

**STANDING COMMITTEE ON CONSUMER AFFAIRS,
FOOD AND PUBLIC DISTRIBUTION (2022-2023)**

30

SEVENTEENTH LOK SABHA

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

{Action Taken by the Government on the recommendations/observations contained in the Twenty Fifth Report of the Committee (Seventeenth Lok Sabha) on Demands for Grants (2023-24) pertaining to the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs)}

THIRTIETH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

August, 2023/Sravana, 1945 (Saka)

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*Presented to Lok Sabha on -----
Laid in Rajya Sabha on -----*



**LOK SABHA SECRETARIAT
NEW DELHI**

August, 2023/ Sravana, 1945 (Saka)

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Composition of the Standing Committee on Consumer Affairs, Food and Public Distribution

(2022-23)

Smt. Locket Chatterjee - Chairperson

MEMBERS

Lok Sabha

2. Dr. Farooq Abdullah
3. Shri Sudip Bandyopadhyay
4. Shri Shafiqur Rahman Barq
5. Shri Gangasandra Siddappa Basavaraj
6. Km. Debasree Chaudhuri
7. Shri Anil Firojiya
8. Shri Rajendra Dhedya Gavit
9. Shri Sanganna Amarappa Karadi
10. Shri Khagen Murmu
11. Shri Mitesh Rameshbhai Patel
12. Shri Subrat Pathak
13. Shri Ganesan Selvam
14. Dr. Amar Singh
15. Smt. Himadri Singh
16. Smt. Kavita Singh
17. Shri Nandigam Suresh
18. Shri Saptagiri Sankar Ulaka
19. Shri Rajmohan Unnithan
20. Shri Vaithilingam Ve.
21. Vacant

Rajya Sabha

22. Shri Satish Chandra Dubey
23. Dr. Fauzia Khan
24. Shri Baburam Nishad
25. Shri Rajmani Patel
26. Shri Sakaldeep Rajbhar
27. Dr. Anbumani Ramadoss
28. Shri C. Ve Shanmugam
29. Shri Harbhajan Singh
30. Ms. Dola Sen
31. Dr. Ashok Bajpai

LOK SABHA SECRETARIAT

1. Shri Srinivasulu Gunda - Joint Secretary
2. Dr. Vatsala Joshi - Director
3. Shri Dong Lianthang Tonsing - Deputy Secretary

INTRODUCTION

I, the Chairperson of the Standing Committee on Consumer Affairs, Food and Public Distribution (2022-2023) having been authorized by the Committee to submit the Report on their behalf, present this Thirtieth Report on Action Taken by the Government on the Recommendations/Observations contained in the Twenty Fifth Report of the Committee (Seventeenth Lok Sabha) on Demands for Grants (2023-24) of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs).

2. The Twenty Fifth Report was presented to Lok Sabha and laid in Rajya Sabha on 21.03.2023. The Government has furnished its replies indicating Action Taken on the recommendations contained in the Report on 08.06.2023.

3. The Report was considered and adopted by the Committee at their sitting held on 1st August, 2023.

4. An analysis of the action taken by the Government on Recommendations/Observations contained in the Report is given in **Appendix II**.

5. For facility of reference and convenience, the Recommendations/ Observations of the Committee have been printed in thick type in the text of the Report.

NEW DELHI;
01 August, 2023
10 Sravana, 1945 (Saka)

LOCKET CHATTERJEE
Chairperson,
Standing Committee Consumer
Affairs, Food and Public Distribution

REPORT

CHAPTER – I

This Report of the Standing Committee on Consumer Affairs, Food and Public Distribution deals with the action taken by the Government on the Observations/Recommendations contained in the Twenty-Fifth Report of the Committee (2022-23), (17th Lok Sabha) on Demands for Grants (2023-24), pertaining to the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs).

1.2 The Twenty-Fifth Report was presented to the Lok Sabha and laid in the Rajya Sabha on 21 March, 2023. It contained 11 Observations/Recommendations.

1.3 Action taken replies in respect of all the Observations/Recommendations contained in the Report have been received and categorized as follows:-

- (i) Observations/Recommendations which have been accepted by the Government:
Para Nos.: 2.6, 2.13, 3.15, 3.24, 4.14, 4.27, 5.8, 5.15, 6.7, 6.17
Total: 10
Chapter-II
- (ii) Observations/Recommendations which the Committee do not desire to pursue in view of the Government's replies:
Para No.: 4.5
Total: 01
Chapter-III
- (iii) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:
Para No.: NIL
Total: 0
Chapter-IV
- (iv) Observations/Recommendations in respect of which final replies of the Government are still awaited:
Para No. : NIL
Total: 0
Chapter-V

1.4 The Committee trust that utmost importance will be given to the implementation of the Observations/Recommendations accepted by the Government. The Committee desire that final action taken notes to the Observations/Recommendations contained in Chapter I and Chapter-V of this Report should be furnished to them not later than three months of the presentation of this Report.

1.5 The Committee will now deal with the action taken by the Government on some of the observations/recommendations.

Strengthening of Consumer Commissions

Recommendation No 3 (Para no 3.15)

1.6 The Committee in their Original Report observed/recommended as follows:-

“The Committee note that in order to supplement the efforts of the State Governments to run quasi-judicial Consumer Commissions, the Department of Consumer Affairs, under Consumer Protection Act, 2019, is extending financial assistance to them to strengthen the infrastructure so that a minimum level of facilities are provided at each Consumer Commission required for their effective functioning. The Committee, therefore, hope that the Department will continuously pursue and take strong measures to ensure utilization of the full amount and obtain UCs from such States/Uts at the earliest.”

1.7 The Ministry in its action taken reply has stated as under:-

“The Department of Consumer Affairs has been persistently making regular requests to State Governments and UT Administrations to utilize the funds and also provide pending Utilization Certificates for the funds released and the “Strengthening of Consumer Commission” scheme through meetings, video conferencing and letters.”

1.8 The Committee, in their report on Demands for Grants (2023-24), expressed hope that Department will, in the matter of extending financial assistance to them to strengthen the infrastructure, continuously pursue and take strong measures to ensure utilization of the full amount and obtain Utilization Certificates (UCs) from States/Uts at the earliest. In reply, the Department of Consumer Affairs informed that it has been persistently making regular requests to State Governments and UT Administrations to utilize the funds and also provide pending UCs for the funds released under the “Strengthening of Consumer Commission” scheme through meetings, video conferencing and letters. The Committee, while recognizing the efforts of the department, once again, reiterate their earlier recommendation to ensure utilization of the full amount of funds released for strengthening infrastructure of the Consumer Commissions.

CHAPTER – II

OBSERVATIONS/ RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation No. 1 (Para No. 2.6)

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

Reply of the Government

2.2 There were enormous surrenders of saving during the FY 2019-20, 2020-21 and 2021-22 w.r.t R.E allocations for which reasons was already replied to the Hon'ble Committee. However, during the FY 2022-23, the actual expenditure as on 31.03.2023 was Rs. 249.46 crore against the RE allocation of Rs. 256.55 crore and there was surrender of savings of Rs.7.09 crore against the allocation of R.E during the F.Y 2022-23 which was comparatively less than last five years. During the F.Y 2022-23, every possible steps were taken to utilise the maximum budget allocation for which frequent meeting were held by senior officers with all the Divisional Heads. Daily monitoring of expenditure of each division was noted and accordingly discussed in the meetings.

In addition to above, all the necessary efforts will be made to ensure that funds allocated for procurement of equipment, construction of laboratory buildings and capacity building of Legal Metrology officers of States/ UTs/ UoI will be judiciously utilized in time without compromising on quality. It will be ensured that the funds estimated are spend to reduce the chances of surrender of funds.

The observation of Hon'ble Committee in context of enormous surrenders of Actual Expenditure (AE) for the last 5 years is noted by Department and the Department will closely monitor the progress implementation and necessary steps will be taken to maximize the expenditure against the R.E allocated in future.

[Ministry of Consumer Affairs, Food and Public Distribution
(Department of Consumer Affairs)
O.M. No. N-19/1/2023-P&C Dated the 8th June, 2023]

Recommendation No. 2 (Para No. 2.13)

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

Reply of the Government

5.2 Department will give topmost priority to efficient execution of the schemes under Legal Metrology and Quality Assurance. All the necessary efforts will be made to ensure that funds allocated will be judiciously utilized in time without compromising on quality. The Department will closely monitor the progress of implementation and will make every sincere effort to get the funds utilised. The meetings with various stake holders will be held regularly to monitor the progress of the Scheme.

For Transformer testing project at Jaipur, Rajasthan, a plot of land measuring 10,000 sqm has been allotted by Rajasthan State Industrial Development and Investment Corporation (RIICO) at RIICO Industrial Area, Manda on Chomu Renwal Road (S.H. No. 19), Distt. Jaipur, Rajasthan.

This allocation will facilitate the setting up of state-of-art “Integrated Test Facility for Power Transmission & Distribution Sectors including Short Circuit Test of Transformers upto 10 MVA” in the region. NTH has submitted a proposal for construction of boundary wall around the area at an estimated cost of Rs. 73.28 lakhs as submitted by CPWD (NZ). The procurement of various equipment through Central & Regional purchase committee to create full test facility as per Indian Standard (IS) to fill up the gap and modernization of laboratories is under process and at different stages as per procurement plan. Implementation plan and monitoring on regular basis is also taken to ensure timely completion and as per availability of budgetary fund.

The Department will closely monitor the progress implementation and will make every sincere effort to for timely completion of the project.

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

Recommendation No. 3 (Para No. 3.15)

4.1 The Committee note that in order to supplement the efforts of the State Governments to run quasi-judicial Consumer Commissions, the Department of Consumer Affairs, under Consumer Protection Act, 2019, is extending financial assistance to them to strengthen the infrastructure so that a minimum level of facilities are provided at each Consumer Commission required for their effective functioning. The Committee, therefore, hope that the Department will continuously pursue and take strong measures to ensure utilization of the full amount and obtain UCs from such States/UTs at the earliest.

Reply of the Government

4.2 The Department of Consumer Affairs has been persistently making regular requests to State Governments and UT Administrations to utilize the funds and also provide pending Utilization Certificates for the funds released und the “Strengthening of Consumer Commission” scheme through meetings, video conferencing and letters.

[Ministry of Consumer Affairs, Food and Public Distribution
(Department of Consumer Affairs)
O.M. No. N-19/1/2023-P&C Dated the 8th June, 2023]

Comments of the Committee

(Please see Para No. 1.8 of Chapter -I of the Report)

Recommendation No. 4 (Para No. 3.24)

2.3. The Committee note that under the Scheme of Computerization and Computer Networking of Consumer Commissions in the country (CONFONET) all the three tiers of the Consumer Commissions were to be fully computerized. The Committee are appreciative of the trend of spending of the funds viz-a –viz revised estimate since 2017-18. They also appreciate the supply of hardware in 35 State Commissions (SC), 15 Circuit Benches (CB) and 591 District Commissions (DC), deployment of manpower in 32 SCs, 10 CBs and 591 DCs and operationalization of the Commissions of that 35 SCs, 13 CBs and 588 DCs on Online Case Monitoring System (OCMS). The Committee express their satisfaction that E-Daakhil Portal has covered 34 States/UTs and providing facility for online registration of consumer complaints in different consumer commissions. The Committee hope that the Department will strive to continue the trend in future also.

Reply of the Government

2.4 In this regard, it is conveyed that the observation of the committee has been duly noted.

[Ministry of Consumer Affairs, Food and Public Distribution
(Department of Consumer Affairs)
O.M. No. N-19/1/2023-P&C Dated the 8th June, 2023]

Recommendation No. 6 (Para No. 4.14)

2.5 The Committee note that synchronization of all networks and computers within the country with a national clock is a must, especially for the real time applications in strategic sector and national security. The Project of Time Dissemination was started in 2017 and originally slated for completion in the year 2022. They were informed that now it is expected that the entire instrument for timing centres will be received by the end of 2023 and that the dissemination and time stamping is expected to be started during 2024 after integration/ testing of the timing instrument. In the mean time about Rs. 58 Crore has been spent under Minor Head 17.00.52 (Machinery & Equipments). They also note that for establishing timing centres, highly precise atomic clocks, hydrogen masers etc. needs to be procured from the International suppliers which are very few and takes upto one year delivery time; Tenders / orders for almost all the highly sensitive equipment have been placed by NPL and are expected to be supplied during 2023; few of them have been supplied at ISRO for integration/ testing etc.; and permission for Global tender Enquiry has already been solicited from Cabinet Secretariat vide letter dated 10th December 2020. The Committee are of the opinion that as synchronization of all networks and computers within the country with a national clock is a must, especially for the real time applications in strategic sector and national security. The Committee, therefore, recommend the Department of Consumer Affairs to take the project of Time Dissemination on highest priority for expediting its completion and rope in people with domain expertise, if needed so that the benefits accrued may reach to the to 59 various sectors of the economy and society at the earliest.

Reply of the Government

2.6 Due care will 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.

Department of Consumer Affairs has taken the project of Time Dissemination is of National importance and is on highest priority for its completion. The very senior retired experts of National Physical Laboratory and Cyber Security Coordinator are also the part of meetings, held regularly to monitor the progress of the project. It will be ensured that the benefits of the project may reach to the various sectors of the economy and society at the earliest.

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 Regional Reference Standards Laboratories of Legal Metrology located at Ahmedabad, Bengaluru, Bhubaneswar, Faridabad and Guwahati with the cooperation of National Physical Laboratory (NPL) and a budget provision of Rs. 100 crores was made. An MoU with CSIR- NPL for executing the project for setting up of atomic clocks for dissemination of Indian Standard Time was signed on 28.12.2018.

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 this Department.

With coordination of NPL and ISRO it will be ensured that the project is completed within timeline by 2024.

[Ministry of Consumer Affairs, Food and Public Distribution
(Department of Consumer Affairs)
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Recommendation No. 7 (Para No. 4.27)

5.3 The Committee note that the National Test House works in the field of Testing, Evaluation and Quality Control of various engineering materials and finished products, Calibration of measuring equipment /instruments and devices. The Committee further observe that an additional budgetary allocation to the tune of Rs. 52.84 crore will be needed by NTH in FY 23-24 to undertake new projects including EV Batteries Testing facilities at NTH, Kolkata and Mumbai, Drone Testing Facility at Ghaziabad, Transformer testing project at Jaipur, Rajasthan, testing of fertilizer samples under 'One Nation, One Fertiliser' scheme and testing of drainage water under Clean Ganga project, among others. The Committee think that NTH is one of its kind organization which provides authentic testing facility which may be directly used by the Government Organisations as well as

private sector clients. The Committee, therefore, desire that suitable steps should be taken to ensure adequate funding is made available to NTH in order to modernize the NTH labs across the country. Further, the Committee urge the Ministry to popularize the work of NTH amongst the citizens and to collaborate with the colleges/universities and arrange the visits of students in order to make them acquainted with the work of NTH.

Reply of the Government

5.4 The proposals for the testing facility of EV batteries in NTH, Kolkata, and Mumbai have been finalized and submitted to DoCA. The procurement of the capital equipments and their specifications has also been finalized and is currently in the bidding stage through GeM. The proposals for the Drone Testing Facility at Ghaziabad has been finalized and submitted to DoCA. The procurement of the capital equipments and their specification is under finalization stage for bidding through GeM portal. For Transformer testing project at Jaipur, Rajasthan, a plot of land measuring 10,000 sqm has been allotted by Rajasthan State Industrial Development and Investment Corporation (RIICO) at RIICO Industrial Area, Manda on Chomu Renwal Road (S.H. No. 19), Distt. Jaipur, Rajasthan. This allocation will facilitate the setting up of the state-of-art testing facility in the region. NTH has submitted the proposal for construction of boundary wall around the area at an estimated cost of Rs. 73.28 lakhs as submitted by CPWD (NZ). Testing of Fertilizers under “One Nation One Fertilizer” Scheme has already been started and Testing of Drain Water under clean Ganga Project is under process of finalization. Other lab modernization and upgradation is also under progress for which additional fund requirement will be there. The budget of Rs. 52.84 crore will be required in order for all of the aforementioned projects to be carried out during the financial year 2023–2024, and shall be completed subject to the availability of budget.

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(Department of Consumer Affairs)
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Recommendation No. 8 (Para No. 5.8)

2.7 The Committee note that the Price Monitoring Division (PMD) set up by the Department of Consumer Affairs in 1998 is keeping a close watch on the prices of selected food items as well as the structural and other constraints affecting the availability of 22 commodities of five item groups i.e., Cereals (Rice & Wheat), Pulses (Gram, Tur, Urad, Moong, Masur), Edible Oils (Groundnut Oil, Mustard Oil, Vanaspati, Soya Oil, Sunflower Oil, Palm Oil), Vegetables (Potato, Onion, Tomato), and other items (Atta, Sugar, Gur, Milk, Tea, and Salt). During the last 5 years, on an average, 90.5 % of the Revised Estimates (RE) figures got utilized and the BE for 2023-24 is Rs. 600 Lakh. with which financial

assistance of approx. Rs. 2.99 lakh per annum is provided per annum for functioning of the centres. They also note that the number of Price Reporting Centres (PRCs) has increased from 178 in 2021-22 to 461 in 2022-23 and the Department has decided to cover all the districts in the country. The Department of Consumer Affairs to review their planning for covering all the districts of the country.

Reply of the Government

2.8 The number of price reporting centres has increased from 178 in 2021-22 to 482 as on 31st March, 2023. The department is in the process of adding more centres. Additional 23 new centres have been added in April, 2023, taking the total number of PRCs in the country to 505 presently.

[Ministry of Consumer Affairs, Food and Public Distribution
(Department of Consumer Affairs)
O.M. No. N-19/1/2023-P&C Dated the 8th June, 2023]

Recommendation No.9 (Para No. 5.15)

5.5 The Committee note that the Price Stabilization Fund (PSF) was set up with an initial corpus of ₹500 crore to tackle price volatility in some agrihorticultural commodities viz. onion, potato and pulses to protect the interests of consumers. As per the Government's decision, the PSF was transferred to the Department of Consumer Affairs (DoCA) w.e.f. 1st April, 2016. The buffer stock created out of the fund with the Government discourages hoarding and unscrupulous speculation by traders. As on 13th February, 2023 there is an amount of Rs.5,925 Crore in the PSF corpus. The Committee also note that with a view to bring the Price Support Scheme (PSS) presently operated by the Department of Agriculture and Farmers Welfare (DA&FW) & Price Stabilization Fund (PSF) presently operated by Department of Consumer Affairs (DoCA) under one Ministry, inter-Ministerial consultation is going on among DoCA, DA&FW and Department of Food and Public Distribution (DFPD). In the mean time a token amount of Rs. 0.01 Crore has been allocated for PSF for the Financial Year 2023-24. Further, the inter ministerial consultation has decided to formulate a combined scheme for Price support and buffer management by combining PSS and PSF schemes to be implemented by a single Ministry i.e. DAFW, the modus operandi pertaining to buffer norms and management to remain under administrative control of DoCA, the combined scheme will be put up for EFC appraisal and Cabinet approval. The Inter-Ministerial consultation also decided that till the final approval is obtained from Cabinet, status quo may be maintained for implementing PSS and PSF and extension for Pradhan Mantri Annadata Aay Sanraks Han Abhiyan (PM-AASHA) to be sought till 30.09.2023 so that procurement of pulses and oilseeds is not hampered during the ensuing Rabi season. The Committee desire that a decision in the matter should be arrived at the earliest so that the Government is ready to tackle any possible

price volatility and Committee may be apprised about the progress made in the matter.

Reply of the Government

5.6 A Committee was constituted to examine the feasibility of combining Price Support Scheme(PSS) & Price Stabilization Fund (PSF) to suggest modalities for implementing combined scheme. Accordingly, a new scheme in the nomenclature of Price Support & Stabilization Scheme (PS&SS) is envisaged by integrating PSS & PSF buffer and the EFC Note of the combined scheme which will be implement by Department of Agriculture & Farmer Welfare , is under process.

[Ministry of Consumer Affairs, Food and Public Distribution
(Department of Consumer Affairs)
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Recommendation No. 10 (Para No. 6.7)

2.9 The Committee note that under the scheme of Consumer Awareness, awareness campaigns are undertaken in the form of print, electronic, outdoor and social media through Central Bureau of Communication (CBC) / National Film Development Corporation (NFDC), All India Radio (AIR), Doordarshan (DD), and other organizations like Indian Railway Catering & Tourism Corporation (IRCTC), Common Service Centres(CSCs) etc. The Committee also note that the Department is actively using various social media platforms for generating consumer awareness and also has made use of Common Service Centres (CSCs) across the country by displaying posters on consumer awareness. Sponsored Radio Programmes (SRPs) in North-Eastern region and Ad libs (messages by RJs) are being broadcast on All India Radio (AIR) to generate awareness. The Department has launched “Jagriti”, a mascot for empowering consumers and making them aware of their rights. By bringing the Jagriti mascot, DoCA aims to strengthen its consumer awareness campaign presence in digital and multimedia and reinforce a young empowered and informed consumer as a top- of-mind consumer rights awareness recall brand. The Committee think that despite publicity by various means, there is need for better penetration of the awareness programme specially in rural, tribal and NE areas. The Committee are happy to note that department is giving attention to the North Eastern areas of the country which have been sidelined for long. The Committee applaud the efforts of the Department in spreading awareness programmes in North Eastern States and further desire that the awareness campaign should specifically mention the various schemes of the Department such as Consumer Protection, Weights and Measures, Hallmarking of Jewellery, Testing and Calibration, Price Monitoring and Stabilization, etc. especially for consumers residing in rural, tribal

and the North Eastern Region by involving local Voluntary Organisations/ NonGovernment Organisations/ Self-Help Groups and Farmer Groups and Anganwadi Centres.

Reply of the Government

2.10 The observations of the Committee has been noted. As observed by the Committee, it may be informed that the Department has been carrying out various campaigns in Scheduled Caste and Scheduled Tribe dominant areas and north eastern region through Doordarshan and All India Radio. Moreover, given the increased digitalization throughout the nooks and corners of the country, the Department has been focusing on use of social media platforms. Further, the Department has undertaken consumer awareness initiatives for dissemination of videos by involving Voluntary Consumer Organizations(VCOs).

[Ministry of Consumer Affairs, Food and Public Distribution
(Department of Consumer Affairs)
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Recommendation No.11 (Para No. 6.17)

5.7 The Committee note that money that is not refundable to the manufacturers etc. is credited to the Consumer Welfare Fund, the Rules of which were framed and notified in the Gazette of India in 1992, under the Central Excise and Salt Act, 1944 (1 of 1944) pursuant to its amendment in 1991. On enactment of the CGST Act, 2017, the Consumer Welfare Fund has been setup under section 57 thereof. Rule 97 of the CGST Rules, 2017 deals with the Consumer Welfare Fund. Financial assistance from CWF is given inter-alia to Government bodies and States to promote and protect the welfare of the consumer, engaged in consumer awareness/protection activities, for consumer awareness/protection and strengthen consumer movement in the country. Grants from Consumer Welfare Fund is also given to States/UTs for creating a State/UT level Consumer Welfare (Corpus) Fund upto a seed money upto Rs. 20.00 Crore with contribution of Centre and State/UT in the ratio of 75:25 (90:10 in the case of Special Category States/UTs), in the corpus. The concerned State/UT government has to furnish to the Central Government, details of interest accrued, activities undertaken out of the above interest, Audited statement of accounts, details of the account, proof of the State share deposited etc. as required by the Central Government. So far 21 states have opted for this scheme, covering around 80% of India's population. A total of Rs. 21367.77 Lakh Grants under the Schemes has been released from CWF Corpus Fund and an amount of Rs. 37 Crore (with Rs. 32 Crore under the relevant head for Consumer Welfare (Corpus) Fund) for setting up / enhancement of Consumer Welfare (Corpus) Fund in States/UTshas been allocated in the BE 2023-24. In this regard, the Committee

desire that the scheme should encourage the remaining States to create the Consumer Welfare (Corpus) Fund so that the activities relating to consumer awareness/ protection could be strengthened in these States.

Reply of the Government

5.8 As per Consumer Welfare Fund Guidelines, 2019, funds may be given to State/UT Government as seed money as one time grant on 75:25 basis (90:10 in the case of Special Category States/ UTs). The State/UT Government to become eligible to receive the one-time grant should deposit their share in a non-plan, non- lapsable public account. At present, Consumer Welfare (Corpus) Fund of ₹ 20 crores has been fully set up in 8 states and partially set-up in 13 states. It is pertinent to state here that this Department has been vigorously following up the matter with the remaining 15 States/UTs to send the proposals to set up the Consumer Welfare (Corpus) Fund in their states. Out of these 15States/UTs, proposal for setting up of the Consumer Welfare (Corpus) Fund have recently been received from 3 states, which are under examination stage in the Department. D.O. letters from Additional Secretary and Joint Secretary, Department of Consumer Affairs are regularly issued to States/UTs for seeking proposals for setting up of Consumer Welfare (Corpus) Fund. A D.O. letter from Joint Secretary, Department of Consumer Affairs, dated 02.02.2022 and subsequent reminder dated 20.04.2022 were sent to Principal Secretaries of Food & Civil Supplies Department of the States/UTs where Consumer Welfare (Corpus) Fund has not been established. Another D.O. letter dated 06.03.2023 from Joint Secretary, Department of Consumer Affairs was also sent to the Secretaries / Principal Secretaries of Food & Civil Supplies Department of the States/UTs where Consumer Welfare (Corpus) Fund has not been established. This Department has also been telephonically and through VCs requesting all the remaining States/UTs to set up the Corpus Fund/enhancement of the fund at the earliest. Matter is also taken up during the visit of Secretary and other Senior Officers of the Department to the States/UTs.

[Ministry of Consumer Affairs, Food and Public Distribution
(Department of Consumer Affairs)
O.M. No. N-19/1/2023-P&C Dated the 8th June, 2023]

CHAPTER III

RECOMMENDATIONS/ OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES

Recommendation No. 5 (Para No. 4.5)

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

Reply of the Government

3.2 The Minor Head 01.00.52 is a non-functional head and therefore, funds are re-appropriated in the functional head before utilizing.

As per practice, the funds for North-Eastern Regions are earmarked in the Heads mean for these regions. However, these Heads are nonfunctional and funds need to be re-appropriated in the functional head before release. These heads for NE regions are kept for better monitoring of utilization of funds in these regions.

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

[Ministry of Consumer Affairs, Food and Public Distribution
(Department of Consumer Affairs)
O.M. No. N-19/1/2023-P&C Dated the 8th June, 2023]

CHAPTER IV

OBSERVATIONS/ RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

- NIL -

CHAPTER - V

**OBSERVATIONS/ RECOMMENDATIONS IN RESPECT OF WHICH THE
FINAL REPLIES OF THE GOVERNMENT ARE STILL AWAITED**

- NIL -

**NEW DELHI;
01 August, 2023
10 Sravana, 1945 (Saka)**

**LOCKET CHATTERJEE,
Chairperson,
Standing Committee on Consumer
Affairs, Food and Public Distribution**

APPENDIX I

MINUTES OF THE EIGHTEENTH SITTING OF THE STANDING COMMITTEE ON CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (2022-2023) HELD ON TUESDAY, 1st AUGUST, 2023

The Committee sat from 1500 hrs. to 1515 hrs. in Committee Room 'C', Parliament House Annexe, New Delhi.

PRESENT

Smt.Locket Chatterjee - Chairperson

Members

Lok Sabha

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

Rajya Sabha

14. Shri Satish Chandra Dubey
15. Dr. Fauzia Khan
16. Shri Harbhajan Singh
17. Ms. Dola Sen
18. Dr. Ashok Bajpai

SECRETARIAT

1. Shri Srinivasulu Gunda - Joint Secretary
2. Dr. Vatsala Joshi - Director
3. Dr. Mohit Rajan - Deputy Secretary
4. Shri Dong Lianthan Tonsing - Deputy Secretary

2. At the outset, Hon'ble Chairperson welcomed the Members to the sitting of the Committee convened for consideration and adoption of the following Draft Reports of the Committee:

(i) XXXXXX XXXXXXXXXXX XXXXXXX

(ii) XXXXXX XXXXXXXXXXX XXXXXXX

(iii) XXXXXX XXXXXXXXXXX XXXXXXX

(iv) Thirtieth Report on Action Taken by the Government on the Recommendations/Observations contained in the Twenty Fifth Report of the Committee (Seventeenth Lok Sabha) on Demands for Grants(2023-24) of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs)

3. Thereafter, the Committee took up for consideration the above mentioned Draft Reports of the Committee.

4. After deliberations, the Committee adopted the above mentioned Draft Reports without any amendments/modifications.

5. The Committee then authorized Hon'ble Chairperson to finalize and present the aforesaid Reports.

The Committee then adjourned.

XXX Matter does not relate to the Report.

APPENDIX II

(Vide Para No. 4 of Introduction of the Report)

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE OBSERVATIONS/RECOMMENDATIONS CONTAINED IN THE TWENTY FIFTH REPORT OF THE STANDING COMMITTEE ON CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (2022-23)

(SEVENTEENTH LOK SABHA)

(i) Total number of Recommendations: 11

(ii) Observations/Recommendations which have been accepted by the Government :

Para Nos. :- 2.6, 2.13, 3.15, 3.24, 4.14, 4.27, 5.8, 5.15, 6.7, 6.17

(Chapter – II, Total 10)

Percentage : 90.9%

(iii) Observations/Recommendations which the Committee do not desire to pursue in view of the replies received from the Government

Para Nos.:- 4.5

(Chapter – III, Total - 01)

Percentage : 9.09%

(iv) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:

Para Nos. NIL

(Chapter – IV, Total -0)

Percentage : 0%

(v) Observations/Recommendations in respect of which the interim replies of the Government have been received.

Para No.:-

(Chapter – V, Total - 0)

Percentage : 0%