consumer awareness and strengthen consumer movement in the country, particularly in rural areas. The Department of Consumer Affairs operates the fund, setup by the Department of Revenue under the Central Excise and Salt Act, 1944.

2.87 The Consumer Welfare Fund Rules were notified in the Gazette of India in 1992 and Guidelines were framed in 1993. Under the Consumer Welfare Fund Rules, any agency/organization engaged in consumer welfare activities for a period of three years and registered under the Companies Act, 1956 or any other law for the time being in force, Village/Mandal/Samiti-level cooperatives of consumers, industries State Government etc are eligible for seeking financial assistance from the Fund.

2.88 The advent of globalization and market economy has expanded areas that need intervention on behalf of the Government to protect the interest of consumers. Consumer Welfare Fund Guidelines were accordingly revised in 2007 to suit to the present day requirements. A sum of Rs. 81.69 Crore was available in the fund. An amount of Rs. 39.49 Crore (approx.) was utilized from the fund in 2013-14.

2.89 The BE - RE and actuals 2012-13 and 2013-14 and BE during 2014-15 are as under this scheme
(Rs. in Crores)

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

2.90 The Committee during the course of examination pointed out that the level of funds during 2013-14 has been doubled over the previous year however the funds during 2014-15 has been slumped to around 1/3rd of the provisions in 2013-14 in spite of the fact that the level of utilisation is around 90% during the last two years budget. Asked about the rationale behind steep reduction in funds under Consumer Welfare Fund during 2014-15, the Department of Consumer Affairs in a written note stated:-

“The funds under consumer welfare fund flows from the money coming under the Excise and Salt Act 1944 and fines imposed by the NCDRC. Funds accrued in the Consumer Welfare Fund has been reduced from Rs. 9.87 crores in 2013-14 to Rs.1.27 crores in 2014-15. Therefore, the allocation of funds also had to be proportionately reduced to Rs. 15 crore during 2014-15.”

2.91 Presently the following projects are being administered from the Consumer Welfare Fund:

- (i) Setting up of consumer product testing laboratories.
- (ii) Scheme on promoting involvement of Research Institutions / Universities / Colleges etc.
- (iii) Creation of Chair/Centres of excellence in Institutions/Universities.
- (iv) Corpus Fund.

2.92 In this connection, the Committee wanted to know any suggestion from Department of Consumer Affairs for Consumer Welfare Fund, the Department of Consumer Affairs in a written note stated:-

“The big private companies and corporations should be mandated under Companies Act or other legal provisions to contribute part of their profit to the National Consumer Welfare Fund and various corpus funds being operated by State Governments.”

PART – II

Recommendations/Observations

In pursuance of the ruling given by Hon'ble Speaker, Lok Sabha on 15th July, 2014 that even though the General Budget (2014-15) including Demands for Grants (2014-15) has been passed by Lok Sabha by suspending Rule 331G of Rules of Procedure and Conduct of Business in Lok Sabha, these stand referred to concerned Departmentally related Standing Committees (DRSCs) for examination and report so as to make suitable recommendations for examination of Demands for Grants next year, the Standing Committee on Food, Consumer Affairs and Public Distribution has examined the Demands for Grants of two Departments under Ministry of Consumer Affairs, Food and Public Distribution viz. (i) Department of Food and Public Distribution and (ii) Department of Consumer Affairs. This report deals with Demands for Grants (2014-15) of Department of Consumer Affairs.

The Committee have examined the Demands for Grants in the light of proposed vis-à-vis aggregated expenditure during Eleventh Plan (2007-2012), proposed outlay vis-à-vis actual outlay during Twelfth Plan (2012-17) and Annual Plan 2012-13, 2013-14 period and BE (2014-15), followed by scheme-wise analysis. Having examined Demands for Grants (2014-15) of Department of Consumer Affairs, the Committee approve the same. The recommendations/observations of the Committee are in succeeding paragraphs.

Consumer Affairs scenario in the country and role of Department of Consumer Affairs.

The Committee's examination of Demands for Grants (2014-15) of Department of Consumer Affairs has revealed that it has a gross Annual Budget of Rs. 310.79 crore. The Committee have also noticed the present day Consumer Affairs scenario in the country, vision and mission set out by Department of Consumer Affairs for accomplishing the vision. Viewing the Consumer Affairs scenario in the country with prevailing complete unawareness about consumer rights and consumer awareness in rural areas, misleading advertisement especially in sector of public health and education, with weak or nil redressal mechanism available and absence of deterrent punishment, the Committee feel that annual budget of Department of Consumer Affairs in future should be formulated in such a fashion so as to address all these issues. In this connection, the Department of Consumer Affairs has already underlined the need for a sustained national programme with adequate trends for educating more than 120 million people of the country about their consumer interests and rights. The Committee, therefore, recommend that time bound national perspective be drawn up in this regard in consultation with State Governments/UT Administrations.

(Recommendation Sl. No.1)

11th and 12th Plan allocations vis-à-vis expenditure

The Committee are constrained to note that Department of Consumer Affairs had experienced severe reduction of Plan funds during Eleventh Plan (2007-12) and Twelfth Plan (2012-17) at the hands of Planning Commission to the extent of Rs. 400 crore and Rs. 1277.36 crore. The Committee have been informed by the Department of Consumer Affairs that huge reduction of Plan outlay during Twelfth Plan would severely affect and slow down the implementation of the on-going and new schemes. The Committee also find that the reduction imposed in Plan allocation has been as high as one-fourth during 11th Plan and even greater than half during 12th Plan. In Committee's opinion, already a few funds had been made available with Department of Consumer Affairs for the mammoth task of consumer awareness and consumer rights. The Committee, therefore, are very much concerned with acute shortage of funds available with Department of Consumer Affairs and recommend that the issue be taken up with Planning Commission and outcome be apprised to them before examination of next Demands for Grants.

(Recommendation Sl. No.2)

The Committee's examination of outlays vis-à-vis expenditure of Department of Consumer Affairs during 11th Plan (2007-12) has revealed that as against the outlay of Rs. 1083.00 crore, the Department was able to utilize Rs. 715.10 crore only. The major schemes that reported under utilization of resources include Consumer Awareness (Rs. 409.00 crore/ Rs. 333.46 crore), Bureau of Indian Standards (Rs. 120.33 crore/Rs. 21.78 crore), Consumer Protection (Rs. 104.97 crore/ Rs. 77.59 crore), State Consumer Helplines/ National Consumer Helpline (Rs. 25.00 crore/ Rs. 8.58 crore) and National Test House (Rs. 67.58/ Rs. 48.73 crore).

In view of large under-utilization in major schemes, the Committee apprehend that Planning Commission may justify reducing the funds for Twelfth Plan. The Committee, therefore, caution the Department of Consumer Affairs that before blaming the Planning Commission for steep reduction of Plan outlays, the Department of Consumer Affairs should put their own house in order and gear up for optimal utilization of resources in coming years of Twelfth Plan.

(Recommendation Sl. No.3)

The Committee are dismayed to find non-availability of own field units/staff has been attributed as reason for huge under-utilization of resources during the Eleventh Plan. As a result the Department of Consumer Affairs had to bank upon outside agencies like DAVP, DGS&D and CPWD leading to delay in obtaining utilization certificates. The Committee have also been informed that a national level meeting in July, 2014 followed by regional level meeting of Southern States on 15th October, 2014 have been held for necessary monitoring of Utilization Certificates (UCs). The Committee feel that there is a need for establishment of separate manpower within the Department of Consumer Affairs for avoiding under-utilization of Plan funds within the Department. The Committee, therefore, recommend that this issue should be examined and taken up at highest level and the Committee be apprised about the outcome before the examination of the next Demands for Grants.

(Recommendation Sl. No.4)

The Committee's examination of outlays vis-à-vis utilization of funds so far during Twelfth Plan i.e. 2012-13, 2013-14 and 2014-15 has witnessed a trend of lowering of Budget Estimates to a great extent at Revised Estimates stage and then claiming utilization of amount available at Revised stage. For instance, during 2012-13, the BE of Rs. 241 crore was reduced to Rs. 150 crore and actuals were still lower at Rs. 126 crore. Similarly, during 2013-14, the BE of Rs. 241 crore were brought down to Rs. 192 crore at RE stage and actual utilization was Rs. 180.08 crore. Finally during 2014-15, as against the BE of Rs. 220 crore, the actual expenditure was Rs. 23.73 crore only. The Committee have been informed by the Department of Consumer Affairs that this was occasioned by primarily two factors, one late approval of Plan document at the end of 2012 that was to be done in April, 2012 and first six months of 2013-14 were lost in Vote on Account as a result Model Code of Conduct was imposed due to which necessary expenditure was not incurred. In this connection, the Department of Consumer Affairs has admitted before the Committee that the pace of expenditure during 2014-15 has been slow. The Committee have also been assured of better utilization of funds in 2014-15 by Secretary, Department of Consumer Affairs. The Committee, therefore, feel that as assured by Secretary, Department of Consumer Affairs, the Department would be able to perform better and reclaim the unused Plan funds that were reduced during previous years i.e. 2012-13 and 2013-14 in subsequent years i.e. 2014-15 onwards of Twelfth Plan.

(Recommendation Sl. No.5)

The Committee are constrained to note that very less or even nil expenditure has been reported under important Plan Schemes like Weight and Measures and BIS during first three years viz. 2012-13, 2013-14 and 2014-15 of the current Plan. For instance, under Weights and Measures, as against the RE (2012-13) of Rs. 53.76 crore and RE (2013-14) of Rs. 54.28 crore and BE (2014-15), the actual expenditure was as low as Rs. 22.35 crore, Rs. 49.12 crore and Rs. 2.28 crore respectively. Similarly under BIS the BE (2012-13) of Rs. 10.00 crore was brought down to Rs. 2.00 crore at RE stage and actual was Rs. 1.80 crore whereas during 2013-14 and 2014-15 as against the BE of Rs. 5.28 crore and Rs. 5.00 crore, the expenditure was nil. In the case of Weights and Measures, the Committee have been informed by Department of Consumer Affairs that main reason for less utilization was delay in finalization of tender for necessary procurement of equipment on the part of DGS&D and delay occurred in land acquisition for setting up two RRSCs at Varanasi and Nagpur on the part of concerned State Governments whereas in the case of BIS, the late approval of Plan documents has been reason for nil expenditure. The Committee feel that the issue of under-utilization of funds under Weights and Measures be taken up with DGS&D and concerned State Governments so that in years subsequent to 2013-14 of the current Plan, the funds are properly utilized. The Committee also desire that all out efforts should be made by Department of Consumer Affairs so that funds under BIS also do not go unutilized in remaining years of Current Plan.

(Recommendation Sl. No.6)

Scheme-wise Analysis

(i) Consumer Awareness (Publicity)

The Committee while reviewing the schemes of Consumer Awareness (Publicity), find with dismay that out of major schemes of Department of Consumer Affairs lakhs of rupees have been shown as unspent for want of Utilization Certificates in almost all States/UTs in the country some of which are six to seven years old. The Committee find that States with unspent amount as large as Rs. 40 lakh and above are Andhra Pradesh, Madhya Pradesh, Odisha, Tamil Nadu. The Committee also find that States with more than Rs. 25 lakh and above unspent amount are Andhra Pradesh, Chhattisgarh, Jharkhand, Karnataka, Kerala (Special Project), Assam and Arunachal Pradesh. Further, the States with more than Rs. 15 lakh and above unspent amount are Bihar, Himachal Pradesh, Kerala, Maharashtra, Odisha, West Bengal, Tripura, Nagaland and Jammu & Kashmir. Finally, the Committee find that States with more than Rs. 10 lakh as unspent amount are Rajasthan, Meghalaya and Mizoram. The Committee feel that requesting more funds from Planning Commission, Standing Committee on Parliament and the Cabinet Secretary would not serve any purpose unless the entire issue of unspent balances in different States referred to above is taken up by Department of Consumer Affairs with concerned State Governments for mopping up necessary resources for Consumer Awareness. The Committee, therefore, recommend that a task force be set up with the Department of Consumer Affairs for expeditious re-examination of the issue and the Committee may be apprised about the progress made in this regard at the time of next Demands for Grants.

(Recommendation Sl. No.7)

The Committee are alarmed to note that as per Department of Consumer Affairs' own impact assessment of Jago Grahak Jago (JGJ) Campaign conducted in 12 States as high as 39 percent consumers surveyed in rural areas and 35 percent consumers in urban areas are unaware about the 'JGJ' Campaign. The Committee feel that this has put a big question mark on the over all preparedness about the Consumer Awareness drive launched by Department of Consumer Affairs. The Committee, therefore, conclude that Consumer Awareness has not at all reached at the door step of common man both in rural and urban areas which the Department of Consumer Affairs claims to have been spreading through a multi-media campaign through newspapers, television, radio, utility bills, railway tickets etc. In this connection, the Committee have been informed that a Inter-Ministerial Empowered Committee is working on it and synchronizing the efforts of other Ministries in the action plan for JGJ Campaign. The Committee also find that Department of Consumer Affairs has conceded with the Committee that there is an urgent need to build consumer awareness in rural areas and in that direction, a new scheme, 'Grahak Suvidha Kendra' has been started as a pilot project wherein a host of services like creating consumer awareness, dissemination of information, grievance redressal, assistance in filing cases in consumer courts have been put together under one roof. The Committee feel that with a view to making the 'Grahak

Suvidha Kendra' programme as people's programme, there is a need to associate in this drive all State Governments/UT Administrations schools, Panchayat Raj Institutions, NGOs etc. in a time bound and result oriented manner. *To achieve this objective, it should be made obligatory for every shop/business establishment to prominently display the address and contact number of the authority to whom the consumer may file their complaints or suggestions.*

(Recommendation Sl. No.8)

Checking Food Adulteration

During the course of examination, the Committee witnessed that issue of rampant adulteration of food items especially milk came up before the Committee in a big way. In this connection, during the course of evidence of the representatives of Department of Consumer Affairs, it was admitted before the Committee that adulteration in milk and milk products, vegetables, dals, masalas has assumed menacing proportions. The Committee have also been informed that since food adulteration is dealt with under Food Adulteration Act being implemented by State Governments and the regulator in this area is Food Standards and Safety Authority of India (FSSAI) under Ministry of Health and Department of Consumer Affairs is apprised of the latest update in this area from time to time. The Committee have also been informed that Department of Consumer Affairs started an initiative with six Departments of Agriculture, Food, Health, Housing, Transport and Finance with a view to focusing the work in these Departments more on the consumer welfare aspects. The Committee have also informed that Department of Consumer Affairs are holding required conferences with State Secretaries/ Food Commissions/Legal Metrology officials in various zones for carrying out drive against defaulters. The Committee are, however, constrained to note that Department of Consumer Affairs are not maintaining data involving food adulteration of essential food items which as per Department of Consumer Affairs are few and far between in Consumer Fora. The Committee recommend that since food adulteration especially in milk has assumed alarming proportions, there is a need to provide for exemplary punishment for offenders. At the same time the Committee desire that relevant data both at Centre and State Level be maintained in Department to assess the time magnitude of the problem and for evolving mechanism for its redressal.

(Recommendation Sl. No.9)

Checking of misleading advertisements

The Committee's examination has revealed that large number of misleading advertisements are being aired on radio and TV and are available in daily newspapers playing havoc with the lives of lakhs of consumers. The Committee have been informed that as many as 1500 misleading advertisements have been listed by the Department of Consumer Affairs pertaining to six to seven Departments which pertain to problems in the areas of food, health, telecom etc. In this connection, the Committee's examination has revealed that complaints against as many as 30 advertisements in health sector and as many as 20 advertisements in education sector have been upheld by Advertisement Standard Council of India (ASCI) as these advertisements have found to have violated the law of the land.

With regard to prevention of misleading advertisements being aired on TV and radio, the Committee have been informed by Department of Consumer Affairs that powers of Government are very limited and Ministry of Information and Broadcasting does issue notice to erring agencies and ask them to suspend the advertisements immediately but it has not been effective. Press Council of India/ASCI tries to take action against them. The Committee have also been informed that very soon the Government plans to open a portal where consumers can drop their consumer related complaints against these misleading advertisements besides an Inter-Ministerial Group has been constituted on the issue and Consumer Protection Act is being amended to give Government adequate powers to take action against those who indulge in misleading advertisements. In this context, the Department of Consumer Affairs has also opined that the problem has to be addressed together by Government of India, State Governments both at Centre and State level.

The Committee feel that although the Government has limited powers on the issue yet they feel that role of Ministry of Information and Broadcasting as also of regulators like Press Council of India/Advertisement Council of India is almost nil as misleading advertisements are unabatedly appearing in newspapers. The Committee, therefore, feel that the issue should be taken up with concerned Ministries and regulators for swift action in this regard. At the same time the Committee feel that steps like opening of portal for registering consumer complaints and amending Consumer Protection Act be taken up without further loss of time. The Committee also feel that as opined by Department of Consumer Affairs there is an urgent need to work together on this issue equally by Centre and State Governments.

(Recommendation Sl. No.10)

Consumer Protection Unit (CPU)

(i) **Computerization and Computer Networking of Consumer Fora in the Country**
(CONFONET)

The Committee's examination has revealed that Consumer Protection Unit (CPU) is implementing four schemes of (i) Consumer Protection Cell (ii) Computerization and Computer Networking of Consumer Fora (CONFONET), Strengthening of Consumer Fora (SCF) and State Consumer Helpline (SCH). The Committee find that major funds are being given for CONFONET, SCF and SCH during 2014-15. In CONFONET, the Committee find that funds are released for Computerization and Computer Networking of Consumer Fora i.e. Consumer Courts at National, State and District level. In this connection, the Committee are dismayed to note that out of 621 District Fora and 36 State Commission, CONFONET is operational only in 510 Districts and as large as 141 Consumer Fora are still unoperational by reason of non-supply of computer hardware. The Committee also find that in Assam, Bihar, Jharkhand, out of 24, 38 and 23 District Fora as large as 23, 26 and 22 District Fora are lying unoperational by non-supply of computer hardware. The Committee have been informed by Department of Consumer Affairs that the project will be fully implemented in all States by the end

of 12th Five Year Plan. The Committee apprehend that implementing the CONFONET project by the end of 12th Five Year Plan i.e. 2017 would be too late and it should be completed by the end of 2015 by interacting with concerned States at regular intervals.

(ii) Strengthening Consumer Fora(SCF)

The Committee note with dismay that as huge as Rs. 4705.73 lakh are lying unspent under Strengthening Consumer Fora (SCF) as on 31.10.2014 in different States some of which are as old as 2007-08 onwards. The Committee find that out of Rs. 4705.73 lakh as large as Rs. 2313.78 lakh are unspent upto 2012-13, Rs. 1884.30 lakh pertain to 2013-14, Rs. 1001.40 lakh dates back to 2007-08 and Rs. 507.65 lakh pertain to 2014-15. From the State-wise pendencies, the Committee are constrained to note that Rs. 500.00 lakh and above are pending in States of Bihar and West Bengal. Further Rs. 300.00 lakh and more are lying unspent in Andhra Pradesh, Arunachal Pradesh and Uttar Pradesh. Similarly Rs. 200 lakh and more are lying unspent in Chhattisgarh, Gujarat, Nagaland and Tripura. The Committee feel that accumulation of unspent balance in these States does not at all augur well with the over-all coordination of Department of Consumer Affairs with different State Governments. The Committee, therefore, feel that a task force be set up within the Department of Consumer Affairs to go into the entire issue of unspent balances and find solution thereto in a time bound manner.

(Recommendation Sl. No.11)

(iii) Strengthening of Consumer Fora (SCF)

The Committee are dismayed to note that as huge as 74,332 cases are pending in Consumer Courts as on 30.06.2014 out of which as huge as 57,397 cases are pending in district courts, followed by 14,131 cases pending at State Commissions and 2804 cases are pending even in National Commission. The Committee feel that as a result of large number of pendencies at different levels, the common man has lost faith in these consumer courts. In this connection the Department of Consumer Affairs have themselves admitted before the Committee that disposal rate needs improvement and quick disposal of cases is desirable for reposing the faith of the common man on these consumer courts. The Department of Consumer Affairs have also conceded before the Committee that neither the Ministry of Consumer Affairs, Food and Public Distribution at national level nor State Governments at State level has any administrative control over disposal of cases. The Committee have also been informed the about some structural difficulties in legislative framework which the Department of Consumer Affairs is trying to address. The Committee have been informed that Consumer Protection Amendment Bill, 2014 is to be introduced in Parliament shortly. The Committee feel that necessary legislation is need of the hour and should be enacted at the earliest so that common man's faith in consumer courts is restored.

(Recommendation Sl. No.12)

State Consumer Helpline

The Committee are constrained to note that out of total grant released upto 2014-15 of Rs. 11.81 crore, as huge as Rs. 6.65 crore are lying unspent out of which as high as Rs. 4.11 crore are lying unspent for want of utilization certificates. From the State-wise break up of unspent balances, the Committee find out that the States with more than Rs. 27 lakh of unspent balances are Andhra Pradesh, Bihar, Chhatisgarh, Haryana, Madhya Pradesh, Odisha, Tamil Nadu, Uttar Pradesh. Further, States with unspent balance of Rs. 20 lakh and above are Arunachal Pradesh, Assam, Himachal Pradesh, Jharkhand, Maharashtra, Manipur, Meghalaya, Nagaland, Telengana, Tripura, Uttarakhand, West Bengal, A&N Islands. The Committee feel that huge unspent balances in different States referred to above speaks volume about the monitoring of Department of Consumer Affairs with State Governments. The Committee, therefore, recommend that a task force be formed within Department of Consumer Affairs for urgent utilization of these unspent balances in a time bound manner.

(Recommendation Sl. No.13)

Weights and Measures

The Committee's examination has revealed that upto 2014-15 as huge as Rs. 58.86 crore are lying unspent under one of the important scheme of Department of Consumer Affairs i.e. Weights and Measures. From the State-wise break up of unspent balances, the Committee find that States with unspent balances of more than Rs. 4 crore are Uttar Pradesh (Rs. 9.62 crore), Karnataka (Rs. 5.62 crore) and Tamil Nadu (Rs. 4.37 crore). The Committee also find that States with unspent balances of Rs. 2.00 crore and more are Nagaland (Rs. 3.78 crore), Madhya Pradesh (Rs. 2.57 crore), Jharkhand (Rs. 2.48 crore) and Andhra Pradesh (Rs. 2.31 crore). The Committee also find that these unspent balances have been accumulated since 2009-10 onwards. The Committee, therefore, feel that necessary monitoring for utilization of unspent balances was not at all available with Department of Consumer Affairs during all these years. The Committee, therefore, feel that a task force be set up within the Department of Consumer Affairs which should look into the issue of unspent balances in all the schemes including the scheme of Weights and Measures so that the much needed funds are utilized.

(Recommendation Sl. No.14)

Strengthening of Price Monitoring Cell

The Committee's examination has revealed that Department of Consumer Affairs is implementing Price Monitoring Cell (PMC) in the Department of Consumer Affairs a Plan Scheme (2012-2017) of Strengthening of Price Monitoring Cell as a sub-component of the scheme for Consumer Protection with Twelfth Plan outlay of Rs. 10.81 crore and BE (2014-15) of Rs. 2.00 crore envisaging strengthening of PMCs of Centre as well as States and strengthening services of NIC through infrastructural support, hiring professionals, undertaking commodity specific studies, streamlining process of price data reporting etc. The Committee also find that for the purpose of checking price rise, the Department of Consumer Affairs has detailed out various targets which, inter-alia, include increasing the price

reporting centres from 57 to 100 by the end of 12th Plan, enhancing list of essential commodities currently mentioned in the Essential Commodities Act, in view of changing consumption pattern, linking other Departments involved in price data gathering etc. In this connection the Committee find that action has already begun for strengthening PMC of the centre and States and guidelines for financial assistance to States has been cleared, commodity specific study proposals are on pulses and on onions are also under consideration, number of PMC has been increased from 57 to 63, services of professional organizations like Cogenics and Agri match are being subscribed. The Committee are constrained to note that sufficient infrastructure for running the scheme across the country is unavailable. Viewing the progress of work done on PMC, the Committee apprehend that strengthening of PMC may not be completed by the end of Twelfth Plan i.e. by 2017 which is only three years away from now. The Committee, therefore, feel that all out efforts be made to move faster on this Plan Scheme which is directly linked with bread and butter of common man.

(Recommendation SI. No. 15)

The Committee's examination has also revealed that rise in prices of essential commodities viz. foodgrains, pulses, edible oil, vegetable especially potatoes, onion and tomato in the country due to variety of reasons like anticipation of deficient rains with possible shortfall in production, increase in transportation cost, supply constraints like storage facilities for fruits and vegetables and artificial shortage created through hoarding and black marketing. The Committee have been informed that with a view to contain price rise, the Department of Consumer Affairs has claimed to have taken number of steps like reducing Minimum Export Price of potatoes and onions from end of July, 14 to August, 2014 due to reasons like good arrivals and nearly steady wholesale price, advising States to allow free price movement of fruits and vegetables by delisting them from APMC Act, advising State Governments to be tough with black marketers and hoarders, asking them to increase the period of detention from six months to one year, making the offence of black marketing a non-bailable offence, imposing a stock limit in respect of onion and potatoes for one year w.e.f. 3rd July, 2014 etc. In this connection the Committee are constrained to note that all the State Governments/UTs have failed to submit their decision to Department of Consumer Affairs on Essential Commodities Act as also on Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act as requested by Department of Consumer Affairs in May, 2014. The Committee feel that real test lies with implementation of these measures in coordination with State Governments. Therefore, the Committee recommend that all the measures narrated above need to be pursued vigorously with State Governments so that common man gets essential commodities of daily needs at affordable prices.

(Recommendation SI. No. 16)

The Committee while going into the reasons behind price rise of essential commodities find that as there are structural constraints on supply side, prices of essential commodities are largely risen from July to December every year when important festivals like Id-ul-fitr, Deepawali, Christmas are celebrated and inter-

medietaries in markets play a disproportionately important role in controlling availability of commodities. In this connection two welcome suggestions have come up before the Committee arising out of Conference of Food Ministers of State Governments held on 4th July, 2014. One is drawing of an action plan for maintaining adequate supplies of essential commodities at reasonable prices by each State Government and its monitoring by the centre and second, establishment of a common National Market. The Committee also find that a time frame of six months has been prescribed for this purpose. Since the time frame for that purpose is already over on 4th December, 2014, the Committee desire action taken be communicated to them for arriving at logical conclusions.

(Recommendation Sl. No. 17)

The Committee also find that with a view to insulate the common man from the rise in prices of essential commodities the Government has come out with a Price Stabilization Fund (PSF) with a corpus of Rs. 5,000 crore in this year's budget. The Committee are, however, constrained to note that PSF is at conceptual stage at present. The Committee are unaware about the latest development in this regard. The Committee, therefore, feel that in the interest of common man operationalisation of Price Stabilization Fund (PSF) should be expedited.

(Recommendation Sl. No. 18)

Setting up of Gold Assaying and Hallmarking Centres

The Committee note that setting up of Gold Assaying and Hallmarking Centres is a market driven activity and at present there are 311 BIS recognized Assaying and Hallmarking Centres in the country spread across 22 States/UTs only. Thus, as many as 13 States/UTs does not have a single Assaying and Hallmarking Centres. The Committee also note that the Department has received Expression of Interest to set up Assaying and Hallmarking Centres from 65 Applicants and the Department is considering the BIS proposal for enhancing the funds under 12th Plan from Rs. 3 crore to Rs. 9.7 crore. The Committee are of the view that the Assaying and Hallmarking Centres should be available in all the States/UTs in the interest of the consumers. The Committee, therefore, recommend that the Department should give preference to those applicants from the States/UTs where no Assaying and Hallmarking Centres is presently available.

(Recommendation Sl. No. 19)

Scheme on National System of Standardization

The Committee note that the scheme on National System of Standardization operating under the 11th Plan is being continued with an allocation of Rs. 4.40 crore during 2014-15. The Committee further note that the BIS is well equipped to run the scheme and about 88.5% of Indian Standards are harmonized with international standards as on 1st April, 2014. There are 918 products covered under BIS product Certification Scheme and 15 Electronics & IT products categories under BIS compulsory Regulation Scheme. Besides 92 products under mandatory

Certification, BIS is launching 'Self Direction of Conformity (SDOC)' Assessment scheme for 250 products to ensure that consumers get more number of quality products with BIS Standard Mark. The Committee, therefore, recommend the Department to take prompt action for strengthening of the Scheme and further harmonization of National standards with International Standards. The Committee also desire that instances of fake ISI mark/ substandard products be checked and reviewed on regular basis and consumers are constantly sensitized about it through awareness programmes.

(Recommendation Sl. No. 20)

Smooth functioning of Consumer Welfare Fund

The Committee note that the level of funds under the scheme Consumer Welfare Fund has reduced sharply from Rs. 45.80 crore (BE) in 2013-14 to Rs. 15.00 crore (BE) during 2014-15. In this context, the Committee are informed that due to reduced funds from Rs. 9.87 crore in 2013-14 to Rs. 1.27 crore in 2014-15 under the Excise and Salt Act, 1944 and finds imposed by the NCDRC, the allocation has also proportionately reduced during 2014-15. The Committee are concerned as to how the projects administered under Consumer Welfare Fund would progress with given set of reduced funds. The Committee welcome the suggestions received from the Department that big private companies and corporation should be mandated under Companies Act or other legal provision to contribute part of their profit to the National Consumer Welfare Fund and various Corpus Funds being operated by State Governments. The Committee, therefore, recommend the Department of Consumer Affairs to take the steps towards enhancing funds in the Consumer Welfare Funds so as to facilitate smooth functioning of various projects under the scheme.

(Recommendation Sl. No. 21)

NEW Delhi
19 December, 2014
28 Agrahayana, Saka 1936

J.C. DIVAKAR REDDY,
Chairperson,
Standing Committee on Food,
Consumer Affairs and Public Distribution

An Impact study of the Consumer Awareness initiative by IIMC

Summary and Conclusions

The efforts of the Ministry of Consumer Affairs to make the consumers aware about their rights, and guiding them to redress their complain and protect them from cheating or any financial loss are unique initiatives. Thus, have got world wide recognition. As a result of this, India's claim as a democratic state has again strengthened in the international arena. Almost all the districts and states have consumer's forum and commission to redress the grievances of consumers from all walks of the life . However, the concern remains, i.e. do the consumers know about this initiative. Thus, this study is to find out the impact of such issues on the consumer behaviour. Unlike other socio-developmental campaigns, where target groups is specific, this campaign is meant for masses as everybody is a consumer either directly or indirectly.

While attempting to know about the "Jago Grahak Jago's" impact, the first surprising figure which came across was, nearly 37 per cent of consumers are unaware of the campaign both in rural and urban sector in all 12 states surveyed for the study. Similarly in rural India its only 39 per cent of people who are still unaware about this initiative as compared to 35 per cent of urban India. Hence, the need for more effective with new approach and method is required to target those 37 per cent of population in India.

The entire study suggests that the 'Jago Grahak Jago' campaign that intends to make the consumers aware of their rights will certainly have impact on the consumers. In all states nearly 87 per cent of people agreed that this will leave impact on the masses. More than 80 per cent respondents both in urban and rural areas agreed the same fact. However, this overenthusiastic figure does not lead us to end the campaign. At this stage, the campaigning can be treated as the 'take off' stage. The fact remains, the overwhelming figure on impact analysis has been derived from the masses who know about this campaign. Therefore, many

cheating which can be addressed through other themes of the consumer awareness campaign.

However, one thing is clear which has come out of the study that, consumers will become very careful while buying any products. The study also suggests that, consumers after having seen this campaign will be alert with certain preconditions before purchasing anything. Among the important actions and preconditions, checking MRP and expiry date both figuring 86% of respondents out of those who are aware of this campaign believed that before buying anything this factor, would be a major concern of a consumer . Demanding a bill, inspection of hallmark and monitoring the priority on quality of a product will also be an important aspect for a consumer if he/she buys in future. Checking stickers, logo and price variation which constitute more than 20% of respondents' view will also have impact on consumer behaviour. The same trend on the information they have gained through the advertisement of the campaign is also revealed from the data. It would be inappropriate to draw a conclusion that the 'Jago Grahak Jago' campaign have little impact on the consumers and confined to them who are aware of this campaign. The reason behind this is, people have learnt many things from this campaign. However, the various aspects such as, approaching the Forum and Court and interaction with the shopkeeper is still far behind and need special attention.

The campaigning which was basically channelized through TV, Radio and Newspaper also need to adopt other channels of communication with different vehicles.

Study Report by Data Metion Consultant Pvt. Ltd.

EXECUTIVE SUMMARY

Ministry of Consumer Affairs, Food and Public Distribution, Department of Consumer Affairs, Government of India commissioned a research project to Indian Datamation Consultant Pvt. Ltd. to Evaluation of the Eleventh Plan Scheme on Consumer Awareness. The scope of the study included the evaluation of the impact and effectiveness of the consumer awareness campaign “Jago Grahak Jago” with a view to enhance consumer awareness.

Under the multimedia publicity campaign ‘Jago Grahak Jago’ scope of issues being undertaken has widened considerably. The Department continues to focus on the core issues under its administrative jurisdiction such as Weights & Measure, Consumer Protection Act etc. Simultaneously, an initiative has been taken to give adequate publicity to emerging areas of consumer interest such as banking, insurance, credit cards, medicines, travel services, education, food safety, food standards, food adulteration, misleading advertisements, mediation etc. Other Ministries/Departments have come forward to join hands with Department of Consumer Affairs to jointly mount publicity campaign on issues that are of importance to the consumers. Advertisements have been released through DAVP in national dailies as well as regional newspapers in local languages in accordance with the new advertisement policy of the DAVP. The publicity campaign focused the issues that are directly relevant to the role of the Department such as ISI, Hallmark, labeling, MRP, weights and measures etc. Simultaneously, a major initiative has been taken wherein issues that have come into focus on account of new emerging areas such as telecom, real estate, credit cards, financial products, pharmaceuticals, Insurance, travel services, medicines etc. have been taken through the print advertisement either through joint campaigns with these departments or after joint consultations with these departments.

In order to get regional and national representative data, the entire country was divided into five sub-zones covering all the regions i.e. Central, North, South, East and West zones. The

data was collected from both the rural and urban areas. The survey was conducted in total 14 states & 1 UTs. A total of 12000 respondents spread over 60 districts, including 14 districts under Central Zone, 18 districts under East Zone, 9 districts under North Zone, 12 districts under South Zone and 7 districts under West Zone. In total, sample of 12000 respondents was included for the study.

The responses were recorded by the interviewers on the pre-coded detailed structured survey schedule with few open ended questions to gather qualitative information. To maintain the quality of data for the study, filled in survey schedules were duly scrutinized to rule out any discrepancies/inconsistency of responses.

The salient findings emerged out from the study may prove to be pathfinder for identifying gaps, areas of improvement and designing future communication strategies. The salient findings and recommendation based on them are listed below:

- The study revealed that 97% sample respondents had TV ownership. Of which, cable TV/DTH was available with 90% of the respondents. It is therefore, recommended to continue the consumer awareness campaign on TV especially on cable and satellite Channels. The survey results suggest that 59.5% regularly (6-7 days per week) and 33.1% frequently (3-5 days per week) watch the TV
- With regard to TV channels, private satellite TV channels had highest reach (82.5%), followed by DD News channel (39.4%), DD National (30.7%) and DD Regional (21.1%). As such preferred TV channels for Jaago Grahak Jaago campaign should be private satellite channels, DD News and DD National Channel.
- On TV, Feature Film had maximum viewership (71.2%), followed by Film Music (48.5%), National News (47.9%), Sports Programme (39.5%), Serials (38.6%) and

Regional News (28.1%). As such, video spots should be mounted with those programmes which had good viewership to reach maximum target audience. While deciding the programme genre, the above mentioned programmes should be given preference but rural and urban variation may always be kept in mind.

- In case of normal watching to TV, in the morning, time chunk 8-9 AM attracted maximum respondents (11.7%), followed by 7-8 AM (11.6%). During afternoon, time slot 3-4 PM was found to be highest viewed slot (24%), followed by 2-3 PM (22.6%). In the evening, time chunk 8-9 PM was found to be most popular with 64.7% viewership, followed by 9-10 PM 59.4% and 7-8 PM 46%. These time chunk should be preferred while selecting time slot for Jaago Grahak Jaago campaign on TV channels.
- More than 90.9% of the sample respondents were found to be aware of the Jaago Grahak Jaago campaign. Though the level of awareness was found to be very good yet to reach to cent percent level, there is need to intensify the consumer awareness campaign further by increasing the frequency and duration of various programmes. Which media to choose to increase the level of awareness? The study shows that TV was the best source of awareness (88.6%), followed by News paper/magazine (21.8%) and radio (18.3%).
- Comprehensibility of most of the advertisement was found to be less than one third. As such content and presentation wise almost all the advertisement were not doing very well. Advertisement such as Non-standard packaging, Fake Medicines, overpricing of medicines, Mediation/ Arbitration, Food Adulteration, Insurance, Grievance Redressal Mechanism (Consumer Forums) and Misleading advertisements, respondent's comprehensibility is less than 10%. Therefore there is need of redesigning the advertisement according to the target audience' interest kept in mind.
- A significant change was observed in the level of knowledge and attitude of the target audience which is evident from the response of the target audience. In total, 39.2%

respondent accepted that whatever knowledge they have gained through Jaago Grahak Jaago campaign, they are practicing that in their day to day life. Furthermore, 35.5% respondent accepted that their level of knowledge about various issues has increased. The study also reveals that 35% of the respondents think that their perception and attitude towards various issues has changed. 32.6% respondent also reported that they pass on the information's gained from Jaago Grahak Jaago campaign to others.

- Though the proportion of the sample respondent got benefitted as a sequel to exposing to various consumer awareness campaign was found to be very good yet a long way to go to achieve target of hundred percent. The Jaago Grahak Jaago campaign may further intensified to achieve this.
- The data analysis also reveals that majority of the respondent (82%) accepted that the Instances of Cheating of the Customers have decreased due to the Jaago Grahak Jaago Campaign. Furthermore, 93% of the total respondents consider the "Jaago Grahak Jaago" campaign as a successful campaign. Majority of the respondent (92%) have mentioned that there is a need to have a consumer awareness campaigns.
- Some of the suggestions of respondents are worth considering like repeat broadcast of consumer awareness programme in the evening, broadcasting the programme in regional and local languages, request for more phone in programmes etc.

In brief, the overall Jaago Grahak Jaago campaign on consumer awareness was found to be very effective. The message is penetrating among the masses slowly but steadily which is evident from the change in knowledge, attitude and practice. It has been observed form the practice that such types of Jaago Grahak Jaago campaigns require long and sustained effort to create a ripple of change among the masses. It is, therefore, suggested to continue this campaign with more intensity and effectiveness.

EXTRACTS OF THE MINUTES OF THE SECOND SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2014-15) HELD ON MONDAY, THE 29th SEPTEMBER, 2014

The Committee sat from 1130 hrs. to 1255 hrs. in Committee Room 'C', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri J.C. Divakar Reddy, MP - Chairperson

MEMBERS

Lok Sabha

2. Shri Babu Lal Choudhary
3. Shri Dharmendra Kumar
4. Shri Ravinder Kushawaha
5. Smt. Sakuntala Laguri
6. Dr. Sakshi Maharaj
7. Shri Sunil Kumar Mondal
8. Shri C.S. Putta Raju
9. Smt. Priyanka Singh Rawat
10. Shri P.V. Midhun Reddy
11. Shri Bhola Singh
12. Shri Prabhubhai Nagarbhai Vasava

Rajya Sabha

13. Shri Ritabrata Banerjee
14. Dr. Bhushan Lal Jangde
15. Shri Dhiraj Prasad Sahu

SECRETARIAT

1. Shri P.K. Misra - Additional Secretary
2. Shri A.K. Shah - Director
3. Shri Lovekesh Kumar Sharma - Additional Director
4. Shri Khakhai Zou - Under Secretary

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

1. Shri Keshav Desiraju, Secretary
2. Smt. Chandralekha Malyiya, Principal Advisor
3. Shri G. Gurucharan, Additional Secretary
4. Shri Prabhas Kumar Jha, Additional Secretary & Financial Advisor
5. Shri Manoj Kumar Parida, Joint Secretary
6. Smt. Bharti Das, Chief Control of Accounts
7. Smt. Alka Panda, Additional Director General (BIS)

8. Dr. Bijendra Kumar, DG(NTH)
9. Mrs. Ranjana Nagpal, Deputy Director General, NIC
10. Shri B.N. Dixit, Director
11. Shri P.K. Singh, Managing Director (NCCF)
12. Shri Anil Srivastav, Joint Registrar (NCDRC)

2. At the outset, the Chairperson welcomed the members of the Committee and apprised them that the sitting had been convened to take a briefing by the representatives of Department of Consumer Affairs (Ministry of Consumer Affairs, Food and Public Distribution) in connection with examination of the Demands for Grants (2014-15) of the Department.

[Witnesses were then called in]

3. The Chairperson then welcomed the representatives of the Department of Consumer Affairs to the sitting and read out Direction 55 (1) of the Directions by the Speaker regarding confidentiality of the proceedings. After permission from the Chairperson, the Secretary, Department of Consumer Affairs made a Power Point presentation highlighting *inter alia* vision of Department, various Acts being administered by the Department, Twelfth Plan outlay and budget allocation during 2013-14 and 2014-15 viz-a-vis expenditure, etc. The main issues that come up for discussion include, inordinate long time taken in settlement of cases in Consumer Courts, need for checking adulteration in food items, especially in milk by deterrent and exemplary punishment, need for strict enforcement by different regulators for prevention of misleading advertisements appearing both in print and electronic media, etc.

4.	X	X	X	X	X
5.	X	X	X	X	X

The Committee then adjourned.

A verbatim record of the proceedings has been kept.

X Matter not related with the Report.

EXTRACTS OF THE MINUTES OF THE FOURTH SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2014-15) HELD ON MONDAY, THE 20th OCTOBER, 2014

The Committee sat from 1130 hrs. to 1300 hrs. in Committee Room 'C', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri J.C. Divakar Reddy, MP - Chairperson

MEMBERS

Lok Sabha

2. Shri Babu Lal Choudhary
3. Shri Dinesh Kashyap
4. Shri Dharmendra Kumar
5. Shri Ravinder Kushawaha
6. Smt. Sakuntala Laguri
7. Dr. Sakshi Maharaj
8. Shri R.K. Bharathi Mohan
9. Shri Sunil Kumar Mondal
10. Shri Kamlesh Paswan
11. Shri Bholu Singh
12. Shri Prabhubhai Nagarbhay Vasava
13. Shri Nandi Yeliaiah

Rajya Sabha

14. Shri Ritabrata Banerjee
15. Shri Shadi Lal Batra
16. Dr. Bhushan Lal Jangde
17. Dr. K. Keshava Rao
18. Shri Amar Singh

SECRETARIAT

1. Shri P.K. Misra - Additional Secretary
2. Shri A.K. Shah - Director
3. Shri Lovekesh Kumar Sharma - Additional Director
4. Shri Khakhai Zou - Under Secretary

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

1. Shri Keshav Desiraju, Secretary
2. Smt. Chandralekha Malviya, Principal Advisor
3. Shri G. Gurucharan, Additional Secretary
4. Shri Prabhas Kumar Jha, Additional Secretary & Financial Advisor
5. Shri Manoj Kumar Parida, Joint Secretary
6. Shri K.G.Radhakrishanan, Economic Advisor
7. Smt. Bharti Das, Chief Controller of Accounts
8. Dr. Bijendra Kumar, DG(NTH)
9. Mrs. Ranjana Nagpal, Deputy Director General, NIC
10. Shri Sunil Soni, Director General, Bureau of Indian Standards
11. Shri Prashant Kumar Singh, Managing director, National Co-operatives Consumer Federation.
12. Shri Premraj Kuar, Deputy General

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 Department of Consumer Affairs (Ministry of Consumer Affairs, Food and Public Distribution) in connection with examination of the Demands for Grants (2014-15).

[Witnesses were then called in]

3. The Chairperson then 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. Thereafter, the Chairperson raised various issues that inter-alia include viz. need for National Programme on Consumer Awareness, Protection and Welfare of 120 crore people with adequate resources, lesser funds with the Department during 11th and 12th Plan, huge under-utilization during 11th Plan, huge unspent balances as on 1st April, 2014 in the Department, huge pendency of cases in Consumer Courts, etc. The Secretary, Department of Consumer Affairs replied to the various issues raised by the Chairperson as well as responded to the queries raised by Members of the Committee.

4. X X X X X X

The Committee then adjourned.

A verbatim record of the proceedings has been kept.

X Matter not related with the Report.

EXTRACTS OF THE MINUTES OF THE SEVENTH SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2014-15) HELD ON THURSDAY, THE 18th DECEMBER, 2014

The Committee sat from 1500 hrs. to 1530 hrs. in Committee Room No. '139', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri J.C. Divakar Reddy, MP - Chairperson

MEMBERS

Lok Sabha

2. Shri Babu Lal Choudhary
3. Shri Dharmendra Kumar
4. Shri Ravinder Kushawaha
5. Shri R.K.Bharati Mohan
6. Shri Sunil Kumar Mondal
7. Smt. Priyanka Singh Rawat
8. Shri Bhola Singh
9. Shri Nandi Yeliaiah

Rajya Sabha

10. Shri Ritabrata Banerjee
11. Shri Pankaj Bora
12. Dr. Bhushan Lal Jangde
13. Dr. K.Keshva Rao

Secretariat

1. Shri P. K. Misra - Additional Secretary
2. Shri A.K.Shah - Director
3. Shri Lovekesh Kumar Sharma - Additional Director
4. Shri Khakhai Zou - Under Secretary

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 (2014-15) of (i) X X X and (ii) Department of Consumer Affairs (Ministry of Consumer Affairs, Food and Public Distribution).

2. The Committee then took up for consideration the Draft Reports pertaining to the X X X X X. and Department of Consumer Affairs. After due deliberations, the Committee unanimously adopted the Draft Report pertaining to the Department of Consumer Affairs without any amendments/modifications. The Committee also decided that in case any members give suggestions on or before 19.12.2014, the same may be incorporated in the Draft Reports.

3. X X X X X X X X

4. The Committee then authorized the Chairperson to finalize the aforesaid Draft Reports after factual verification from the concerned Ministry/Departments and present the same to the Parliament.

The Committee then adjourned.

X Matter not related to the Report.