STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2019-20)

SEVENTEENTH LOK SABHA

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

DEMANDS FOR GRANTS (2020-21)

FOURTH REPORT



LOK SABHA SECRETARIAT NEW DELHI

March, 2020/ Phalguna, 1941 (Saka)

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(SEVENTEENTH LOK SABHA)

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

DEMANDS FOR GRANTS (2020-21)

Presented to Lok Sabha on 13.03.2020

Laid in Rajya Sabha on 13.03.2020



LOK SABHA SECRETARIAT NEW DELHI

March, 2020/ Phalguna, 1941 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2019-20).

Shri Sudip Bandyopadhyay, Chairperson

<u>Lok Sabha</u>

- 2. Shri Karadi Sanganna Amarappa
- 3. Shri C. N. Annadurai
- 4. Shri Girish Bhalchandra Bapat
- 5. Shri G. S. Basavaraj
- 6. Ms. Pratima Bhoumik
- 7. Smt. Pramila Bisoyi
- 8. Shri Anil Firojiya
- 9. Shri Rajendra Dhedya Gavit
- 10. Shri Bhagwant Mann
- 11. Shri Khagen Murmu
- 12. Shri Mitesh Rameshbhai (Bakabhai) Patel
- 13. Shri Subrat Pathak
- 14. Shri Manne Srinivas Reddy
- 15. Dr. Sanjeev Kumar Singari
- 16. Smt. Himadri Singh
- 17. Smt. Kavita Singh
- 18. Shri Ajay Misra Teni
- 19. Shri Saptagiri Ulaka
- 20. Shri Rajmohan Unnithan
- 21. Shri Ve.Vaithilingam

Rajya Sabha

- 22. Smt. Shanta Chhetri
- 23. Shri K. G. Kenye
- 24. Smt. M. C. Mary Kom
- 25. Shri Rajmani Patel
- 26. Shri Sakaldeep Rajbhar
- 27. Dr. Anbumani Ramadoss
- 28. Shri Amar Shankar Sable
- 29. Shri Veer Singh
- 30. Shri Satish Chandra Dubey@
- 31. Vacant\$

LOK SABHA SECRETARIAT

| 1. | Shri Pawan Kumar | - | Joint Secretary |
|----|-----------------------------|---|------------------|
| 2. | Shri Lovekesh Kumar Sharma | - | Director |
| 3. | Shri G. Guite | - | Deputy Secretary |
| 4. | Shri Dong Lianthang Tonsing | - | Under Secretary |
| | | | |

@ Nominated to the Committee w.e.f. 04.02.2020

\$ vice Shri K.T.S. Tulsi retired from Rajya Sabha w.e.f. 24.02.2020

INTRODUCTION

I, the Chairperson of the Standing Committee on Food, Consumer Affairs and Public Distribution (2019-2020) having been authorized by the Committee, present on their behalf the Fourth Report (Seventeenth Lok Sabha) on Demands for Grants (2020-21) relating to the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs).

2. The Committee examined/scrutinized the detailed Demands for Grants (2020-21) of the Ministry which were laid on the Table of the House on 11th February, 2020. The Committee took oral evidence of the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) on 26th February, 2020.

3. The Committee wish to express their thanks to the officers of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) for appearing before the Committee and furnishing the material and information which the Committee desired in connection with the examination of the Demands for Grants (2020-21).

4. The Draft Report was considered and adopted by the Committee at their sitting held on 11th March, 2020.

5. For facility of reference and convenience, the observations/recommendations of the Committee have been printed in bold type in the body of the Report.

NEW DELHI <u>11 March, 2020</u> 21 Phalguna, 1941 (Saka) SUDIP BANDYOPADHYAY, Chairperson, Standing Committee on Food, Consumer Affairs and Public Distribution

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CHAPTER – I

INTRODUCTORY

Role of the Department

1.1 The Department of Consumer Affairs (DCA) is one of the two Departments under the Ministry of Consumer Affairs, Food & Public Distribution. The mandate of the Departments is consumer advocacy.

1.2 India was pioneer in consumer advocacy with the Consumer Protection Act (CPA), a path breaking legislation at the time, enacted in 1986 and the establishment of a separate government department dedicated to consumer affairs as early as in 1997. Translating this mandate into action entail:

- 1. Enabling consumers to make informed choices;
- 2. Ensuring fair, equitable and consistent outcomes for consumers; and
- 3. Facilitating timely and effective consumer grievance redress.
- 1.3 The Department has been entrusted with administering:
 - Internal Trade
 - The Bureau of Indian Standards Act, 1986
 - The Bureau of Indian Standards
 - The Consumer Protection Act, 1986
 - The Essential Commodities Act, 1955 (10 of 1955) (Supply, Price and Distribution of Essential Commodities not dealt with specifically by any other Department)
 - Monitoring Price and availability of essential commodities
 - The Prevention of Black Marketing and Maintenance of Supply of Essential Commodities Act, 1980 (7 of 1980)
 - Consumer Cooperatives
 - Regulation of Packaged Commodities
 - The National Test House

1.4 The Minister of Consumer Affairs, Food and Public Distribution on 11.02.2020 laid on the Table of Lok Sabha, the Detailed Demands for Grants (2020-2021) relating to the Department of Consumer Affairs. The Detailed Demands for Grants for the Department of Consumer Affairs shows a gross budgetary provision of Rs.2,561 crore. This includes Rs.2,195 crore for Scheme and Rs.366 crore for non-Scheme. The gross BE, RE and AE for the year 2019-20 are Rs.2291.82 crore, Rs.2069.50 crore and Rs. 173.97 crore. The combined figures for BE, RE and AE pertaining to the years 2019-20 and 2020-21 is given in the following table :

(Rs. In crores)

| SI. No. | HEAD | 2019-20 | | | | | | | BE for 2020-21 | | |
|------------|--|---------|-------|-------|--------|-----------|-------|----------|----------------|----------------|-------|
| | | Centre | | | | Non-Scher | me | | Scheme | Non- Scheme | Total |
| | | BE | RE | AE | BE | RE | AE | Total AE | | | |
| 1. | Secretariat & Economic Service | | | | 30.99 | 31.14 | 24.06 | 24.06 | | 31.59 | 31.59 |
| 2. | Consumer Awareness (Publicity) | 62 | 40 | 29.15 | | | | 29.15 | 60 | | 60 |
| 3. | Consumer Protection | 35 | 48.49 | 35.58 | 18.90 | 20.37 | 15.06 | 50.64 | 49 | 22.35 | 71.35 |
| 4. | Weights and Measures Establishment of Laboratories | 50 | 27.84 | 16.51 | 7.89 | 8.24 | 5.79 | 22.3 | 62 | 8.28 | 70.28 |
| 5. | National Test House | 25 | 10.07 | 5.67 | 38.54 | 40.25 | 32.23 | 37.9 | 20 | 42.78 | 62.78 |
| 6. | Strengthening of Price Monitoring Cell | 2 | 1.6 | 1.10 | | | | 1.10 | 2 | | 2 |
| 7. | BIS Gold Hallmarking Assaying Centres and Standardisation of Quality Control | 2 | 2 | 1.65 | | | | 1.65 | 2 | | 2 |
| 8. | Price Stabilization Fund | 2000 | 1820 | | | | | | 2000 | | 2000 |
| 9. | Consumer Welfare Fund | | | | 19.50 | 19.50 | 7.17 | 7.17 | | 261 | 261 |
| | Total | 2176 | 1950 | 89.66 | 115.82 | 119.50 | 84.31 | 173.97 | 2195 | 366 | 2561 |

1.5 The details of funds allocated to Department of Consumer Affairs for the year 2020-21 are as under:-

| | | (Rs. in Crores) |
|------------|--|-----------------|
| SI. No. | Scheme | 2020-21 |
| | | Allocation |
| 1 | Consumer Protection (Strengthening Consumer Fora / ICGRS/ CONFONET/Consumer Protection Cell) | 49.00 |
| 2 | Consumer Awareness (Publicity) | 60.00 |
| 3 | Strengthening of Price Monitoring Cell (PMC) | 2.00 |
| 4 | Strengthening of Legal Metrology Infrastructure (Weights & Measures) | 62.00 |
| 5 | Strengthening National Test House (NTH) | 20.00 |
| 6 | Bureau of Indian Standards (BIS) | 2.00 |
| | Total | 195.00 |
| 7 | Price Stabilization Fund | 2000.00 |
| | Grand Total | 2195.00 |

1.6 As per the material furnished by the Department of Consumer Affairs out of the total amount of Rs.195000 lakh made in the Revised Estimate(RE) of scheme fund/Plan fund during the year 2019-20,an expenditure of Rs. 8966 lakh was made.This is 4.597% of the RE of 2019-20.

1.7 The Department of Consumer Affairs have informed in a written note about the poor spending in the PSF operation as under:

"Kharif arrivals of pulses begins from around September with Moong, followed by Urad and Tur until March-April. These are followed by arrival of Rabi crop of Masur and Chana. Also, Government has decided that procurement at Minimum Support Price (MSP) would be under Price Support Scheme) (PSS) of

Department of Agriculture, Cooperation and Farmers' Welfare (DACFW) and requirement towards building suitable buffer would be met from the PSS stock on cost basis in case procurement is not required to be undertaken under Price Stabilisation Fund (PSF).Kharif pulses procured under PSS by National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED)/DACFW are made available for transfer from PSS to PSF as per procedure including firming up of procurement, consolidation of Warehouse Receipts (WHRs), etc., commencing around January. Hence w.r.t. agreed quantum of transfer of Kharif pulses from PSS to PSF, concomitant payment becomes due during Q4 of the fiscal.Thus, expenditure under PSF is undertaken for building buffer stock of upto 20 LMT pulses and depends upon the prevailing and anticipated market scenario, which are themselves dynamic, amongst other factors. It is imperative to procure fresh pulses to ensure longevity and productivity, which are essential elements for buffer stock of pulses. As production, quality and arrivals of fresh pulses is time sensitive, procurement has to be undertaken within the specified time period. Thus, the intervention cannot be evenly spread out over the year. Accordingly, the expenditure on such intervention will also be concentrated generally during peak market arrivals, also ensuring remunerative prices to farmers, resulting into non-uniform spending pattern under this head for 2019-20."

1.8 The Ministry have further stated the other reasons for poor spending as:

(i) stoppage of campaign through Doordarshan, All India Radio, BOC, etc. due to non approval of creatives from AD, approval Cell;

(ii) non-submission of utilization certificates of earlier grant-in-aid;

(iii) non-utilization of funds by Central Public Works Department (CPWD), allocated for construction/renovation of laboratories, buildings; and

(iv) non-finalisation of the specification and floating of indent/tender for procurement of timing instruments for Time Dissemination Project by National Physical Laboratory, New Delhi (NPL) 1.9 Under the non-scheme an expenditure of Rs. 8431 lakh which is 70.55% of the RE of Rs. 11950 lakh was made during the year 2019-20.

1.10 The Committee note that Budget Estimates (BE) and Revised Estimates (RE) and Actual Expenditure (AE) during the year 2019-20 were Rs. 229182 lakh, Rs.206950 lakh and Rs.17397 lakh respectively, which means that only 8.4 per cent of the Revised Estimates was actually spent. While the spending pattern of the non-Scheme funds as proportion to RE was 70.55% of the RE, the actual expenditure of Scheme fund as proportion to the RE is 4.12%. The Committee are also concerned to note the lack of uniformity of spending pattern across the schemes/heads. For example, during the year 2019-20, 73% of RE for Consumer Protection (CP) and 72.8% of RE for Consumer Awareness & Publicity have actually been spent. Similarly, there are poor spendings in Weights & Measures (W&M) and National Test House (NTH) which are 59.3% and of 56.3% of RE respectively. The Ministry have stated that the prevailing and anticipated market scenario being dynamic has been responsible for "non-uniform spending pattern". Also stoppage of campaign through the Doordarshan (DD), All India Radio (AIR), Bureau of Outreach and Communication (BOC), etc, due to non approval of creatives by AD, Approval Cell, non-completion of work by Central Public Works Department (CPWD) and non-finalisation of the specification and floating of indent/tender for procurement of timing instruments for Time Dissemination Project by National Physical Laboratory, New Delhi (NPL) are stated to be other reasons for the poor expenditure of funds. It is obvious that the nil spending in Price Stabilization Fund (PSF) which constitutes 93.3% of the total fund in the RE (Scheme) has dented the overall spending position. However, even after

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leaving aside the PSF head, the actual expenditure in proportion to the RE is still as low as 68.96%. The reasons given by the Ministry for poor spending of funds such as non-completion of work by CPWD, non-finalisation of tender for procurement of timing instruments by the NPL, stoppage of campaign through DD, AIR, BOC, etc, are not convincing. The Committee opine that with a closer monitoring, the expenditure rate could have been higher. The Committee desire that the Government should make efforts to identify the problems associated with agencies such as DD, AIR, BOC and the Approval Cell, CPWD and NPL through whom the projects/schemes are executed and plug the loopholes to ensure better fund utilization by the Government.

CHAPTER – II

DEMANDS FOR GRANTS (2020-21) – AN OVERVIEW

2.1 The Demands for Grants (2020-21) of the Department of Consumer Affairs make a net provision of Rs. 2,195 crore for Central sector schemes. An overview of scheme allocation for the year (2020-21) is as under :-

| | | (Rs. in Crores) |
|------------|--|-----------------|
| SI. No. | Scheme | Allocation |
| 1 | Consumer Protection (Strengthening Consumer Fora / ICGRS/ CONFONET/Consumer Protection Cell) | 49.00 |
| 2 | Consumer Awareness (Publicity) | 60.00 |
| 3 | Strengthening of Price Monitoring Cell (PMC) | 2.00 |
| 4 | Strengthening of Legal Metrology Infrastructure (Weights & Measures) | 62.00 |
| 5 | Strengthening National Test House (NTH) | 20.00 |
| 6 | Bureau of Indian Standards (BIS) | 2.00 |
| | Total | 195.00 |
| 7. | Price Stabilization Fund | 2000.00 |
| | Grand Total | 2195.00 |

(Reply Q.1, P.1 & 77)

2.2 The Schemes/programmes/projects are being implemented by the Department of Consumer Affairs through its two umbrella schemes namely (1) Consumer Protection and (2) Legal Metrology & Quality Assurance. Apart from these two umbrella schemes, the Department also implements Price Stabilization Fund (PSF). The umbrella scheme of Consumer Protection covers (a) Scheme of Strengthening Consumer Fora (SCF), (b) Computerization and Computer Networking of Consumer Fora in the Country (CONFONET), (c) Integrated

Consumer Grievances Redressal System (ICGRS) and (d) Consumer Awareness (Advertising & Publicity).

2.3 The umbrella Legal Metrology and Quality Assurance covers (i) Strengthening of the Legal Metrology Regulation and Enforcement, (ii) Strengthening of the NTH and (iii) Strengthening of Gold Hall Marking, Standard related capacity building and research and development work.

Scheme-wise Analysis

1. Consumer Protection

2.4 According to the Department, the main objectives of the Consumer Protection Programme are :

(i) To create suitable administrative and legal mechanisms which would be within the easy reach of consumers and to interact with both Government and non-Governmental Organizations to promote and protect the welfare of the consumers.

(ii) To involve and motivate various sections of society including consumer organizations, women and youth to participate in the programme.

(iii) To generate awareness among consumers about their rights and responsibilities, motivate them to assert their rights so as not to compromise on the quality and standards of goods and services and to seek redressal of their disputes in consumer fora, if required.

(iv) To educate the consumers as to be aware of their rights & social responsibilities.

(v) To provide a meaningful consumer protection through proper legislation.

2.5 The Department has enacted and implemented the Consumer Protection Act, 1986 in the country. The Government has also been extending financial assistance under the scheme of strengthening of infrastructure of Consumer Fora so that minimum level of facilities are made available at each Consumer Forum which are required for their effective functioning. A National Consumer Helpline (NCH) acts a handholding platform for an Alternate Dispute Resolution of consumer grievances.

2.6 Besides, the Computerization and Computer Networking of Consumer Fora in the Country (CONFONET) provides an Information and Communication (ICT) solution for efficiency, transparency, systematising of working and e-governance at the Consumer For a for speedy delivery of information to the consumers

2.7 The BE, RE and AE for the year 2019-20 are Rs 3500 lakh, Rs. 4849 lakh and Rs. 3558 lakh respectively. For the year 2020-21 an amount of Rs. 4900 lakh is allocated by the Government for the Consumer Protection. The main objective of Consumer Protection is consumer advocacy. The Consumer Protection Act, 2019 has been enacted, which when comes into operation, will replace the more than three decades old Consumer Protection Act, 1986. The new Act contains several new features such as establishment of an executive body, the central Consumer Protection Authority, to regulate matters relating to violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of public and consumers and to promote, protect and enforce the rights of consumers as a class, mediation as an alternate disputes Redressal mechanism, provision for product liability action, provision for making rules to regulate unfair trade practices in e-commerce and direct selling, penalty for adulteration of products and spurious goods and several measures for simplification of the adjudication process of consumer complaints in the Consumer Commissions. These measures will benefit the consumers.

2.8 Schemes such as strengthening the infrastructure of Consumer Fora, computerisation of the functioning of the Consumer Commissions, National Consumer Helpline, State Consumer Helpline are being run. Drafts of 8 rules to be

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notified under the new Act have been prepared. These were uploaded in the Department's website inviting comments/suggestions from the stakeholders. After examination of the comments of the stakeholders, 3 rules have been finalized and sent to the Legislative Department for vetting. The remaining rules are being finalized and will be sent to Legislative Department for vetting.

2.9 With regard to the Consumer Protection Councils, the Ministry have informed the Committee in a written reply that the Vice Chairman of the Council during the 31st meeting held on 17th April, 2017, observed that Consumer Protection Councils at the district, State and national levels are mandated to advise the Governments at the State and Centre on better protection of rights and interests of consumers, but many a times such Councils remain inactive and defunct without making any major contribution to the consumer welfare.

2.10 The Committee observe that the Department of Consumer Affairs administers Consumer Protection Act, 1986. Budget allocation for the year 2020-21 under this head for various schemes/projects which are being implemented, such as Strengthening of Consumer Fora, Computerization and Computer Networking of Consumer For (CONFONET), Consumer Protection Cell and Integrated Consumer Grievances Redressal System (ICGRS) is Rs.4900 lakh. The Government have also drafted 8 rules under the Consumer Protection Act, 2019, which will replace the Consumer Protection Act, 1986. Out of the 8 rules, 3 have been finalized and sent to Legislative Department for vetting. Rest of the rules are under finalization and will be sent to the Legislative Department for vetting. The Committee are of the view that Consumer Protection is a very important component of the Department of Consumer Affairs and the strengthening various of consumer fora/Commissions, computerization and helplines under this Scheme are essential for achieving the objectives/desired results envisaged under Consumer Protection Act, 1986. The Committee, therefore, recommend that Department should take steps so as to gear up the administrative, legal and technological mechanisms to meet the challenges that may come up when the rules of Consumer Protection Act, 2019 are ready and the new Act put into operation.

2.11 The Committee note with concern the fact that the Consumer Protection Councils at the district, State and national levels remain inactive and defunct many a time. The performance of the Councils as per the mandate would have brought about positive changes in the sphere of consumer rights in the country. The Committee, therefore, recommend that the Government should activate and closely monitor situation in order to ensure that these Consumer Protection Councils at the District and State levels function as per their mandate. They would also desire to be apprised of corrective steps taken by the Government in this regard within three months of the presentation of this report.

(a) Strengthening Consumer Fora (SCF)

2.12 Though the responsibility of establishing consumer fora at the District and State levels are that of the States/UTs, the Central Government has been implementing schemes for improving the functioning of consumer fora. The Central Government has been extending financial assistance to States/UTs for strengthening the infrastructure of consumer fora so that minimum level of facilities are made available at each consumer forum, which are required for their effective functioning. Infrastructural facilities being provided under the scheme, include construction of new building of the consumer fora, carrying out addition/alteration/renovation of existing buildings and also for acquiring non-building assets such as furniture, office equipment, installation of a CCTV Cameras etc. It is also proposed to establish new District Fora where there is none.

2.13 During the year 2019-20, a total of Rs.444.22 lakhs have been released out of BE of Rs. 600.00 lakhs under SCF scheme. Major physical targets against the amount released so far include construction of three District Consumer Fora in Haryana, one in Andaman & Nicobar Islands and one in Punjab and seven Mediation Centres in Uttar Pradesh. However, the Department of Consumer Affairs is yet to receive Utilization Certificates from aforementioned States/UTs for above physical targets.

2.14 The Budget Estimate for 2020-21 under SCF is Rs.800 lakh. The Government have informed in a written reply that for construction of toilets, an amount of Rs.1.50 crore to Daman & Diu, Rs.7.50 lakh to Delhi, Rs.75 lakh to Lakshadweep, Rs.23.23 lakh to Odisha, Rs.3 lakh to Sikkim and Rs.14 lakh to Uttar Pradesh have been released during the year 2019-20.

| 2.15 | Asked | about | the | disposal | of | cases | in | each | of | the | 3 | tiers | of | Consumer | |
|--------|--------|----------|------|-----------|----|--------|-----|---------|-------|------|----|-------|----|----------|--|
| Fora/0 | Commis | sion, th | e De | epartment | of | Consun | ner | Affairs | s int | form | ed | :- | | | |

| Year | FILED | RESTORED | DISPOSED | DISPOSAL RATE |
|-------------|--------|----------|----------|---------------|
| 2017 | 170049 | 2244 | 142138 | 82.50 |
| 2018 | 159751 | 1657 | 129402 | 80.17 |
| 2019 | 174666 | 2090 | 130413 | 73.78 |
| 2020 | 21023 | 259 | 14987 | 70.42 |
| GRAND TOTAL | 522638 | 6189 | 414751 | 78.41 |

2.16 As stated earlier the Department of Consumer Affairs have released funds for construction of 7 Mediation Centres in Uttar Pradesh. Asked about the achievement of physical targets in Mediation Centres the Department have informed that such data is not maintained by them.

2.17 The Committee note that for strengthening of Consumer Fora, the Government allocated an amount of Rs. 600 lakh out of which an amount of Rs. 444.22 lakh has been released to States/UTs. Strengthening of infrastructure of the consumer fora being vital for consumer empowerment, the Committee are of the view that monitoring of the progress of implementation of projects cannot be over emphasised. The Committee also note with concern the declining rate of disposal of cases in Consumer Fora from 82.50% in 2017 to 80.17% in 2018 to 73.78% in 2019 and to 70.42% in 2020. The Government could have avoided this dismal scenario through better attention to the Mediation Centres. But it has come to knowledge of the Committee that the Government neither have data relating to the 3 tiers of consumer disputes redressal fora, nor about Mediation Centres. The Committee, therefore, recommend that the Union Government should maintain and update data relating to cases disposed of in Consumer Fora down to the district level and the Mediation Cells attached therewith and also regularly upgrade the level of sophistication of such Fora and Cells, as it would equip the Union Government to initiate steps to strengthen the Consumer Fora/Commissions appropriately. Also, the Department should obtain utilisation certificates for funds released for strengthening of Consumer Fora at the earliest.

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(b) Integrated Grievance Redressal Mechanism

2.18 After the 12th Plan period, it was decided to have a single scheme to fund all the activities related to consumer grievance redressal, to be called "Integrated Consumer Grievance Redress System (ICGRS)". The BE, RE and AE for 2019-20 under the scheme of ICGRS is Rs. 500 lakh, Rs. 791 lakh and Rs. 466 lakh respectively while the BE for 2020-21 is Rs. 850 lakh. Financial Assistance from this scheme is being provided for:

- National Consumer Helpline(NCH)
- State Consumer Helplines in the States(SCH)
- Zonal Consumer Helplines(ZCH)
- Handling of complaints relating to misleading advertisements received through GAMA portal and
- Other Consumer grievance related activities including social media initiatives such as developing applications etc.

2.19 The Integrated Grievances Redressal Mechanism (INGRAM V2.3) provides the sector specific facility to enter the grievance in the system. The Department of Consumer Affairs have furnished information about the number of dockets registered in INGRAM State-wise during the years 2018-19 and 2019-20 till January 2020 as:

| SI. No. | State | 2018-19 | 2019- 20 till Jan 2020 |
|---------|----------------|---------|---------------------------|
| 1 | UTTAR PRADESH | 82200 | 93878 |
| 2 | MAHARASHTRA | 78786 | 83723 |
| 3 | DELHI | 66281 | 70117 |
| 5 | WEST BENGAL | 41183 | 43828 |
| 4 | RAJASTHAN | 35185 | 40995 |
| 6 | KARNATAKA | 34590 | 41883 |
| 8 | GUJARAT | 32412 | 35744 |
| 7 | MADHYA PRADESH | 31543 | 33449 |
| 9 | HARYANA | 30396 | 34927 |
| 10 | BIHAR | 24956 | 33056 |
| 11 | TELANGANA | 16789 | 26016 |
| 12 | PUNJAB | 14355 | 17081 |
| 13 | TAMIL NADU | 14061 | 18150 |
| 14 | ODISHA | 8524 | 10273 |
| 15 | JHARKHAND | 8168 | 10014 |

| 16 | ANDHRA PRADESH | 8117 | 13731 |
|----|------------------|--------|--------|
| 17 | CHHATTISGARH | 7076 | 6938 |
| 18 | UTTRAKHAND | 6271 | 7637 |
| 19 | KERALA | 5841 | 6694 |
| 20 | ASSAM | 5156 | 6292 |
| 21 | JAMMU & KASHMIR | 3780 | 3659 |
| 22 | HIMACHAL PRADESH | 3171 | 3841 |
| 23 | CHANDIGARH | 2993 | 3362 |
| 24 | GOA | 1167 | 1238 |
| 25 | TRIPURA | 703 | 938 |
| 26 | PUDUCHERRY | 289 | 332 |
| 27 | MEGHALAYA | 261 | 319 |
| 28 | ARUNACHAL | 225 | |
| | PRADESH | | 257 |
| 29 | DADRA & NAGAR | 207 | |
| | HAVELI | | 229 |
| 30 | ANDAMAN NICOBAR | 204 | 148 |
| 31 | MANIPUR | 194 | 181 |
| 32 | SIKKIM | 178 | 268 |
| 34 | DAMAN & DIU | 122 | 166 |
| 33 | NAGALAND | 121 | 133 |
| 35 | MIZORAM | 65 | 59 |
| 36 | LAKSHDWEEP | 7 | 9 |
| 37 | LADAKH | 0 | 6 |
| | Grand Total | 565577 | 649571 |

2.20 An Integrated Grievance Redressal Mechanism in the way of National Consumer Helpline (NCH) and 6 Zonal Helplines would work parallel to help consumers to resolve their problems. As the country's largest advice provider, NCH is equipped to deal with any issue, from anyone, spanning various sectors. Through the training, information systems and operational support it provides highest quality advice to the consumers. The NCH service offers information and advice through face-to-face, phone and email services, SMS and online. It also takes up consumer advocacy and education responsibilities from a range of consumer issues. NCH under the convergence initiative, provides a platform to complainants to get their complaints addressed and redressed by companies who have voluntarily partnered with the National Consumer Helpline. Thus NCH Convergence acts as a handholding platform for an Alternate Dispute Resolution of consumer grievances..

2.21 The Government has also informed the Committee that 94.58% of the total grievances registered (228342 out of 241420) in the helpline between April, 2018 to March, 2019 had been settled through convergence route. The figure between April, 2019 and December, 2019 (231888 out of total 252263 grievances registered) is 91.92%.

2.22 As regards status of grants released and utilization certificates for the years 2017-18 and 2018-19 as on 24.02.2020 under State Consumer Helpline, the Department furnished the following information:

| | | | | (- | | -, |
|--------|--------------------|---------|---------|-------------|----------------------|----|
| SI.No. | States/UTs | 2017-18 | 2018-19 | 2019- 20 | Utilization funds | of |
| 1. | Chandigarh | 15.10 | 5.07 | | 20.17 | |
| 2. | Haryana | 38.77 | | | | |
| 3. | Jammu & Kashmir | 29.88 | | | | |
| 4. | Karnataka | 27.24 | | | | |
| 5. | Kerala | 16.96 | | | | |
| 6. | Rajasthan | | 27.24 | | | |
| 7. | Sikkim | 13.49 | | | 13.49 | |
| 8. | Uttar Pradesh | 21.70 | | 32.79 | 21.70 | |
| 9. | West Bengal | 11.88 | | | | |
| | Total | 175.02 | 32.31 | 32.79 | 55.36 | |

(Rupees in Lakhs)

2.23 It may be seen that an amount of Rs.240.12 lakh has been released for the State Consumer Helpline to 9 States. Out of that Utilization Certifications for Rs.55.36 lakh has been received by the Department of Consumer Affairs.

2.24 The Committee note that the Government allocate funds under the scheme of Consumer helpline wherein the National Consumer Helpline, Zonal Consumer Helplines and State Consumer Helplines are integrated under the new scheme of Integrated Consumer Grievance Redressal System (ICGRS). The Financial Assistance from this scheme is being provided for social media initiatives such as developing applications etc. They, therefore, desire that the Government should deploy part of the fund for developing computer application for use in the Mediation Centres with a view to eventual integration of the centres with the entire network of the NCH/ICGRS through the INGRAM V2.3.

2.25 The Committee are also happy to note that the Helpline/Integrated Consumer Grievances Redressal System has partnered with 620 convergence companies and pre-litigation settlement have been made in case of 94.58% of the grievances registered in 2018-19 and 91.92% of the grievances registered between April to December, 2019. It may be noted here that out of the total cases coming in the Consumer Fora/Commissions percentage of cases disposed of fell from 82.50% in 2017 to 80.17% in 2018 to 73.78% in 2019 and further to 70.42% in 2020. The Committee recommend that the Government should make all out efforts to get as many consumer disputes as possible, filtered through the helplines established at the Centre, Zone and State levels by spreading awareness about the existence of such helplines through the Jago Grahak Jago campaigns, the Bureau of Outreach and Communication (BOC), etc. The Committee believe that settlement of cases through the Helpline has a good potential to bring about justice to consumer, and they, therefore, recommend that the Department should be mobilizing funds in favour of helplines by liberalizing their expenditure within the permissible financial rules.

2.26 The Committee further note that a total grant amounting to Rs. 240.12 lakh has been released to various States/UT Administrations under the Consumer Helpline Scheme during the years 2017-18, 2018-19 and 2019-20,

out of which utilization certificates (UCs) for just Rs. 55.36 lakh have been received. No UC have been received in respect of Haryana, Jammu & Kashmir, Karnataka, Kerala, Rajasthan and West Bengal and UC on a part of the grant received was furnished by the State of Uttar Pradesh. The Committee desire the Department to vigorously pursue with the 7 States/UT Administrations to furnish Utilization Certificates in respect of grants under Consumer Helpline Scheme and apprise them the outcome thereof at the earliest.

(c) CONFONET

The scheme of 'Computerization and Computer Networking of Consumer 2.27 Fora in the country (CONFONET)' aims to digitalize the functioning of the Consumer Fora at all the three tiers throughout the country to enable access of information and quicker disposal of cases. The CONFONET project has provided an ICT solution for efficiency, transparency, systemizing of working and e-governance at the consumer fora for speedy delivery of information to the consumers. An Online Case Monitoring System (OCMS) has been developed and implemented by NIC to facilitate entry of consumer cases online in the consumer fora. The registration of complaints, recording of court proceedings, issue of notices, generation of cause lists, recording of judgments, record-keeping and generation of statistical reports etc. are carried out through the Case Monitoring application software. Through the portal http://confonet.nic.in, consumers have easy access to acquire accurate and dependable information regarding cause lists, judgments, case status and case history. Quick search facility using case number, complainant name, respondent name etc. and free text search for judgments is also available.

2.28 The BE, RE and AE for the scheme of CONFONET for the year 2019-20 were Rs. 22.00 crore, Rs. 33.63 crore and Rs. 26.63 crore respectively. The allocation for the year 2020-21 is Rs. 29.50 crore.

Achievement

2.29 The Department has informed about the achievement in computerization as : "As on date, for computerization of consumer fora ICT Infrastructure (hardware /manpower) and online access to Online Case Monitoring System (OCMS) have been provided to all the consumer fora, from where site readiness confirmation along with postal addresses and contact details have been received so far. For newly created 4 DCFs [Haryana (1), Karnataka (1), Tamil Nadu (2)], site confirmation and HW requirement have been received and would be taken up now. Out of total 708 consumer fora which are to be covered (NCDRC, 35 State Commissions, 15 Circuit Benches & 657 District Consumer Fora), computers have been provided to 641 consumer Fora (NCDRC, 34 State Commissions, 15 Circuit Benches& 591 District Consumer Fora (DCF)). In addition to this, OCMS access have been given to another 55 more Consumer fora (which are mostly clubbed DCFs) from where no requirement of Hardware is received. Therefore in total, Confonet has been implemented in 696 locations. During first phase of new Hardware supply under new scheme to those locations where old HW has become 5 years old, work orders for supply of new Hardware (Computer System, Printer, UPS & Antivirus) at 420 locations including NCDRC & DoCA have been issued through Government e-Marketplace (GeM) and Hardware has been delivered or being delivered at few locations".

| SI. No. | State | No. of remaining Consumer fora | Name of Consumer forum | Remark |
|------------|----------------------|---|--|---|
| 1 | Arunachal Pradesh | 4 | Dibang Valley, Tirap, KurungKumey, Anjaw | Site not ready. |
| 2 | Chattisgarh | 2 | Narayanpur, Bijapur | Site not ready |
| 3 | Daman & Diu | 2 | Site at Daman State Commission & Diu DCF is not ready. | |
| 4 | Haryana | 1 | Charkhidadri | Newly created DCF, HW requirement recently received, would be taken up now. Site is ready. |
| 5 | J & K | 1 | Srinagar DCF | Site not ready |

2.30 The Department has also informed that computer hardware is yet to be installed in 13 locations under CONFONET as per the details given below :

| 6 | Nagaland | 3 | Peren, Kiphire | Longleng, | Site not ready |
|---|----------|----|-------------------|-----------|----------------|
| | TOTAL | 13 | | | |

2.31 The Department further informed in a written reply that periodic follow-up is being done by sending emails to respective States to ensure the readiness of sites for installation of computers.

2.32 The Committee note that the scheme of Computerization and Computer Networking of Consumer Fora in the country (CONFONET) aims to digitalise the functioning of the Consumer Fora at all the three tiers throughout the country, i.e. National, State and District levels. Out of a budgetary allocation of Rs. 33.63 crore made in the year 2019-20, an amount of Rs. 26.63 crore has been utilized. The Committee also note that for the year 2020-21, the allocation made is to the tune of Rs. 29.50 crore. Out of a total of 708 Consumer Fora/Commissions existing in the country, 641 Consumer Fora have been provided with computers. Further, for the newly created District Consumer Fora [Haryana (1), Karnataka (1), Tamil Nadu(2)], site confirmation and Hardware required have been recently received and which would be taken up. Under the scheme for supply of hardware to locations where old hardware has become 5 years old, work orders for supply of new Hardware at 420 locations including National Consumer Disputes Redressal Commission (NCDRC) and Department of Consumer Affairs had been issued through Government e-Marketplace (GeM) and hardware has been delivered/being delivered at few locations. At 4 locations in Arunachal Pradesh, 2 in Chhattisgarh, 2 in Daman and Diu, 1 in Haryana, 1 in J&K and 3 in Nagaland, computer hardware is yet to be installed. The Department has stated that they follow up the cases by sending emails to respective States. The Committee opine that more efforts than mere sending of emails by the Union Government are needed to convince the State Governments/UT Administrations to come up with the necessary modalities to enable timely installation of hardware at Consumer Fora in line

with the slogan of 'Digital India' initiative. The Committee, therefore, recommend that the matter should be pursued more vigorously with the concerned States/UTs to ensure site readiness and informing NIC/State Coordinators at the earliest for necessary further action. Also, replacement of old obsolete Hardware should be carried out without any loss of time to facilitate efficient and uninterrupted monitoring and record keeping in the Consumer Fora.

2. Consumer Awareness (Advertising & Publicity)

2.33 Department of Consumer Affairs is mandated to protect the rights of consumers and also to set up redressal mechanisms relating to consumer grievances. Towards this end, Consumer Awareness is vital. The entire strategy of the INFORMATION, EDUCATION & COMMUNICATION (IEC) activities under the scheme of Consumer Awareness has been designed to launch and continue an effective and intensive consumer awareness campaign for fulfilling these rights so as to reach the urban, semi-urban as well as the rural and remote areas. The objective is also to encourage buildup of informed decisions by the consumers while purchasing goods and services and seeking fair settlement of genuine grievances through the Grievance Redressal mechanism set up by the Department. Towards this end, the Department has been carrying out a country-wide multi-media awareness campaign titled "Jago Grahak Jago" covering various issues impinging on the consumer rights. Through simple messages, consumers are warned against fraudulent practices and seek redress of complaints against manufacturers or retailer by approaching the consumer fora established across the country.

2.34 During the year 2019-20, against the BE of Rs. 62 crore and RE of Rs. 40 crore, the actual expenditure in respect of Consumer Awareness (Advertising & Publicity) was Rs. 29.15 crore. The Budgetary allocation for the year 2020-21 under this head is Rs.60 crore.

2.35 The Consumer Awareness campaign is implemented through Bureau of Outreach and Communication (BOC), Doordarshan (DD), All India Radio (AIR), Lok Sabha TV (LSTV) and National Film Development Corporation (NFDC). Through multi - media campaigns consumers across diverse sectors and geographies are reached out through print, television and radio.

2.36 As per the information received from the Department, considering the fact that active involvement of State Governments in awareness campaign is crucial in taking forward the movement to rural, remote and backward areas, State/ UT Governments have been actively associated in expanding the area of consumer awareness. The provision for grant in aid /support to State/ UTs has been one of the key components of the Consumer Awareness scheme. Grant- in aid released to various States/ UTs under this head are as under :

| S. No. | Name of States/ UTs | Amount | |
|--------|--------------------------|--------|--|
| 1. | Karnataka | 73.00 | |
| 2. | Tripura | 40.00 | |
| 3. | Meghalaya | 40.00 | |
| 4. | Andhra Pradesh | 60.00 | |
| 5. | Madhya Pradesh | 60.00 | |
| 6. | Telangana | 20.00 | |
| 7. | Uttarakhand | 23.00 | |
| 8. | Daman & Diu (UT) | 20.00 | |
| 9. | Dadar& Nagar Haveli (UT) | 16.00 | |
| | TOTAL | 350.00 | |

2.37 In addition, proposals from more than 10 States have also been processed for release of Grants in aid for carrying out Consumer Awareness Activities.

2.38 The Department have stated that the social media, these days, is a strong influence and helps in sensitizing the individual or society. The Department has extensively used social media platforms like Facebook and Twitter for generating awareness due to increased digitalization of the country. Regular posts in the form of creatives and audio/visual were uploaded to educate and empower consumers. Also, regular campaigns using relevant hashtags were run on different platforms. Regular tweets throwing light on subjects like 'smart consumer' and 'misleading advertisements' helped readers/consumers attain relevant information about the informed consumer and redressal mechanism. Due to the daily engagements, Facebook count has reached to 13,156 people whereas Twitter count has escalated to 32,700 followers. Other social media platforms like Instagram are still growing to disseminate information on consumer awareness.

2.39 The Department have stated in a written reply that out of a budgetary allocation of Rs. 7.18 crore, Rs. 2.08 crore was spent on Miscellaneous/Non BOC/Social Media during the year 2019-20.

2.40 Asked about the impact on the publicity campaign of the Government with slogan 'Jago Grahak Jago'on the cases coming up on the consumer courts/fora cases and the Consumer helplines, the Department of Consumer Affairs have stated in a written reply:

"An increasing trend has been observed on National Consumer Helpline. In 2017-18, 455029 calls were received on National Consumer Helpline while during the current financial year, upto January, 2020, 649571 calls have been received.

2.41 The Department of Consumer Affairs informed the Committee in a written note that as per data available in the CONFONET website, 1,70,049, 1,59,751 and 1,74,666 cases have been filed in the Consumer Commissions during the years 2017, 2018 and 2019 respectively. 2.42 The Committee note that the entire strategy of Information, Education and Communication (IEC) activities under Consumer Awareness (Advertising and Publicity) scheme has been designed to launch and continue an effective and intensive awareness campaign to urban, semi-urban as well as rural and remote areas through the country-wide multi media campaign titled "Jago Grahak Jago". The awareness campaigns are undertaken through the Bureau of Outreach and Communication (BOC), Doordarshan (DD), All India Radio (AIR), Lok SabhaTV (LSTV) and National Film Development Corporation (NFDC). The Committee also note that out of Rs. 62 crore allocated during 2019-20, the Department spent an amount of Rs. 29.15 crore, and also that an allocation of Rs. 60 crore has been made for the year 2020-21. Further, they also note that the campaign has been taking up issues relevant to various categories of consumers. The Committee are of the opinion that messages conveyed through the campaign need to be clear, articulate, proper and catchy to dispel the possible sense of inhibition or predicament of consumers in approaching available facilities such helplines. Consumer as Fora/Commissions, test centres etc. Noting the fact and considering the need of active involvement of State Governments in the campaign, an amount of Rs. 350 lakh has been released to 9 States as grant-in-aid while proposals from more than 10 States have been processed, the Committee desire that States should be given a clear idea on how to spend the money judiciously and optimally so as to achieve maximum results. Also, the views of the people's representatives like MPs and MLAs may also be taken in such matters.

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2.43 The Committee note with concern that out of Rs. 7.18 crore allocated for miscellaneous/Non-BOC Mode/Social Media, an expenditure of only Rs. 2.08 crore (or a mere 28.9% of Rs. 7.18 crore) had been made during the year 2019-20. In a techno driven society of today, the campaign through social media is extremely important. The Committee, therefore, recommend that campaign through social media should be given an even more importance in future. Closely related with this, the Committee also note the apparent connect between advertising and publicity and the cases coming up in the consumer helplines, which is evident in the swelling number of calls received, i.e. from 455029 in 2017-18 to 649571 in 2019-20 (upto January, 2020). The Committee, therefore, recommend that advertisement and publicity campaigns should be fashioned accordingly.

3. Strengthening of Legal Metrology

2.44 The Legal Metrology Act, 2009 (1 of 2010) came into force w.e.f. 01.04.2011 after repealing the Standards of Weights & Measures Act, 1976 and the Standards of Weights & Measures (Enforcement) Act, 1985. The Central Government has made seven rules for the better implementation of the Act. The State Governments have also framed their Legal Metrology (Enforcement) Rules. The following Legal Metrology Rules have been framed under the Legal Metrology Act, 2009 for protection of consumer interest:

- (a) The Legal Metrology (Packaged Commodities) Rules, 2011
- (b) The Legal Metrology (General) Rules, 2011
- (c) The Legal Metrology (Approval of Model) Rules, 2011
- (d) The Legal Metrology (National Standards) Rules, 2011
- (e) The Legal Metrology (Numeration) Rules, 2011
- (f) The Indian Institute of Legal Metrology Rules, 2011
- (g) The Legal Metrology (Government Approved Test Centres) Rules, 2013

2.45 The BE, RE and AE of the year 2019-20 under the scheme are Rs.5000 lakh, Rs.2784 lakh and Rs.1681 lakh respectively.

2.46 Asked about the reason for low expenditure of 60.3% of the RE for the year 2019-20, the Department of Consumer Affairs have stated that the main reasons for low expenditure incurred under the project for strengthening of Regional Reference Standards Laboratories (RRSL) and Indian Institute of Legal Metrology (IILM) and Time dissemination were non-utilisation of funds by Central Public Works Department (CPWD) allocated for construction/renovation of Laboratories Buildings and non finalization of the specification and floating of indent/tender for procurement of timing instruments for Time Dissemination Project by the NPL.

(a) Strengthening of Legal Metrology Infrastructure in States/UTs, RRSLs and IILM, Ranchi

2.47 According to the Department, the Union Government has established five RRSLs at Ahmedabad, Bengaluru, Bhubaneswar, Faridabad and Guwahati. These RRSLs serve as a vital link in dissemination of the values of national standards of Legal Metrology down to the commercial level. Two more laboratories at Varanasi (Uttar Pradesh) and Nagpur (Maharashtra) are being established. The laboratories maintain Reference Standards of appropriate accuracy for Verification of Legal Standards of the States, Calibration of weighing and measuring instruments, Model approval tests of weighing and measuring instruments, Training and Seminars on weights and measures. Each laboratory provides calibration service to the industries in the region.

2.48 As regards performance on Strengthening Legal Metrology Infrastructure of States/UTs the Department of Consumer Affairs in written reply have stated that an amount of Rs.1085 lakh, out of Rs. 1000 lakh allocated at BE stage and Rs. 1086 lakh at the RE stage, have been spent on :

- (a) Release of Gran-in-aid to State Governments for construction of Laboratory Buildings;
- (b) Procurement of equipment;
- (c) Training of officers at various organisations of repute.

2.49 Similarly on strengthening of RRSLs and Indian Institute of Legal Metrology (IILM), Ranchi, the Department have stated that out of the BE of Rs. 1000 lakh, RE of Rs. 820 lakh for 2019-20, an amount of Rs. 468 lakh has been spent on:

- (a) Annual Maintenance and boundary wall of RRSLs;
- (b) Procurement of equipment;
- (c) Training of officers at various organisations of repute.

2.50 As per preliminary material on Demands for Grants furnished the Department of Consumer Affairs have stated that during the year 2020-21, the Department plan to spend Rs.2000 lakh for strengthening the Legal Metrology Infrastructure of States/UTs and Rs.1500 lakh for Strengthening of RRSLs and IILM and Rs.3200 lakh for Time Dissemination.

(b) Time Dissemination

2.51 The Ministry have stated that in India dissemination of Time, one of the seven base units, is being maintained at only one level which is at National Physical Laboratory, New Delhi (NPL). The Group of Secretaries on Science & Technology, constituted by the Cabinet Secretariat in 2016, recommended that, "Presently, Indian Standard Time (IST) is not being adopted mandatorily by all Telecom Service Providers (TSPs) and 'Internet Service Providers' (ISPs). Non-uniformity of time across different systems creates problems in investigation of cybercrime by the law enforcement agencies (LEAs). Hence, synchronisation of all networks and computers within the country with a national clock is a must, especially for the real time applications in strategic sector and national security. Accurate time dissemination as well as precise time synchronisation has significant impact on all societal, industrial, strategic and many other sectors like monitoring of the power grid failures, international trade, banking systems, automatic signalling in road & railways, weather forecasting, and disaster management. Searching for natural resources under the earth's crust requires robust, reliable and accurate timing systems. On the request of Department of Scientific and Industrial Research (DSIR), the Department of Consumer Affairs has decided to disseminate the Indian Standard Time through five laboratories of Legal Metrology (LM) located at Ahmedabad, Bengaluru, Bhubaneswar, Faridabad and Guwahati with the cooperation of NPL. A Memorandum of Understanding (MoU) with Council for Scientific and Industrial Research- National Physical Laboratory(CSIR- NPL) for executing the project for setting up of atomic clocks for dissemination of Indian Standard Time has already been signed. Under the MoU, the hardware and software for setting up the time ensembles will be procured by NPL, which shall also be responsible for installation and commissioning of the same including training on equipment operation to the LM personnel. NPL will handhold LM and shall provide requisite technical support. The MoU also envisages setting up of a Disaster Recovery Centre (DRC) at RRSL, Bengaluru. The operational laboratory space and technical manpower would be provided by the RRSLs and the project would be funded by the Department of Consumer Affairs. Implementation of Indian Standard Time and its dissemination will reduce the error in time dissemination to just a few milli to micro seconds. Accurate time dissemination would ensure national security and will enhance cyber security. The Government has set a tentative time line of August, 2022 for proper stamping of IST in various transactions.

2.52 The BE, RE and AE for the project of Time Dissemination during the year 2019-20 are Rs.30 crore, Rs.8.78 crore and Rs.1.24 crore respectively. The fund was spent on renovation/construction for establishment of time ensembles at RRSLs.

2.53 Asked about the reason for decrease in allocation at the RE stage, the Department of Consumer Affairs have stated in a written note that an MoU was signed with NPL and thereafter NPL has to procure the timing equipments. However, NPL could not finalise the specifications and could not float indent/tender for procurement of timing instruments for Time Dissemination projects. Also CPWD could not utilize the funds allocated for construction/renovation of Laboratories Buildings and hence, the allocation for time dissemination project decreased at the RE stage. The allocation for the year 2020-21 is Rs. 3000 lakh.

2.54 It may be stated here that Project of Time Dissemination was started in 2017 and is slated for completion in the year 2022.

2.55 The Committee observe that the Department of Consumer Affairs are undertaking the strengthening of Weights & Measures (W&M) infrastructures of States/UTs as also of Regional Reference Standard Laboratories (RRSLs) and Indian Institute of Legal Metrology (IILM), Ranchi. Out of the BE of Rs.2000 lakh and RE of Rs. 1906 lakh, the Department of Consumer Affairs have stated that an amount of Rs. 1557 lakh, has been spent during 2019-20, which is 81.6% of the RE on release of grants-in-aid for construction of laboratories, annual maintenance of RRSLs, procurement of equipment and training of officers. RRSLs in locations like Ahmedabad, Bengaluru, Bhubaneswar, Faridabad and Guwahati have been vital links in dissemination of values of National Standards of Legal Metrology down to commercial level. As such, the operationalisation of such laboratories is an urgent necessity in a modern economy. While appreciating the Department's performance in Strengthening of W&M infrastructure of States/UTs, the Committee desire to be apprised of the position with regard to the Strenthening of RRSLs and IILM, Ranchi. The Committee further recommend that the Government should take necessary steps to ensure that the major construction projects and maintenance of such laboratories are completed at the earliest possible time. They also urge the Department to complete procurement of equipments without loss of time.

2.56 The Committee note that the Government has undertaken the project of Time Dissemination in the year 2019-20 with a tentative timeline set at the year

2022 for executing the project, for setting up of atomic clocks for dissemination of Indian Standard Time (IST). They also note that a Memorandum of Understanding (MoU) has been signed with the Council for Scientific and Industrial Research- National Physical Laboratory (CSIR-NPL) in this regard. The Committee are fully convinced that a precise time synchronisation and robust, reliable and accurate timing systems have significant impact on all societal, industrial, strategic and many other sectors. They desire that care should be taken to most accurately synchronise all networks and computers in the country with a national clock while implementing the project for ensuring absolute national security and enhanced cyber security with minimal scope of errors in time dissemination. In this connection the Committee are, however, dismayed to note that due to non-finalization of the specifications and floating indent for procurement of timing instruments for Time Dissemination Project by The National Physical Laboratory, New Delhi, the project suffered a setback, due to which only an amount of Rs. 124 lakh out of allocation of Rs. 3000 lakh has been spent on the scheme. The Committee opine that this reflects upon weak implementation of the MoU signed with NPL. The Committee, therefore, recommend the Government to have a relook at the agreement with NPL with a view, if possible, to revise it within the existing legal confines so as not to miss the deadline of completion of the project by 2022. They desire the Government to spend the allocation of Rs. 3000 lakh productively within the financial year, 2020-21.

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4. The Bureau Of Indian Standards

2.57 The Bureau of Indian Standards (BIS) was set up as a statutory organization under the Bureau of Indian Standards Act, 1986 by taking over the assets and liabilities of the Indian Standards Institution (ISI) that came into existence in 1947. The Bureau has its Headquarters in New Delhi. It has a network of 5 regional offices, 32 branch offices and 8 laboratories.

2.58 The Department have informed that the Bureau of Indian Standards Act, 2016 came into force with effect from 12 October 2017, and subsequently the Governing Council was reconstituted. The first meeting was held on 22 November, 2017 and the second meeting on 20 December, 2018.

(a) National System for Standardisation (NSS)

2.59 BIS formulates need based Indian Standards (IS) in line with National priorities. BIS also harmonizes National standards with International standards in order to facilitate adoption of International standards by industry and thereby facilitating trade. In a written note furnished to the Committee, the Department of Consumer Affairs have stated that the BIS has formulated 20728 IS and harmonized 6062 Standards with ISO/IEC standards. The number of standards reviewed during 2019-20 is 2406 and the number of standards revised, 313.

2.60 The Department have stated that a total amount of Rs. 100 lakh allocated for NSS for the year 2019-20 has been spent by 14 February, 2020

2.61 The allocation of Rs. 100 lakh for the year 2020-21 is proposed to be used on the following:

 Funding of R&D activity for standards formulation and intensifying participation in BIS Technical Committee meetings and International Standardization meetings. To fund 2 R & D projects, participation of 150 members in technical committee meetings of BIS and 85 members in meetings of international standardization.

- To Organize 28 Seminars/Workshops, 6 Training Programme for Technical Committee Members and 3 ISO and IEC and other international meetings/ training programmes/ workshops in India(P 38 PM)
- iii. The Department have stated that they have planned to formulate 330 standards and revise 400 standards.

(b) Setting up of Gold Assaying and Hallmarking Centres

2.62 The Department of Consumer Affairs have stated that under this component, setting up of Assaying & Hallmarking Centres (AHC) under Government scheme is envisaged. The rate of one time financial assistance for 'Setting up of Gold Assaying and Hallmarking Centres' in India where no Assaying & Hallmarking Centre (assisted or otherwise) exists is as follows:-

| Area | Rate | | |
|-----------|-------------------------|--------|--|
| | To Private Entrepreneur | To PSU | |
| Normal | 30% | 50% | |
| NE/SCS/RA | 50% | 75% | |

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

2.63 The Special Category States includes the North-Eastern States and Sikkim, Jammu and Kashmir, Himachal Pradesh, and Uttarakhand.

The components of the scheme are indicated below:

- (a) Infrastructure building- Setting up of AHCs.
- (b) Capacity building
 - (i) Training of artisans
 - (ii) Training of Trainers (BIS auditors)
 - (iii) Training of personnel of assaying and hallmarking Centres

2.64 The Department have stated that a total amount of of Rs. 100 lakh allocated for the year 2019-20 has been spent by February, 2020 For the year 2020-21, an amount of Rs. 100 lakh has been allocated for the Scheme. The Government is planning to set up/recognize ten Assaying/Hallmarking Centres. They also plan to organize 14 training programmes.

2.65 Under the Plan Scheme for Hallmarking, during this period, in capacity building, thirteen programmes have been organized for training of artisans, seven programme have been organized for Assaying & Hallmarking (A&H) personal Training and one programme for training of BIS officers were organised. The Department have intimated that during the last three years from 2016-17 to 2019-20, a total of 67 training programmes for artisans, 28 for A&H personnel and 9 for BIS officers have been organized.

2.66 According to information received from the Ministry, the BIS has recognized 900 AHC till date which are in operation. BIS has invited an Expression of Interest (EOI) for setting up of AHCs during 2019-20, with Central Assistance, at deficient locations (districts where no centre exists) across the country. Against EOI, 22 applications have been received. The 16 applicants for 14 deficient locations have been given go ahead by the Implementation Committee(IC) in its 32nd meeting held on 9 Aug. 2019. After go ahead by IC the centres shall be set up and ready for assessment preferably within 6 months. Of these 16 applicants, one applicant at Mancherial (Telangana) and one at Mahendergarh (Haryana) have established the centre and taken BIS recognition. Both the centres have been advised to submit their claim for assistance. Further, applicants at Fatehgarh Sahib(Punjab), Samastipur (Bihar), Srinagar(Kashmir) and Purulia (West Bengal) have submitted their application for recognition to BIS and their application are under process for recognition.

2.67 With regard to cases relating to misuse of hallmarking in violation of BIS Act, 2016, the Department have stated that as on 18 February, 2020, 51 cases of

violation have been filed and 28 cases have been decided, all in favour of BIS. A total of 23 cases, 1 in Chandigarh, 2 in Chattisgarh, 3 in Delhi, 1 in Goa, 4 in Haryana, 1 in Kerala, 3 in Maharashtra, 2 in Odisha, 1 in Punjab, 2 in Tamil Nadu, 1 in Telangana and 2 in West Bengal, are pending by 24 February, 2020.

2.68 The Committee note that Bureau of Indian Standards (BIS) implements the National System for Standardization (NSS). Out of 20728 Indian Standards (IS) formulated, 6062 standards have been harmonised with ISO/IEC standards. During the year 2019-20, the BIS has reviewed 2406 standards and revised 313 standards. The Committee desire that utmost care be taken in regard to formulation of new ISs so as to achieve better integration of India with the world in trade and commerce.

2.69 The Committee observe that the Bureau of Indian Standards(BIS) has been implementing the Plan scheme for setting up of Gold Assaying and Hallmarking Centres (AHC) in India with Central assistance. They also note that 900 BIS recognized Assaying & Hallmarking Centres (AHCs) are currently in operation in the country. Further, the Implementation Committee, in its meeting held on 9 August, 2019 had given a go-ahead on 16 applications against Expression of Interest and the centres would be ready for assessment in 6 months. The Committee further note that with regard to capacity building, a total of 67 training programme for artisans, 28 for AHC personnel and 9 for BIS officers during the years 2016-17 to 2019-20 has been organized. India being one of the top consumers of gold jewellery items in the world, the Committee are of the view that setting up of more AHCs will go a long way in serving the interests of gold jewellery consumers, especially those residing in the small towns and remote areas. They, therefore, recommend that all possible efforts be made to enable early recognition of more AHCs in the

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larger interest of the consumers. Since awareness of the rights is extremely important in the matter of hallmarking of gold jewellery, the Committee further recommend that all jewellers should be made to display the addresses and contact numbers of nearby test laboratories/AHCs in their bills/vouchers in respect of hallmarked gold jewellery sold by them for the convenience of consumers.

2.70 The Committee also note that out of a total of 51 cases filed for violation of BIS Act, 2016 on hallmarking, 28 cases have been decided, all in favour of BIS. A total of 23 cases are still pending for settlement in the States/UTs of Chandigarh (1), Chattisgarh (2), Delhi (3), Goa (1), Haryana (4), Kerala (1), Maharashtra (3), Odisha (2), Punjab (1), Tamil Nadu (2), Telangana (1) and West Bengal (2). The Committee desire that the Ministry/BIS should closely monitor the cases and also make concerted efforts to ensure that there is speedy settlement of cases which are pending in the Courts. The Committee would like to be apprised of further progress made in this regard.

5. National Test House

2.71 National Test House, a subordinate office under the administrative control of Department of Consumer Affairs, Ministry of Consumer Affairs, Food & Public Distribution, Government of India, traveled a long journey and in the year 2019 when it completed 107 years of dedicated service to the Nation

2.72 According to Department of Consumer Affairs objective of the scheme of Strengthening of NTH is to strengthen the National Test House in the area of testing and quality evaluation. The scheme provides Consumer Protection through testing and quality evaluation of different kind of products (except drugs, arms and ammunition). It will also extend value added services to the neighbouring SAARC countries and other developing countries as well. The strengthening of NTH is mainly by way of creating infrastructure (civil works and procurement of equipments) for enabling it carry out tests in new areas such as LED luminaire testing , all kinds of tests relating to transformers such as Impulse, short circuit etc, tesing of equipments used for generating solar energy, packaged drinking water etc.

2.73 The National Test House (NTH) is a premier test and quality evaluation laboratory for industrial, engineering and consumer products under the administrative control of the Government of India since the year 1912. This more than a century old Scientific and Technological Organization was established originally by the Indian Railway Board as a captive test and quality evaluation laboratory (originally known as Government Test House) at Alipore, Kolkata with a view to examining the quality of various products meant to be used by the Indian Railways. The first regional laboratory was set up by NTH in Mumbai in the year 1963 and subsequently at Chennai (1975), Ghaziabad (1977), Jaipur (1994) and Guwahati(1996).

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| | | | (Rs. in crore) | | | | | | | |
|----------|--------------------------------------|---------|----------------|---------------|------|-------|------------------------------|-------|--------|-------------------|
| SI No | Name of the Scheme/ | 2017-18 | | 2018-19 | | | 2019-20 (Upto 31.01.2020) | | | |
| | Project/ Programm e | BE | RE | Actual Exp | BE | RE | Actua I Exp | BE | RE | Actu al Exp |
| 1 | NTH (Non Scheme / Non Plan) | 35.22 | 35.12 | 34.47 | 38.8 | 37.76 | 37.7 | 38.54 | 70.247 | 35.65 |
| 2 | NTH (Scheme / Plan) | 20 | 17 | 17.19 | 29 | 20 | 16.927 | 25 | 10.07 | 7.66 |

The BE, RE and AE of National Test House is as given below :

Works Undertaken

2.74 The activities undertaken in the new establishments/improved/renovated premises during the F. Y. 2019-20 under the NTH Scheme are as follows:

(a) Major Works:

The present status of construction activities in respect of NTH (WR), Mumbai & NTH (SR), Chennai are as follows:

(i) <u>NTH (WR), Mumbai</u>: An amount of Rs.2.00 Crore was allocated under the Head "Major Works" during the year 2019-20. Considering the Demand for fund by the respective CPWD Units and also Progress of the On-Going Constructions. Rs.1.73 Crore was released for Providing and Fixing Furniture at the on-going of G+4 Phase-II Building at NTH(WR)-Mumbai on 04.09.2019 and till date an amount of Rs. 16,03,207/- has been utilised by CPWD(WZ).

Another demand of Rs.15 lacs has been received from CPWD(WZ) for the Construction of G+4 Phase-II Building at NTH(WR)-Mumbai on 18.07.2019 for clearing pending liabilities, in which Department of Consumer Affairs has raised queries and the same has been forwarded to NTH(WR),Mumbai for seeking

clarification from CPWD(WZ) on 20.11.2019 followed by reminder on 13.01.2020.

(ii) <u>NTH(SR)-Chennai</u>: Authorization for Rs.0.91 Crore was sent to DoCA on 18.07.2019 for settlement of final bill in respect of the Construction of High Voltage Laboratory at NTH(SR)-Chennai on 18.07.2019 for authorisation, and probably due to paucity of fund the same may not have been authorised.

(iii) Status of Procurement of Machineries and Equipment :

The Equipment GCMS, for NTH (SR) Chennai, will be used for analysis of residual pesticides in drinking water to the lowest possible detection limit. Letter of credit has been opened, equipment ready and will be shipped once the 3rd Party Inspection is carried out at the manufacturing works in Germany.

The Equipment Ion Chromatograph, Three (3) in number for NTH (SR) Chennai, NTH (NWR), Jaipur & NTH (NR), Ghaziabad will be used for estimation of different anions (Bromate) in packaged drinking water, to as low as PPB level. Letter of credit has been opened, equipment ready and will be shipped once the 3rd Party Inspection is carried out at the manufacturing works in Switzerland.

The Impulse Generator being procured for NTH(ER) and NTH (SR) will be used for conducting Lightning Impulse Test specially on Distribution and Power Transformers and High Voltage Line Materials up to 220 kV insulation class as per latest Indian Standards (IS), IEC, IEEE etc. The Tender Evaluation is at the final stage, but considering the fabrication time of 7-8 months for each of the equipment, the same will spill over to next Financial Year.

(b) Minor works

The fund allocated under the head has been utilised for regular maintenance works of the existing infrastructure at the regional centres and for AMC & Calibrations of the existing equipment.

(c) Information & Technology:

The fund has been utilised for maintenance of the existing IT Infrastructure.

(d) Plans for the year 2020-21

2.75 Asked about plans to spend the fund during the year 2020-21 the Department of Consumer Affairs replied:

(1) The fund allocated for major Works will be utilised for completion of the On-Going Constructions at Mumbai & Chennai.

(2) The following capital equipment's are in the pipeline to be procured depending on the availability of the fund under ME:

- i. Impulse Voltage Generator at NTH (SR), Chennai.
- ii. Impulse Voltage Generator at NTH (ER), Kolkata.
- iii. Remaining Equipment for "Routine Testing of Transformers" at NTH (ER), Kolkata.
- iv. Universal Hardness Tester for NTH (NER), Guwahati.
- v. Tensile Testing Machine for NTH (NER), Guwahati.
- vi. QUV Accelerated Weathering Tester for NTH (WR), Mumbai
- vii. Carbon Sulphur Analyser for NTH (ER), Salt Lake, Kolkata.
- viii. Photo-biological Test set up at NTH (ER), Kolkata.
- ix. Fourier Transform Infrared Spectrometer for NTH (NR)-Ghaziabad.
- x. A portion of the fund will be utilised by all the Regions to procure small equipment to bridge the gaps, if any, at their end.

(3) The fund allocated under the head Minor works will be utilised for regular maintenance works of the existing infrastructure at the regional centres and for AMC & Calibrations of the existing equipment.

(4) The fund for Information & Technology will be utilised for upgradation of existing leased line, maintenance of the existing IT Infrastructure and also for creating DSC's for Test & Calibration Certificates.

2.76 The Committee note with appreciation the fact that National Test House (NTH) has completed 107 years of dedicated service to the nation under the administrative control of the Government of India. They also note that apart from the major and minor maintenance works already undertaken for NTH, the Government have plans to undertake major works for NTH, like construction works at NTH Mumbai and Chennai. The Department are also planning to procure Impulse Voltage Generator for NTH, Chennai, Tensile Testing Machine for Guwahati, QUV Accelerated Weathering Tester for Mumbai, equipment for Routine Testing of Transformers, Carbon Sulphur Analyser, Photo-biological Test Set up and Impulse Voltage Generator for Kolkata and Fourier Transform Infrared Spectometer for Ghaziabad. The NTH being an important institution for testing and quality evaluation of different kinds of products, the Committee urge to complete the major works undertaken, procurement of machineries and equipments, minor works or maintenance or upgradation of machinery and infrastructure in the various regions without any delay, on top priority.

6. Price Monitoring Cell

2.77 The Essential Commodities Act, 1955 empowers the Government to regulate prices, production, supply, distribution etc. of essential commodities for maintaining or increasing their supplies and for securing their equitable distribution and availability at fair prices. Most of the powers under the Act have been delegated by the Central Government to the State Governments with the direction that they shall exercise these powers. Exercising powers under the Act, various Ministries/Departments of the Central Government and State Governments/UT Administrations have issued Control Orders for regulating production, distribution, pricing etc. and trading of the commodities declared as essential.

Essential Commodities

2.78 The following are the essential commodities specified in the EC Act (along with names of the Departments/Ministries of Central Government authorized as per Allocation of Business Rules to issue Control Order with respect to the commodity) :

| SI. | Commodity | Administrative |
|-------|--|-----------------------------|
| No. | | Department/Ministry |
| 1 | Drugs | Ministry of Health & Family |
| | | Welfare |
| 2 | Fertilizers, whether inorganic, organic or mixed | DACFW |
| 3 | 'Foodstuffs'* including edible oilseeds and oil | DACFW, MoFPI, DFPD, |
| | | DoCA |
| 4 | Hank yarn made wholly of cotton | M/o Textiles |
| 5 | Petroleum and Petroleum Products | M/o Petroleum & Natural Gas |
| 6 | Raw jute and jute textiles | M/o Textiles |
| 7(i) | Seeds of food crops, fruits and vegetables | |
| (ii) | Seeds of cattle fodder | |
| | | DACFW |
| (iii) | Jute seeds; and | |
| (iv) | Cotton seed | |

2.79 The BE, RE and AE in respect of Price Monitoring Cell for 2019-20 were Rs.200 lakh, Rs. 160 lakh and Rs. 110 lakh respectively. The allocation for 2020-21

is Rs. 200 lakh. The Department intimated how they plant o utilize the fund.

| Sr. No. | Head of Account | BE 20-21 |
|---------|--------------------------------|-------------|
| 1 | North East States* | 20 |
| 2 | Strengthening of PMC at States | 130 |
| 3 | Strengthening of PMC at Centre | 50 |
| (i) | Office Expenses | 15 |
| (ii) | Other Admn. Expenses | 10 |
| (iii) | Professional Expenses | 15 |
| (iv) | Information Technology(OE) | 10 |
| | Total PMC (1+2+3) | 200 |
| | | |

(Rs in lakhs)

*10% mandatory allocation

| FINANCIAL | Activities proposed to be taken up |
|----------------|---|
| OUTLAY (Rs. In | |
| Cr.) | |
| 2020-21 | |
| | 1. Addition of 20 new price reporting centers |
| | 2. Hiring of 1 IT/Technical professionals for strengthening NIC services at the |
| | Centre. |
| | 3. Getting services of at least 1 independent professional organizations for |
| 2.00 | studies related to price. |
| 2.00 | 4. Subscription of 1 statistical packages for price analysis |
| | 5. Conducting 5 Zonal Conference cum training and Market Visit for each of the |
| | 5 zones. |
| | 6. Supporting each Price Reporting Centers of States/UTs with engagement of |
| | 1 Data Entry Operator (DEO) and Handheld device. |

Limit on Stock

2.80 As per Cabinet Decision, Central Govt. has issued Order G.S.R. 929(E) dated 29th September, 2016 and merged all the relevant Orders and allowed any dealer may freely buy, stock, sell, transport, distribute, dispose, acquire, use or consume, any quantity of wheat, wheat products (namely maida, rava, suji, atta, resultant atta and bran) paddy, rice, coarse grains, gur, hydrogenated vegetable oils or vanaspati, onions, edible oilseeds, edible oils, pulses and sugar and potato and shall not require a permit or license therefore, under any order issued under the Act, save as otherwise. In view of the rising prices of Onion, Government of India has imposed stock limit on Onion. Accordingly, wholesale traders may keep the stock of onion upto 250 quintals and for retail traders upto 20 quintals.

2.81 The role of State Government is vital to ensure adequate availability of essential commodities at fair prices in the larger public interest. One of the ways in which States/UTs may facilitate achievement of this objective is by holding regular meetings with the traders/dealers of the essential food items to get feedback on price and availability of these items from them (traders/dealers) and impress upon them the need to desist from hoarding, speculative trading, profiteering, unfair and illegal trade practices like cartelling. In this context, all the States/UTs have been requested to hold regular meetings with stakeholders of essential food items at the State and district levels.

2.82 According to the Department to implement the provisions of these Acts, States/UTs have to be pro-active for action against the violators and apprise the Department of Consumer Affairs regularly. As per the reports received from the State Governments/UT Administrations 76033 raids were conducted, 6146 persons arrested, 3583 persons prosecuted, 2941 persons convicted and goods worth Rs. 2953.49 lakh confiscated, detention orders under the Prevention of Black Marketing and Maintenance of Supplies of Essential Commodities (PBMMSEC) Act, 1980 were issued against 112 persons during the year 2019 (as per report received upto 30.12.2019).

2.83 Price Monitoring Division (PMD) monitors the retail and wholesale prices of 22 essential commodities from 114 centres across the country. PMC analyses the price situation and gives advance feedback for taking preventive measures to help policy interventions at highest levels of decision making viz Standing committee, COS, IMC on prices at appropriate time to prevent undesired shortfall in the availability of essential commodities.

Reporting Centres

2.84 Under the ambit of Scheme for Strengthening of Price Monitoring Cell, the number of reporting centers have now increased to 114. This Department is in the process of identifying more centres to be included for daily price monitoring from semi urban areas so as to make the price data more representative. Officials from the department have visited States to hold discussions to ascertain the reasons for the rise in prices of some of the essential commodities and to train them regarding online entry of price data. Since April, 2018,PMC under the revised the guidelines is providing financial support for engaging the services of Data Entry Operator (DEO) and handheld devices with geo-tagging facilities to improve manpower support and reporting.

2.85 The Ministry have stated in a written reply that in order to improve coverage and building a robust system for collection and reporting of prices, efforts are continuously being made by Department of Consumer Affairs to increase the number of Price Reporting centers across the country. Regular monitoring is done by way of organising workshop (regional, zone wise and State workshop), inter-alia, to review the prices, its authenticity and ensuring regularity of price reporting from each centre. Time to time field visits are also being undertaken by officers of the Ministry whenever necessary. Also financial support is provided to all States/ UTs towards engaging one contractual employee (Data Entry Operator), and one handheld device with geo-tagging facilities at each center under the revised guidelines of the Scheme for 'Strengthening of Price Monitoring Cell'.

Problems in Implementation of Scheme

2.86 Asked about the difficulty, if any, faced by the Government in the implementation of the scheme, the Department of Consumer Affairs stated as:

"Effective monitoring of retail & Wholesale of essential/ commodities prices is

possible only with effective cooperation of States/UTs. While States have come forward to increase the number of Price Reporting Centres, it is sometimes seen that all centres do not report prices regularly and considerable follow up is required. Regular review and supervision of the price collection at these centres by State government officials will go a long way in improving the quality of this information which is vital for timely intervention decisions. An even wider spread of Centres would also help in broad basing and strengthening the price data. Since, important policy decisions are taken on the basis of prices reported by State officials, States are requested to take necessary steps to ensure that:

- (a) All the existing centres in the State report the prices regularly and accurately following the methodology laid down.
- (b) States with relatively lower number of centres may set up additional centres for price reporting.
- (c) States may take steps to ensure that price data are submitted for all seven days of the week.
- (d) To ensure timely release of funds under the Central Scheme for 'Strengthening of Price Monitoring Mechanism' States may provide details related to the Public Finance Management System (PFMS) and various Utilization Certificates of the grants released so that subsequent releases could be made for smooth functioning price monitoring centres. States are also requested to send proposals in accordance with the revised Guidelines of the Scheme."

The Committee observe that out of the BE of Rs. 200 lakh and RE of Rs. 2.87 160 lakh, an expenditure of Rs. 110 lakh has been incurred during the year 2019-20 by the Department of Consumer Affairs for strengthening the existing mechanism of price monitoring, both at the Centre and State levels. For the year 2020-21, an amount of Rs. 200 lakh has been earmarked. The Committee note that regular monitoring is done by way of organising workshop (regional, zone wise and State workshop), inter-alia, to review the prices, its authenticity and ensuring regularity of price reporting from the 114 centres. Time to time, field visits are also being undertaken by officers of the Ministry, whenever necessary. The Committee are concerned to note that while States have come forward to increase the number of Price Reporting Centres, it is sometimes seen that all the centres do not report prices regularly and considerable follow up is required. The Committee are of the opinion that regular review and supervision of the price collection at these centres by State government officials will go a long way in improving the quality of this information, which is vital for timely intervention decisions. The Committee, therefore, desire that the Government should utilize the allocated funds in a most prudent manner and ensure that the States/UTs report prices regularly, accurately and from the widest range of centres. They also recommend that the States/UTs may be reminded to exercise powers available as per relevant provisions of the law in the interest of the consumers. The Government should ensure that uniform price of essential commodities prevail across the States/Union Territories in the country.

7. Price Stabilization Fund (PSF)

2.88 According to the Department of Consumer Affairs, the Price Stabilization Fund (PSF) was set up with an initial corpus of Rs 500 crore to tackle price volatility in some agri-horticultural commodities viz. onion, potato and pulses to protect the interests of consumers. These commodities are to be procured from farmers/farmer's association at the time of harvesting and stored for regulated release during lean season to help bring down their prices. Such market intervention by Government would not only help send the appropriate market signal but also deter speculative/hoarding activities. To begin with, the Fund was to be used only for market interventions in case of perishable agri-horticultural commodities such as onion and potato which showed extreme volatility of prices. Subsequently, pulses were also covered. Under the PSF, interest free working capital advance is provided to Central Agencies, State/UT Governments/Agencies to undertake such market intervention operations. Apart from domestic procurement from farmers/wholesale mandis, imports may also be undertaken under PSF.

2.89 As per the Government's decision, the PSF was transferred to the Department of Consumer Affairs (DoCA) w.e.f. 1st April, 2016. Price stabilization operations are determined at the Centre by the Central Price Stabilization Fund Management Committee (PSFMC) which was reconstituted on transfer of Scheme and is now headed by Secretary, Department of Consumer Affairs. The Corpus Fund is managed by Small Farmers Agribusiness Consortium (SFAC). There is also a Sub-committee for investing surplus from PSF corpus chaired by Financial Adviser, M/o CA, F&PD. Till now, 45 meetings of the Re-constituted PSMFC have been held.

2.90 For the year 2020-21, an amount of Rs. 200000 lakh is allocated for the PSF operation.

2.91 The amount of Rs. 200000 lakh allocated at the BE stage for the year 2019-20 was revised to Rs. 182000 lakh, but no expenditure has been shown in the documents so far furnished by the Government.

Pulses Buffer

2.92 In reply to a question, the Department intimated the performance of PSF Pulses Buffer operations as follow:

| | PSF Pulses Buffer Operations (MT) | | | | | |
|--------|-----------------------------------|-------------------|------------------------------------|---|---|----------------------------|
| | Phase | 1 (2015-19) | | Phase 2 (2019-20) | | |
| Pulses | Procuremen t & imports | Total disposal | Balance stock after disposal | Pulses Transferred/ Replenished from PSS to PSF | Pulses disposed from transferred/ Replenishe d stock | Total Available Balance |
| 1 | 2 | 3 | 4=2-3 | 5 | 6 | 7=4+5-6 |
| Tur | 13,65,549 | 13,65,345 | 204 | 7,46,791 | 1,41,524 | 6,05,471 |
| Urad | 1,35,543 | 1,35,102 | 441 | 2,69,933 | 0 | 2,70,374 |
| Moong | 2,09,837 | 2,09,869 | 0 | 1,49,041 | 0 | 1,49,041 |
| M(asur | 1,66,154 | 1,65,875 | 279 | 1,10,950 | 0 | 1,11,229 |
| Chana | 1,73,260 | 1,71,300 | 1,960 | 2,86,826 | 0 | 2,88,786 |
| | 20,50,343 | 20,47,491 | 2,884 | 15,63,541 | 1,41,524 | 14,24,900 |

State Corpus Funds

2.93 In the States/UTs, the price stabilization operations are to be managed by the State level PSFMC and operated out of the State level Corpus Fund. Interest free advances from the PSF corpus may be made both to Central Agencies and to State level Corpus. The State level Corpus is created with a sharing pattern between Gol and State in the ratio of 50: 50, which is 75:25 in case the North Eastern States. The Department has informed about release of fund for State level PSF as:

"The details of release of Centre's share and status State-wise, year-wise till date is as follows:

| | Total PSF | State's Share | | s Share Released n Rs crores) | | Status |
|-------------------|---------------------------|-------------------|--------------------|----------------------------------|--------|--|
| State | Fund (in Rs crores) | (in Rs crores) | 1st Instalment | 2nd Instalment | Total | |
| Andhra Pradesh | 100 | 50 | 25.00 (2015-16) | 25.00 (2017-18) | 50.00 | Operations concluded: state under process to submit account |
| Telangana | 18.31 | 9.15 | 4.575 (2015-16) | 4.575 (2015-16) | 9.15 | Account statement under examination |
| West Bengal | 10 | 5 | 2.50 (2015-16) | - | 2.50 | Fund unutilized |
| Odisha | 100 | 50 | 25 (2018-19) | - | 25.00 | Fund unutilized |
| Tamil Nadu | 10 | 5 | 2.50 (2019-20) | - | 2.50 | Fund unutilized |
| Assam | 200 | 50 | 75 (2019-20) | - | 75.00 | Fund unutilized |
| Total Released | | | | | 164.15 | |

2.94 State/UTs Government are urged to set-up State/UT level PSF based on their requirement/assessment on several instances which include written communication on regular basis as well as through video conferencing. 15 Video Conferences were held with Sates/UTs from February, 2019 to February-2020, to review status of setting up of States-level PSF and retailing of pulses and onions from Central Buffer Stocks. Further, the matter is also deliberated upon during National Consultation Meeting of Department of Consumer Affairs held every year, in zonal conferences and visits to Price Monitoring Centres conducted periodically across State/UTs.

Onions Buffer

2.95 During the year 2019-20, a buffer stock of about 57,300 MT of Onion was created under PSF, which was released into the markets during lean period to augment supply and regulate the prices. In order to improve the prices and availability situation of onions in the country, imports of about 36,000 MT onions were undertaken through MMTC under PSF. These quantities arrived in lots during Dec, 2019 and Jan, 2020, which had a desired result in moderating the prices of onion. Imported onions are being supplied to States/UTs based on their demand. Imported onions were also offered to Mother Dairy/ SAFAL, Kendriya Bhandar and NAFED for its direct retailing at their outlets in Delhi-NCR.

2.96 The Central Government have received demands for onions from various States. The details of such demands made by the States/UT Administrations is as follows:

| SI. No. | States | Initial Demand (MT) | Revised Demand (MT) |
|---------|------------------|------------------------|-------------------------|
| 1 | Maharashtra | 3480 | Nil |
| 2 | Assam | 10000 | (Allocated by Gol) 2000 |
| 3 | Haryana | 2500 | 1100 |
| 4 | Andhra Pradesh | 4200 | 2000 |
| 5 | Telangana | 100 | 100 |
| 6 | Karnataka | 250 | (Allocated by Gol) 2000 |
| 7 | Tamil Nadu | 1000 | Not confirmed |
| 8 | Kerala | 460 | 50 |
| 9 | Meghalaya | 654 | Not confirmed |
| 10 | West Bengal | 800 | 800 |
| 11 | Orissa | 100 | Nil |
| 12 | Uttar Pradesh | 6000 | (Allocated by Gol) 2000 |
| 13 | Uttarakhand | 250 | 250 |
| 14 | Nagaland | 1600 | Not confirmed |
| 15 | Jammu & Kashmir | 50 | 50 |
| 16 | Chandigarh | 25 | Nil |
| 17 | Himachal Pradesh | 120 | 121 |
| 18 | Sikkim | 300 | Not confirmed |
| 19 | Goa | | (Fresh demand) 50 |
| 20 | Gujarat | | (Allocated by Gol) 2000 |

2.97 The Committee note that Price Stabilization Fund (PSF) was set up with an initial corpus of Rs. 500 crore to tackle inflationary trends of some agrihorticultural commodities. The Committee also note that price stabilization operations are determined by the Central Price Stabilization Fund Management Committee (CPSFMC), headed by Secretary, Department of Consumer Affairs, which has held 45 sittings since 1st April, 2016. They further note that over and above a balance quantity of about 2884 Metric Tonne (LMT) pulses, a quantity of about 15.7 LMT pulses was transferred from PSS to PSF and a quantity of about 1.4 LMT disposed of in 2019-20. A quantity of about 14.24 LMT pulses was in the stock. Also a buffer stock of about 57300 MT of onion was created this year and released into the market. The Committee are of the opinion that price fluctuation is a serious issue for consumers, especially to those belonging to irregular and low income groups. The Committee, therefore, recommend that the Government should carry out market intervention operations with due diligence and sensitivity to the needs of consumers in various parts of the country, including the cyclone-prone areas like Odisha.

2.98 The Committee also note that State-evel corpus funds are created with Centre-State sharing on 50:50 basis, which is 75:25 ratio in case of NE States. They also note that Andhra Pradesh, Telangana, West Bengal, Odisha, Assam and Tamil Nadu have set up State-level Price Stabilization Funds to tackle

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inflationary trends in commodities like onion, potatoes and pulses while the rest of the States have been urged to set-up State/UT level PSF. The Committee recommend that the States/UT may be vigorously pursued to set up the Fund to tackle situations of scarcity in pulses, onions and other essential commodities. The Committee also desire that in the event of requests or demands for such perishable commodities received from the States/UTs, the same should be favourably responded to.

8. Consumer Welfare Fund (CWF)

2.99 The Consumer Welfare Fund Rules were framed and notified in the Gazette of India in 1992, under the Central Excise and Salt Act, 1944 (1 of 1944) pursuant to its amendment in 1991. On enactment of the CGST Act, 2017, the Consumer Welfare Fund has been set up under section 57 thereof. Rule 97 of the CGST Rules, 2017 deals with Consumer Welfare Fund.

2.100 The money that is not refundable to the manufacturers etc. shall be credited to the Consumer Welfare Fund. The money credited to the Fund is to be utilized by the Central Govt. (Department of Consumer Affairs) through the Standing Committee, for the welfare of the consumers in accordance with the Rules framed.

2.101 As per the Department of Consumer Affairs, financial assistance from CWF is given to various Institutions including Universities, Voluntary Consumer Organization (VCOs), Government bodies and States to promote and protect the welfare of the consumer, create consumer awareness and strengthen consumer movement in the country, grants from CWF have been given for following major projects:

- (i) Creation of Consumer Law Chairs/ Centres of Excellence in Institutions/Universities of repute to foster research and training on consumer related issues.
- (ii) Projects for spreading consumer literacy and awareness.
- (iii) Establish Consumer Welfare (Corpus) Fund at the State level, through co-contribution.
- (iv) Centre for Consumer Studies, IIPA.

2.102 During the year 2019-20, an amount of Rs. 1950 lakh had been earmarked for CWF while an amount of Rs. 719 lakh (upto 31.12.2019) has been actually spent. The budgetary allocation for the year 2020-21 is Rs. 26100 lakh.

2.103 Financial assistance to Voluntary Consumer Organisations/Non-Governmental Organisations are extended to the tune of Rs.323.01 lakh in 2016, Rs.142.46 lakh in 2017 and Rs.230.315 lakh in 2018.

2.104 The Department have also furnished an updated information on the projects which have been financed in the year 2019-20 till date as follows :

| Sl.No. | NGOs/VCOs Name | Purpose | Amount of Bill in Rs. |
|--------|---|---|-----------------------------|
| 1 | Upbhokta Adhikar Sangthan | 1 st instalment for the project category on Education of consumer specially through awareness programmes in school/college markets/other public places. | 870000 |
| 2 | PACE-Progressive Action for Community Emancipation | 1 st instalment for the project category on Education of consumer specially through awareness programmes in school/college markets/other public places. | 458800 |
| 3 | R.B. Memorial SewaSansthan | 1 st instalment for the project category on Education of consumer specially through awareness programmes in school/college markets/other public places. | 430000 |
| 4 | Society for Education & Rural Development | 1 st instalment for the project category on Education of consumer specially through awareness programmes in school/college markets/other public places. | 885600 |
| 5 | Maitreeban Seba Sangha | 1 st instalment for the project category on Education of consumer specially through awareness programmes in school/college markets/other public places. | 334400 |
| 6 | Maneesh Sarvodaya Gramodyog Sewa Sansthan | 1 st instalment for the project category on Education of | 432400 |

| | | : 11 1 |] |
|----|---------------------------------|--|----------|
| | | consumer specially through | |
| | | awareness programmes in | |
| | | school/college markets/other | |
| | | public places. | |
| 7 | CCS, IIPA | 2 nd 64 nstalment of 4 th year | 16433500 |
| | | 2018-19 | |
| 8 | PariwartenSewaEvamShikshaSamiti | 1 st instalment for the project | 185600 |
| _ | | category on Education of | |
| | | consumer specially through | |
| | | | |
| | | 1 0 | |
| | | school/college markets/other | |
| | | public places. | |
| 9 | Unique VikasSansthan | 1 st instalment for the project | 250000 |
| | | category on 'Right to Safety | |
| | | (protection)/Right to be | |
| | | Informed'. | |
| 10 | Basti Area Development Council | 1 st instalment for the project | 159400 |
| | Ĩ | category on Education of | |
| | | consumer specially through | |
| | | awareness programmes in | |
| | | school/college markets/other | |
| | | e | |
| 11 | L. 1-D | public places. | 404900 |
| 11 | JankiPrasarak Mandal Sonpeth | 1 st instalment for the project | 404800 |
| | | category on Education of | |
| | | consumer specially through | |
| | | awareness programmes in | |
| | | school/college markets/other | |
| | | public places. | |
| 12 | Coastal Voluntary Network | 1 st instalment for the project | 542033 |
| | | category on Education of | |
| | | consumer specially through | |
| | | awareness programmes in | |
| | | school/college markets/other | |
| | | | |
| 13 | S.P. Foundation | public places. 1 st instalment for the project | 152000 |
| 13 | S.r. Foundation | | 132000 |
| | | category on Education of | |
| | | consumer specially through | |
| | | awareness programmes in | |
| | | school/college markets/other | |
| | | public places. | |
| 14 | Unique Vikas Sansthan [5403] | 1 st instalment for the project | 302400 |
| | | category on Education of | |
| | | consumer specially through | |
| | | awareness programmes in | |
| | | school/college markets/other | |
| | | public places. | |
| | | puone places. | |

| 15 | Society for Innovative Rural | 1 st instalment for the project | 149200 |
|-------------|-----------------------------------|--|----------|
| | Development | category on Education of | |
| | | consumer specially through | |
| | | awareness programmes in | |
| | | school/college markets/other | |
| | | public places. | |
| 16 | Mother Nirmala Foundation | 1 st instalment for the project | 554000 |
| | | category on Education of | |
| | | consumer specially through | |
| | | awareness programmes in | |
| | | school/college markets/other | |
| | | public places. | |
| 17 | Sanchit Vikas Sansthan | 1 st instalment for the project | 184800 |
| - / | | category on Education of | 101000 |
| | | consumer specially through | |
| | | awareness programmes in | |
| | | school/college markets/other | |
| | | public places. | |
| 18 | Radha Rani Bahuuddaishiya Vikas | Ist Instalment for the project | 524400 |
| 10 | Pratishthan | category on Combating Food | 021100 |
| | Tutiontinun | Adulteration, Spurious, | |
| | | Unsafe and Counterfeit | |
| | | Products/Service | |
| 19 | CERC | 4 th instalment for brining out | 1990966 |
| 17 | CERC | National Consumer Magazine | 1990900 |
| | | Insight in Hindi (GrahakSathi) | |
| 20 | Society for Social Transformation | $2^{nd}65$ nstalment for the project | 298107 |
| 20 | | on Financial Literacy | 290107 |
| | | including digital | |
| | | mode/financial protection of | |
| | | consumers | |
| 21 | Department of Commerce, | Capacity Building of | 334000 |
| <u>~</u> 1 | Bharathair University, Tamil Nadu | Stakeholders | 551000 |
| 22 | Assam University | Capacity Building of | 350000 |
| | | Stakeholders | 550000 |
| 23 | IIM, Kashipur | Study current consumer | 433559 |
| 23 | | protection in India | |
| 24 | Andhra Pradesh Productivity | Capacity Building of | 292000 |
| <u> 4</u> 7 | Council | Stakeholders | |
| 25 | CCS, IIPA | For the project of Centre for | 18173500 |
| 23 | | Consumer Studies | 101/3300 |
| 26 | Govt. of Sikkim | | 45000000 |
| 20 | | 0 1 | 43000000 |
| | | Welfare (Corpus) Fund | 00125465 |
| | | | 90125465 |

Consumer Welfare (Corpus) Fund

2.105 In the year 2003, all the States/UTs were impressed upon to set up a Consumer Welfare Fund at the State level, so that voluntary efforts for promoting the consumer movement could be strengthened at grass root level through financial support. The ratio of sharing is 75:25 by the Centre and State (90:10 in the case of Special Category States/UTs) for Corpus Fund of Rs. 10.00 crore. With the help of Government of India Consumer Welfare Fund has been set up in 15 States/UTs viz. Gujarat, Andhra Pradesh, Orissa, West Bengal, Bihar, Nagaland, Karnataka, Tamil Nadu, Madhya Pradesh, Kerala, Haryana, Jharkhand, Telangana, Rajasthan & Sikkim. Now, as per the concerned State Goods and Services Tax Act, Consumer Welfare Fund has been established by the State Governments in their State.

2.106 According to the Department of Consumer Affairs, sanction letter has been issued to the Government of Mizoram to release Rs. 1.80 Crore for setting up the Corpus Fund of Rs. 2.00 Crore in Mizoram State and Sanction letter has been issued to the Government of Andhra Pradesh to release part-payment of Rs.48,64,000/- for setting up the Corpus Fund of Rs. 10.00 Crore in Andhra Pradesh. Following the decision to increase the Consumer Welfare (Corpus) Fund from Rs. 10.00 Crore to Rs. 20.00 Crore, proposals have been received from the Governments of Tamil Nadu and West Bengal for release of the additional Central share of Rs. 7.5 Crore. Sanction letter has been issued to Govt. of West Bengal to release Rs. 7.5 Crore to increase the Consumer Welfare (Corpus) Fund from Rs. 10.00 Crore to Rs. 20.00 Crore & the Rs. 7.5 Crore more will be released to Govt. of Tamil Nadu and Government of Orissa after they deposit their share.

2.107 Details of Centre's share released for setting up Consumer Welfare (Corpus) Fund in the States is as per following table:

| | | (Rs. in Lakh) |
|-------|----------------|------------------|
| S.No. | Name of States | Amount Released |
| 1. | Gujarat | 750 |
| 2. | Andhra Pradesh | 750 * + 133.92 # |
| 3. | Orissa | 750 |
| 4. | West Bengal | 750 |
| 5. | Bihar | 750 |
| 6. | Nagaland | 900 |
| 7. | Karnataka | 750 |
| 8. | Tamil Nadu | 750 |
| 9. | Madhya Pradesh | 750 |
| 10. | Kerala | 750 |
| 11. | Haryana | 750 |
| 12. | Jharkhand | 750 |
| 13. | Telangana | 750 ** |
| 14. | Rajasthan | 750 |
| 15. | Sikkim | 450 |

* After bifurcation of Andhra Pradesh, the Government of Andhra Pradesh had transferred Rs. 2,70,92,000 to the Govt. of Telangana.

As after bifurcation of Andhra Pradesh, the Government of Andhra Pradesh had transferred Rs. 2,70,92,00 to the Govt. of Telengana, Govt. of Andhra Pradesh requested this Department to release Rs. 2,82,56,000/- and this Department has released Rs. 133.92 lakh.

** This amount includes an amount of Rs. 2,70,92,000 which they had received from Govt. of Andhra Pradesh

2.108 Letters from various levels have been sent to all States to create Consumer Welfare (Corpus) Fund in their States from time to time. They are also impressed upon for the same in various meetings organized by the Department of Consumer Affairs with the State Governments as well as by the officers of Department Affairs while visiting the States.

2.109 The Committee note that for the year 2019-20, an amount of Rs. 1950 lakh had been earmarked for Consumer Welfare Fund (CWF) where the money which is not refundable to the manufacturers, etc. is credited. The actual utilization of the allocated fund is however Rs. 719 lakh (upto They also note that financial assistance from CWF is given to 31.12.2019). various institutions including Universities, Voluntary Consumer Organisations (VCOs), Government Bodies and States for strengthening consumer movement. The Committee hope and expect that the financial allocation of Rs. 26100 lakh would be utilized productively and optimally during the financial year 2020-21. The Committee have also been informed about details of Grants released under CWF scheme during the years 2016-17, 2017-18, 2018-19 and 2019-20 to various institutions. The Committee desire that the Department should ensure that such institutions make utilization of the funds in a most productive manner, by insisting on Utilization Certificates (UCs) from them. The Committee also note that so far 15 States/UTs have set up State Level Consumer Welfare Fund with contribution

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of 75% (90% in case of Special Category States/UTs) from the Union Government. The number of such States was 13 in the year 2018-19. The Committee are of the view that while the steps taken by the Government to convince the States/UTs to set up State Level CWF have yielded some results, however, the Committee are constrained to note that the growth pattern in the scenario is not satisfactory. Considering the urgent need to create consumer awareness and strengthening the consumer movement in the country, the Committee strongly recommend that the Department of Consumer Affairs should vigorously pursue and impress upon the remaining States/UTs to set up the Consumer Welfare Fund on priority.

NEWDELHI; <u>March, 2020</u> Phalguna ,1941(Saka)

SUDIP BANDYOPADHYAY, Chairperson, Standing Committee on Food Consumer Affairs & Public Distribution

APPENDIX – I

MINUTES OF THE EIGHTH SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2019-2020) HELD ON WEDNESDAY, 26 FEBRUARY, 2020.

The Committee sat from 1100 hrs. to 1230 hrs. in Committee Room 'C', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Sudip Bandyopadhyay

- Chairperson

<u>Members</u>

Lok Sabha

- 2. Shri Girish Bhalchandra Bapat
- 3. Ms. Pratima Bhoumik
- 4. Shri Mitesh Rameshbhai (Bakabhai) Patel
- 5. Shri Manne Srinivas Reddy
- 6. Dr. Sanjeev Kumar Singari
- 7. Smt. Kavita Singh
- 8. Shri Ajay Misra Teni
- 9. Shri Rajmohan Unnithan

<u>Rajya Sabha</u>

- 10. Smt. Shanta Chhetri
- 11. Shri Veer Singh

SECRETARIAT

- 1. Shri Pawan Kumar
- 2. Shri Lovekesh Kumar Sharma
- 3. Shri Khakhai Zou

- Joint Secretary
- Director
- Additional Director

WITNESSES

| SI No. | Name | Designation |
|-----------|--|-------------------------------------|
| 1. | Shri Pawan Kumar Agarwal | Secretary |
| 2. | Shri G. Srinivas | Addl. Secretary & Financial Advisor |
| 3. | Shri Pramod Kumar Tiwari | DG (BIS) |
| 4. | Smt. Nidhi Khare Addl. Secretary | |
| 5. | Shri Amit Mehta Joint Secretary | |
| 6. | Shri Vineet Mathur Joint Secretary | |
| 7 | Shri V. Aggarwal Joint Secretary, DACFW | |
| 8. | Shri Awadhesh K. Choudhary Economic Adviser | |
| 9. | Shri U. Thanu DG (National Test House) | |
| 10. | Shri Sanjeev K. Chadha MD, NAFED | |
| 11. | Shri M.V.S.D. Prasada Rao | Scientist – G, BIS |
| 12 | Shri R. K. Mittal Head (Regulatory Compliance), FS | |
| 13. | Ms. Manju Gupta Scientist – F, BIS | |
| 14. | Shri H. J. S. Pasricha Scientist – F, BIS | |
| 15. | Shri Dharmesh Makwana | Director |
| 16. | Shri Alok Kumar Verma | Director |
| 17. | Shri Sita Ram Meena | Director |
| 18. | Shri Abhay Kumar | Director |
| 19. | Shri R. C. Dhankar | Director |
| 20. | Shri Pradeep Kumar Bhatnagar | Director |
| 21. | Shri B. N. Dixit | Director |
| 22. | Shri N. Natarajan Technical Direcor | |

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee convened to take oral evidence of the representatives of Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) in connection with examination of the Demands for Grants (2020-21) of the Department.

[The 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,

Lok Sabha regarding confidentiality of the proceedings. The Hon'ble Chairperson in his welcoming remarks requested the witnesses to elaborate on various issues such as strengthening of Consumer Courts and Fora, Legal Metrology Regulation and Enforcement, Price monitoring, National Test House, Standardization and Hallmarking of Gold Jewellery, Price Stabilization Fund etc. He also requested them to explain the problems, if any, in the effective implementation of various schemes. Then, the representatives of Department of Consumer Affairs with the permission of Chairperson made a power point presentation highlighting functions of the Department, Major provisions of Demands for Grants (2020-21) of the Department including Highlights of Budget 2020-21, Detailed allocation of funds for various schemes like Consumer Protection, Consumer Awareness (Advertising and Publicity), Strengthening of Legal Metrology Regulation and Enforcement, Bureau of Indian Standards, Standardization and Gold Hallmarking, Strengthening of NTH, Stregthening of Price Monitoring Cell, Price Stabilization Fund and consumer advocacy through the Consumer Welfare Fund, etc. The Secretary and other representatives of the Department addressed the issues raised by the Hon'ble Chairperson in his opening remarks. The issues raised by the Hon'ble Chairperson were further supplemented by the members of the Committee.

- 4. The Committee then held detailed discussion on the following issues:-
 - (i) Budget *vis-à-vis* Actual expenditure;
 - (ii) Price Monitoring;
 - (iii) Building of Buffer stock of pulses (2019-20);
 - (iv) Price Stabilization of essential commodities like pulses, onions, etc.;
 - (v) Steps taken towards better consumer protection like National Consumer Helpline, CONFONETetc.;
 - (vi) Consumer Welfare Fund (CWF), Legal Metrology and Time Dissemination (TD) Project;
 - (vii) Bureau of Indian Standards (BIS), CRS for self-declaration of conformity to Standards for Electronics/IT products, Management System Certification; Hallmarking for assuring purity of gold/silver etc.; and
 - (viii) National Test House.

The queries raised by the Chairperson and the Members on various issues during the course of discussion were responded to by the representatives of the Department.

5. The Chairperson directed the representatives of the Department of Consumer Affairs to furnish written replies to the queries raised by the Members, which could not be responded to during the sitting of the Committee.

6. The Chairperson then thanked the Secretary and other representatives of the Department of Consumer Affairs for their free and frank discussion.

[The witnesses then withdrew.]

A verbatim record of the proceedings has been kept.

The Committee then adjourned.

MINUTES OF THE NINETH SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2019-20) HELD ON WEDNESDAY, 11 MARCH, 2020.

The Committee sat from 1500 hrs. to 1530 hrs. in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Sudip Bandyopadhyay

- Chairperson

<u>Members</u>

Lok Sabha

- 12. Shri Karadi Sanganna Amarappa
- 13. Shri C.N. Annadurai
- 14. Ms. Pratima Bhoumik
- 15. Shri Anil Firojiya
- 16. Shri Khagen Murmu
- 17. Shri Mitesh Rameshbhai (Bakabhai) Patel
- 18. Shri Ajay Misra Teni
- 19. Shri Saptagiri Ulaka
- 20. Shri V. Vaithilingam

Rajya Sabha

- 21. Shri Sakaldeep Rajbhar
- 22. Shri Veer Singh

SECRETARIAT

- 1. Shri Pawan Kumar
- 2. Shri Lovekesh Kumar Sharma
- 3. Shri Khakhai Zou

- Joint Secretary
- Director
- Additional Director

2. At the outset, Hon'ble Chairperson welcomed the Members to the sitting of the Committee convened for consideration and adoption of the Draft Reports on Demands for Grants (2020-21) relating to the (i) Department of Consumer Affairs, and (ii) Department of Food and Public Distribution, under the Ministry of Consumer Affairs, Food and Public Distribution.

XXXXXXXXXXXX. After brief discussion, the Committee adopted the Draft Report without any amendments/modifications.

6. The Committee then authorized the Chairperson to finalize the aforesaid Draft Report in the light of verbal and consequential changes and also in the light of factual verification from concerned Department and also present the same to Parliament during the current Session.

The Committee then adjourned.

XXXXXXXXXXX Matter does not related to the Report.

SUMNMARY OF SOME IMPORTANT RECOMMENDATIONS/OBSERVATIONS

| SI. No. | Para No. | Recommendations/Observations |
|---------|-------------|--|
| 1 | 2 | 3 |
| 1. | 2.10 | The Committee have recommend that the Department of Consumer Affairs should take steps so as to gear up the administrative, legal and technological mechanisms to meet the challenges that may come up when the rules of Consumer Protection Act, 2019 are ready and the new Act put into operation. |
| 2. | 2.17 | The Committee have recommended that the Union Government should maintain and update data relating to cases disposed of in Consumer Disputes Redressal Fora/Commissions down to the district level and the Mediation Cells attached therewith. |
| 3. | 2.42 | The Committee are of the opinion that messages conveyed through the consumer rights awareness campaign need to be clear, articulate, proper and catchy to dispel the possible sense of inhibition or predicament of consumers in approaching available facilities such as helplines, Consumer Fora/Commissions, test centres etc. |
| 4. | 2.55 | The Committee have recommended that the Government should take necessary steps to ensure that the major construction projects and maintenance of laboratories relating to Weights and Measures are completed at the earliest possible time. |
| 5. | 2.69 | The Committee have recommended that all possible efforts be made to enable early recognition of more Assaying and Hallmarking Centres in the larger interest of the consumers. |

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