

29

**STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS
AND PUBLIC DISTRIBUTION
(2012-13)**

FIFTEENTH LOK SABHA

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

**DEMANDS FOR GRANTS
(2013-14)**

TWENTY NINTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

April, 2013/ --Vaisakha, 1935 (Saka)

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(DEPARTMENT OF CONSUMER AFFAIRS)**

**DEMANDS FOR GRANTS
(2013-14)**

Presented to Lok Sabha on 30.04.2013

Laid in Rajya Sabha on 30.04.2013



**LOK SABHA SECRETARIAT
NEW DELHI**

April, 2013/ --Vaisakha, 1935 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION – 2012-13.

Shri Vilas Muttemwar - Chairman

MEMBERS

Lok Sabha

2. Smt. Harsimrat Kaur Badal
3. Shri Shivraj Bhaiya
4. Shri Kantilal Bhuria
5. Shri Arvind Kumar Chaudhary
6. Shri Harishchandra Chavan
7. Shri Sanjay Dhotre
8. Shri Eknath M. Gaikwad
9. Shri Abdul Mannan Hossain
10. Shri Prataprao Ganpatrao Jadhav
11. Shri Sohan Potai
12. Shri Ponnamp Prabhakar
13. Shri C. Rajendran
14. Shri Purnmasi Ram
15. Shri Chandulal Sahu (Chandu Bhaiya)
16. Shri Adhi Sankar
17. Shri N. Chaluvarya Swamy
18. Shri Jagdish Thakor
19. Shri Laxman Tudu
20. Vacant*
21. Vacant**

Rajya Sabha

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23. Shri Lalhming Liana
24. Smt Rajani Patil[@]
25. Dr. Bharatkumar Raut
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28. Dr. T.N. Seema
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1. Shri P.K. Misra - Joint Secretary
2. Smt. Veena Sharma - Director
3. Shri Khakhai Zou - Under Secretary
4. Smt. Mriganka Achal - Committee Officer

* Shri Lal Chand Kataria, MP appointed Minister w.e.f 28.10.2012

** Vice Shri A. Sai Prathap has been nominated to the Committee on Chemicals and Fertilizers w.e.f. 09.01.2013.

@ Smt Rajani Patil has been nominated to the Committee on FCA&PD w.e.f.18.03.2013.

INTRODUCTION

I, the Chairman of the Standing Committee on Food, Consumer Affairs and Public Distribution (2012-13), having been authorized by the Committee to submit the Report on their behalf present this Twenty Ninth Report on Demands for Grants (2013-14) 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 (2013-14) of the Ministry, which were laid on the Table of the House on 19th March, 2013. The Committee took evidence of the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) on 8th April 2013.

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

4. The Committee also place on record their deep sense of appreciation for invaluable assistance rendered by the Officials/Staff of Lok Sabha Secretariat attached to the Committee.

5. The Report was considered and adopted by the Committee at their sitting held on 26.04.2013.

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

NEW DELHI
26 April, 2013
06 Vaisakha, 1935 (Saka)

VILAS MUTTEMWAR,
Chairman,
Standing Committee on Food
Consumer Affairs and Public Distribution

CHAPTER I

INTRODUCTORY

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

1. Internal Trade.
2. Control of Future Trading: The Forward Contracts (Regulation) Act, 1952 (74 of 1952).
3. The Essential Commodities Act, 1955 (10 of 1955) (Supply, Price and Distribution of Essential Commodities not dealt with specifically by any other Department).
4. Prevention of the Black Marketing and Maintenance of Supplies of Essential Commodities Act, 1980 (7 of 1980).
5. Regulation of Packaged Commodities.
6. Training in Legal Metrology.
7. The Emblems and Names (Prevention of Improper Use) Act, 1952.
8. The Standards of Weights and Measures Act, 1976 and Standards of Weights and Measures (Enforcement) Act, 1985.
9. Bureau of Indian Standards Act, 1986.
10. Laying down specifications, standards and codes and ensuring quality control of bio-fuels for end uses.
11. Forward Markets Commission.
12. Consumer Cooperatives.
13. Consumer Protection Act, 1986.
14. Monitoring of prices and availability of essential commodities.
15. National Test House.
16. To regulate weighing and measuring instruments used in trade and transaction, industrial production and for protection of human safety including regulation of packaged commodities.

1.2 In carrying out its mandate, the Department is assisted by the following organizations:

- (A) Bureau of Indian Standards (BIS).
- (B) National Test House (NTH).
- (C) National Consumer Disputes Redressal Commission (NCDRC).
- (D) National Cooperative Consumer's Federation (NCCF).
- (E) Forward Markets Commission (FMC).
- (F) Indian Institute of Legal Metrology (IILM).
- (G) Regional Reference Standards Laboratories (RRSLS).

1.3 During 11th Five Year Plan, several new schemes have been successfully implemented. Some of the major achievements were setting up of National Consumer Helplines, setting up of many State Consumer Helplines, Jago Grahak Jago campaign, intensive price monitoring, introduction of Standard Packs, completion of NCDRC building and setting up of 204 working Standard Laboratories

1.4 During the 12th Plan the Department proposes to focus on the various programmes in a time bound manner. The milestone will be providing better infrastructure to various consumer fora, tackling the menace of misleading advertisement, Autonomy to Forward Market Commission for better regulation of Future's Trade, intensive and extensive price monitoring, accelerating campaign on Consumer Rights in remote and rural areas and setting up Mediation/ Advisory Centres for Consumers.

1.5 The Minister of Consumer Affairs, Food and Public Distribution laid on the Table of the Lok Sabha, the Detailed Demands for Grants (2013-2014) relating to the Department of Consumer Affairs on 19th March, 2013. The Detailed Demands for Grants for the Department of Consumer Affairs shows a budgetary provision of Rs. 602.70 crores. This includes Rs.241.00 crores for plan activities and Rs. 361.70 crores for non-plan programmes and schemes.

1.6 The Committee have examined the various issues related to implementation of different schemes/programmes of the Department in the context of Demands for Grants (2013-14); the detailed analysis alongwith the observations/recommendations has been given in the succeeding Chapters of the report.

CHAPTER II

General Performance of the Department

Total allocation of funds during 11th and 12th Plan period:

11th Plan

(Rs. in Crores)

Year	BE	RE	AE
2007-08	213.00	150.00	105.83
2008-09	209.00	160.00	142.33
2009-10	209.00	164.00	146.23
2010-11	220.00	198.00	187.92
2011-12	225.00	185.00	175.62
Total Allocation	1076.00	857.00	757.93

12th Plan

(Rs. in Crores)

Year	BE	RE	AE
2012-13	241.00	150.00	125.15 (upto Feb., 13)
2013-14	241.00		
2014-15			
2015-16			
2016-17			
Total Allocation	1260.00		

2.2 The total amount allocated for 11th Five Year Plan for various schemes/programmes, and the details of actual expenditure and percentage of allocated funds incurred during the 11th Plan period are shown as under:-

Sr. No	Name of the Scheme/ Project	2007-08				2008-09				2009-10			
		BE	AE	Expr. in Perent-age	Unspent Balance	BE	AE	Expr. in Perent-age	Unspent Balance	BE	AE	Expr. in Perent-age	Unspent Balance
1	National Consumer Disputes Rederssal Commission	5.00	0.00	0.00	5.00	13.00	10.00	76.92	3.00	9.90	9.80	98.99	0.10
2	Consumer Awareness (Publicity)	67.00	44.34	66.18	22.66	75.00	80.50	107.33	-5.50	77.90	70.60	90.63	7.30
3	Consumer Protection/ Capacity Building/ Consumer Helpline	62.00	42.02	67.77	19.98	42.24	16.69	39.51	25.55	33.94	17.47	51.47	16.47
4	Weights and Measures	18.00	10.12	56.22	7.88	18.00	21.18	117.67	-3.18	38.00	26.89	70.76	11.11
5	National Test House	25.00	5.39	21.56	19.61	14.00	9.99	71.36	4.01	15.00	13.47	89.80	1.53
6	Bureau of Indian Standards	16.00	1.50	9.38	14.50	23.76	0.66	2.78	23.10	16.26	1.21	7.44	15.05
7	Forward Market Commission	20.00	2.46	12.30	17.54	23.00	3.31	14.39	19.69	18.00	6.79	37.72	11.21
	Total	213.00	105.83	49.69	107.17	209.00	142.33	68.10	66.67	209.00	146.23	69.97	62.77

Sl. No.	Name of the Scheme/ Project	2010-11				2011-12				Total 11 th Five Year Plan			
		BE	AE	Expr. in Perentage	Unspent Balance	BE	AE	Expr. in Perent-age	Unspent Balance	BE	AE	Expr. in Pere	Unspent Balance
1	National Consumer Disputes Rederssal Commission	3.44	0.00	0.00	3.44	0.00	2.39 (against RE 2.39)	100.00	0.00	31.34	22.19	70.80	9.15
2	Consumer Awareness (Publicity)	84.02	80.27	95.54	3.75	87.23	85.73	98.28	1.50	391.15	361.44	92.40	29.71

3	Consumer Protection/ Capacity Building/ Consumer Helpline	32.32	21.83	67.54	10.49	35.69	13.42	37.60	22.27	206.19	111.43	54.04	94.76
4	Weights and Measures	62.50	59.45	95.12	3.05	64.44	45.86	71.17	18.58	200.94	163.50	81.37	37.44
5	National Test House	17.17	15.67	91.26	1.50	21.22	16.86	79.45	4.36	92.39	61.38	66.44	31.01
6	Bureau of Indian Standards	3.05	1.53	50.16	1.52	2.42	2.28	94.21	0.14	61.49	7.18	11.68	54.31
7	Forward Market Commission	17.50	9.17	52.40	8.33	14.00	9.08	64.86	4.92	92.50	30.81	33.31	61.69
	Total	220.00	187.92	85.42	32.08	225.00	175.62	78.05	49.38	1076.00	757.93	70.44	318.07

2.3 The following expenditure has been made during the year 2012-13 (as on 31.03.2013).

(Figures in crores)

	Allocation (RE)	Expenditure Provisional
Plan	150.00	130.95
Non-Plan	363.10*	360.89**

*Includes RE of Rs.31.80 crores in respect of Consumer Welfare Fund.

**Includes Expenditure of Rs.30.54 crores in respect of Consumer Welfare Fund

2.4 The Committee have been informed that the total Budget Estimate for the financial year 2013-14 is Rs. 602.70 crores consisting of Rs. 241.00 crores for Plan Schemes and Rs. 361.70 crores for Non-plan Schemes which includes Rs. 45.80 crores for consumer welfare fund created under Central Excise and Salt Act 1944. During the financial year 2012-13, a total allocation (Plan + Non-plan) of Rs. 602.29 crores was made which was subsequently reduced to Rs. 481.30 crores at R.E. stage but the total expenditure was only Rs. 375.48 crores (as on 31.12.2012) which constitutes 78.01% of Revised Estimate. Further, in Plan expenditure, B.E. of Rs. 241 crores was revised to Rs. 150 crores and the actual expenditure incurred was only Rs. 125.15 crores (upto February, 2013). The same pattern was observed in non-plan expenditure where only Rs. 266.43 crores was spent against RE of Rs. 331.30 crores upto (Dec 2012). In reply to a query, the representatives of the department stated that under the Plan and Non-plan expenditure upto March 2013 they were able to spend Rs. 130.95 crores and Rs.360.89 crores respectively.

2.5 It is also observed that during the last 5-6 years BE was reduced at RE stage in every year of the 11th Plan period and actual expenditure also remained less than RE throughout the 11th Plan period. The Committee note that the total Plan allocation of BE Rs. 1,076.00 crores was subsequently reduced to Rs. 857.00 crores at RE stage and Actual Expenditure was even less amounting to only 757.93 crores. Thus, the Department was not able to spend Rs. 100 crores during the 11th Plan period. When asked about the justification for it, during the evidence, the representatives of the Ministry stated that: -

"RE was reduced from Rs. 185 crores to Rs. 150 crores during 11th Plan period. We have received approx Rs. 250 crores. But our expenditure was around Rs. 125 crores. This is a big constraint of the Department. We accept it and deliberating upon it. We are trying hard to strengthen the institutional structure of the delivery system."

2.6 In regard to the steps taken by the Department in 12th Plan period in order to overcome the shortcomings faced during implementation of the Schemes in the 11th Plan period, in a written note, the Department submitted that:

"The guidelines have been revised to provide for decentralization so that decision regarding construction of Consumer Fora etc. can be taken at state level by Committee headed by Chief Secretary. The Department has also enhanced the quantum of assistance for construction of Consumer Fora buildings and for providing infrastructure therein. We are proposing to enhance amount granted under Consumer Clubs Scheme and also the amount granted to various States for consumer awareness campaign in local language."

2.7 When enquired by the Committee whether any road-map has been chalked out for the better implementation of the schemes/projects in the 12th Plan period, the Department furnished the following reply:

"During the 12th Plan the Department proposes to focus on the following in a time bound manner. The milestone will be: -

- 1) Providing better infrastructure to various consume fora.
- 2) Tackling the menace of misleading advertisement.
- 3) Autonomy to FMC for better regulation of Future's Trade.
- 4) Intensive and extensive price monitoring.
- 5) Accelerating campaign on Consumer Rights in remote and rural areas.
- 6) Setting up Mediation/ Advisory Centres for Consumers."

2.8 The Scheme-wise details of BE, RE and Actual Expenditure incurred by the Department on its Plan and Non-Plan Schemes as well as unspent balance for 2012-13 and BE 2013-14 are given as under:

Sl. No.	Name of the scheme/project/ programme	2011-2012					2012-2013					2013-14
		BE	RE	Expr.	Percentage Utilization	Unspent Balance	BE	RE	Provisional Expr. upto 28.02.13	Percentage Utilization	Unspent Balance	
1	National Consumer Disputes Redressal Commission	0.00	2.39				0.00	0.00				
	NER											
	Total	0.00	2.39	2.39	100.00	0.00	0.00	0.00	0.00	0.00		
2	Consumer Awareness (Publicity)	78.41	78.41				80.10	52.20				67.20
	NER	8.82	8.82				8.90	5.80				7.80
	Total	87.23	87.23	85.73	98.28	1.50	89.00	58.00	56.53	97.47	1.47	75.00
3	Consumer Protection, HRD/Capacity Building, Consumer Helpline	32.42	13.90				43.20	13.23				54.24
	NER	3.27	2.39				4.80	1.26				5.69
	Total	35.69	16.29	13.42	82.38	2.87	48.00	14.49	12.30	84.89	2.19	59.93
4	Weights and Measures Establishment of Laboratories	58.00	43.56				52.20	48.26				57.51
	NER	6.44	5.22				5.80	5.50				6.49

	Total	64.44	48.78	45.86	94.01	2.92	58.00	53.76	39.60	73.66	14.16	64.00
5	National Test House	19.00	15.98				16.20	11.40				16.87
	NER	2.22	2.02				1.80	1.60				1.88
	Total	21.22	18.00	16.86	93.67	1.14	18.00	13.00	10.48	80.62	2.52	18.75
6	Strengthening of Price Monitoring Cell						2.70	0.68				1.65
	NER						0.30	0.07				0.19
	Total	0.00	0.00	0.00	0.00	0.00	3.00	0.75	0.00	0.00	0.75	1.84
7	Forward Markets Commission	12.50	9.00				13.50	7.20				14.58
	NER	1.50	1.00				1.50	0.80				1.62
	Total	14.00	10.00	9.08	90.80	0.92	15.00	8.00	5.64	70.50	2.36	16.20
8	Setting up of Gold Hallmarking Assaying Centres in India.	0.59	0.59				0.54	1.62				0.54
	NER	0.07	0.07				0.06	0.18				0.06
	Total	0.66	0.66	0.63	95.45	0.03	0.60	1.80	0.60	33.33	1.20	0.60
9	Bureau of Indian Standards (Standardisation & Quality Control)	1.58	1.48				8.46	0.18				4.20
	NER	0.18	0.17				0.94	0.02				0.48
	Total	1.76	1.65	1.65	100.00	0.00	9.40	0.20	0.00	0.00	0.20	4.68

	Total	225.00	185.00	175.62	94.93	9.38	241.00	150.00	#125.15	83.43	24.85	241.00
	Expenditure against NER is included in the relevant functional heads.											
	# Includes Rs. 55.25 crores authorized in favour of other Ministries/Departments. Expenditure is provisional as reported by Principal Accounts Offices.											

Sl. No.	Name of the scheme/project/ programme	2011-2012					2012-2013					2013-14
		BE	RE	Expenditure	Percentage/ Utilization	Unspent Balance	BE	RE	Provisional Expr. Upto 28.02.2013	Percentage/ Utilization	Unspent Balance	BE
1	Secretariat Economic Services	16.42	15.27	14.85	97.25	0.42	16.86	15.83	15.40	97.28	0.43	17.31
2	National Test House	22.26	23.84	23.49	98.53	0.35	25.72	26.19	25.85	98.70	0.34	28.29
3	Consumer Cooperatives and Subsidies	300.00	250.00	250.00	100.00	0.00	300.00	270.00	230.05	85.20	39.95	250

4	Consumer Protection	6.57	6.97	6.71	96.27	0.26	7.59	8.53	7.94	93.08	0.59	8.82
5	Regulation of Weights & Measures	4.02	4.26	3.90	91.55	0.36	4.63	4.52	4.27	94.47	0.25	4.89
6	International Cooperation	0.10	0.10	0.19	190.00	-0.09	0.11	0.11	0.10	90.91	0.01	0.15
7	Regulation of Markets	6.19	5.87	5.47	93.19	0.40	6.38	6.12	5.39	88.07	0.73	6.44
8	Projects under Consumer Welfare Fund	19.80	31.30	26.28	83.96	5.02	21.80	31.80	28.66	90.13	3.14	45.8
	Total Gross	375.36	337.61	330.89	98.01	6.72	383.09	363.10	317.66	87.49	45.44	361.70
10	Deduct Refund	19.80	31.30	26.33	84.12	4.97	21.80	31.80	28.66	90.13	3.14	45.8
	Net	355.56	306.31	304.56	99.43	1.75	361.29	331.30	289.00	87.23	42.30	315.90

It may be noted from the above statement:

(i) During the year 2011-12, under the Plan scheme Consumer Protection, HRD/Capacity Building and Consumer Helpline, BE of Rs. 35.69 crores was reduced to Rs.16.29 crores at RE stage whereas AE was only Rs. 13.42 crores. Though the Actual Expenditure was so less the Department, during the year 2012-13, kept BE of Rs. 48.00 crores whereas Actual Expenditure was only Rs. 12.30 crores. For the year 2013-14 again BE of the said scheme has been kept as high as Rs. 59.93 crores by the Department.

(ii) Under the scheme BIS, for setting up of Gold Hallmarking and Assaying Centres in India, percentage utilization was only 33.33% in the year 2012-13.

(iii) Under Non-Plan schemes, during the year 2012-13 out of total allocation of Rs. 363.70 crores the Department was able to spend Rs.360.89 crores and under the consumer cooperatives and subsidies for the year 2011-12 the percentage utilization was 100%. Under National Test House scheme the percentage utilisation was 98.53% and 98.70% in the year 2011-12 and 2012-13 respectively.

(iv) Under Regulation of Weight & Measures for the year 2011-12 the percentage utilization increased from 91.55% to 94.47% in the year 2012-13 and in Projects under Consumer Welfare Funds, percentage utilization increased from 83.90% to 90.13% in the same time period.

2.9 The Department of Consumer Affairs have furnished the following statement showing BE, RE and AE (for plan schemes) incurred during last three years and BE of current financial year 2013-14.

(Rs. In crores)

S. No.	Name of the scheme/project/programme	2009-2010			2010-2011			2011-2012			2012-2013			2013-14	Answer to Question No.
		BE	RE	Actual Expr.	BE	RE	Actual Expr.	BE	RE	Actual Expr.	BE	RE	Provisional upto 28.2.2013	BE	
1	Strengthening of Consumer Fora	7.71	2.00	7.00	13.14	10.94	10.58	17.15	7.50		22.00	4.93		19.97	
	NER	2.00	2.00		1.77	1.77		1.85	1.85		3.00	0.55		2.25	
	Total	9.71	4.00	7.00	14.91	12.71	10.58	19.00	9.35	6.77	25.00	5.48	3.84	22.22	33
2	Consumer Awareness (Publicity)	69.90	70.00	70.60	75.47	72.47	80.27	78.41	78.41		80.10	52.20		67.20	
	NER	8.00	8.00		8.55	8.20		8.82	8.82		8.90	5.80		7.80	
	Total	77.90	78.00	70.60	84.02	80.67	80.27	87.23	87.23	85.73	89.00	58.00	56.53	75.00	60 & 63
3	Weights and Measures Establishment of Laboratories	28.72	28.22	26.02	45.37	45.37	49.20	53.00	36.19		47.50	46.25		48.02	
	NER	3.28	3.27		4.63	4.63		6.20	5.22		5.00	5.50		5.99	
	Total	32.00	31.49	26.02	50.00	50.00	49.20	59.20	41.41	40.94	52.50	51.75	38.03	54.01	71
4	Regional Reference Standards Laboratory	4.88	1.98	0.87	7.33	5.83	6.76	2.00	4.37		3.50	0.81		2.50	
	NER	0.52	0.02		1.62	1.62		2.24	0.00		0.80	0.00		0.50	
	Total	5.40	2.00	0.87	8.95	7.45	6.76	4.24	4.37	3.16	4.30	0.81	0.37	3.00	72 (a)

5	Indian Institute of Legal Metrology	0.60	0.00	0.00	3.55	3.55	3.49	3.00	3.00	1.76	1.20	1.20	1.00	72 (a)	
6	Bureau of Indian Standards (Standardisation & Quality Control)	13.72	0.60	0.40	2.07	0.90	1.00	1.58	1.48	8.46	0.18		4.20		
	NER	1.54	0.07		0.23	0.15		0.18	0.17	0.94	0.02		0.48		
	Total	15.26	0.67	0.40	2.30	1.05	1.00	1.76	1.65	1.65	9.40	0.20	0.00	4.68	76
	Setting up of Gold Hallmarking Assaying Centres in India.	0.90	0.73	0.81	0.67	0.42	0.53	0.59	0.59	0.54	1.62		0.54		
	NER	0.10	0.08		0.08	0.03		0.07	0.07	0.06	0.18		0.06		
	Total	1.00	0.81	0.81	0.75	0.45	0.53	0.66	0.66	0.63	0.60	1.80	0.60	0.60	76
7	Forward Markets Commission	16.20	8.10	6.79	15.75	9.68	9.17	12.50	9.00	13.50	7.20		14.58		
	NER	1.80	0.90		1.75	0.85		1.50	1.00	1.50	0.80		1.62		
	Total	18.00	9.00	6.79	17.50	10.53	9.17	14.00	10.00	9.08	15.00	8.00	5.64	16.20	67

From the above statement, it is observed that:

- (i) Under the Plan scheme, strengthening of Consumer Fora in the year 2012-13 the BE of Rs. 25 crores was drastically reduced to Rs. 5.48 crores at RE stage whereas actual expenditure was only Rs. 3.84 crores.
- (ii) Under the scheme Consumer Awareness (Publicity) actual expenditure was reduced to Rs. 56.53 crores in the year 2012-13 from Rs. 85.73 crores in the year 2011-12.
- (iii) Under Regional Reference Standards Laboratory (RRSL) during the year 2012-13 Budget Estimate of Rs. 4.30 crores was revised to Rs. 0.81 crore and expenditure upto February, 2013 was only Rs. 0.37 crore.

2.10 The Committee observed that there were major variations during preparation of B.E and R.E. of the Department since last 2-3 years and the actual expenditure was even less against the Revised Estimates. When enquired about this, the Department informed the Committee that BE is decided on the basis of future projections which are generally on the basis of past experience. The Department has kept higher estimates for future years hoping that problems faced earlier such as delayed submission of Utilization Certificates by States/UTs., slow pace of construction by designated agencies, delayed submission of audited accounts by grantee organizations, delay in allotment of land etc. will be effectively tackled through greater persuasion, closer monitoring and personal interaction.

2.11 The following statement shows the expenditure details of ongoing schemes during the Annual plan 2012-13 and BE of 2013-14 out of 12th plan outlay: -

Sl. No	Ongoing Schemes	12th Plan Outlay	Annual Plan 2012-13			Annual Plan 2013-14
			BE	RE	Provision Exp. As on 28.02.2013	BE
1	National Consumer Disputes Rederssal Commission	0.00	0.00	0.00	0.00	0.00
2	Consumer Awareness (Publicity)	409.29	89.00	58.00	56.53	75.00
3	Consumer Protection/Capacity Building/ Consumer Helpline	234.00	48.00	14.49	12.30	59.93
4	Weights and Measures	300.00	58.00	53.76	39.60	64.00
5	National Test House	88.90	18.00	13.00	10.48	18.75
6	Bureau of Indian Standards	26.00	10.00	2.00	0.60	5.28
7	Forward Market Commission	191.00	15.00	8.00	5.64	16.20
8	Strengthening of Price Monitoring Cell*	10.81	3.00	0.75	0.00	1.84
Total		1260.00	241.00	150.00	125.15**	241.00

*New Plan Scheme awaiting EFC approval.

**This includes Rs. 55.25 crores authorized in favor of other Departments.

From the above statement it may be observed that:

- (i) Under the scheme Consumer Protection/Capacity/Building/Consumer Helpline during the year 2012-13 Budget Estimate of Rs. 48.00 crores which was revised to Rs. 14.49 crores and provisional expenditure as on 28.02.2013 was only Rs.12.30 crores. BE for the year 2013-14 is kept as high as Rs. 59 crores.

- (ii) In the scheme BIS, the total 12th Plan outlay is only Rs. 26 crores and out of this for the very first year 2012-13, BE was kept at Rs. 10 crores which was subsequently reduced to Rs. 2.00 crores at RE stage and only Rs. 0.60 crore was spent on the scheme.
- (iii) Under the head of Forward Market Commission Rs. 191 crores has been allocated for the 12th Plan period and only Rs. 5.64 crores was spent in the first year of 12th Plan.
- (iv) In the Scheme Strengthening of Price Monitoring Cell for the year 2012-13 against BE of Rs. 3 crores, revised estimate was Rs. 0.75 crore whereas actual expenditure was nil.

2.12 When the Committee enquired the reasons for nil expenditure in the scheme 'Strengthening Price Monitoring Cell' against RE of Rs. 0.68 crores during 2012-13, the Department furnished the following reply: -

"A new Plan Scheme for Strengthening Price Monitoring Cell was proposed during the 12th Plan and this has been approved with an allocation of Rs. 10.81 crores for 2012-17. For the first year of the 12th Plan i.e. 2012-13 an allocation of Rs.3.00 crores was approved. This was subsequently revised at the RE stage to Rs.0.75 crores.

As the Plan Scheme of PMC has been shown for budgetary purposes along with Forward Markets Commission (FMC), approval of EFC was required. This necessitated an evaluation of the Plan Scheme strengthening of Forward Markets Commission. As the Evaluation Report on Strengthening of FMC is still to be received by the Department, the said EFC Meeting could not be held and resultantly the allocation available to PMC could not be utilized. Once, the EFC approves the proposal, the allocated amount can be spent."

2.13 The Committee desired to know during the year 2012-13 under the plan expenditure, when the actual expenditure was only Rs. 130.95 crores (upto March, 2013), why B.E. 2013-14 was kept as high as 241 crores. In their reply, the Department of Consumer Affairs stated the following in a written note:-

"Historically the expenditure is always the least in the first year of every Plan. This happens due to requirement of holding EFC/SFC before spending on Plan Schemes. Hence even though the expenditure during 2012-13 was less more provision of funds were made for 2013-14. We have recently amended the guidelines of various schemes providing for more decentralization and enhancement of norms. This will help higher utilization of funds in future years. For example, we have increased the eligible area for district courts consumer fora from 4000 to 5000 sq. ft. and the area of State Commission from 10000 to 11000 sq. ft. The construction amount has also been enhanced, now Rs.1.25 crores can be spent on District Fora and Rs.2.75 crores can be spent on State Commission building. The decision making regarding location and monitoring of construction has been decentralized for expeditious implementation of the schemes."

Utilisation of Funds by the States/UTs

2.14 When the Committee enquired about the number of Utilization Certificates received from the States/UTs in respect of funds allocated under various schemes/projects during the last three years, the Ministry submitted the following statement:

Utilization Certificates Received during 2010 –11 (01.04.2010 to 31.03.2011)

Consumer Protection Unit (CPU)

(Amount in lakhs)

Name of States	Released Amount	Released by letter dated	Amount utilized	Received by letter dated
Dadra & Nagar Haveli (IPCP)	-	-	19.86	31.09.2010
Uttar Pradesh (IPCP)	227.66	04.03.2011	459.00	06.09.2010
Punjab (IPCP)	57.55	13.04.2010	-	-
Tripura (IPCP)	46.20	30.09.2010	-	-
Nagaland (IPCP)	204.00	05.10.2010	-	-
Kerala (IPCP)	18.93 5.00 14.50	09.11.2010 07.03.2011 14.03.2011	-	-
Sikkim (IPCP)	20.50	19.11.2010	-	-
Mizoram (IPCP)	7.72	28.03.2011	-	-
Gujarat (IPCP)	455.50	19.11.2010	-	-

Utilization Certificates Received during 2011–12 (01.04.2011 to 31.03.2012)

(Amount in lakhs)

Name of States	Released Amount	Released by letter dated	Amount utilized	Received by letter dated
Karnataka (IPCP)	-	-	804.18	28.12.2011
Punjab (IPCP & SCF)	33.43	05.03.2010	113.43	03.10.2011
	22.45	31.03.2010		
	57.55	13.04.2010		
	18.75	17.10.2011		
	25.66	23.03.2012	-	-
Haryana (IPCP)	75.00	19.02.2010	75.00	19.07.2011
Nagaland (SCF)	204.00	05.10.2010	204.00	03.06.2011
	260.25	04.07. 2011		
Kerala (SCF)	15.00	13.05.2011	-	-
Sikkim (SCF)	12.50	14.06.2011	-	-

Tamil Nadu (SCF)	196.79	22.07.2011	-	-
Gujarat (IPCP & SCF)	83.92	08.02.2007		
	56.00	22.03.2007		
	24.00	22.03.2007		
	168.00	28.02.2007		
	81.75	27.12.2007		
	12.00	27.12.2007		
	136.50	15.02.2008		
	66.00	27.03.2008	508.25	
	224.60	30.03.2009	402.55	
	283.65	17.03.2009	258.20	
	242.70	12.03.2010	119.92	
	150.63	29.03.2010	3.64	21.06.2011
	455.50	19.11.2010	455.50	29.06.2011
	14.80	Diverted from NBA		

Utilization Certificates Received 2012-13 (01.04.2012 to 08.03.2013)

(Amount in lakhs)

Name of States	Released Amount	Released by letter dated	Amount utilized	Received by letter dated
West Bengal (SCF)	148.21	12.01.2012	148.21	29.11.2012
Nagaland (SCF)	204.00	05.10.2010	204.00	03.06.2011
	204.00	04.07.2011	204.00	05.07.2012
	56.25	04.07.2011	56.25	06.07.2012
Kerala (SCF)	14.50	14.03.2011	14.50	07.02.2013
Tamil Nadu (SCF)	196.79	22.07.2011	196.79	14.12.2012

Publicity

Utilization Certificates received for funds allocated in last three years				
Sl. No.	Name of State	Year	Amount	U.C. submitted
				In Rupees
1	Goa	2009-10	304000.00	304000.00
		2010-11	Nil	Nil
		2010-11	Nil	Nil
2	Himachal Pradesh	2009-10	1919076.00	1501076.00
		2010-11	Nil	Nil
		2011-12	Nil	Nil
3	Rajasthan	2009-10	4498638.00	3303638.00
		2010-11	Nil	Nil
		2011-12	Nil	Nil

4	Tamil Nadu	2009-10	5800000.00	5800000.00
	Special Project	2009-10	4000000.00	4000000.00
		2010-11	4800000.00	Nil
		2011-12	4650000.00	Nil
5	West Bengal	2009-10	Nil	Nil
	Special Project	2010-11	3577079.00	3577079.00
		2011-12	2700000.00	2683543.00
6	Mizoram	2009-10	1600000.00	1600000.00
		2010-11	1600000.00	Nil
		2011-12	1200000.00	Nil
7	Nagaland	2009-10	1600000.00	1600000.00
		2010-11	2200000.00	2200000.00
		2011-12	1650000.00	1650000.00
8	Tripura	2009-10	Nil	Nil
		2010-11	800000.00	800000.00
		2011-12	600000.00	600000.00
9	Sikkim	2009-10	800000.00	800000.00
	Special Project	2010-11	800000.00	Nil
		2010-11	1698000.00	Nil
		2011-12	600000.00	Nil

Weight & Measure

2.15 Utilization Certificates have been received from following States for the Grant-in-Aid released to States:

2009-10.

(Rs. In Crores)

Sl. No.	Name of States/UTs	Grant in aid released 2009-10	UC received 2009-10
1	Arunachal Pradesh	1.25	1.25
2	Gujarat	2.25	0.78
3	J&K	1.50	
4	Karnataka	2.25	2.00
5	Manipur	0.50	0.35
6	Meghalaya	0.50	0.50
7	Mizoram	1.25	0.50
8	Nagaland	1.25	1.25
9	Puducherry	0.25	0.25
			6.88

2010-11

(Rs. In Crores)

Sl. No.	Name of States/UTs	Grant in aid released 2010-11	UC received 2010-11
10	Arunachal Pradesh	2.0	2.0
11	Maharashtra	2.25	1.56
12	Meghalaya	1.0	1.0
13	Uttar Pradesh	1.70	1.48
		Total	6.04 Cr.

2.16 With regard to the number of Utilisation Certificates received from the States/UTs in respect of funds allocated during last 3 years, the Committee observed that in the year 2009-10 States like Tamil Nadu, Mizoram & Sikkim have not submitted Utilisation Certificates. Similarly in the year 2010-11 States like Punjab, Tripura, Nagaland, Kerala, Sikkim, Mizoram & Gujarat have not furnished Utilisation Certificate against released amount, while furnishing the reasons for the same and efforts made by the Ministry for full utilization of the fund released for the purpose, the Department submitted the following reply:

The status of Utilization Certificate is as follows:

2010-11

1. Punjab: Part Utilization Received.
2. Tripura: Higher Amount has been requested by State Government (which has now been released in March, 2013).
3. Nagaland: UC received.
4. Kerala: Part Utilization Received.
5. Sikkim: Utilization pending. Reminder sent on 02.04.2013 by fax, telephonic request also made.
6. Mizoram: Utilization pending. Reminder sent on 02.04.2013 by fax, telephonic request also made.
7. Gujarat: Part Utilization Received.

2.17 It is observed that under Weight & Measures Scheme, States like Gujarat & Mizoram have only spent Rs. 0.78 crores against the released amount of Rs. 2.25 crores and only Rs. 0.50 crores out of Rs.1.25 crores respectively, where as Jammu & Kashmir has not submitted utilisation certificates against the allocation of Rs. 1.50 crores during the year 2009-10. When enquired about the reasons for non-submission of utilisation certificate by J&K as well as less utilisation of funds by these States, the Department furnished the following reply:

"Govt. of Jammu & Kashmir has informed that the whole amount of Rs. 1.50 Cr released during 2009-10 has been given to J&K Housing Board for construction of six Laboratories and the work is in progress and is expected to be completed within four months. They have informed that the funds may be treated as utilized however a formal utilization certificate shall be submitted after the end of the current financial year.

Govt. of Gujarat has informed that Rs. 2.25 Cr was released as grant in aid for the construction of nine Laboratories, which has already been disbursed in the account of Road and Building Department of Govt. of Gujarat for the construction of laboratory buildings and Rs. 78.60 Lakh has already been spent till 31.3.2012 and Utilization Certificate for Rs. 1,46,39,473/- will be sent as early as possible.

Govt. of Mizoram has submitted Utilization certificate for Rs. 50 Lakh and informed that the Utilization Certificate for Rs. 75 Lakh will be submitted after completion of works. The delay in submission of Utilization certificate seems to be due to construction work, which takes more time".

2.18 When the Committee desired to know whether the Utilisation Certificates were timely furnished by the States/UTs in respect of funds allocated and if not the steps taken by the Department thereon, the Department stated that the matter is taken up through correspondence as well as through conference/video conference with the State Governments. The Department makes constant effort to obtain UCs by written reminders, Fax messages, Video Conferences, Telephonic request and personal interactions.

2.19 When asked about the monitoring mechanism available with the Department to check the proper utilization of funds by the States/UTs, the Department stated that:

"Periodical meetings are held and letters are also sent to ascertain the utilization of funds provided to States/UTs. In case utilization certificate is not made available, further release of funds is stopped. This apply to all States/UTs."

2.20 In this context, the Committee desired to know the details of States which have been restricted the grant-in-aid in case Utilisation Certificates are not furnished by them to the Ministry, the Department submitted that four (4) States, namely, Andhra Pradesh, Meghalaya, Orissa and Sikkim have not been provided further financial assistance due to non-receipt of UCs of the grants released earlier.

Utilisation of funds by North East States

2.21 Regarding the timely and regularly submission of Utilisation Certificates by all the NE States/UTs, under various schemes/projects, the Department submitted the following reply:

Consumer Protection Unit

2.22 In respect of earlier schemes of One Time Grant (OTG, 1995-99 & OTG, 2004-05) and IPCP, full Utilization Certificates have been received from Tripura, Sikkim, Nagaland and Mizoram. Part Utilization Certificates have been received in respect of Meghalaya, Manipur, Arunachal Pradesh and Assam. In respect of UTs of Delhi, Puducherry, Andaman & Nicobar Islands, Chandigarh, Dadra Nagar Haveli, Daman & Diu and Lakshadweep, part Utilization Certificates have been received.

2.23 The defaulter States and UTs are being regularly reminded at the level of Secretary/Chief Secretary concerned for submission of UCs.

Weight & Measures

2.24 The Utilization certificate of some of the NE States is still pending which are Assam, Manipur, Mizoram, Sikkim and Tripura. The State Governments could not utilize the whole fund due to difficulty in finding the land for the construction work and delay in releasing the funds by the State Governments themselves.

Bureau of Indian Standards

2.25 Under the Scheme on Consumer Education & Training, HRD & Capacity Building, out of Seven NE States, three States (Manipur, Assam and Nagaland) have sent UCs timely and utilized complete disbursed amount. However, SIRDs of other four states (Arunachal Pradesh, Meghalaya, Sikkim and Mizoram) did not report utilization in time, in spite of reminders. (LOP Q 19)

2.26 When the Committee asked regarding the steps taken by the Ministry to ensure proper utilisation of funds allocated to NE States, particularly Arunachal Pradesh, Meghalaya, Sikkim and Mizoram. The department have furnished the following reply: -

"Repeated reminders have been sent to states for sending UCs. The details for the same are given below:

Sl. No.	NE State (ATI/ SIRD)	Total Amount Sanctioned (in Lakhs)	UC Received for Amount (in Lakhs)	UC to be Received for Amount (in Lakhs)	Efforts/Steps to ensure proper UC of funds
1.	Arunachal Pradesh (SIRD)	3.53000	1.10339	2.42601	Reminders sent on 22/04/09, 03/09/09, 03/03/11, 16/03/12 & 20/03/13
2.	Meghalaya (SIRD)	4.60000	3.32000	1.27713	Reminders sent on 11/09/09, 08/11/10, 09/03/11, 19/03/12 & 20/03/13
3.	Sikkim	2.90000	0.50000	2.40000	Reminders sent on 22/04/09,

	(SIRD)				15/09/09, 09/03/11, 19/03/12 & 20/03/13
4.	Mizoram (SIRD)	4.65000	3.80003	0.84997	Reminders sent on 22/04/09, 11/09/09, 19/02/10, 09/03/11, 19/03/12 & 20/03/13

2.27 In reply to a query Regarding the projects/schemes in States/UTs that have got delayed due to non-allotment of land and steps proposed to be taken in this regard, the Department furnished the following reply:-

'Land was required for construction of Regional Reference Standard Laboratory at Nagpur in Maharashtra and also at Varanashi in UP. Land has been earmarked by the State Govt. of Maharashtra. The State Govt. of UP still has to allot the land for the said purpose. Efforts are being made to get the land at the earliest. Similarly BIS has requested for land in Kochi to set up an Office and Laboratory. Matter is being vigorously pursued with State Government'.

2.28 The Committee note that during the 11th Plan period the total amount allocated to the Department of Consumer Affairs as Budget Estimates was Rs. 1076.00 crores which was subsequently reduced at Revised Estimate stage to Rs. 857.00 crores whereas the total actual expenditure incurred during the entire 11th Plan period was Rs. 757.93 crores having unspent balance of Rs. 100 crores. In the 12th Plan period during the year 2012-13, the BE was kept at Rs. 241.00 crores which was revised to Rs. 150.00 crores at RE stage and the actual expenditure incurred upto February, 2013 was only Rs. 125.15 crores. The Committee find that the performance of the Department is unsatisfactory not due to scarcity of funds but due to non-utilization of funds. A detailed study of schemes in 11th Five-Year Plan document produced before the Committee, shows that under the scheme Consumer Protection/Capacity Building/Consumer Helpline, the average expenditure in percentage utilization was never satisfactory. Since the year 2007-08 it varies from 37.60% to 67.77%, which is very low. Similarly, under the scheme, Bureau of Indian Standards, since 2007-08 except the year 2011-12, where percentage utilization was 94.21%, percentage utilization was as low as 2.78% in the year 2008-09. The Committee, further note that under the same Scheme, the Department was able to spend only 11.68% of total allocation of 11th five-year Plan. Similarly, under the scheme Weight & Measures, National Test House and Forward Market Commission total percentage utilization were 81.37%, 66.44% and 33.31% respectively in 11th Five-Year Plan. The Committee strongly feel that since last six years there has been trend of miscalculation while preparing the Budget Estimates and under utilisation of the funds allocated at Revised Estimate stage. The Committee are disappointed to note that performance of the Department is not up to the expectations as the Department was not able to spend the allocated funds in the stipulated time period and therefore, did not achieve desired outcome. The Committee feel that

the Department could have opened more Centres of Bureau of Indian Standards and Hallmarking Centres in the Country, had intensive awareness campaign for consumer welfare and initiated consumer helpline in States which are not covered till date so that funds could not remain unutilized in the said period. The Committee are of the view that this continuous oversight and improper assessment of the Department reflects deterioration in their performance. The Committee, therefore, recommend that the Department should make proper assessment and broaden their activities on project/schemes in accordance with the funds allocated so that funds do not remain unutilized and performance of the Department can be improved.

2.29 The Committee note that from the very first year of the 12th Plan period i.e. 2012-13 the momentum of funds utilization under various ongoing schemes/projects is unsatisfactory. The Committee are unhappy to note that under the scheme Consumer Awareness (Publicity) only Rs. 56.53 crores was spent against the BE of Rs. 89.00 crores upto 28.02.2013. Similarly, under the scheme Strengthening of Price Monitoring Cell, for the year 2012-13 against BE of Rs. 3 crores, which was reduced to Rs. 0.75 crores at RE stage, the Actual Expenditure was nil. The Committee observed the same pattern of BE, RE and Actual Expenditure of all ongoing Plan schemes in 11th Plan period that continued in 1st year of 12th Plan too.

The Committee are not convinced by the reasons given by the Department that due to requirement of holding Expenditure Finance Committee Meeting (EFC)/Standing Finance Committee (SFC) in first year of 12th Plan they could not perform as most of the schemes were awaiting EFC approval from Planning Commission and expenditure is always the least in the first year of every plan. It goes without saying that the Department of Consumer Affairs are entrusted with the larger responsibility of providing welfare to the consumers of such a vast country, the Government has to bring changes in their way of functioning. The Committee feel that the Department needs methodological changes to carry out their mandate. The Committee, therefore, strongly recommend that the Department should strictly review their performance in 11th five year Plan and take pre-emptive steps so that 12th Plan period does not suffer with the same infirmities as experienced during the 11th Plan period and total outlay of 12th Plan period could be properly utilized in effective implementation of various schemes/projects run by the Department.

2.30 The Committee are unhappy to note that during the last three years number of Utilization Certificates received from the States/UTs in respect of funds allocated to implement various schemes/projects of the Department have not been submitted on time. The Committee note that during the year 2010-11 under the ongoing scheme Consumer Protection, States like Punjab, Tripura, Nagaland, Kerala, Sikkim and Gujarat have not furnished Utilisation Certificates. Similarly, in the same year, under the head Consumer Welfare (publicity), States like Tamil

Nadu, (special project), Mizoram, Sikkim (special project) were provided Rs. 48 lakh, Rs. 16 lakh and 8 lakh respectively for which Utilization Certificates were not submitted. Likewise, under the scheme Weight & Measures the Utilisation Certificates of some of NE States viz. Assam, Manipur, Mizoram, Sikkim and Tripura were still pending. Under BIS scheme, Arunachal Pradesh, Meghalaya, Sikkim and Mizoram did not report utilization on time inspite of several reminders sent. The Committee, were informed that the State Governments could not utilize the funds due to difficulty in finding the land for the construction work, delay in releasing the funds by the State Governments themselves and long time taken by the construction work. The Committee were also informed that the Department makes constant efforts to obtain Utilization Certificates by written reminders, messages, video conferences telephonic request and personal interactions. The Committee also note that some of States like Arunachal Pradesh, Meghalaya, Odisha and Sikkim have not been provided further financial Assistance due to non-receipt of Utilisation Certificates of the grants released earlier. Appreciating these measures, the Committee feel that, other than stopping financial assistance to States in case Utilisation Certificates are not submitted on time, the Department may consider to impose penalty of paying interest on unutilized fund by the State Governments till the funds are not utilized or Utilization Certificate is not submitted. The Committee feel that Department should also constantly monitor the physical output in terms of construction works and assets created by the States. In case of States, which could not utilize the fund due to difficulty in finding land, the Department should vigorously pursue such State Governments to remove this bottleneck at the earliest.

CHAPTER III

CONSUMER PROTECTION

The Department have informed the Committee that protecting and promoting the welfare of consumers is one of the major concerns of Government. Policies have been designed and legislations enacted to protect the interest of the consumers and grant them the rights of choice, safety, information and redressal. A separate Department of Consumer Affairs had been created in the Central Government in the year 1997 to act as the nodal Department to focus exclusively on protecting the rights of consumers including redressal of consumer grievances as well as to promote standards of goods and services, standards in weights & measures, regulation of packaged commodities, maintenance of essential commodities, etc.

A. The Consumer Protection Act, 1986

3.2 The Consumer Protection Unit in the Department of Consumer Affairs is mandated to administer the Consumer Protection Act, 1986. The Government has been striving to ensure that the Act remains vibrant and meets the objectives for which it was enacted. The Consumer Protection Act has been amended thrice during the years 1991, 1993 and in 2002. The Consumer Protection (Amendment) Bill, 2011 was introduced in Lok Sabha on 16.12.2011 to further amend the provisions of the Act. The Bill was referred to the Standing Committee on FCA&PD for its examination which has submitted its report on 19.12.2012. Amendments have been proposed to widen the scope of various provisions of the Act, facilitate quicker disposal of cases and rationalize the qualifications and procedure of selection of the Presidents/Members of the Consumer Fora at the State level & Members at the National level.

3.3 In terms of provisions of the Act, it is the responsibility of the State Governments to establish and effectively run the District Fora and State Commissions in their respective States/UTs. However, to supplement the efforts of the State Governments, the Department of Consumer Affairs has been extending financial assistance to the States/UTs to strengthen the infrastructure of Consumer Fora. Further, the Consumer Fora are being computerized and networked to enable dissemination of information leading to quicker disposal of cases.

B. Scheme for improving the functioning of Consumer Fora

3.4 The Committee are informed that the schemes/programmes/projects being implemented by Consumer Protection Unit for improving the functioning of Consumer Fora are as under:

(a) Computerization and Computer Networking of Consumer Fora in the country (CONFONET)

The scheme of 'Computerization and Computer Networking of Consumer Fora in the country, (CONFONET)' was launched during the 10th Plan period in March, 2005 at a cost of Rs. 48.64 crores. Under the scheme, the Consumer Fora at all the three tiers throughout the country were to be fully computerized to enable access of information and quicker disposal of cases. The project is being implemented by the National

Informatics Centre (NIC) on a turnkey basis. The scheme is proposed to be extended during 12th Plan with a total outlay of Rs. 70.00 crores. During the year 2012-13, an amount of Rs.6.60 crores has been released to NIC for the activities to be undertaken under "CONFONET" Project in the 12th Plan. As on December, 2012, out of 640 locations being covered, the CONFONET is operational in 340 Consumer Fora. 288 Consumer Fora are uploading cause lists while 191 Consumer Fora are uploading judgments.

(b) Construction of Building of the National Commission

A new office building for National Commission has been constructed at INA, New Delhi, which is part of an Integrated Building Complex at INA, New Delhi. For this purpose, an amount of Rs.19.90 crore was released to Central Public Works Department (CPWD). The construction of Building has been completed and they have started functioning in the new premises w.e.f. 17.8.2011.

(c) Scheme of 'Strengthening Consumer Fora (SCF)'

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. The scheme, 'Strengthening Consumer Fora (SCF)' has been formulated for implementation with an overall outlay of Rs. 54.50 crore during the last 4 years of the 12th Plan viz. 2008-09 to 2011-12. 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 grant for acquiring non-building assets such as furniture, office equipment etc. Under the scheme of 'Strengthening Consumer Fora', an amount of Rs. 3.84 crore has been released to 4 eligible States upto 31.12.2012 during 2012-13.

(d) Consumer Protection Cell

This is an on-going scheme. The scheme aims to enable the Consumer Protection Cell to render secretarial assistance to the Department in administering the Consumer Protection Act, and other related activities, including holding of meetings of the Central Consumer Protection Council (CCPC). The last CCPC meeting was held on 16.11.2012.

3.5 When the Committee desired to know if the Government face any difficulty in implementing the CONFONET Scheme, the Department stated that under the 12th Plan CONFONET scheme, in order to make the officer & Staff of Consumer Fora self-sufficient in operationalization of CONFONET scheme, technical support personnel were posted at all location during the first year of the Scheme were subsequently reduced to half & then to one third respectively. However, considering the smooth functioning of Consumer Fora in the long run, it has been now agreed in principle to continue to utilize the services of Technical Support Personnel, till the particular location gets fully operational. The Case Monitoring System has been implemented under CONFONET Project for capturing the entire life cycle of consumer complaints from registration to till its disposal in a computer based system and are published on a national web portal.

3.6 The Department further informed that as on December, 2012, 340 Consumer Fora are operational. 288 Consumer Fora are uploading cause list. 191 Consumer Fora are uploading judgments. Around 1466 staff members of Consumer Fora have been trained onsite on the use of 'CONFONET' application software by the Technical Support Personnel posted in the respective Consumer Fora. During the current Plan period, it is proposed to cover computerization network in all District Fora locations across the country. In reply to a query, the Department stated that as one of the objectives of 'CONFONET' scheme, the computerization of Consumer Fora across the country is expected to be completed by the end of the 12th Plan period.

3.7 When asked the reasons for less operationalisation of CONFONET Project in rest of the locations being covered, the Committee were informed that less operationalization of CONFONET Project in rest of the locations is due to very old Hardware, AMC not done by State Governments, lack of trained Staff in Consumer Fora, withdrawal of Technical Support Personnel (TSPs). The Department has taken following steps for improving functioning of CONFONET:-

- (a) Replacement of Hardware,
- (b) AMC will be part of purchase order,
- (c) Software has been simplified to avoid need for specialized training.
- (d) Technical Support Personnel (TSP)/man-power will continue.

3.8 The Committee note that Consumer Protection Unit of the Department is mandated to administer the Consumer Protection Act, 1986. The Government has been striving to ensure that the Act remain vibrant and meets the objectives for which the Act has been amended thrice during the years 1991, 1993 and 2002. The Act is being amended again through the Consumer Protection (Amendment) Bill, 2011 on which the Committee have already submitted their report to the Parliament on 19.12.2012. The Committee have made several observations/recommendations with regard to widening the provisions of the Act, facilitating quicker disposal of cases, rationalizing the qualifications and procedure for selection of President/Members of the Consumer Fora at the State level and Members at the National level. The Committee hope that the Government will accept all their observations/recommendations and implement them in letter and spirit and ensure that the objectives of the Act are achieved.

3.9 The Committee note that the Scheme of 'Computerization and Computer Networking of Consumer Fora in the Country, (CONFONET)' which was launched during the 10th Plan period in March, 2005 is proposed to be extended during 12th Plan with a total outlay of Rs. 70.00 crores. An amount of Rs. 6.60 crore has been released to NIC for the activities to be undertaken under the CONFONET Scheme during the year 2012-13. The Committee feel the initiative taken by the Department in implementing the Case Monitoring System under the CONFONET Project for capturing the entire life cycle of consumer complaints cases from registration till its disposal will go a long way in addressing the grievances of the

Consumer and also instill faith of the consumers in the System. The Committee are, however, concerned to note that out of 640 locations being covered, only 340 Consumer Fora are operational so far and 288 Consumer Fora are uploading cause lists while 191 Consumer Fora are uploading judgements. The Committee also note that the Department has taken replacement of Hardware, simplified the software to avoid specialized training and continue technical support manpower to ensure smooth functioning of the Scheme till particular location gets fully operational. The Committee, therefore, recommend that the Department should take all necessary steps to replace old hardware with new ones and also ensure that the Case Monitoring System is operational in all Consumer Fora. The Committee further urge the Department to ensure operationalization of Consumer Fora in all the Districts of the country during the 12th Plan period.

C. Strengthening of Consumer Fora-

3.10 The details of BE, RE and Actual Expenditure incurred in respect of Strengthening of Consumer Fora Scheme during the last 2 years and BE for 2013-2014 are given as under:-

(Rs. in Crore)

Year	BE	RE	AE
2011-12	19.00	9.35	6.77
2012-13	25.00	5.48	3.84 (As on 28.02.2013)
2013-14	22.22	-	-

The above statement indicates that Budget Estimate of the Scheme 'Strengthening of Consumer Fora' has been drastically reduced at Revised Estimate stage and the Actual Expenditure incurred were still far less than the reduced RE during the years 2011-12 and 2012-13.

3.11 When asked the reasons for the major variation at BE and RE stage, the Department informed the Committee that 2012-13 being the first year of the 12th Plan, the Schemes required appraisal and approval by the competent authority like Standing Finance Committee/ Expenditure Finance Committee etc. which is a time consuming procedure. Some of the Schemes including 'Strengthening of Consumer Fora' also required evaluation before they could be continued in the 12th Plan. The evaluation report was made available by June, 2012. Moreover, the permission to continue the ongoing scheme on the basis of existing guidelines during the first year of 12th Plan had only been received in the month of October, 2012.

3.12 The Department further stated that the pre-conditions for release of central assistance to State Governments such as providing land for construction of building alongwith creation of post of President/ Members in Consumer Fora, furnishing of Utilisation Certificates of grants released earlier have also not been met by the various States. Therefore, funds allocated for RE was less. The EFC for the SCF scheme for

12th Plan is under consideration of Planning Commission and Department of Expenditure. Some of the bottlenecks identified while implementing the scheme during the 11th Plan have been addressed such as decentralization of decision making to the empowered Committee headed by the Chief Secretary of the concerned State, enhancement of central assistance for infrastructure including buildings, uniformity in the assistance amount irrespective of the location/ category/ classification etc. However, an amount of Rs.7.74 Cr. has been reallocated in the RE and the same has been released to six States as per available provisional figure.

3.13 The Department further informed the Committee that under the Scheme 'Strengthening of Consumer Fora', an amount of Rs. 3.84 crore was released to 4 eligible States during 2012-13 upto (31.12.2012) against total outlay of Rs. 25 crore. When asked how many States/UTs were given financial assistance during 2012-13 and proposed to be given in the current financial year, the Department stated that under this scheme 'Strengthening Consumer Fora' financial assistance is provided for construction of Building and Non-Building Assets to State Commissions and District Fora. During 2012-13, financial assistance has been sanctioned to the following States/UTs:

Sl.No.	Name of State	Released Amount (in crore)
1.	Mizoram	0.1575
2.	Punjab	0.0433
3.	West Bengal	1.6679
4.	Tamil Nadu	1.9741
	Total	3.8428

Further, an amount of Rs. 1.40 crore is being released to Uttar Pradesh Government shortly and another proposal for sanctioning of a sum of Rs. 57.00 lakh to Tripura Government is under consideration.

3.14 The Committee desired to know the procedure and eligibility criteria for sanctioning of funds under the scheme. The Department, inter-alia, stated that the guidelines for the 12th Plan has been thoroughly revamped based upon the experiences and shortcomings as observed while implementing the Scheme during the last plan period. The salient points of the revised guidelines for the 12th Plan are as given below:-

1. An Empowered Committee under the Chairmanship of the Chief Secretary will be set up in each State for the purpose, which will make further allocation of funds for the construction/ Strengthening of infrastructure of individual Consumer Fora, based on local need analysis.
2. Funds will be released to States as a Lump Sum and placed at the disposal of Chief Secretary concerned.
3. The funds so released in the name of Chief Secretary will be at the disposal of Chief Secretary and the Empowered Committee under the Chairmanship of the Chief Secretary will decide as to how to release it and

to which Fora it should be released according to the needs and requirements arising from time to time.

4. The Central Government assistance for building purposes, would be limited to creation of built up area of 5,000 square feet in respect of a District Forum building and 11,000 square feet in respect of a State Commission building, which would include 1000 square ft. for construction of a Mediation Centre. For independent buildings constructed, assistance will also include cost of construction of compound walls.
5. Irrespective of the location of the Consumer Fora, for building purposes, the Central Govt. assistance would be admissible at the rate of Rs. 2500/- square feet subject to ceilings of built up area mentioned at Para iii) above.

3.15 When asked what follow up action is taken by the Ministry with the State Governments to whom funds have been sanctioned, the Department stated that Progress of the work is reviewed in the meetings/conferences held with Secretaries in-charge of Consumer Affairs from time to time. This is also reviewed through Periodical (Monthly & Quarterly) Reports received from States/UTs. This Department also impresses upon the States/UTs to furnish Utilization Certificates (UCs) to whom financial assistance has been sanctioned.

3.16 When asked how many States have so far been covered under the scheme and what difficulties are being faced by the States to whom funds were released, the Committee were informed that the Department of Consumer Affairs has been periodically granting funds to various States and UTs for construction of buildings for State Commission and Consumer Fora. In the year 1995, One Time Grant (OTG) of Rs. 61.80 crore were released to 25 States and 7 UTs. Subsequently, in OTG 2004-05, Rs. 10.20 crores was released to 13 States which covered new created States like Jharkhand, Uttrakhand and Chhattisgarh. Further, during 2005-08, under the scheme of 'Integrated Project on Consumer Protection (IPCP)', an amount of Rs.73.82 crores was released to 21 States thereby covering 506 Consumer Fora. During 2008-12, under the scheme of 'Strengthening Consumer Fora (SCF)', an amount of Rs. 44.92 crore were released as central assistance to 16 states for improvement of infrastructure in various Consumer Fora. Thus, a total of nearby Rs.190 crores has been released to various States and UTs for improving infrastructure in Consumer Fora. Not a single State or UT has been excluded from grants. The main difficulties faced by States in utilizing the grants is the delay in locating and allotting the land by State Government, long time taken for construction work by the authorized agencies of State Government etc.

3.17 The Secretary of the Department also stated during the evidence that it is difficult to implement and co-ordinate with all 623 Consumer Fora where building work is to be undertaken. Accordingly, a new empowered Committee under the Chairmanship of Chief Secretary has been made in each State which will be conferred powers to allocate the funds required by the States for the purpose. Hence, they will better monitor the availability of land in their States.

3.18 In reply to a query, the Department furnished the following details regarding the steps taken to strengthen the infrastructure of Consumer Fora for the speedy disposal of grievances of the Consumers as below:

- (1) The State Governments have been requested from time to time to take action well in advance for filling up of vacancies of President and Members and to maintain a panel of candidates for filling up of future vacancies also to avoid delay in appointments.
- (2) Circuit Benches from National Commission have been frequently visiting States.
- (3) Some State Commissions have constituted Additional Benches mainly to dispose off backlog of pending cases.
- (4) The National Commission and some of the State Commissions as well as District Fora are adopting the process of holding Lok Adalats for speedy disposal of the cases.
- (5) Financial assistance is provided by the Central Government to the States/UTs for strengthening of infrastructure of Consumer Fora including computerization and networking.

3.19 The Committee observe that for the Scheme 'Strengthening of Consumer Fora', the BE were Rs. 19.00 crore and Rs. 25.00 crore during the year 2011-12 and 2012-13 respectively which were drastically reduced to Rs. 9.35 crore and Rs. 5.48 crore at RE stage and the Actual Expenditure incurred were Rs. 6.77 crore and Rs. 3.84 crore only. The Department stated that 2012-13 being the first year of the 12th Plan, the schemes required appraisal and approval by the competent authority like Standing Finance Committee/Expenditure Finance Committee, etc. which is a time consuming procedure and are the reasons for major variation at BE and RE stage. The Committee further note that allocation of funds at RE stage were less due to non-fulfillment of the pre-conditions for release of central assistance namely providing land for construction of building, creation of posts of President/Members in Consumer Fora, furnishing of Utilization Certificates of grants released earlier etc. by various States. The Committee are not fully convinced with the reasons cited by the Department regarding non-utilization of allocated funds in full because such issues could be sorted out by timely action and regular consultation with the States. The Committee, therefore, recommend that the Department should make earnest efforts to utilize the allocated funds in full so as to strengthen the Consumer Fora in the country. The Committee further desire that the Department should take up the matter with the States and ensure that they fulfill the desired pre-conditions for release of Central Assistance under the scheme.

3.20 The Committee note that under the Scheme 'Strengthening of Consumer Fora', financial assistance is provided for construction of Building and Non-Building Assets to State Commissions and District Fora. An amount of Rs. 3.84 crore has been released to 4 eligible States during 2012-13 against total outlay of Rs. 25 crore. Further, an amount of Rs. 1.40 crore is being released to Uttar Pradesh Government shortly and another proposal for sanctioning of a sum of Rs. 57.00 lakh to Tripura Government is under consideration. The Committee also note that the guidelines for the 12th Plan have been thoroughly revamped based upon the experiences and shortcomings observed during the last Plan period. The Committee further note that a total amount of Rs. 190 crores has been released to various States and UTs for improving infrastructure in Consumer Fora. Various steps such as filling up of vacancies, setting up of circuit benches, holding of Lok Adalats etc. have also been taken for strengthening infrastructure of Consumer Fora and for speedy disposal of consumer grievances. The Committee desire that the Department should take pro-active role and strictly follow up with various States/UTs to ensure that the revised guidelines are followed and the funds released to them are utilized properly so that sufficient infrastructure of Consumer Fora is created in all the States/UTs in the country.

D. Structure of Consumer Fora

3.21 The Consumer Protection Act seeks to better protect the rights of consumers by establishing an "Alternate Justice Delivery System" to render quick and inexpensive redressal to the consumers. A three-tier quasi-judicial redressal machinery at the National, State and District level has been set up to provide simple, inexpensive and time bound redressal of consumer grievances against defective goods, deficient services, restrictive/unfair trade practices etc. adopted by any trader or person through summary trials. Filing of a simple complaint on plain paper with the details of the case with supporting documents seeking relief/compensation is enough and it is not obligatory to engage a lawyer. In fact, any authorized agent can represent the complainant or the opposite party. These redressal agencies are popularly known as Consumer Fora. According to the objects and purposes of the Consumer Protection Act, these quasi-judicial bodies are required to observe the principles of natural justice and adopt procedure summary trial expeditiously adjudicating the consumer complaints. At present, a National Commission in New Delhi, 35 State Commissions and 632 District Fora at the State and district level respectively have been established in the country.

3.22 Under the Consumer Protection Act, 1986 (Section 9) the responsibility for setting up of the National Consumer Disputes Redressal Commission (NCDRC) rests with the Central Government. Accordingly, the NCDRC was set up in 1988. The President of National Commission has been empowered to constitute Benches with one or more Members. The responsibility for setting up of the State Commissions and District Fora and to ensure their effective functioning lies with the State Governments/UT Administrations. The State Commissions have been set up in the State capitals. The President of State Commission has also been empowered to constitute Benches with one or more Members. The District Fora are to be set up in each District.

3.23 In terms of the Consumer Protection Act, Consumer Disputes Redressal Agencies provide simple, inexpensive and time bound justice to the consumer complaints against defective goods, deficient services including the unfair/restrictive trade practices adopted by the traders or any person. Under section 24B of the Consumer Protection Act, 1986, National Commission have administrative control over all the State Commissions in the following matters, namely:

- (i) Calling for periodical returns regarding the institution, disposal pendency of cases;
- (ii) Issuance of instructions regarding adoption of uniform procedure in the hearing of matters, prior service of copies of documents produced by one party to the opposite parties, furnishing of English translation of judgments written in any language, speedy grant of copies of documents;
- (iii) Generally overseeing the functioning of the State Commissions or the District Fora to ensure that the objects and purposes of the Act are best served without, in any way, interfering with their quasi-judicial freedom.

3.24 The National Commission is maintaining State-wise data in respect of cases filed, disposed of and pending, since inception, in the National Commission, State Commissions and District Fora.

(i) Filling up of Vacant post in Consumer Fora:

3.25 In reply to a query, the Department furnished the following details showing information regarding vacancy position in the National Commission, State Commissions and District Forums:

(Update on 06.03.2013)

Sl. No.	States	State Commission		District Forum		As on
		President	Member	President	Member	
	National Commission	0	1			06.03.2013
1	Andhra Pradesh	1	0	8	6	31.12.2012
2	A & N Islands	0	0	0	0	31.3.2006
3	Arunachal Pradesh	0	0	0	14	30.11.2012
4	Assam	0	1	1	9	31.12.2012
5	Bihar	0	1	0	18	30.09.2012
6	Chandigarh	0	0	0	0	31.12.2012
7	Chattisgarh	0	2	1	10	31.12.2012
8	Daman & Diu and DNH	0	0	0	2	31.03.2011

9	Delhi	0	1	0	1	31.01.2013
10	Goa	0	0	0	0	31.01.2013
11	Gujrat	0	0	4	1	31.01.2013
12	Haryana	0	1	7	9	31.01.2013
13	Himachal Pradesh	0	0	0	3	31.01.2013
14	Jammu & Kashmir	0	0	0	0	31.12.2011
15	Jharkhand	0	0	3	12	31.12.2012
16	Karnataka	0	2	6	27	31.01.2013
17	Kerala	0	1	0	1	30.05.2012
18	Lakshadweep	1	1	0	1	31.12.2012
19	Madhya Pradesh	0	1	1	11	31.01.2013
20	Maharashtra	0	2	33	54	30.06.2012
21	Manipur	0	0	0	1	31.12.2008
22	Meghalaya	1	0	0	1	31.10.2012
23	Mizoram	0	0	0	0	08.03.2010
24	Nagaland	0	0	0	0	31.12.2011
25	Odisha	0	1	7	9	31.12.2012
26	Puducherry	0	0	1	0	31.12.2012
27	Punjab	0	1	3	2	31.01.2013
28	Rajasthan	0	0	7	3	31.12.2012
29	Sikkim	0	0	0	4	31.12.2012
30	Tamil Nadu	0	1	7	33	31.12.2012
31	Tripura	0	0	0	0	31.01.2013
32	Uttar Pradesh	0	6	11	10	31.12.2012
33	Uttarakhand	0	0	0	7	31.12.2012
34	West Bengal	0	0	0	0	31.12.2012
	TOTAL	3	22	100	249	

3.26 The Committee were further informed that the State Governments have been requested from time to time to take action well in advance for filling up of vacancies of President and Members and to maintain a panel of candidates for filling up of future vacancies also to avoid delay in appointments.

3.27 The Secretary, Department of Consumer Affairs stated during evidence regarding filing up of vacant posts as under:-

"Hon'ble Minister and the Department have impressed Chief Minister and Chief Secretary of each State to take immediate steps to fill up vacant posts in Forum. It has been proposed that the members of the Forum will be provided training in Judicial Academy of the States."

"Regarding guidelines for selection of Members of Consumer Fora, the Secretary stated inter-alia, that Maharashtra and one or two States have effectively made selection procedure through written exams competitive. Hence, States are being asked to bring competition in selection procedure as done by Maharashtra."

(ii) Disposal of Cases in Consumer Fora:-

3.28 The Committee desired to know the total number of complaints filed/disposed and pending in the National Commission, State Commissions and District Forums in the country, the Department furnished the following data as informed by the National Commission (as on 22.03.2013):

Name of Agency	Cases filed since inception	Cases disposed of since inception	Cases Pending	% of total Disposal
National Commission	80,014	69,253	10,761	86.55%
State Commissions	6,00,097	5,04,834	95,263	84.13%
District Fora	32,42,324	29,94,256	2,48,068	92.35%
TOTAL	39,22,435	35,68,343	3,54,092	90.97%

3.29 The details of the Year-wise filing & disposal of cases in National Commission & State Commission during 2012 are given below:-

(Upto 31.12.2012)

	2012	
	Filed	Disposed
National Commission	5116	4452
States	2012	
	Filed	Disposed

Andhra Pradesh	1138	175
A & N Islands		
Arunachal Pradesh		
Assam	68	354
Bihar		
Chandigarh	576	598
Chattisgarh	878	717
D & N Haveli/Daman &Diu		
Delhi		
Goa	79	139
Gujrat		
Haryana	1476	5983
Himachal Pradesh	1452	2021
Jammu & Kashmir	327	411
Jharkhand	190	453
Karnataka	2446	2252
Kerala		
Lakshadweep		
Madhya Pradesh	2557	2241
Maharashtra	1593	125
Manipur		
Meghalaya	4	0
Mizoram		
Nagaland		
Orissa	1026	844
Pondicherry	41	36
Punjab	1912	2387
Rajasthan	2963	2247

Sikkim	2	1
Tamil Nadu		
Tripura	66	82
Uttar Pradesh	3968	3117
Uttarakhand	216	232
West Bengal	1827	1170
TOTAL	24535	25585

Year-wise filing & disposal in District Fora

(Upto 31.12.2012)

States	2012	
	Filed	Disposed
Andhra Pradesh	2407	548
A & N Islands		
Arunachal Pradesh		
Assam		
Bihar		
Chandigarh	3485	3537
Chattisgarh	2384	2382
D & N Haveli/Daman &Diu		
Delhi		
Goa	173	220
Gujrat		
Haryana	8899	9038
Himachal Pradesh	2060	2104
Jammu & Kashmir		
Jharkhand	1565	1037
Karnataka	7917	7344
Kerala		

Lakshadweep		
Madhya Pradesh	11106	11265
Maharashtra		
Manipur		
Meghalaya		
Mizoram		
Nagaland		
Orissa	4162	2980
Pondicherry	50	4
Punjab	8645	8714
Rajasthan	24016	21301
Sikkim	13	18
Tamil Nadu		
Tripura		
Uttar Pradesh	23854	26708
Uttarakhand	1224	803
West Bengal	4386	4466
TOTAL	106346	102469

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

(Update on 06.03.2013)

Sl. No.	Name of State	Cases filed since inception	Cases disposed of since inception	Cases Pending	% of Disposal	As On
	National Commission	80014	69253	10761	86.55	28.02.2013
1	Andhra Pradesh	28675	27469	1206	95.79	31.12.2012
2	A & N Islands	42	38	4	90.48	31.01.2008

3	Arunachal Pradesh	63	61	2	96.83	30.11.2012
4	Assam	2577	1867	710	72.45	31.12.2012
5	Bihar	15333	10770	4563	70.24	30.09.2012
6	Chandigarh	12204	12035	169	98.62	31.12.2012
7	Chattisgarh	8612	8016	596	93.08	31.01.2013
8	Daman & Diu and DNH	25	20	5	80.00	31.03.2011
9	Delhi	34653	32857	1796	94.82	31.01.2013
10	Goa	2321	2252	69	97.03	31.01.2013
11	Gujarat	44989	36905	8084	82.03	31.01.2013
12	Haryana	42841	42718	123	99.71	31.01.2013
13	Himachal Pradesh	7871	7629	242	96.93	31.01.2013
14	Jammu & Kashmir	6652	6061	591	91.12	31.12.2012
15	Jharkhand	5101	4601	500	90.20	31.12.2012
16	Karnataka	44505	39485	5020	88.72	31.01.2013
17	Kerala	25502	24307	1195	95.31	31.12.2012
18	Lakshadweep	17	16	1	94.12	31.12.2012
19	Madhya Pradesh	41886	36958	4928	88.23	31.01.2013
20	Maharashtra	57109	41344	15765	72.39	30.06.2012
21	Manipur	139	96	43	69.06	30.09.2008
22	Meghalaya	262	175	87	66.79	31.10.2012
23	Mizoram	200	196	4	98.00	31.01.2013
24	Nagaland	25	6	19	24.00	31.12.2011
25	Odisha	21883	15667	6216	71.59	31.12.2012
26	Puducherry	959	944	15	98.44	31.12.2012
27	Punjab	29596	23575	6021	79.66	31.12.2012
28	Rajasthan	51308	46999	4309	91.60	31.12.2012
29	Sikkim	42	41	1	97.62	31.12.2012
30	Tamil Nadu	24223	22125	2098	91.34	31.12.2012
31	Tripura	1421	1397	24	98.31	31.01.2013

32	Uttar Pradesh	67119	38625	28494	57.55	31.12.2012
33	Uttarakhand	4641	3856	785	83.09	31.12.2012
34	West Bengal	17301	15723	1578	90.88	31.12.2012
	TOTAL	600097	504834	95263	84.13	

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

(Update on 06.03.2013)

Sl. No.	Name of State	Cases filed since inception	Cases disposed of since inception	Cases Pending	% of Disposal	As On
1	Andhra Pradesh	192331	186441	5890	96.94	31.12.2012
2	A & N Islands	330	301	29	91.21	31.03.2006
3	Arunachal Pradesh	404	338	66	83.66	30.11.2012
4	Assam	13704	11976	1728	87.39	31.08.2010
5	Bihar	84369	73573	10796	87.20	30.09.2012
6	Chandigarh	46795	45614	1181	97.48	31.12.2012
7	Chattisgarh	37292	34129	3163	91.52	31.01.2013
8	Daman & Diu and DNH	162	144	18	88.89	31.03.2011
9	Delhi	239215	228875	10340	95.68	30.09.2011
10	Goa	6387	5840	547	91.44	31.01.2013
11	Gujarat	173597	161750	11847	93.18	31.01.2013
12	Haryana	220997	203297	17700	91.99	31.01.2013
13	Himachal Pradesh	57043	53672	3371	94.09	31.01.2013
14	Jammu & Kashmir	20792	18855	1937	90.68	31.12.2007
15	Jharkhand	33985	30720	3265	90.39	31.12.2012
16	Karnataka	155588	150723	4865	96.87	31.01.2013
17	Kerala	180640	172869	7771	95.70	31.12.2012
18	Lakshadweep	75	65	10	86.67	31.12.2012
19	Madhya Pradesh	184906	169904	15002	91.89	31.01.2013

20	Maharashtra	255993	236744	19249	92.48	30.06.2012
21	Manipur	1037	1012	25	97.59	30.09.2008
22	Meghalaya	847	750	97	88.55	31.10.2012
23	Mizoram	3466	2819	647	81.33	31.12.2010
24	Nagaland	290	266	24	91.72	31.12.2011
25	Odisha	92978	86305	6673	92.82	31.12.2012
26	Puducherry	2907	2714	193	93.36	31.12.2012
27	Punjab	154458	148813	5645	96.35	31.12.2012
28	Rajasthan	289436	261290	28146	90.28	31.12.2012
29	Sikkim	296	280	16	94.59	31.12.2012
30	Tamil Nadu	102719	97061	5658	94.49	31.12.2012
31	Tripura	2751	2538	213	92.26	31.10.2012
32	Uttar Pradesh	565666	490670	74996	86.74	31.12.2012
33	Uttarakhand	34759	32598	2161	93.78	31.12.2012
34	West Bengal	86109	81310	4799	94.43	31.12.2012
	TOTAL	3242324	2994256	248068	92.35	

3.30 When asked to furnish the reasons for the large number of cases pending alongwith their duration of pendency in the Consumer Fora, the Department in their reply stated that the reasons for pendency include delay by State Governments/UTs in timely filling up vacant posts, lack of adequate supporting staff, rising number of consumer complaints etc. Regarding the poor disposal of cases or low percentage of disposal, the Department stated that due to some vacancies in some District Fora/State Commissions in the States of Assam, Bihar, Maharashtra, Manipur, Meghalaya, Nagaland, Orissa, Punjab and Uttar Pradesh, there is poor disposal of cases.

3.31 The Committee were informed that the Consumer Affairs Ministry has decided to set up a mediation centre, similar to a lok adalat, in each district of India under direct supervision of the district consumer forum to expedite the pending cases. When asked the current status in this regard, the Department stated that the EFC Memorandum for the scheme 'Consumer Counseling & Mediation' has been approved by the IF Wing of this Department. The same has been circulated to the Planning Commission and Department of Expenditure (Ministry of Finance) for their comments.

3.32 The Committee note that besides the National Commission in New Delhi, 35 State Commissions and 632 District Fora have been established in the country for providing simple, inexpensive and time bound redressal of grievances against

defective goods, deficient services, restrictive/unfair trade practices etc. adopted by any trader or person through summary trials. The Presidents of the National Commission and State Commissions have been empowered to constitute Benches with one or more members for speedy disposal of grievances of consumers. The Committee, however, are concerned to note that a large number of cases are pending in the National Commission, State Commissions and District Fora as these Consumer Fora could dispose of 86.55%, 84.13% and 92.35% cases respectively. The Committee find that non-filling up of vacancies by States/UTs, lack of adequate supporting staff, rising number of complaints etc. are the reasons for pendency of cases. The Ministry has decided to set up mediation centres, similar to Lok Adalat, in each District of India under the direct supervision of the District Forum to expedite disposal of pending cases. The Committee hope that the Government would pursue with the Planning Commission and the Ministry of Finance to expeditiously obtain their approval of the Memorandum for the scheme 'Consumer Counseling and Mediation' so that Mediation Centres are set up in every district of the country for speedy disposal of pending cases.

3.33 The Committee are unhappy to note that as on 06.03.2013, as many as 3 posts of President and 22 Members are lying vacant in the State Commissions. Besides 100 posts of President and 249 posts of Members are also lying vacant in the District Forum across the country. The Committee note that the Department have requested the State Governments from time to time to take advance action for filling up vacancies of Presidents and Members and also maintain a panel of candidates for filling up further vacancies. Hon'ble Minister of the Department have also impressed upon the Hon'ble Chief Minister and Chief Secretaries of States/UTs to take immediate steps to fill up the vacancies in the Consumer Fora. The Committee also note that States are being asked to bring competition in selection procedure as done by Maharashtra. While appreciating the efforts made by the Department, the Committee are, however, constrained to say that too many posts of Presidents and Members are still lying vacant in various State Commissions and District Forums. The Committee, therefore, urge the Department to make more earnest efforts in persuading the States/UTs to fill up the vacancies in all the Consumer Fora so that cases are not kept pending due to vacancies in the State Commissions/District Fora.

E. CONSUMER WELFARE FUND

3.34 Consumer Welfare Fund was created in 1992 with the objective of providing financial assistance to promote and protect the welfare of the consumers, create consumer awareness and strengthen consumer movement in the country, particularly in rural areas. The Fund was set by the Department of Revenue under the Central Excise and Salt Act, 1944, and is operated by the Ministry of Consumer Affairs, Food & Public Distribution. The Central Excise and Salt Act, 1944 was amended in 1991 to enable the Central Government to create the CWF where the money, which is not refundable to the manufacturers, consumers etc. is credited.

The Consumer Welfare Fund Rules were framed and notified in the Gazette of India in 1992. Under these Rules, any agency/organization engaged in consumer welfare activities for a period of three years and registered under the Companies Act, 1956 or any other law for the time being in force, village/mandal/samiti-level cooperatives of consumers, industries State Governments etc. are eligible for seeking financial assistance from the Fund. An inter-Ministerial Standing Committee has been constituted under the Rules to make recommendations for proper utilization of the money credited to the Consumer Welfare Fund for the welfare of the consumers.

3.35 The BE, RE and Actual Expenditure of the Consumer Welfare Fund under the Plan and Non-plan scheme during the last three years and the current financial year given as under:-

Non-Plan Scheme (Consumer Welfare Fund)

(Rs. in crores)

Year	BE	RE	Actual Expenditure
2010-11	13.80	13.80	13.65
2011-12	19.80	31.30	26.27
2012-13	21.80	31.80	28.66
2013-14	45.80		

Plan Scheme

Plan Scheme (State Consumer Helpline)

(Rs. in crore)

Year	BE	RE	Actual Expenditure
2010-11	1.50	1.50	1.36
2011-12	2.00	1.00	0.94
2012-13 upto Feb.2013	2.00	1.49	1.4809
2013-14	3.00		

3.36 The statement showing the details of funds released to State/UTs and expenditure incurred by each States/UTs during last 3 years as furnished by the Department is given as under:-

Amount in Rs.

Sl. No.	Year	State	Corpus Fund*	Seed Money*	Consumer Club	Expenditure incurred by each States
1	2009-10	Chandigarh			5,00,000	Expenditure statement yet to be received

2		Himachal Pradesh		27,00,000		
3		Odisha			50,00,000	Expenditure statement yet to be received
4		Tamil Nadu			50,00,000	50,00,000

Sl. No.	Year	State	Corpus Fund*	Seed Money*	Consumer Club	Expenditure
1	2010-11	Madhya Pradesh	3,39,00,000			
2		Nagaland			10,00,000	10,00,000

Sl. No.	Year	State	Corpus Fund*	Seed Money*	Consumer Club	Expenditure
1	2011-12	Kerala	7,50,00,000			
2		Lakshadweep				
3		Madhya Pradesh	4,11,00,000			
4		Maharashtra			37,00,000	Expenditure statement yet to be received
5		West Bengal	1,02,00,000			

Sl. No.	Year	State	Corpus Fund*	Seed Money*	Consumer Club	Expenditure
1	2012-13	Bihar	2,63,00,000			
2		Karnataka	2,63,00,000			
3		Nagaland	2,63,00,000		10,00,000	Expenditure statement yet to be received
4		Odisha	2,63,00,000			
5		Tamil Nadu	1,00,00,000			
6		West Bengal	6,48,00,000		40,00,000	Expenditure statement yet to be received

*** One time grant for setting up State Consumer Welfare Fund**

3.37 The Committee were informed that for creating consumer welfare fund seed money is provided to States/UTs at the ratio of 50:50 as financial support which has been enhanced with a big amount of Rs. 10 crore as Corpus Fund by the Central

Government as Central share in the ratio 75:25 (Center:State). In case of special category States, the ratio will be 90:10 (Center:State). However, so far the schemes is implemented in 3 States namely, Madhya Pradesh, Kerala and West Bengal. Further part payment has been released to 4 States namely, Bihar, Odisha, Nagaland and Karnataka. The Department further stated that the enhanced Corpus Fund under Consumer Welfare Fund has been implemented w. e. f. 30.3.2011. The Department has utilized the entire fund allocated under the Head Grant in aid to State Government/UTs of Consumer Welfare Fund. The delay in creation of a separate independent interest-bearing account by State Governments and also delay in depositing their own share of 2.5 crores is creating difficulties in implementation.

3.38 When the Committee desired to know the possible reasons for not setting up Consumer Welfare Fund by the remaining States/UTs despite given financial assistance and the action taken to persuade the remaining States/UTs to set up the Consumer Welfare Fund, the Department stated that 21 States have created Consumer Welfare Fund in their respective States as regards remaining States/UTs no response have been received so far. Most of the State do not have separate Consumer Affairs Department. The Department of Consumer Affairs is mostly attached with Food and Civil Supplies, so the official are preoccupied with supply chain of Food Product and Public Distribution System. However the remaining States Govts/UTs have been impressed upon through periodical meeting/video conferencing and reminded. The amount granted has been enhanced to Rs. 7.5 Crore towards Corpus Fund.

3.39 The Committee note that Consumer Welfare Fund was created to provide financial assistance to promote and protect the welfare of the consumers, create consumer awareness and strengthen consumer movement in the country. The financial assistance by the Central Government for setting up Consumer Welfare Fund has been enhanced to Rs. 10 crore as Corpus Fund and the Central Government share has also been increased to the ratio of 75:25 and in case of special category States, the ratio is 90:10. The Committee also note that 21 States have created CWF in their respective States whereas no response has been received from the remaining States/UTs so far. Delay in creation of a separate independent interest- bearing account by State Government and also delay in depositing their own share of Rs. 2.5 crores is creating difficulties in implementation of the scheme. Also most of the States do not have separate Consumer Affairs Department and it is mostly attached with Food and Civil Supplies Department whose official are pre-occupied with supply chain of food product and Public Distribution System. The Committee feel that all the States/UTs should be impressed upon to create separate independent interest bearing account as well as separate Consumer Department in their respective States/UTs for better implementation of the scheme. The Committee, therefore, recommend the Department to take the matter with the State Government at the highest level and also urge the remaining States/UTs to set up Consumer Welfare Funds in order to promote and protect the welfare of the Consumers.

F. National Consumer Helpline.

3.40 National Consumer Helpline is a land mark project set up in collaboration with the Delhi University at a cost of Rs.3.13 Crore. Consumers from anywhere in the country can dial the toll free number 1800-11-4000 and seek advice in all areas of consumer interest and sort out their grievance. Delhi University has been granted an amount of Rs.378 lakh for second phase of the National Consumer Helpline.

3.41 State Consumer Helpline: The Committee are informed that Consumer Help line is Plan scheme to be set up in States on similar lines as National Consumer Help Line, which will be a partnership effort between State and active VCOS of the States. These Help lines will extend service in the regional language of the State Concerned and in Hindi & English. So far 28 States/UTs have been sanctioned funds to set up Consumer Help lines. The scheme has been extended in the XII Five Year Plan.

3.42 In response to a query regarding the expenditure incurred since inception of the National Consumer Helpline, the Department furnished the following data:-

Year	Amount Sanctioned	Expenditure incurred by University of Delhi
Amount Sanctioned in Ist Phase		
2004-2005	10727800.00	4262340.00
2005-2006	4911400.00	6411764.00
2006-2007	4911400.00	6537792.00
2007-2008	4100000.00	5342726.00
2008-2009	3200000.00	2808130.00
2009-2010	3438820.00	5530081.00
Till June 2010	0.00	100575.00
Grand Total	31289420.00	30993408.00

The second phase duration of National Consumer Helpline was implemented from 1st April 2010 to 31st March 2013 during which, the expenditure incurred, year-wise is given below:-

Amount Sanctioned in IInd Phase		
C/F from 1st Phase	296000.00	
2010-2011	12081600.00	10330399.00
2011-2012	10264199.00	9890154.00
2012-2013	12736955.00	6796662.00
2012-2013(balance grant)	2421246.00	
Grand Total	37800000.00	27023889.00

It is seen from the above statement that during second phase of the aforesaid scheme (i.e. 1st April, 2010 to 31st March, 2013) the expenditure incurred was Rs.27023889.00 against the sanctioned amount of Rs. 37800000.00, which is short of Rs. 10776111.00.

3.43 Asked about the average complaints received as well as resolved by the National Consumer Helpline, the Department furnished the following details showing the number of complaints received, pending and percentage of complaints resolved during the last three years:

Year	Complaints sent to Companies	Redressal received (Partial or otherwise from Companies)	Grievances pending	%age of complaints resolved
Jan-Dec 2010	7858	4873	2985	62.01
Jan-Dec 2011	12787	7688	5099	60.12
Jan-Dec 2012	14146	10457	3689	73.92

3.44 The Department further stated the State Government also have their own helplines which provide service in regional languages. These helplines are set up under the plan schemes and not financed under Consumer Welfare Fund. Funds have been released to 28 States/UTs for setting up of State Consumer Helplines. Out of which State Consumer Helpline are functional in 16 States/UTs.

3.45 When the Committee enquired how the Ministry propose to extend State Consumer Helpline Services to all States/UTs, the Ministry stated that the Department has been vigorously pursuing with the remaining States/UTs for implementing the State Consumer Helpline in their respective State through conducting Video Conferencing

and meeting with Secretaries of State Governments/UTs as well as periodic reminders. The Department has also advise State Government to take help of NGOs/VCOs to run these organizations if they can not run it departmentally. Arrangement have been made with the IIPA Delhi, and ASCI, Hyderabad to train the Helpline staff . Standard software has been developed and freely supplied.

G. Setting up of Consumer Clubs in School/Colleges.

3.46 This scheme was launched in 2002, according to which a Consumer club can be set up in each Middle/High/Higher Secondary School/College affiliated to a Government recognised Board or University. A grant of Rs.10,000/- per consumer club is admissible under the scheme. This scheme has been decentralized and transferred to the Government of States/UTs w. e. f from 1.4.2004. Proposals can be submitted under the scheme to the Nodal Officer in the Food, PD & Consumer Affairs Department of the respective States/UTs by eligible organisations/VCOs. Funds are transferred to the Nodal Officer in the State on receipt of the list of schools from the State. An amount of Rs.115 lakhs released in 2008-09, Rs.105lakhs in 2009-2010, Rs.10 lakh in 2010-11, Rs.37 lakh in 2011-12 and Rs.50 lakh during 2012-13 till date. So far, 7749 consumer clubs have been sanctioned in 23 States/UTs. The remaining States/UTs have been vigorously pursued to implement the scheme.

3.47 When the Committee asked the details of responses received from the remaining States/UTs, the Department informed that the response from remaining States/UTs are still awaited. However, the Department has conducted Video Conferencing and meeting with Secretaries of State Governments/UTs and also issued reminders to the remaining States/UTs.

3.48 In response to a query about the progress of consumer clubs set up in schools/colleges so far, the Department informed that 7749 consumer clubs have been set up in schools/Colleges in 23 States/UTs and in 12 States/UTs namely, Assam, Bihar, Delhi, Goa, Jharkhand, Madhya Pradesh, Manipur, Meghalaya, Uttar Pradesh, Andaman & Nicobar Island, Dadra Nagar Haveli and Daman and Diu, Consumer Clubs are yet to be set up.

3.49 The Committee note that the National Consumer Helpline Scheme was set up in collaboration with the Delhi University at a cost of Rs. 3.13 crore. The Delhi University has been granted an amount of Rs. 378 lakh for taking up the second phase of the National Consumer Helpline (i.e. from 1st April, 2010 to 31st march, 2013). The Committee also note that 28 States/UTs have been sanctioned funds for setting up State Consumer Helpline on similar lines as the National Consumer Helpline. The State Consumer Helpline will extend services in regional language of the State concerned besides Hindi and English. The State Consumer Helpline is presently functional in 16 States/UTs only. While arrangements have been made with the IIPA, New Delhi and ASCI, Hyderabad to train the helpline staff, the Department has advised the State Governments to take the help of NGOs/VCOs to run the State Consumer Helplines, if necessary. Standard software has been developed and supplied free of cost. The Committee are, however, of the view that while it is essential to ensure that the National Consumer Helpline as well as

the State Consumer Helplines are functional at all times, there is also need to create awareness of the consumers about the existence of these helplines. Moreover, State Consumer Helplines should be set up in the remaining States/UTs also. The Committee, therefore, recommend that while ensuring that these helplines are functioning efficiently, the remaining States/UTs should be persuaded to set up State Consumer Helplines at the earliest by extending financial assistance to them.

3.50 The Committee note that for setting up of Consumer Clubs in Schools/Colleges a grant of Rs. 10,000/- per consumer club is admissible and this scheme has been decentralized and transferred to the Governments of States/UTs w.e.f. 1.4.2004. Proposals can be submitted now to the Nodal Officer in the Food, Public Distribution and Consumer Affairs Department of the respective States/UTs by eligible organizations/VCOs. The Committee also note that an amount of Rs. 317 lakhs have been released since 2008-09 and 7749 consumer clubs have been sanctioned in 23 States/UTs. The Department have been vigorously pursuing the remaining States/UTs to implement the scheme. The Committee feel that setting up consumer clubs in Schools/Colleges would go a long way in creating awareness about the consumer rights amongst the school/college students. The Committee, therefore, recommend that the Department should persuade and convince the remaining States/UTs to set up Consumer Clubs in as many schools and colleges as possible.

H. Consumer Protection Cell Scheme

3.51 Consumer Protection Cell scheme is an on-going scheme which aims to render secretarial assistance to the Department in administering the Consumer Protection Act, and other related activities, including holding of review meetings and annual conferences of NCDRC and the Central Consumer Protection (CCPC). Under the Consumer Protection Cell scheme, expenditure is incurred for conducting evaluation studies of various schemes administered by the Consumer Protection Unit of this Department. In addition, the Department is represented in international consumer institutions/associations for participating in various international consumer related conventions and conferences.

3.52 When enquired in what way Consumer Protection Cell render assistance to the Department in administering the Consumer Protection Act, the Department stated that establishment expenses like expenses for holding of CCPC Meetings, payment of professional fees to Government Counsels in court cases arising out of consumer issues etc. are met out of the provisions under the 'Consumer Protection Cell' Head.

3.53 Asked to furnish the details regarding number of meetings conducted by Consumer Protection Council at the State/District level during the last 3 years (including the current financial year), the Department stated that as per the provisions of Consumer Protection Act, 1986, it is the responsibility of State Governments to constitute State Consumer Protection Councils (SCPCs) and District Consumer Protection Councils (DCPCs) in their respective States. The information regarding the

details of number of Meetings conducted by SCPCs/DCPCs during the last three years including the current financial year is not maintained centrally. The Department further stated that they are proposing to take up the matter in the next meeting of Central Consumer Protection Council so that monitoring of such meetings is done by CCPC itself.

3.54 The Committee note that the Consumer Protection Cell Scheme aims to render secretarial assistance to the Department in administering the Consumer Protection Act and other related activities including holding of review meetings, annual conferences of National Consumer Disputes Redressal Commission (NCDRC) and Central Consumer Protection Council (CCPC). Payment of professional fees to Government counsels in court cases arising out of consumer issues etc. are also met out of the provisions under the Consumer Protection Cell Head. Though the State Governments are responsible to constitute State Consumer Protection Council (SCPC) and District Consumer Protection Councils (DCPCs) under the Consumer Protection Act, the Committee feel that the Department should monitor and keep themselves informed of the meetings held and decisions taken by the SCPC/DCPCs. The Committee, therefore, recommend that the Central Consumer Protection Council should monitor the meetings of the SCPCs/DCPCs.

I. Consumer Awareness

3.55 Protection of consumer interests and welfare had today become a critical function of good governance and consumer awareness is increasingly being recognized as a step in that direction. Though the consumer movement is slowly gaining ground in our country, a lot of ground still needs to be covered. Due to the sheer size and complexity of the country the level of consumer awareness varies from State to State depending upon the level of literacy and social awareness of the people. Educating more than 120 crore people of various categories of population, particularly those in rural areas on various subject matters of consumer interests being dealt by different Ministries/ Department is a Herculean task. It can only be undertaken as a sustained national programme with adequate resource availability.

3.56 The BE, RE and Actual Expenditure incurred for Consumer Awareness during the last three years and the current financial year are as under:-

(Rs. in crores)			
Year	BE	RE	Actual Expenditure
2010-11	84.02	80.67	80.27
2011-12	87.23	87.23	85.73
2012-13	89.00	58.00	56.53
2013-14	75.00*		

* **Proposed.**

3.57 Asked whether the publicity campaign of the Government with slogan 'Jago Grahak Jago' and other multi-media publicity campaign has brought satisfactory results in rural and remote areas, the Department stated that the study indicates that awareness level is slightly less in rural areas in comparison to urban areas. To fill this gap, the department made extensive use of All India Radio and Regional Doordarshan Kendras to effectively cover rural and remote areas through campaigns in regional languages.

3.58 When the Committee desired to know whether any survey has been conducted by the Department at the State and District level to ascertain the extent of awareness amongst the consumers particularly the consumers living in remote, hilly and backward areas, the Department informed that they have conducted a study in the year 2012 through IIM, Lucknow to ascertain awareness level of consumers in the country. Out of total sample size of 2400 persons, 400 were selected from NE region. The study indicate that people in NE region are aware about campaigns of the department. However, no specific study has been done to ascertain extent of awareness in remote or backward areas or among various States of people in society. The Department proposes to commission such as study in 12th Plan.

3.59 Asked whether DAVP have ever been requested to highlight consumer related issues for publicity campaign from time to time, the Department stated that all print and multimedia campaigns of the department are released through DAVP, All India Radio, Doordarshan and NFDC. The Department obtains creative contents on consumer related issues through professional agencies and release those in different media as per approved media plan. Recently the department has issued campaigns to cover issues on real estate, education, banking, pharmaceuticals, consumer rights, hallmarking, misleading advertisements, wastage of food etc.

3.60 The Committee desired to know the status as well as the steps taken to expedite the proposals of the Union Food & Consumer Affairs Ministry has mooted the idea of setting up an inter-ministerial group to look into complaints of misleading advertisements, with an investigative wing that will probe the complaints and file cases for suitable action. In response, the Department stated that tackling the menace of Misleading Advertisement has been a priority concern of the Department. In this context a series of meetings/workshops were held with the stakeholders in Delhi, Kolkata, Chennai and Ahmedabad. It was brought out in these conferences that a separate act will be required to confer punitive and investigative power on any executive agency to take action against misleading advertisement. The National Law University of Bangalore has been assigned the task of drafting a legislation on this. Meanwhile on the basis of orders of Madhya Pradesh High Court an inter-ministerial committee is proposed to be set up including representation of Ministry of I&B, Health, Commerce etc. Draft orders has been sent to Ministry of I&B for their comments which are shortly expected.

3.61 The Committee note that consumer awareness is essential for good governance though it may not be an easy task to educate the entire population of the country with different background and level of literacy. The Committee are aware that the Department is making various publicity campaigns through the print and electronic media including 'Jago-Grahaak-Jago' campaign to create awareness amongst the consumers. The Department has conducted a study in the year 2012 through IIM, Lucknow to ascertain awareness level of consumers in the country with a sample size of 2000 persons of which 400 were selected from NE region. Such study is proposed to be commissioned during the 12th Plan to ascertain extent of awareness in remote or backward areas among various States. The Committee appreciate that the Department has accorded priority concern to tackling the menace of misleading advertisements and recently issued campaigns covering issues of real estate, education, banking, pharmaceuticals, consumer rights, hallmarking, misleading advertisements, wastage of food etc. The Committee are happy to note that the National Law University, Bangalore has been assigned the task of drafting a legislation on Misleading Advertisement. The Committee are, however, concerned that rampant misleading advertisement on various products and services remained unchecked till today. The Committee, therefore, strongly recommend that the Department should vigorously pursue with the National Law University, Bangalore and the Ministry of Information and Broadcasting to expeditiously complete drafting of the legislation and obtain comments thereon respectively.

CHAPTER-IV

Prices of Essential Commodities

The Department has informed the Committee that the Price Monitoring Cell (PMC) of Department of Consumer Affairs has been monitoring retail and wholesale prices of essential commodities based on the information furnished by the State Food and Civil Supplies Department. During the year 2009-10, the prices of 17 essential commodities ,viz., rice, wheat, gram dal, arhar dal, moong dal, urad dal, masoor dal, tea, sugar, salt, potato, onion, vanaspati, groundnut oil, mustard oil, milk and atta were monitored by this Department. The retail prices were monitored on daily basis and wholesale prices on weekly basis were collected from 27 and 37 centres respectively across the country. During 2010-11, the number of essential commodities monitored by this Department was increased from 17 to 21 with the addition of 4 essential commodities, namely, gur, soya oil, palm oil and sunflower oil respectively. During the year 2011-12 tomato has been included making the total of essential commodities to 22. Further, the number of reporting centres was increased to 49 and wholesale prices like the retail prices were also collected/monitored on a daily basis. Information on retail and wholesale prices are presently collected on daily basis from 55 centers of the country. The retail and wholesale prices of essential commodities are updated on a daily basis and are available in the web site of the Department of Consumer Affairs and can be accessed at (<http://fcamin.nic.in>).

4.2 In general, the Price Monitoring Cell studies the international and domestic market trends of major commodities from various sources and this information is incorporated in the Notes prepared for the High Level Meetings such as Committee of Secretaries (COS) and Cabinet Committee on Prices (CCP), to enable the Committees to arrive at considered policy decisions. The decisions taken in these meetings are implemented by the Ministry/Department concerned which is charged with the responsibility of the subject matter of the decision and Department of Consumer Affairs monitors the same.

4.3 It is further stated that the Government has been taking effective steps to bridge the gap between demand and supply of essential commodities and contain inflation. The retail prices of pulses (except urad dal), edible oils like groundnut oil, mustard oil, tea loose and onion registered an increasing trend whereas the retail prices of urad dal, vanaspati and sunflower oil registered declining trends over the last one year in Delhi.

4.4 The details of retail prices of essential commodities in Delhi as on 5.2.2013 along with their variation over a period of one year are indicated in the Table below:

Commodity	Current Date 05/02/2013	One Year (as on 05/02/2012)	Variation
Rice	26	23	3
Wheat	19	16	3
Atta (Wheat)	20	17	3

Gram Dal	68	50	18
Tur/Arhar Dal	78	68	10
Urad Dal	68	71	-3
Moong Dal	79	69	10
Masoor Dal	60	53	7
Sugar	38	34	4
Milk @	30	29	1
Groundnut Oil	155	142	13
Mustard Oil	109	93	16
Vanaspati	75	77	-2
Soyaoil	97	95	2
Sunflower	108	110	-2
PalmOil	NR	NR	NR
Gur	37	33	4
Tea Loose	202	165	37
Salt Pack I	16	14	2
Potato	12	7	5
Onion	30	13	17
Source: State Civil Supplies Department			

4.5 The Committee has also been informed that prices of select essential commodities were closely monitored by the Department and various measures were taken to augment supplies and bring in price stability of these essential commodities during the year 2012-13. The prices of some of the essential commodities monitored by this department such as vanaspati, palm oil, potato and tomato have shown steady to declining trend while there has been an increase in the case of rice, wheat, atta, pulses such as gram dal, tur dal, urad dal, moong dal, masoor dal; sugar, gur, salt, milk, groundnut oil, mustard oil, tea (loose) and onion during the period under review (April-December, 2012).

4.6 The Committee are informed that the Steps taken by the Government to contain price rise in essential commodities inter-alia include the following:

- Reduced import duties to zero – for wheat, onion, pulses, crude palmolein (now 2.5%) and to 7.5% for refined & hydrogenated oils & vegetable oils.
- Duty free import of white and raw sugar was extended upto 30.6.2012; presently the import duty has been kept at 10%.
- Banned export of edible oils (except coconut oil, forest based oil and edible oils in blended consumer packs upto 5 kg with a Minimum Export Price of USD 1500 per MT) and pulses (except Kabuli chana and organic pulses and lentils up to a maximum of 10000 tonnes per annum).
- Imposed stock limits from time to time in the case of select essential commodities such as pulses, edible oils and edible oilseeds for a period upto 30.9.2013 and in respect of paddy and rice upto 30.11.2013.
- Ban on export of onion was imposed for short period of time whenever required. Exports of onion were calibrated through the mechanism of Minimum Export Prices (MEP).
- Maintained the Central Issue Price (CIP) for rice (at Rs 5.65 per kg for BPL and Rs 3 per kg for AAY) and wheat (at Rs 4.15 per kg for BPL and Rs 2 per kg for AAY) since 2002.
- Suspended Futures trading in rice, urad, tur, guar gum and guar seed.
- To ensure adequate availability of sugar for the households covered under TPDS, the levy obligation on sugar factories was restored to 10% for sugar season 2011-12.
- Government allocated rice and wheat under OMSS Scheme.
- Resumed the scheme for subsidized imported pulses through PDS in a varied form with the nomenclature "Scheme for Supply of Imported Pulses at Subsidized rates to States/UTs for distribution under PDS to BPL card holders" with a subsidy element of Rs. 20/- per Kg for the residual part of the current year and extended the scheme for subsidized imported edible oils to 30.9.2013 with subsidy of Rs.15/- per Kg for import of upto 10 lakh tonnes of edible oils for this period.

In the medium term, Government has taken initiatives such as the National Food Security Mission (NFSM), Rashtriya Krishi Vikas Yojana (RKVY) to improve production and productivity in agriculture.

4.7 In reply to a query whether the Department has chalked out any strategy in consultation with the other Departments, traders and FMC to control the prices of essential commodities especially the prices of foodgrains, the Department stated that the strategy to regulate prices of essential commodities is essentially an outcome of

inter-ministerial discussions that take place in the COS, CCP, EGoM etc. Department of Consumer Affairs monitors wholesale and retail prices furnished by State Civil Supplies Departments received from the identified Reporting Centres, and suggest measures to hold the price line. The multi-pronged strategy with the Government to facilitate availability of essential commodities at reasonable prices cuts across the different Departments/Ministries of the Government. In so far as the Department of Consumer Affairs is concerned, attempts to hold the price line of essential commodities is through a series of measures which include inter-alia:

- Monitoring of wholesale and retail prices and placing it before the High Level Committees of the Government.
- Market interventions when retail prices spike as in the case of onions.
- Imposing of export ban to mitigate domestic retail prices as in the case of pulses, onions etc.
- Concessional import duty as in the case of pulses, oilseeds etc. (Zero duty on import of wheat, onion and pulses & In the case of refined oil, it is 7.5%)
- Provisions contained under Essential Commodities Act 1955 and the Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act 1980 to prevent exploitation by unscrupulous traders
- Suspension of futures trading as in rice, pulses like arhar, urad, Guar gum and Guar seed.
- Imposition of special margins, reduction in speculator's position limit etc. taken by FMC to arrest speculative trading in agricultural commodities. In extreme cases closing out or suspension of contracts is also resorted to by the Commission.

4.8 The Committee note that the Price Monitoring Cell (PMC) of Department of Consumer Affairs has been monitoring retail and wholesale prices of essential commodities based on the information furnished by the State Food and Civil Supplies Department. With the addition of 4 essential commodities in the year 2010-11, the Department is presently monitoring the prices of 22 essential commodities on daily basis from 55 centres of the country. The Price Monitoring Cell generally studies the international and domestic market trends of major commodities from various sources and the information is incorporated in the notes for high level meetings of the Committee of Secretaries (COS) and Cabinet Committee on Prices (CCP) for taking considered policy decisions on prices. The Committee are concerned that retail prices of pulses, edible oils, tea and onion keep rising though the retail prices of urad dal, vanaspati and sunflower declined over the last one year. Retail prices of most of the 22 essential commodities also registered an upward trend over a period of one year and the variation is as high as Rs. 37 in case of loose tea, Rs. 17 in onion and Rs. 18 in Gram dal. Though the

Government have taken several steps to contain rise in prices of essential commodities such as reducing import duty to zero, duty free import of white and raw sugar, ban in export of edible oils, imposition of stock limit from time to time, etc., yet the prices of essential commodities still increasing. The Committee, therefore, strongly recommend that the Department in consultation with other concerned departments should step up their efforts to contain rise in prices of essential commodities by strengthening monitoring mechanism, market interventions etc.

Price Monitoring Cell (PMC)

4.9 The PMC is also responsible for reporting these prices daily on the website and also forward them by mail to the concerned Departments/Ministries. The Cell analyses the collected data and prepares regular notes on the review of prices of essential commodities for the consideration of the COS, CCP, EGoM. The decisions and policy interventions as decided by COS/CCEA are then implemented by the concerned Departments/Ministries and follow-up action monitored by the PMC.

4.10 In the XII Plan it is proposed to both improve the representativeness of the sample and also enhance the robustness of the data. To improve the representativeness, it is felt that we need to collect prices of meat, fish and eggs which have been showing not only a rising trend but also due to its weight in the index, contributing to an increase in the inflation rates. However given the different types of fish, it is not clear whether prices of this item can be collected and monitored. In addition to the existing 55 centres, it is proposed to add about 10 centres annually bringing the number of reporting centres to 100 by the end of the XII Plan. Priority will be given to unrepresented areas in the first instance. Thereafter centres will be added as required on a region-wise basis.

4.11 In reply to a query, the Committee were informed that Price Monitoring Cell in the Department of Consumer Affairs(DCA) organised the '1st National Workshop on Prices' in July 2010. This workshop was attended by the officials of the Price Reporting Cells of States/UTs. The main aim of this workshop was to have an interface between the officials of the State and the officers/staff of PMC to discuss the technicalities of price collection and reporting. A training session for online reporting of prices was organised during this workshop. Instruction manuals were distributed and these manuals are being updated on a regular basis. PMC subscribes to the services of agencies such as Newswire18 and Agriwatch for getting latest inputs on national/international scenario of various commodities. Staff of PMC has also been trained on accessing data and reports from these websites. In-house training was provided to the PMC officials for better modes of presentation and other possible applications of data through MS Excel. Internal meetings to discuss the technicalities of price data and its manner of analysis by PMC officials/staff are also held. Previously teams of PMC were sent to some states to review the existing methodology and practices of price collection in the reporting centres with a view to effect improvements that are necessary to make the data robust.

Strengthening of Price Monitoring Cell:

4.12 From the Outcome Budget, it is seen that no expenditure has been incurred on the Scheme Strengthening of Price Monitoring Cell during the year 2012-13 though there was Budgetary allocation of Rs. 2.70 crore. The BE of Rs. 1.65 crore has been proposed for the year 2013-14.

4.13 When asked the reasons for nil expenditure in the aforesaid scheme during 2012-13, the Department stated that a new Plan Scheme for Strengthening Price Monitoring Cell was proposed during the 12th Plan and this has been approved with an allocation of Rs. 10.81 crores for 2012-17. For the first year of the 12th Plan i.e. 2012-13 an allocation of Rs.3.00 crores was approved. This was subsequently revised at the RE stage to Rs.0.75 crores. As the Plan Scheme of PMC has been shown for budgetary purposes along with Forward Markets Commission (FMC), approval of EFC was required. This necessitated an evaluation of the Plan Scheme strengthening of Forward Markets Commission. As the Evaluation Report on Strengthening of FMC is still to be received by the Department, the said EFC Meeting could not be held and resultantly the allocation available to PMC could not be utilized. Once, the EFC approves the proposal, the allocated amount can be spent.

4.14 While briefing the Committee the representatives of the Department further stated as below:

"...the Price Monitoring Scheme has been introduced as a Plan Scheme only from 2012-13, that is, from 12th Plan. So, it required to go through the EFC process and be approved by the Planning Commission. Since the Planning Commission and the Government itself approved the outlay for the 12th Plan only in September-October, we could only move a Standing Finance Committee Note in November. Then, the Planning Commission felt that we are not introducing small schemes as new schemes, you kindly merge it with some other scheme in the Department. So, we have now merged it with a Forward market Commission's Scheme. We have not been able to spend any amount on this scheme because it has not yet been approved."

A. Strengthening of Price Monitoring Cell in States

4.15 When asked about strengthening of the Price Monitoring Cell in the States/UTs, the Department stated that Strengthening of PMC is essential to develop a strong data base and undertake an intensive research and analysis work. The PMC at the Centre is proposed to be strengthened in the following ways:

1. Organising training programmes to facilitate capacity building of existing manpower in PMC.

2. Subscribing to the Web Services of Professional Organisations engaged in the field. This is required to undertake research work related to availability and trend of prices of essential commodities.
3. Hiring Professionals (Domain experts) from the open market that may include Agricultural Economists, Statisticians and Econometricians for a more detailed analysis.
4. Engaging private organisations for conducting research studies and surveys.

The Department stated that Prices are collected and reported by the respective State Civil Supplies Departments on daily basis. Quality and authenticity of data largely depend on the efficiency of Price Monitoring Cells in State Governments. Strengthening State PMCs along with PMC in the Centre will address the issues in a holistic manner. The State PMCs are proposed to be strengthened in the following ways:-

1. By getting trained manpower employed in the collection and tabulation of data at the State level. A suitable data entry operator (DEO) can be selected by the State Governments dedicated to price collection and monitoring that could be supported by the Centre.
2. By organizing regular workshops at the regional and national level to get the feedback from field workers and discuss the practical problems being faced in the collection and reporting of prices.
3. By providing IT infrastructure such as computers, printers and UPS, etc., in respect of new centres to be taken up and up gradation in respect of hardware already given.
4. By increasing the sample size in order to obtain representative sets of price data. With a designated DEO at each centre, States could be encouraged to progressively increase the number of centres from 55 (existing) to 100 by the end of XII Plan. This will enhance the robustness of the data.

B. Strengthening of National Informatics Centre (NIC) Unit by DCA by purchasing required hardware and software.

Data Collection and Reporting of Prices

4.16 When the Committee desired to know regarding the problem faced by the Department while collecting data and reporting of prices and steps taken to resolve this issue, the Department informed that the State Governments send the daily report of retail prices of essential commodities of their centre either through online entry, fax or email. At present, only 39 centres out of 55 centres, namely, Delhi, Chandigarh, Shimla, Mandi, Amritsar, Lucknow, Kanpur, Varanasi, Agra, Raipur, Ahmedabad,

Rajkot, Bhopal, Indore, Mumbai, Nagpur, Hyderabad, Vijaywada, Bangaluru, Dharwad, Thiruvananthapuram, Ernakulum, Chennai, Dindigul, Thiruchirapally, Bhubaneshwar, Cuttack, Hisar, Karnal, Bathinda, Gwalior, Kolkata, Puducherry, Kozhikode, Shillong, Ranchi, Guwahati, Jabalpur, and Sambalpur enter online entry of retail and wholesale prices. About 9 centres send the price data by fax, 6 centres by e-mail and one centres not reporting at present. However, during evidence, the representatives of the Department stated that :

"We are collecting the retail and wholesale prices of 22 essential commodities from 57 centres across the country, like rice, wheat, cereal, sugar, tea, salt, all pulses, edible oils, etc. This is coming from 57 centres across the country. These prices are fed to us on a daily basis. We get most of them on online entry; initially they were only through fax, but now 45 centres are sending them online, five are sending by email and the remaining are sending by fax. We have given a small manual on how they should go and collect."

4.17 The Committee are informed that the present challenges before the Department in the collection and reporting of prices include inter-alia:

- Lack of uniform mechanism for transmission of data
- Methodology of collection not necessarily the same across the reporting centres
- Authentication and validation of the data by the State Govt.
- Absence of a nodal officer in some States making it difficult for the PMC to seek information on prices reported where necessary.
- Improve efficiency of data collection and reporting.
- Inadequate studies to explain trends in prices of certain commodities like Chana.
- Research to understand the nature of demand for specific commodities, changes/shifts in demand and their impact on prices

4.18 In reply to a query regarding monitoring authority with the Department in this regard, the representatives of the Department stated during evidence as below:

"Regularly we are looking at the prices. Suppose if the variation is very wide, we immediately get back to the States to find what is the cause for that. We call for the reasons, why it is happening. If it is within the normal limits, then, we are not getting into it. It is on our website; this is also sent to some of the select Departments on a daily basis. This is the only Department which is doing it on a daily basis – both wholesale and retail. He further stated that they have regular meeting of the Secretary level; States do take corrective action based on our suggestions."

4.19 It is further stated that a number of steps have been taken to improve data collection and monitoring in the States. The Department had asked all States to nominate a Nodal Officer with whom the Department could interact for information/clarification etc. Some States have appointed Nodal Officers and intimated the same. Centres have been added for instance in the States/UTs of Port Blair, Puducherry, Goa (Panaji), Madhya Pradesh (Jabalpur), Kerala (Kozhikode) as the existing centres were inadequate in view of the size of the State. Centres reporting data irregularly like Panaji in Goa have been reminded at the level of Chief Secretary of the State to report regularly. Chief Secretaries of some States have also been addressed to transmit data in time so that the daily report can be generated and hosted on the site by evening daily. Letters have also been addressed to States to improve their reporting of prices. Two more new centres viz., Raurkela, Vishakhapatnam will be reporting daily prices shortly.

4.20 In respect of studies on demand and surveys to understand shift in consumption of products particularly pulses etc., PMC proposes to assign studies to technical organisations involved in such work and also hire professionals for giving support to the existing staff to undertake commodity analysis. The National Informatics Centre is also proposed to be strengthened by upgrading the server and system software and also engage the services of solution architect and developers to prepare data warehousing and facilitate more insightful presentation of data and its application.

4.21 The Committee note that the task of Price Monitoring Cell is to monitor the Prices of 22 essential Commodities collected from 55 centres spread across the country through the Civil Supplies Department of the States/UT Governments and other matters related to price scenario. The Department proposes to add 10 Centres annually to increase the number of collecting centres to 100 by the end of the XII Plan. The Department organized a 'National Workshop on Prices' in July, 2010 to have an interface between the officials of PMC and States to discuss the technicalities of price collection and reporting. In house training was also provided to the PMC officials for better modes of presentation and other possible applications of data through MS Excel. The Committee appreciate the efforts made and steps taken by the Department to improve the functioning of the PMC. The Committee, however, urge the Department to make more earnest efforts to improve the efficient functioning of the PMC by organizing frequent workshops, training of officials and opening of reporting centres etc.

4.22 The Committee observe that no expenditure was incurred against the BE of Rs. 2.70 crore in the year 2012-13 under the scheme strengthening of Price Monitoring Cell. Again BE of Rs. 1.65 crore has been proposed for the year 2013-14. A plan scheme of PMC has been shown for budgetary purposes alongwith Forward Market Commission (FMC) for which approval of Expenditure Finance Committee (EFC) was required. The Department is also facing problems in collection and reporting of prices such as lack of uniform mechanism for

transmission of data, methodology of collection, authentication and validation of data by the States/UTs, absence of nodal officers in some States, inadequate studies to explain trends in prices, research to understand the nature of demand for specific commodities etc. To overcome these problems, the Department has taken various measures to strengthen the PMC in States by way of organizing training programmes, subscribing the web services of professional organizations, hiring of professionals and engaging private organizations for conducting research studies and surveys. The Department has also asked all the States/UTs to nominate nodal officers with whom the Department should interact for information or clarification. While appreciating the steps taken by the Department for strengthening the PMC and State PMCs, the Committee recommend that thorough training be given to manpower employed in collection and tabulation of data, organize regular workshop at regional and national levels and upgrade the IT infrastructure including software systems etc, so as to improve the efficiency and reliability of the PMC and State PMCs.

CHAPTER-V

WEIGHTS AND MEASURES

The Weights and Measures laws in the country are enforced through The Legal Metrology Act, 2009. Through these legislations, the Government ensures that all weight or measure used for trade or commerce or for protection of human health and safety are accurate and reliable so that users are guaranteed of their performance. This in turn enables the consumer to get the right quantity/quality for which he has paid for. With the developments in the field of Science & Technology coupled with economic liberalization policy being pursued by the Government, a number of state-of-art weighing and measuring instruments are being introduced in the Indian market rapidly. To accommodate these new types of weights or measures, their specification also needs to be adopted/updated. The Department of Consumer Affairs have informed that under the head Weights and Measures, two schemes viz. Strengthening of Regional Reference Standards and Indian Institute of Legal Metrology, Ranchi were implemented in the 11th Five Year Plan.

5.2 The details of BE, RE and Actual Expenditure incurred during the year 2012-13 and BE for the year 2013-14 under the head Weights and Measures are as follows:

Plan

Sl. No.	Ongoing Schemes	12th Plan Outlay	Annual Plan 2012-13			Annual Plan 2013-14
			BE	RE	Provisional Exp. As on 28.02.2013	
1.	Weights and Measures	300.00	58.00	53.76	39.60	64.00

5.3 The Committee note that during the year 2012-13, under the head of Weight & Measures Rs. 39.60 crores was spent against the total allocation at RE stage of Rs. 53.76 crores for the schemes/projects. The Committee have been informed by the Department that for the 12th Five year Plan (2012-2017), proposed outlay is Rs.300 crores for the schemes under weight and measures which includes construction of laboratory building, supply of equipments and capacity building of Legal Metrology enforcement officials. Under the scheme Strengthening of Regional Reference Standards, a new proposal for the construction of Controller Office in 12 states and establishment of R&D centre in 5 states is proposed. Further, under the same scheme a proposal for the supply of mobile laboratories with net content checking for packages is also being made.

5.4 The B.E., R.E., and Actual expenditure incurred on each of the schemes since 2009-2010 (year-wise and scheme-wise) and B.E. for 2013-14 are given in the following statement:-

(Rs. In crores)

Name of the scheme/project/ programme	2009-2010			2010-2011			2011-2012			2012-2013			2013-14
	BE	RE	Actual Expr.	BE	RE	Actual Expr.	BE	RE	Actual Expr.	BE	RE	Provisional expr. upto 28.2.2013	BE
NON-PLAN													
Regulation of Weights & Measures	0.67	0.66	0.43	0.73	0.51	0.43	0.47	0.59	0.52	0.65	0.67	0.64	0.72
Regional Reference Standards Laboratory	1.65	1.76	0.80	1.95	2.09	1.80	2.21	2.24	2.1	2.42	2.42	2.24	2.62
Indian Institute of Legal Metrology	1.51	1.48	1.27	1.56	1.46	1.27	1.35	1.44	1.28	1.56	1.44	1.39	1.55

(Rs. in Crore)

Sl. No.	Scheme etc.	Major Head	B.E. 2012-2013	RE 2012-2013	Actual expenditure 2012-13 upto Dec. 12	B.E. 2013-2014
1.	Weights & Measures, Establishment of Laboratories	5475	4.20	1.67	1.43	3.00
		3475	22.50	21.59	23.11	35.01
		3601	25.00	24.50	3.00	19.25
		3602	0.50	0.50	--	0.25

5.5 The Committee note that from the outcome Budget 2013-14 of the Ministry (Department of Consumer Affairs), under the head of Weights and Measures, Establishment of Laboratories the actual expenditure was Rs. 27.54 crore which is only 57% of R.E. of Rs. 48.26 crore (Excluding NE region). In this context, the Committee asked the Department to explain why the B.E. for the year 2013-14 is kept as high as Rs. 57.51 crores (Excluding NE region) when the actual expenditure during the year 2012-13 was only Rs. 27.54 crore. In this regard the Department submitted the following reply:-

"Under this scheme the Department supplies various machines and equipments to Laboratories. These purchases are made through DGS&D, who

in turn floats tenders for procurement. The finalization of specification of technical machinery by involving experts takes a long time. Often purchases get delayed due to poor response to tenders or delayed supply. Effort is always made to keep higher budget estimate with the hope and belief that DGS&D will be able to procure on time and our Laboratories in various States/UTs can have benefit of modern testing machines."

5.6 When asked about the main activities undertaken in each of the schemes under Weight and Measures during the year 2012-13, the Department submitted the following reply:

"(i) Strengthening Regional Reference Standards Laboratory [RRSLs] and Indian Institute of Legal Metrology [IILM], Ranchi.

a. The objective of the scheme is to strengthen Regional Reference Standards Laboratories (RRSLs) by complementing the existing facility in mass, volume and length measurement. The scheme aims at providing new testing facilities in Force, Torque and Flow Measurement for better consumer protection.

b. Laboratory equipment like Mass Comparators, Laser based length measurement instrument etc. may be provided to all Regional Reference Standards Laboratory (RRSL) and Indian Institute of Legal Metrology (IILM), Ranchi.

c. Flow measurement facilities have been installed at RRSL, Ahmedabad and Bhubaneswar and will be completed at RRSL Faridabad & Bangalore.

(ii) Strengthening Legal Metrology infrastructure of State/ UTs.

The objective is to augment State's Legal Metrology Department infrastructure in holistic way namely construction of laboratory building, supply of equipments and their capacity building of enforcement officials for effective implementation of weights and measures laws. The Scheme aims at better implementation of weights and measures laws, thus ensuring better consumer protection.

During 2007-10 a pilot scheme was implemented where in, 41 units of mobile kits for testing weighbridges and 59 sets of Secondary Standards balances had been supplied to various States/UTs. A new proposal was approved in October, 2009 at a outlay of Rs 143.286 Crore. Grant in Aid of amount Rs 55.07 Cr has been issued to 29 States/UTs. Around 200 Legal Metrology officers of States/UTs have been trained at NPL-New Delhi, NIST-U.P. and FCRI Kerala. Rs. 4.54 Crore were spent on Machinery & Equipments during 2009-10 Rs. 32.44Cr were spent during 2010-11 and Rs. 21.95 Cr during 2011-12. The funds were given to DGS&D and Indian Government Mint, Mumbai to procure/ supply of standard equipments to States/ UTs including NE States'.

5.7 When the Committee desired to know the present status of the scheme, the Department submitted that it is proposed to continue both the schemes during the XII Five Year Plan. The XI Plan schemes have already been evaluated by an independent third party and the EFC/ SFC of the Schemes is submitted to Planning Commission and Ministry of Finance for their comments. Scheme related to strengthening of RRSL and IILM, Ranchi has also been approved by Planning Commission. Comments on other scheme is awaited."

5.8 During the evidence, the representatives of the Department further added that

"our laboratories are at the State level and District level. We have five Central existing laboratories at Ahmedabad, Bhubaneswar, Bangalore, Guwahati and Faridabad. We have given proposal for two new laboratories, which will cost Rs. 5 crores on each. One will be at Nagpur and the best part of this is that we have been provided free land by the Government and we will start work very soon. Other than this we will make one laboratory at Varanasi also. We are looking for the land through State Government and will start work in this year only. We give Rs. 50 lakh at State Capital and we give funds at District level for secondary laboratories. Likewise we are making small laboratories in every State and we have scheme for future also. We have already existing 204 laboratories."

5.9 In a note, furnished by the Department regarding the existing practice for verification of sophisticated Weights and Measures Instruments and whether it is done through Special Verification Agent (SVA) or through Government Approved Test Centre (GATC) the Committee were informed that so far verification of weights and measures instruments was being done by the Legal Metrology Department of the States/UTs. However, for sharing the workload for increasing the capacity and available infrastructure of testing, the Union Government has drafted new Rules. These Rules provide for setting up Government Approved Test Centres (GATC) all over the country. Legal vetting and notification of the Rules are in process. In reply to a query, the Committee were further informed by the Department that the Government have not made it mandatory for all the States/UTs to convert existing mechanical weighbridge into digital weighbridge.

5.10 The Department has informed that under the Scheme 'Strengthening Legal Metrology infrastructure of States/UTs' new proposal for the construction of Controller Office in 12 States and establishment of R&D Centre in 5 States is proposed. Further a proposal for the supply of mobile laboratories with net content checking for packages is also being made. The details of status of the proposals made in aforesaid scheme are as follows:

GRANT IN AID FOR CONTROLLER OFFICE AND R&D CENTRE

Sr. No.	States/UTs.	Grant in Aid for Controller Office and R&D Centre	
		Research & Development centre	Controller Office
1	Andhra Pradesh	1	

2	Arunachal Pradesh		1
3	Gujarat	1	1
4	Jharkhand		1
5	Kerala		1
6	Maharashtra	1	1
7	Nagaland		1
8	Sikkim		1
9	Tripura		1
10	U.P.	1	1
11	West Bengal	1	1
12	Chandigarh		1
13	Lakshadweep		1
	Total	5	12

MOBILE KIT FOR CHECKING NET CONTENT

Sr. No.	States/UTs.	No. of PCR mobile kit for net content checking
1	Andhra Pradesh	20
2	Arunachal Pradesh	4
3	Assam	5
4	Bihar	6
5	Chhatisgarh	4
6	Goa	2
7	Gujarat	7
8	Haryana	6
9	Himachal Pradesh	4
10	J&K	5
11	Jharkhand	6
12	Karnataka	14
13	Kerala	14
14	M.P.	6
15	Maharashtra	20

16	Manipur	2
17	Meghalaya	2
18	Mizoram	4
19	Nagaland	4
20	Odisha	6
21	Punjab	4
22	Rajasthan	5
23	Sikkim	1
24	Tamil Nadu	7
25	Tripura	3
26	U.P.	20
27	Uttrakhand	4
28	West Bengal	10
29	Chandigarh	1
30	Daman & Diu	1
31	Lakshadweep	1
32	Puducherry	2
	Total	200

All the above proposals have been submitted for approval by Finance Ministry and Planning Commission (EFC).

5.11 The Committee note that existing practice for verification of sophisticated Weight & Measures instruments is done through Legal Metrology Department of the States/UTs. However, for sharing the workload for increasing the capacity and available infrastructure of testing, the Union Government has drafted new rules, which provide for setting up Government Approved Test Centres (GATC) all over the country for which legal vetting and notification of the rules are in process. The Committee have been informed that under the scheme Strengthening Legal Metrology Infrastructure of States/UTs, new proposal for the construction of Controller office in 12 States and establishment of Research & Development (R&D) Centres in 5 States is proposed. The Committee observe that in the 12th Plan, Rs. 300 crores have been allocated under the head Weights and Measures and Rs. 53.76 crores was granted for the first year of the 12th Plan i.e. 2012-13. The Committee are disappointed to note that despite having so many proposals, the Department were able to spend only 39.60 crores out of Rs. 53.76 crores. The Committee hope that the Government will make every sincere effort to complete the project of opening controller office in 12 States and R&D Centres in 5 States on urgent basis by utilizing the fund allocated for the purpose within a definite time period. The Committee are of the view, that the Department should make earnest efforts to open Government Approved Test Centres (GATC) all over the

country for advantage of the consumer at large so that the workload for increasing the capacity and available infrastructure of testing in States could be shared. The Committee would also like to be apprised of the action taken in regard to above proposals made by the Department, during the year 2013-14.

CHAPTER -VI

BUREAU OF INDIAN STANDARDS

The Bureau of Indian Standards, the National Standards Body of India became functional as a statutory body under the Bureau of Indian Standards Act, 1986 with effect from 1 April 1987 taking over staff, assets and liabilities of Indian Standards Institution established in 1947. The Bureau is promoting and nurturing the standardization movement in the country.

6.2. BIS is formulating need-based Indian Standards in line with the national priorities as a time bound programme. The Bureau has taken a decision to harmonize national standards with international standards, wherever feasible, in order to facilitate adoption of international standards by all segments of business and industry. The progress on activities relating to formulation of Indian Standards is as under:

Sl. no.	Activities	Performance	
		2011-12	Apr - Dec 2012
1.	New and revised standards formulated	410	344
2.	Standards in force	18742	18901
3.	Standards Reviewed	3784	1912

6.3 The details of licenses granted, renewed, suspended or cancelled during the last three years and the current financial year are as under:

Particulars	2009-10	2010-11	2011-12	2012-13 (upto 31/1/2013)
Licences Granted	1044	1059	1654	1441
Licences Renewed	2119	1690	2290	2970
Licences Expired	-	-	343	324
Licences Suspended/ Cancelled	239	452	16	23

6.4 Regarding the steps taken by the Department to bring Standards of Indian commodities at the international level, the Ministry submitted the following reply:

"Bureau of Indian Standards (BIS) is a member of International Organization for Standardization (ISO) and International Electrotechnical

Commission (IEC), which are the international standard-setting bodies comprising of representatives from various national standards bodies.

BIS is member of Technical Committees of ISO and IEC and is a Participating 'P' Member of 302 Technical Committees of ISO and Observer 'O' Member of 308 Technical Committees. In IEC, BIS is 'P' Member of 68 Technical Committees and 'O' Member of 87 Technical Committees. It participates in the standards setting process at international level by scrutinizing various draft international standards, sending comments, exercising voting rights, etc. Wherever India's comments are substantial, Indian delegation participates in the ISO/IEC meetings to put forth viewpoint and safeguard India's interest. As a matter of policy, Indian Standards are harmonized with ISO/IEC standards to the extent as feasible. BIS has harmonized 5039 Indian Standards with ISO/IEC. This amounts to 84% of ISO/IEC standards wherever corresponding Indian Standards exists."

6.5 The details of schemes/programmes of BIS being undertaken by the Department during the 12th Plan period are as under:

A. Old Schemes (To be continued from 12th Plan)

1. *Gold Hallmarking*

This scheme is in continuation from 10th Plan with the main purpose of creating infrastructure facilities in terms of 'Hallmarking Centres' so that jewellers do not face any difficulty in getting their gold or silver articles tested (regarding purity and then hallmarked) from any of such BIS recognized Hallmarking Centres. The components of the scheme are as indicated below:

i) Infrastructure building- Setting up of A& H Centres

ii) Capacity building:

- a. Training of artisans
- b. Training of Trainers (BIS auditors)
- c. Training of personnel of assaying and hallmarking Centres

2. *National System for Standardization*

There is a strong need for strengthening standardization activity, both at national and international level, for not only protecting consumers from receipt of sub-standard products but also for the domestic industry for their survival. The importance of technical regulations and their alignment with international standards, as per the provisions of WTO/TBT Agreement, further highlight the necessity of national standards and effective participation at international level so that national standards can be aligned with international standards.

The scheme on National System of Standardization operating under the 11th Plan to be continued, but to be split into the following two separate schemes with components as indicated below:

a) *Strengthening Standardization at National Level*

- i) Training programmes for BIS technical committee members/ Standards Developing Organizations (SDO)
- ii) R&D projects for establishment/revision of Indian Standards
- iii) Intensifying participation of BIS Technical Committee Members in BIS Technical Committee Meetings

b) *Strengthening Standardization at International level*

- i) Intensifying participation of BIS Technical Committee Members in international standardization by attending the meetings, workshops, seminars, etc.
- ii) Organizing ISO/IEC and other international/regional/ multilateral/ bilateral Meetings/ Seminars/ Workshops/ Trainings in India
- iii) Visits of officials and experts to different countries for lobbying in favour of India's view point at International Standardization
- iv) Participation of officials and experts in International/ Regional/ Bilateral Seminars/ Workshops/ Conferences/ Training Programmes.

B. *New Schemes*

1. *Registration for self declaration of conformity scheme*

This is an alternative means of conformity assessment. Realizing the need for product safety towards consumer protection, the Central Government is considering making "Registration" mandatory as a means of conformity assessment for certain products such as toys, electronic and IT Goods etc. The implementation of these orders of the Government is likely to generate large volume of work and thus it is imperative that the BIS, which has been given the responsibility of "Registration" is provided with adequate resources.

The components of the scheme are given below:

- i) Development of software for online 'Registration' for self declaration of conformity and its operation
- ii) Capacity Building:
- iii) Training of BIS officers
- iv) Engagement of Outsourced manpower at BIS locations
- v) Training For outsourced personnel
- vi) Infrastructure requirements

2. ***Creating awareness through Publicity about advantages of BIS certified products amongst consumer and about new standards”***

The purpose of the Scheme is to create awareness about advantages of BIS Certified Products, Hallmarking of Gold Jewellery and about new standards through publicity. It is necessary to create awareness amongst consumers and manufacturers alike about the advantages of BIS Certified products. Additionally, there is a need for creating awareness about the new standards being developed nationally and internationally and how these standards would affect the product quality, consumer safety or even trade (since dropped).

6.6 **SYSTEM OF MONITORING OF SCHEMES UNDER BIS**

1. **Gold Hallmarking Scheme:** Monitoring by two Committees: (i) Executive Committee – chaired by Additional Secretary (CA) to review the progress and take decisions regarding substantive issues arising from time to time and (ii) Implementation Committee chaired by Director General, Bureau of Indian Standards to decide on implementation issues relating to selection of districts, screening of applications, etc have been set up. Meeting is held at periodical intervals to review the progress.

2. **National System for Standardization**

Steering Committee chaired by Special Secretary/ Additional Secretary (CA) for giving guidance for proper implementation of the scheme. Review meeting are held at regular intervals.

3. **Consumer Education and Training, HRD/Capacity Building**

Steering Committee chaired by Special Secretary/ Additional Secretary (CA) for giving guidance for proper implementation of the scheme. Review meeting are held at regular intervals.

4. **HRD/ Capacity Building in Educational Institutions :** Monitoring Committee, chaired by Special Secretary (CA), review the progress of the Scheme. Review of progress of all Plan Scheme is also done by Secretary (CA) on Regular interval.

6.7 The Committee have been informed that 12th Five Year Plan of BIS are awaiting approval from Competent Authority & as such no new schemes/programmes/projects has been taken up. In this context, the Committee desired to know details of the proposed new schemes/programmes/projects which are awaiting approval alongwith funds allocated for the purpose.

"In their reply, Ministry submitted that following schemes are under process.

Sl. No.	Name of the Scheme	Outlay Proposed (Rs. In Crore)
1.	Strengthening Standardization at National Level	4.00
2.	Strengthening Standardization at International Level	10.50
3.	Registration for self declaration of conformity	8.50
	TOTAL	23.00

The Department have further stated that the Competent Authority has decided that the schemes at Sl. No. 1 & 2 be merged in a single existing scheme. The scheme will then be considered as continuation of existing scheme with modification. The Department have also stated that the Planning Commission during Annual Plan (2013-14) discussion held on 14 January 2013 with this Department, decided that the scheme may be merged as additional component of ongoing scheme of BIS."

HALLMARKING OF GOLD JEWELLERY:-

6.8 The Committee observed that for the scheme 'Setting up of Gold Hallmarking/Assaying Centres in India, Standardization & Quality Control, the B.E. for the year 2012-13 was Rs. 9.00 crore which was revised as low as Rs. 1.80 crore and the actual expenditure was only Rs. 0.60 crore which is only 33% of R.E. When enquired about this, the Department stated that the Budget Estimates was reduced substantially because the scheme of publicity for popularizing BIS products was brought to avoid duplication.

6.9 The Committee pointed out that during the examination of Demands for Grant (2012-13) of the Department of Consumer Affairs, it was observed that under the Gold Hallmarking Scheme certain modifications had been made as well as the rate of financial assistance was revised for normal and North East/ Special category States/ Rural Areas. The Committee desired to know the details of the modifications done so far and the outcome therefore. In reply, the Department have stated as under:-

"Initially, the Scheme was approved in October 2005 under the 10th Five Year Plan, on a pilot basis, for 35 districts. Under the scheme, it was decided to give one time financial assistance @ 15% of cost of machinery and equipment subject to maximum of Rs. 15 lakhs per centre. Since then, the following modifications have been made:

- i. The financial assistance was enhanced in Dec. 2006 to 30% of cost of equipment and machinery subject to a maximum of Rs. 30 lakh for NE

Region & Spl. Category States. The Scheme was extended under the 11th Plan for 50 centres.

- ii. This financial assistance applicable for NE Region & Spl. Category States was extended in November 2009 to the rural areas of the country and Centres being established in deficient locations, entitling them to receive 30% per centre with a maximum of Rs.30 lakhs.
- iii. Applications for setting up of A&H Centres in NE Region and Special Category States were allowed in November 2009 to be considered for assistance even to those who did not apply in response to the BIS advertisement for Expression of Interest.
- iv. In December 2010 the rates of subsidy had further been revised as follows:

Area	Existing Rate	Revised Rate	
		To Private Entrepreneur	To PSU
Normal	15%	30%	50%
NE/SCS/RA	30%	50%	75%

NE – North East States, SCS - Special Category States, RA – Rural Areas".

6.10 While observing that the BIS Act is being amended to bring Hallmarking of Gold Jewellery under mandatory certification, the Committee desired to know the major amendments proposed in the BIS (Amendment) Bill, 2012 in relation to Hallmarking. The Department furnished the following reply:

- "(i) Definitions of hallmark, jeweller, precious metal and precious metal articles (Sections 2 (fa), (ia), (ma) & (mb)
 - a. Recognition of hallmark or the mark of an International body or institution. (Section 2 (t)
 - b. A new section 14 A is proposed to be incorporated in the Act to provide for compulsory hallmarking by Central Government for precious metal articles, for such jewellers, in such geographical areas and having such turnovers as may be specified by Regulations.
 - c. Contravention of Hallmarking provisions in BIS Act made punishable.
 - d. To enable Executive Committee of BIS for making Regulations on the matters related to jewellers, precious metal articles, geographical areas and minimum turnover of jewellers (Section 38 (2) (ca))."

6.11 The Committee observed that in the year 2011-12 the number of Assaying & Hallmarking Centres were 31 whereas in the year 2012-13 only 20 centres have been opened (upto 31.01.2013). When asked about the reasons for not setting up Assaying & Hallmarking Centres in rest of the States/UTs, the Department submitted the following reply:

"Setting up of A&H Centres is a market driven activity, where promoters are private entrepreneurs, and they choose the location of their business considering the demand for hallmarking. BIS has no control on the locations where Assaying & Hallmarking Centres are set up."

6.12 Regarding the criteria for setting up hallmarking centers in regions of rural/remote areas, the Ministry stated that under the Plan Scheme on Hallmarking, central assistance for setting up of A&H Centre has been extended in locations where no centre exists. The Committee have been informed that as on 31 January 2013 there are 200 Assaying & Hallmarking Centres recognized by BIS for certifying gold hallmarked articles and out of this 39 Centres have been set up under the Government Scheme.

NATIONAL SYSTEM FOR STANDARDIZATION

6.13 The amount of expenditure incurred by BIS to implement the scheme for standardization of National system during the last three years are as under:

	2009-10	2010-11	2011-12
Name of the Scheme/ Project/ Programme	Actual Expenditure (Rs. In Lakhs)		
Establishment of a National System of Standardization	45.52	154.2	172.31

6.14 While observing the physical targets and achievements of BIS, the Committee have found that for system certification scheme the achievements was 54 against the target of 150 during 2012-13. Regarding the reasons for less achievement against the target set by the BIS during 2012-13, the Ministry submitted that the achievement up to December 2012 was only 54 due to existence of other certifying bodies under Management System. The Department further informed that these schemes are under voluntary certification and the number of licences granted depend on the number of organizations coming forward for certification of their management systems.

6.15 The Committee observed that there are only 7 licenses in operation under the scheme Food Safety Management Systems as per IS/ISO 22000 and 5 licenses for Service Quality Management Systems as per IS 15700. Details of licence granted for Food Safety Management System (FSMS) as per IS/ISO 22000 and Service Quality Management Systems (SQMS) as per IS 15700 are as under:

Sl. No.	Name of the Organization	Place	Region	State	Scope	LICENCE Number
	AMBALA MILK PLANT	AMBALA	NRO		MANUFACTURE & SUPPLY OF POUCH PACKED MILK, STERILISED FLAVOURED MILK, GHEE & PANEER AS PER IS/ISO 22000:2005	FSMS/L-9000043
	BALLABGARH COOP MILK PRODUCERS UNION LTD	BALLABGARH	NRO	HARYANA	PROCESSING AND SUPPLY OF LIQUID MILK IN POUCHES, CHHACHH, DAHI, PANEER AND GHEE	FSMS/L-9000051
	HISAR MILK PLANT	HISAR	NRO	HARYANA	MANUFACTURE AND SUPPLY OF SKIMMED MILK POWDER, GHEE, PANEER, DAHI AND LIQUID MILK IN ACCORDANCE WITH QUALITY MANAGEMENT SYSTEM AS PER IS/ISO 9001:2008 EXCLUDING DESIGN AND DEVELOPMENT, VALIDATION OF PROCESS FOR PRODUCTION AND SERVICES PROVISION AND CUSTOM	FSMS/L-9000027
	KRISHNAN FOOD PROCESSORS	KOLLAM	SRO	KERALA	RECEIPT OF GRADED KERNELS, PACKAGING AND SUPPLY OF PROCESSED CASHEW KERNELS	FSMS/L-6000027
	NANITAL DUGDH UTPADAK SAHAKARI SANGH LTD	DISTT. NAINITAL	NRO	UTTARA KHAND	ACTIVITIES OF PROCUREMENT OF RAW MATERIAL, PROCESSING, PACKING, STORAGE AND DISPATCH OF LIQUID MILK (POUCH AND BULK), GHEE, WHITE BUTTER, DAHI, MATTHA AND PANEER AT NAINITAL DUGDH UTPADAK SAHAKARI SANGH LTD, LAL KUAN, DISTT: NAINITAL (UTTRAKHAND PRADESH	FSMS/L-9000019
	NEST FOODS & BEVERAGES CORPORATION	ALUVA	SRO	KERALA	EXTRACTION OF GROUND WATEARA, RAW WAATEAR STORAGE, FILTRATION, AREVEARSE OSMOSIS, OZONISATION, BOTTLE	FSMS/L-6000019

					BLOWING, FILLING, PACKING, STORAGE AND DESPATCH OF PACKAGED DRINKING WATER AT V/34 A, PALLIPURAM, MARAMPILLY P.O., ALUVA-683107, ERNAKULAM DT., KERALA	
	PARAG DAIRY	NOIDA	CRO	U.P.	PROCESSING AND SUPPLY OF LIQUID MILK IN POUCHES AND IN BULK	FSMS/L-8000019
	ROHTAK MILK PLANT	ROHTAK	NRO	HARYANA	MANUFACTURE AND SUPPLY OF SKIMMED MILK POWDER, GHEE, PANEER, DAHI AND LIQUID MILK IN ACCORDANCE WITH QUALITY MANAGEMENT SYSTEM AS PER IS/ISO 9001:2008 EXCLUDING DESIGN AND DEVELOPMENT, VALIDATION OF PROCESS FOR PRODUCTION AND SERVICES PROVISION AND CUSTOM	FSMS/L-9000035

List of Licences for Service Quality Management Systems

Sl. No.	Name of the Organization	Place	Scope	Licence Number
1	NEW DELHI GENERAL POST OFFICE	NEW DELHI	SERVICES PROVIDED ACROSS THE COUNTERS (SALE OF POSTAGE STAMPS/STATIONERY, REGISTERED/INSURED PARCELS, MONEY ORDERS, SAVINGS BANK ETC.) AT NEW DELHI GENERAL POST OFFICE; DELIVERY OF POSTAL ARTICLES WITHIN THE JURISDICTION OF NEW DELHI GENERAL POST OFFICE 1	SQMS/L-8000019.1
2	CENTRAL BOARD OF DIRECT TAXES	NEW DELHI	VARIOUS SERVICES OFFERED BY CBDT AT AAYAKAR SEVA KENDRA, PUNE IN COMPLIANCE WITH DIRECT TAX LAWS, AS UNDER: 1. TO ISSUE REFUND ALONGWITH INTEREST (WHERE THE RETURN COMPLETE IN ALL RESPECTS IS RECEIVED)	SQMS/L-8000027

			2. TO GIVE EFFECT TO APPELLATAE/REVISION ORDERS	
3	DEPARATMEANT OF ELEECRICAL INSPECTORATE	THIRUVANATHAPURAM	IMPLEMENTATION OF RELEVANT STATUTORY PROVISION UNDER ELECTRICITY ACT 2003 AND OTHER STATE REGULATIONS CONSISTING OF THE FOLLOWING FOR HEAD OFFICE AT THIRUVANANTHAPURAM AND 14 DISTRICT OFFICES AS PER ANNEXURE: * APPROVAL OF ELECTRICAL INSTALLATIONS * ISS	SQMS/L-6000019
4	CENTRAL BOARD OF EXCISE & CUSTOM	NEW DELHI	APEX OFFICE: OFFICE OF THE DIRECTORATE GENERAL OF INSPECTION, 5TH FLOOR, DRUM SHAPED BUILDING, IP BHAWAN, IP ESTATE, DELHI DELHI CENTRAL EXCISE –I SERVICES OFFICE OF COMMISSIONER OF CENTRAL EXCISE, DELHI – I. C.R BUILDING, I P ESTATE, NEW DELHI	SQMS/L-8000035
5	STATE BANK OF INDIA, CENTRAL PROCESSING UNIT	DELHI	FOR THE BRANCHES OF THE BANK ATTACHED TO CPPC DELHI COVERING THE GEOGRAPHICAL AREA OF ENTIRE STATE OF DELHI, RAJASTHAN, UTARAKHAND, AND SOME PARTS OF UTTAR PRADESH AND HARYANAM THE FOLLOWING SERVICES ARE OFFERED AT STATE BANK OF INDIA, CENTRALIZED PENSION	SQMS/L-8000043
6	DEPARTMENT OF POSTS INDIA,	SHIMLA	SERVICES PROVIDED ACROSS THE COUNTER {SALE OF POSTAGE STAMPS, STATIONARY, INDIAN POSTAL ORDER, BOOKING OF REGISTERED ARTICLES, INSURED PARCELS (DOMESTIC & INTERNATIONAL), MONEY ORDER, SAVINGS BANK AND SAVINGS CERTIFICATES ETC.} AND PREMIUM SERVICES	SQMS/L-9000019

6.16 The details of new schemes proposed under 12th plan are as follow:

(Rs. in Crore)

Sl. No.	New Schemes	BE 2012-13	RE 2012-13	Actual Expenditure Till date
1.	Strengthening of Standardization at International Level	0.52	0.11	0.00
2.	Strengthening of Standardization at National Level	0.42	0.05	0.19
3.	Registration of Self declaration of Conformity Scheme	1.05	0.04	0.00
4.	Creating Awareness through Publicity of BIS Certified Products	7.41	0.00	0.00
	Total	9.40	0.20	0.19

The Committee have noticed from the details of Plan Schemes furnished by the Department, that BE of Rs. 9.40 crore for the year 2012-13 for the Scheme Bureau of Indian Standards (Standardisation & Quality Control) has been revised to Rs. 0.20 crore and Actual Expenditure incurred was 0.19. The reasons for shortfall of expenditure incurred against these two schemes, the Department submitted the following reply:-

"The scheme at Sl. No. 4 has been dropped as it has overlapping objectives with other scheme of the department. Other three schemes are yet to be approved. Therefore no expenditure could be made under these schemes. The R.E. of Rs 0.20 crores would be spent by March 2013 as it is the committed liability towards continuing component of the scheme of Establishment of National System for Standardization."

6.17 The Committee were informed that the scheme of Human Resource Development/Capacity Building in Educational Institutions was approved on 27th March, 2008 with an outlay of 7 crores and 21 Institutions/Universities were short-listed for introduction of the curriculum. The Committee also noted that evolution of curriculum was in progress in consultation with the identified Universities/Institutes.

6.18 As regard to Human Resource Development and Capacity Building in educational institutions, the Committee have observed that during the year 2012-13 balance amount available with BIS as on 31.03.2012 was Rs. 41.80 lakhs against the total amount of Rs. 50 lakhs released for the Scheme. When the Committee desired to know the reasons, the Department in a written note furnished the following reply:

"The purpose of this scheme was primarily "Introduction of the process of Standardization and Standards relating to important socio-economic sectors in Professional, Technical and Higher Education Institutions". BIS made efforts in this regard. The scheme could not make headway as introduction of standardization in curriculum in the educational institutions is not under the purview of BIS. In view of the above, it was recommended that this scheme need not be continued under the 12th Plan. Accordingly the balance amount of Rs 49.98551 (including interest) was surrendered."

6.19 The Committee note that under the Plan Scheme on Gold Hallmarking, central assistance for setting up Assaying & Hallmarking Centres has been extended in locations where no centre exists. The Committee also note that as on 31.01.2013 there were 200 Assaying & Hallmarking Centres established in the country of which 20 Centres were set up in 2012-13 (upto 31.01.2013). The Committee are disappointed to note that in the year 2012-13 the Department has failed to set up any Assaying & Hallmarking Centres by providing central assistance. The Committee observed that under Gold Hallmarking Scheme certain modifications have been made and the financial assistance for setting up of Assaying & Hallmarking Centre under the schemes, was revised from 15% to 30% to private entrepreneur and 50% to PSUs. For North East States/Special Category States/Rural Areas the assistance was revised from existing rate of 30% to 50% to private entrepreneur and 75% to PSUs.

While noting that setting up of Assaying & Hallmarking Centres is a market driven activity where promoters are private entrepreneurs, the Committee feel that the Department should concentrate on popularizing this scheme through consumer awareness campaign by making the consumer aware of the benefits of Hallmarked Gold Jewellery so as to increase the demand of Hallmarked Jewellery in the market. This would encourage the entrepreneurs to setup more Assaying & Hallmarking Centres in the country. The Committee further reiterate their earlier recommendation made in the 18th Report on Demands for Grants (2012-13) that the Department should review the formalities of the Government scheme to simplify the procedure & suitably increase the financial assistance given under the Hallmarking scheme so as to attract private entrepreneurs to come forward not only in metropolitan cities but also in remote rural areas and open more centres of assaying and hallmarking throughout the country.

6.20 While observing the physical targets and achievements of the BIS for the scheme System Certification, the Committee note that the achievement was 54 against the target of 150 during 2012-13. The Committee are not convinced with the reasons furnished by the Department that there are other certifying bodies for Management System Certification and the certification schemes under Management Systems are voluntary in nature. The Committee feel that, though, certification scheme under management systems are voluntary in nature the Department has failed to achieve even 40% of their target. The Committee also note that there are only 7 licences in operation under the scheme Food Safety Management Systems as per IS/ISO 22000 and 5 licences for Service Quality

Management System as per IS/15700. In this context, the Committee were informed that three schemes were yet to be approved and 'Creating Awareness Through Publicity of BIS certified products' scheme was dropped as it had overlapping objectives with other schemes of the Department.

The Committee are shocked to note that during the year 2012-13, i.e. the first year of 12th Plan, the BE of the new schemes proposed under the Plan period was 9.40 crores which was drastically revised to Rs. 0.20 crore and till December 2012 Rs. 0.19 crores was spent. The Committee are disappointed to note the casual approach of the Ministry towards their mandate. The Committee feel that there is lack of proper planning, farsightedness and coordination on the part of the Ministry. The Committee also feel that scheme Creating Awareness Through Publicity of BIS product proposed under 12th plan is very important for creating awareness regarding standards. Therefore, the Committee recommend that creating awareness through publicity of BIS, being the primary responsibility of the Department should continue as a scheme.

The Committee, further, recommend that under Food Safety Management System, number of licence should also be increased on other essential food items other than milk and milk products so that maximum food items should be covered and come under the purview of BIS certification. But at the same time, the Committee desire that the Department should ensure and monitor maintenance of standards while granting licence to private entrepreneurs.

6.21 As regard to Human Resource Development and Capacity Building in educational institutions, the Committee observe that balance amount available with the BIS as on 31.03.2012 was Rs. 41.80 lakhs against total amount of Rs. 50 lakhs released for the Scheme. The Committee were informed that the scheme of Human Resource Development/Capacity Building in Educational Institutions was approved on 27th March, 2008 with an outlay of Rs. 7.00 crores and 21 Institutions/Universities were short-listed for introduction of the curriculum. Evolution of curriculum was in progress in consultation with the identified Universities/Institutes. The Committee are disappointed to note that the scheme could not make headway as introduction of standardization in curriculum in the educational institutions is not under the purview of BIS, therefore, it was recommended that this scheme need not be continued under the 12th Plan. Accordingly the balance amount of Rs 49.98551 (including interest) was surrendered.

The Committee are shocked to know that it took the Department four years to realize that introduction of the process of Standardization and Standards relating to important socio-economic sectors in curriculum of Professional, Technical and Higher Education Institutions does not come under the purview of Bureau of Indian Standards. The Committee take strong note of the lethargic approach of the Ministry and, therefore, strongly recommend that the Department should strictly follow the mandate before making schemes which are not under the purview of the Ministry so that the crucial funds are not wasted in this manner.

CHAPTER – VII

Forward Markets Commission (FMC)

Forward Markets Commission is a statutory body set up under Forward Contracts (Regulation) Act, 1952. The Commission functions under the administrative control of the Ministry of Consumer Affairs, Food & Public Distribution, Department of Consumer Affairs, Government of India.

7.2 The Commission has the following functions:-

- a. to advise the Central Government in respect of recognition or withdrawal of recognition of any association and other matters arising out of the administration of the Act; to keep forward markets under observation and take appropriate action in relation to them;
- b. to collect and publish information regarding trading conditions in respect of goods to which any of the provisions of the Act is made applicable including information regarding supply, demand and prices and to submit to Central Government periodical reports on the operation of this Act and on the working of the forward markets relating to such goods;
- c. to make recommendations to improve the organisation and working of forward markets;
- d. to undertake inspection of the accounts of recognised associations and/or any members thereof;
- e. to perform other duties prescribed by the Central Government.

7.3 The Commission is a statutory authority entrusted with regulatory functions under the Act. The Commission consists of a Chairman and two members. It has its headquarters at Mumbai and a Regional Office at Kolkata. Forward Markets Commission has 9 Divisions to carry out various tasks. Each Division is headed by an Economic Adviser/ Director and assisted by Deputy Directors, Assistant Directors, Economic Officers and Junior Research Assistants.

7.4 The regulatory activities of the Commission are concerned with the regulation of futures trading in all commodities in which trading takes place. In enforcement of the Forward Contracts (Regulation) Act, the Commission guides and trains the officers of the State Governments and the Union Territories in effectively enforcing the penal provisions of the Act.

7.5 During 2012-13, the Commission, as a regulator, focused its activities on the regulation of futures trading in commodities; spreading awareness amongst the various stakeholders; conducting capacity building programmes to enhance the capabilities of the various government officials, cooperatives, banks officers; training officials of the Commission, taking measures for increasing hedgers participation in the futures market and implementation of the Price Dissemination Project at various APMCs.

7.6 During the year, the Commission regulated futures trading in 113 commodities at 21 Recognized Commodity Exchanges. The total value of commodities traded during 2012-13 (upto 31st December 2012) was Rs. 129.62 lakh crore as against Rs. 137.23 lakh crore during the corresponding period in 2011-12.

7.7 Regarding the funding and viability of FMC, the representative of the Department during the evidence, stated that:

"Sir, in the Budget Estimate we have the Demand of Rs. 15 crores which became Rs. 8 crores in the Revised Estimate. We have to take sanction of all the money at initial stage and it takes time in the billing and payment of awareness programmes, capacity building programmes and placing of ticker board. Earlier our expenditure was less but this year we would have spent more but due to cuts in the Budget we could not. During the last three years we spent Rs. 9 crores and before that year we had spent Rs. 7 crores."

7.8 In response to a query, the Department have furnished the details of sanctioned strength vis-à-vis effective strength of the Officers and Staff of FMC in each category of posts/service and the percentage of SC/ST/OBC in each of the category as under:

S. No.	Name of Post Group (Gazetted/Non-Gazetted) and Pay Band + Grade Pay	Sanctioned	Number of Post(s)	
			In position	Vacant (date since when)
1.	2.	3.	4.	5.
	GROUP 'A'			
1.	Chairman Rs.67000-79000 +HAG	1	1	0
2.	Member Rs.37400-67000 - 10000	2	1	01
3.	Economic Adviser,(IES)FMC Rs. 37400-67000 - 10000	1+1**	1+1**	00
4.	Director,IES Rs.15600-39100 + 8700 Director (Ex-cadre) Rs.15600-39100 + 8700.	1 10	01 05	00 05

S. No.	Name of Post Group (Gazetted/Non-Gazetted) and Pay Band + Grade Pay	Sanctioned	Number of Post(s)	
			In position	Vacant (date since when)
1.	2.	3.	4.	5.
	Director (Ex-cadre) Rs.15600-39100 + 7600.			
5.	A. Deputy Director (Gr.III IES) Rs.15600-39100 + 6600	03	02	01
6.	B. Deputy Director(Ex-cadre) 15600-39100 + 6600	13	03	10
7.	(A) Assistant Director(Gr.IV IES) Rs.15600-39100 + 5400 (B) Assistant Director (Ex cadre) Rs15600-39100+ 5400	05 14	04 6	01 8
	Total Group 'A'	50+1**	24+1**	26
	GROUP 'B'			
8.	Hindi Officer Rs. 15600-39100 + 5400	01	01	00
9.	Assistant Secretary Rs. 9300-34800 + 4600	01	00	01
9.	Senior P.S. Rs. 9300-34800 + 4800	01	01	00
10.	Private Secretary Rs. 9300-34800 + 4600	02	02	00
11.	Economic Officer Rs. 9300-34800 + 4600	13	11	02
	Total 'B' Gazetted	18	14	4
12.	GROUP 'B' Non-gazetted			

S. No.	Name of Post Group (Gazetted/Non-Gazetted) and Pay Band + Grade Pay	Sanctioned	Number of Post(s)	
			In position	Vacant (date since when)
1.	2.	3.	4.	5.
	Superintendent Rs. 9300-34800 + 4600	01	00	01
	Total 'B' Non-gazetted	1	0	1
	GROUP 'C'			
13.	Deputy Superintendent Rs. 9300-34800 + 4200	1	1	0
14.	Stenographer Grade I Rs. 9300-34800 + 4200	2	0	2
15.	Translator (Mudia) Rs. 9300-34800 + 4200	1	0	1
16.	Translator (Gujarati) Rs. 9300-34800 + 4200	1	1	0
17.	Jr.Hindi Translator Rs. 9300-34800 + 4200	2	1	1

7.9 When enquired about the steps taken by the Ministry to fill up the vacancies, the Department stated their reply in a written note as under:

1. The process of filling up one vacant post of Member, FMC has already been initiated by the Department of Consumer Affairs and the proposal has been sent to the Cabinet Committee of Appointment.

2. 39 temporary Group A posts were created in the year 2004 and continued on year to year basis. For filling up of 23 vacant posts under 39 temporary Group A posts, the Selection Committee constituted by the Department of Consumer Affairs met on 15th January, 2013 and the recommendation of the Selection Committee has been sent by FMC to the Department of Consumer Affairs for approval for the appointment of 17 officers against the vacant posts. Necessary approval from the competent authority is being obtained.

3. Apart from the 39 temporary Group A posts, the FMC has got 11 IES cadre posts of EA/Director/DD/AD. Out of the 11 posts only 2 posts are vacant and IES Cadre has been requested to fill up the vacant posts time and again.

4. The Group B and Group C posts of Economic Officer, Stenographers, Junior Research Assistants, Upper Division Clerks, Lower Division Clerks are vacant due to officers holding higher posts on deputation /temporary (ad hoc) basis.

STATEMENT SHOWING THE REPRESENTATION OF SC/ST/OBC (in %) IN FORWARD MARKETS COMMISSION, MUMBAI (AS ON 28.02.2013)

Group of post	Sanctioned post	Total number of employees in position	SC		ST		OBC	
			Number	%	Number	%	Number	%
Group A (Gazetted)	50+1 @	24+1 @	5	10%	--	00%	3	06%
Group B	18	14	--	00%	--	00%	3	16%
Non-Gazetted	01	--	--	00%	--	00%	--	00%
Group C	47	23	6	13%	--	00%	2	04%
Group D	15	09	2	13%	2	13%	1	07%
TOTAL	131+1	70+1	13	10%	2	02%	9	07%

@ one SAG level post of IES (Economic Adviser) is temporarily transferred by Ministry of Finance, Department of Economic Affairs (IES Division) has vide Order No.P-1(PM)-4/2012 dated 23.02.2012.

7.10. When the Committee enquired about the problems in filling up of the vacancies in FMC which are lying vacant for years, the Department submitted the following:

"Sir, we have advertised for the recruitment of the 17 Officers, we have the problem we can only take officers on deputation. We have sent the proposal of 17 officers to take them on deputation."

7.11. The Committee note that despite employing officers on deputation, FMC have scarcity of officers and staff. When asked about the recruitment rules and procedure of employing officers/staff in the FMC, the representative of the Department submitted during the evidence that:

"Sir, since we don't have approved recruitment rules we don't recruit officers we can only take on deputations. We give the same pay scale as Government of India. We advertise for deputation too, for example we advertised five post for Directors this time for that we are employing five people out of ten and proposal for this have already been sent. We have still 18 posts for Deputy Director and Assistant Director are vacant, for which we have recommended name of 12 people, but very few people apply, we can only select people from Department of Government and Public Sectors."

7.12 The Committee note that the Forward Market Commission has an effective strength of 71 officers/staff against the sanctioned strength of 132 officer/staff including all the Group A, B, C & D posts. The Committee were surprised to note that the strength of officers/staff even went down in comparison to last year. The Committee further observe that in the Group 'A' category against the sanctioned strength of 51, only 21 posts are in position and 26 posts are vacant. Similarly, in Group 'B' 4 against the sanctioned of 18, and 50% of the posts under Group 'C' are unfulfilled. The Committee also find that besides there being a large number of vacancies, the SCs/OBCs communities are also not adequately represented in Group 'A, B & C' categories and STs are not represented at all in three categories of employees other than Group 'D'. The Committee, are of the view, that existence of such a large number of vacancies in a small organisation like FMC would not only hamper its functioning but would rather diminish effectiveness of the organisation. The Committee, therefore, reiterating its recommendation made during Demands for Grants (2012-13), strongly urge the Department/FMC to make further sincere efforts to fill up all the vacancies in all categories of post.

7.13 The Committee, further note that despite employing officers on deputation, there is always scarcity of officers and staff with the FMC. The Committee note that there is no proper procedure for recruitment to employ officers/staff in the FMC, due to which only higher posts which comes under Group 'A' are filled and other category of Group 'B' and 'C' posts of Economic Officer, Stenographers, Junior Research Assistants, Upper Division Clerks, Lower Division Clerks are majorly vacant.

The Committee feel that, though, FMC is a small organisations but it is very necessary to have its working staff strength to run the organisation efficiently as FMC is entrusted with important economic regulatory functions that should not be hamper by these problems. Non-availability of suitable candidates on Group B & C posts, as only higher posts can be filled up by the deputation process, the Committee feel that other than deputation, Department/FMC may consider to establish a proper recruitment Cell to fill up the vacant posts in the category of Group 'B' and 'C' so that FMC can recruit officers/staffs of its own and will not depend upon other organisations to have adequate manpower to perform efficiently.

Project for Price Dissemination

7.14 To enable the farmers to use the knowledge of futures prices in pre-showing and post-harvest decisions, the Forward Markets Commission has, in association with the Commodity Exchanges initiated a process of dissemination of futures and spot prices at various mandis, post offices, rural branches of the Banks and other areas frequented by the farmers. The dissemination of price information is expected to help various hedger groups, especially farmers, in their pre-sowing and post harvest decision making process and hedging their price risks in the market. The project for dissemination of spot and futures prices in commodities of relevance to particular States / areas / mandis is being implemented in consultation with AGMARKNET. In the first phase, 183 ticker boards were installed in mandis spread across 10 States. During 2010-11, 588 price ticker boards were placed in various APMCs, KVKs under Phase-II. Under phase –III, 662 Price Ticker were installed. During the year 2012-13 under phase IV, 409 Price Ticker Boards have been installed till January, 2013 at various locations having heavy farmer footfall. In addition, future prices discovered in the Exchanges are published in newspapers, displayed in railway stations and bus stands, rural bank branches, are available on mobile phones, etc. Thus, the opacity of prices that existed earlier has reduced considerably and has resulted in better integration of various spot markets across the nation.

Installation of GPRS enabled Price Ticker Boards (PTBs)

7.15 The Department informed that due to shift from conventional price ticker board to GPRS enabled ticker boards and long time taken in raised tendering process thereof during the current year the installation of price ticker boards has been slow and there has been a shortfall in achievement of physical targets. In this context, when asked to furnish the details of the number of GPRS enabled price ticker boards installed during the current year (State-wise), the Department furnished the following statement showing State/UT wise installation of GPRS enabled price ticker boards during 2012-13:-

Sl. No.	Name of State/UT	No. of GPRS enabled Price Ticker Boards installed under Phase-IV of Price Dissemination Project (as on 25-03-2013)
1.	Punjab	1
2.	Uttar Pradesh	12
3.	Jharkhand	32
4.	Himachal Pradesh	2
5.	Haryana	2
6.	Bihar	-
7.	Madhya Pradesh	40
8.	Rajasthan	27

9.	Chattisgarh	42
10.	Maharashtra	73
11.	Odisha	38
12.	Jammu & Kashmir	12
13.	Uttarakhand	1
14.	West Bengal	-
15.	Gujrat	38
16.	Karnataka	-
17.	Andhra Pradesh	62
18.	Tamil Nadu	50
19.	Kerala	-
20.	Goa	-
21.	Delhi	1
22.	Pondicherry	-
23.	Chandigarh	-
24.	Andaman Nicobar	
25.	Lakshadweep	-
26.	Dadra & Nagar Haveli	-
27.	Daman & Diu	
	NORTH EAST REGION	
28.	Assam	-
29.	Sikkim	-
30.	Meghalaya	-
31.	Mizoram	-
32.	Tripura	-
33.	Manipur	-
34.	Arunachal Pradesh	-
35.	Nagaland	-
	Total	433

From the above statement the Committee find that (as on 25.03.2013) out of 35 States/UTs only 15 States/UTs have Price Ticker Board and some States like Punjab, Himachal Pradesh, Haryana, Uttarakhand and Delhi have Price Sticker Boards (PTBs) ranging between 1-2.

7.16 Asked about the steps taken by the Department for installation of PTBs, the Committee were further informed that:

1. A substantial reduction in the cost of Price Ticker Boards was achieved however these prices were valid till March 2012 only. New procurement process will be followed in the current financial year to obtain most competitive prices for installation of ticker boards.
2. Commission will focus on consolidating its achievements and ensure that already installed Price Ticker Boards function effectively.
3. Effective Price Dissemination is also being achieved by using other means like SMS. The process of price dissemination through SMS alerts has already commenced. This facility does not involve any cost implications for clients.

7.17 When asked to furnish the number of States/UTs covered in previous three phases and the number of PTBs installed so far (Phase-wise), the Department furnished the following details:

**STATE / UT WISE INSTALLATION OF PRICE TICKER BOARDS UNDER PRICE
DISSEMINATION PROJECT AS ON 31-03- 2013**

SI No.	Name of State / UT	Phase-I 2009-10	Phase-II 2010-11 and 2011-12	Phase- NER 2010- 11 and 2011- 12	Phase-III 2011-12	Phase-IV 2012-13	Cumulative Total (A+B+C+ D+E)
		(A)	(B)	(C)	(D)	(E)	(F)
1	Punjab	-	39	-	29	1	69
2	Uttar Pradesh	1	32	-	71	12	116
3	Jharkhand	16	5	-	-	32	53
4	Himachal Pradesh	13	1	-	21	2	37
5	Haryana	-	84	-	80 (39+41)	2	166
6	Bihar	2	-	-	-	-	2
7	Madhya Pradesh	28	71	-	48	40	187
8	Rajasthan	3	65	-	42	27	137
9	Chattisgarh	11	27	-	-	42	80
10	Maharashtra	30	130	-	97	73	330
11	Orissa	3	6	-	38	38	47
12	Jammu & Kashmir	1	-	-	-	12	13
13	Uttarakhand	9	-	-	9	1	19
14	West Bengal	3	7	-	-	-	10
15	Gujarat	58	-	-	12	38	108
16	Karnataka	-	155	-	-	-	155
17	Andhra Pradesh	-	-	-	60 (53+7)	62	122
18	Tamil Nadu	-	32	-	-	50	82
19	Kerala	-	48	-	-	-	48
20	Goa	-	-	-	7	-	7

21	Delhi	2	-	-	-	1	3
22	Pondicherry	-	2	-	-	-	2
23	Chandigarh	-	1	-	-	-	1
24	Andaman Nikobar	-	-	-	-	-	-
25	Lakshadweep	-	-	-	-	-	-
26	Dadra & Nagar Haveli	-	-	-	-	-	-
27	Daman & Diu	-	-	-	-	-	-
	NORTH EAST REGION					-	-
28	Assam	-	-	23	-	-	23
29	Sikkim	-	-	-	-	-	-
30	Meghalaya	-	-	-	-	-	-
31	Mizoram	-	-	-	-	-	-
32	Tripura	-	-	13	-	-	13
33	Manipur	-	-	10	-	-	10
34	Arunachal Pradesh	-	-	11	-	-	11
35	Nagaland	-	-	12	-	-	12
	Total	180	705	69	476	433	1863

Targets under various phases are as follows:

(Phase-I-180, Phase-II-705, Phase-NER-92, Phase-III-476 and Phase-IV – 1000 Ticker Boards]

7.18 The Committee are happy to note that the shift from conventional Price Ticker Board(PTB) to GPRS enabled ticker boards, the Committee also note that the project for dissemination of spot and futures prices in commodities of relevance is implemented in consultation with AGMARKNET. During the year 2012-13 under phase IV, 409 PTBs have been installed till January, 2013 at various locations having heavy farmer footfall. The Committee while examining installation of PTBs under Price Dissemination Project in each phase find that so far 1863 PTBs have been installed since 2009-10, whereas in some of the UTs like Andaman Nicobar, Lakshadweep, Dadra & Nagar Haveli, Daman & Diu and North East Region viz. Sikkim, Meghalaya and Mizoram not a single PTBs has been installed. Besides this, targets under phase NER (2010-11) as well as under phase IV, there has been shortfall in achievement of physical targets. The Committee, therefore, recommend that work relating to installation of PTBs in NE Region, phase IV and other projects under phase IV may be expedited.

CHAPTER-VIII

HOARDING AND BLACK-MARKETING OF ESSENTIAL COMMODITIES

For the prevention of unethical trade practices like hoarding and black-marketing etc. the "Prevention of Black –marketing and Maintenance of Supplies Act, 1980" is being implemented by the State Governments/UT Administrations. The Act empowers the Central & State Governments to detain persons whose activities are found to be prejudicial to the maintenance of supplies of commodities essential to the community. The Department informed that there is a standing order issued to all the State Governments and UT Administrations to submit monthly reports to the Central Government (Department of Consumer Affairs) indicating the action taken under the provisions of the Essential Commodities Act,1955 as also the Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act, 1980. The defaulting State Governments/UT Administrations are reminded periodically. Action reported by States/UTs for 2012 (updated upto 06.02.2013) is at **Annexure----**.

8.2 The Department further stated that in accordance with the provision under Sub Section 4 of the Section 3 of the Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act,1980, every detention order has to be reported by the State Government concerned to the Central Government, together with ground on which the order has been made and such other particulars as, in the opinion of the State Govt., have a bearing on the necessity for the detention order, within 7 days from the date of approval given by the State Govt. to such detention order. Based on these provisions, the State Governments which are passing detention order, are reporting the facts together with the grounds of detention as well as other connected particulars to the Central Govt. (Deptt. of Consumer Affairs) within the stipulated period of 7 days. The information furnished by the Department of Consumer Affairs is based on such reports received from the concerned States during the years 2010-2012. It can be safely presumed that the remaining States/UTs did not issue any detention order under the Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act,1980 during the years 2010-2012.

8.3 In reply to a query as to how many cases of Hoarding and Blackmarketing of essential commodities have been reported in the country, the Department stated that the action taken by the State Governments under the Essential Commodities Act, 1955 against persons involved in hoarding, black-marketing etc. in respect of essential commodities during the last three years as reported by them is as under:

Year	No. of raids	No. of Persons arrested	No. of Persons prosecuted	No. of Persons Convicted	Value of goods Confiscated (Rs .in lakhs)
2010	204783	10906	4539	161	10500.741
2011	180785	4498	4486	30	7164.8068
2012	128852	4022	3256	413	22907.626

8.4 When the Committee desired to know how does the Central and State Governments coordinate with each other while dealing with matters relating to hoarding and blackmarketing of Essential Commodities, the Department stated inter-alia that because of the regular interaction of the Central Government with the State Governments, the State Governments had taken necessary measures under both “Essential Commodities Act, 1955” and the “Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act, 1980” to prevent unethical trade practices like hoarding and black-marketing of essential commodities. As per reports received from the State Governments, the action taken under the Essential Commodities Act, 1955 during, 2010, 2011 and 2012 are as under:

YEAR	No. of raids	No. of Persons arrested	No. of Persons prosecuted	No. of Persons convicted	Value of goods confiscated (Rs. in Lakhs)
2010	204783	10906	4539	161	10500.741
2011	180785	4498	4486	30	7164.8068
2012	128852	4022	3256	413	22907.626

8.5 The Department further furnished the following details showing the detention orders made by the State Governments year-wise and state-wise during 2010, 2011 and 2012:

Name of the State	2010	2011	2012
Gujarat	79	67	41
Tamil Nadu	120	198	187
Orissa	02	-	-
Maharashtra	02	05	03
Andhra Pradesh	01	-	-
Chhattisgarh	01	-	-
Total	205	270	231

8.6 On being asked how many States/UTs have effectively implemented provisions of the Essential Commodities Act, 1955, the Department stated that the enforcement of the Essential Commodities Act, 1955 lies with the State Governments/ Union Territories. The State Governments/UT Administrations have been delegated powers to take necessary action under the provisions of both “The Essential Commodities Act, 1955” and “The Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980”, to prevent hoarding and blackmarketing of essential commodities. The State Governments/UT Administrations have been repeatedly

requested to strictly enforce both the Acts and also monitor enforcement of these Acts. The Hon'ble Minister for Consumer Affairs, Food & Public Distribution had written to the Chief Ministers of all the States/UTs vide his letter dated 23.09.2009 and 21.12.2009 where he had reiterated the requirement of strict enforcement of the provisions of the Essential Commodities Act, 1955 and the Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980 against unscrupulous elements indulging in malpractices. The Chief Ministers of some of the States like Chhattisgarh, Andhra Pradesh, Haryana, Mizoram and Maharashtra, have indicated the action taken by them towards implementing the provisions of the Essential Commodities Act, 1955 and the Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980. Some more State Governments have acknowledged the receipt of the Hon'ble Ministers letter and have informed that they were having the matter looked into.

8.7 The Department further stated that the States/UTs had been requested to indicate the reasons for Low Conviction vis-à-vis the number of persons arrested and prosecuted. This issue was also taken up during the Video Conferences held on 28.01.2010, 29.01.2010, 12.10.2012, 15.10.2012 and 16.10.2012 with the States/UTs wherein some the States gave the following reasons for the low convictions:

- (i) Government of Bihar gave the reasons as witnesses not turning up or even if they do turn up their turning hostile is one of the reasons. The other reason is not drawing up proper FIRs which is thrown out by the courts.
- (ii) Government of Chhattisgarh informed that the main reason for low prosecution/conviction is that the cases investigated by the police go off track and are not investigated properly.
- (iii) Government of Gujarat gave the following reasons for low prosecution etc.:-
 - (a) The burden of proof is on the accused as per Section 14 of the EC Act. Hence, the courts treat these cases as any other criminal case leading to delay in prosecution.
 - (b) Since the cases take a long time in the courts, there are transfers of judges leading to delay in hearing, the delay also leads to witnesses turning hostile etc.
- (iv) Government of Punjab intimated that the low prosecution is due to the courts since there are no special courts/fast track courts for these matters.

8.8 The Committee note that for prevention of unethical trade practices like hoarding and black-marketing etc. the "Prevention of Black-Marketing and Maintenance of Supplies Act, 1980" is being implemented by the State Governments/UT Administrations. The Committee further note that based on the provisions under the Sub-Section 4 of the Section 3 of the Act, the State Governments which are passing detention order, are reporting the facts together

with the grounds of detention as well as other connected particulars to the Department of Consumer Affairs within the stipulated period of 7 days. The Committee have been informed that during the year 2012, 231 detention orders were reported to Central Government by three States namely Tamil Nadu, Gujarat and Maharashtra. The Committee appreciate the gesture shown by these States and hope that this will be followed by other States as well as it would help in preventing unethical trade practices in the country in times to come. The Committee, therefore recommend the Department to take follow up action with these State Governments in accordance with the grounds of detention furnished by them so as to prevent such practices in future.

8.9 The Committee note that there is low conviction vis-à-vis the number of persons arrested and prosecuted during 2012 as the number of persons arrested, prosecuted and convicted were 4022, 3256 and 413 respectively. The same trend was observed in the previous years. However the number of persons convicted during 2012 has increased from 30 when compared from the previous year. The Committee further note that some of the States namely Bihar, Chhattisgarh, Gujarat and Punjab have furnished the reasons for instance witnesses not turning up or even if they do turn up their turning hostile, not drawing up proper FIRs which is thrown out by the courts, cases investigated by the police go off track and are not investigated properly, transfer of judges and lack of special courts/Fast Track Courts for low conviction. The Committee feel that the provision of the Act to prevent unethical trade practices like hoarding and black-marketing is not taken in true spirit by the various organizations of the Government of the States/UTs. Taking this issue merely through video conferencing will not resolve the matter. The Committee, therefore, recommend the Department to co-ordinate with all States/UTs and discuss the matter at higher level so as to resolve the various reasons furnished by the States for low convictions.

CHAPTER-IX

Revival of the Super Bazar:-

The Department in the note furnished to the Committee regarding liquidation/revival of Super Bazar alongwith details of disposal of inventories, recovery position, outstanding dues, outstanding liabilities and loss borne by the Governemnt informed that the Union Cabinet, vide its decision dated the 16th October, 2001, approved winding up of Super Bazar due to continuous losses suffered and various irregularities in its functioning. Accordingly, the Central Registrar of Cooperative Societies issued formal order of liquidation and appointed a liquidator on 25th July, 2002. Subsequently, when an SLP was filed by the workers of Super Bazar, the Hon'ble Supreme Court allowed the Government to try and revive the Super Bazar through open bidding. The offer of the highest bidder, i.e., M/s Writers & Publishers Limited, was recommended by the Evaluation Committee and accepted by the Hon'ble Supreme Court.

9.2 The Department further informed that for facilitating the revival process, the Hon'ble Supreme Court, vide order dated 14.03.2011 in SLP© No. 8398-8399/2005 in the matter of Super Bazar Karamchari Hiteshi Sangathan V/s Ramesh Chander Aggarwal & Others directed as under:

“We hereby direct the highest bidder to deposit the amount with the Registry of this Court, within a period of 4 weeks from today. On deposits, the amount shall be invested till further orders. We also hereby empower the Central Registrar, Multi-State Cooperative Society to issue directions from time to time, which shall be complied with by the highest bidder without any demurrer, including inspection of Accounts”.

9.3 At present, both the Central Registrar and the official Liquidator are functioning in the Department of Agriculture & Cooperation and monitoring the revival of Super Bazar.

9.4 The Committee were informed that some of the workers have filed a fresh petition in Hon'ble Supreme Court against non-implementation of directions. Regular hearing is going on in the matter. Asked about the latest status of Super Bazar, the Department inter-alia informed that the next date of hearing which were due in 22.2.2013, the Hon'ble Court has further adjourned the same. The next date has not yet been fixed.

9.5 In reply to a query regarding the present status of petition filed by some of the workers against non-implementation of Directions issued by Supreme Court for facilitating revival process of Super Bazar, the Department in their reply informed that the Advocate for the workers union had made a special mention of the case during hearing of 1.4.2013 and had asked for an early hearing. The Hon'ble Supreme Court has fixed the next date of hearing on 01.05.2013.

9.6 The Committee note that in response to Special Leave Petition (SLP) filed by the workers of Super Bazaar, the Hon'ble Supreme Court allowed the Government to try and revise the Super Bazaar through open bidding. As a consequence, M/s Writers and Publishers Ltd. has been accepted as the highest bidder. The Committee are surprised to note that despite Supreme Court's orders dated 14.03.2011 which empower the Central Registrar, Multi-State Cooperative Society to issue directions from time to time and which shall be complied to by the highest bidder, there is an indication of non-implementation of directions as can be inferred from fresh petition filed in Supreme Court by the workers. The Committee have been further informed that the Hon'ble Supreme Court has fixed the next date of hearing on 01.05.2013. The Committee feel that waiting till the date of hearing of Supreme Court will further affect the effective functioning of Super Bazaar. The Committee, therefore, recommend that the Department themselves should take up the matter to check the authenticity of the petition filed by the workers against non-implementation of the orders of Supreme Court and strict action should be taken in case of non-compliance of the said orders.

NEW DELHI
26 April, 2013
06 Vaisakha, 1935 (Saka)

VILAS MUTTEMWAR,
Chairman,
Standing Committee on Food
Consumer Affairs and Public Distribution

Annexure – i

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

INFORMATION RECEIVED FROM STATES/UTs FOR THE YEAR 2012

SL. NO.	STATE/UTs	No. of raids	No. of persons arrested	No. of persons prosecuted	No. of persons convicted	Value of goods confiscated	Reported upto
						(Rs. In Lakhs)	
1	Andhra Pradesh	9847	45	0	0	788.77	July
2	Arunachal Pradesh						Not Reported
3	Assam	898	1	2	NIL	12.51	Oct. / June
4	Bihar	59	29	-	-	43.75	July / March
5	Chattisgarh	186	0	23	5	102.96	June / Not Reported
6	Delhi	NIL	NIL	NIL	NIL	NIL	August / Not Reported
7	Goa	55	4	NIL	NIL	NIL	Dec.
8	Gujarat	21025	67	36	-	22.87	Nov.
9	Harayana	68	63	20	3	40.21	Dec. / July
10	Himachal Pradesh	7663	2	-	365	20.14	March / Not Reported
11	Jammu & Kashmir						Not Reported
12	Jharkhand						Not Reported
13	Karnataka	721	63	0	0	21.22	Oct. / Not Reported
14	Kerala	24151	0	0	0	0	Nov.
15	Madhya Pradesh						Not Reported
16	Maharastra	1437	2130	1241	0	20133.95	Nov. / Not Reported
17	Manipur	18	16	6	2	12.508	Oct.
18	Meghalaya	138	NIL	NIL	NIL	NIL	May.
19	Mizoram	154	NIL	NIL	NIL	NIL	Not Reported / Nov.
20	Nagaland	NIL	NIL	NIL	NIL	NIL	Nov.
21	Orissa	34753	2	107	-	4.968	Sept. / Not Reported
22	Punjab	120	1	1	1	2.09	April / Not Reported
23	Rajasthan						Not Reported
24	Sikkim	NIL	NIL	NIL	NIL	NIL	May / Not Reported
25	Tamil Nadu	3286	1030	590	29	184.65	June / Not Reported
26	Tripura	146	2	1	NIL	3.40	June / Not Reported
27	Uttarakhand						Not Reported
28	Uttar Pradesh	25524	273	984	6	1112.71	August / Not Reported
29	West Bengal	437	229	153	-	237.94	Nov.
30	Andaman & Nicobar Islands	211	NIL	NIL	NIL	NIL	Dec.
31	Chandigarh	4	16	-	-	0.16	July
32	Dadra & Nagar Haveli	5	13	5	-	21.98	Not Reported / Nov.
33	Daman & Diu						Not Reported
34	Lakshadweep	NIL	NIL	NIL	NIL	NIL	Not Reported / March
35	Puducherry	1430	71	100	2	12.606	Nov.
	Total	132336	4057	3269	413	22978.392	

Updated as on 06.2.2013

MINUTES OF THE TWENTY FOURTH SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2012-13) HELD ON WEDNESDAY, THE 20th MARCH, 2013

The Committee sat from 1500 hrs. to 1715 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Vilas Muttemwar - Chairman

MEMBERS

LOK SABHA

2. Shri Arvind Kumar Chaudhary
3. Shri Eknath M. Gaikwad
4. Shri Ponnamp Prabhakar
5. Shri Jagdish Thakor

RAJYA SABHA

6. Dr. Bhushan Lal Jangde
7. Smt. Rajani Patil
8. Dr. Bharatkumar Raut
9. Shri Veer Singh
10. Shri Kaptan Singh Solanki

SECRETARIAT

1. Shri P.K. Misra - Joint Secretary
2. Smt. Veena Sharma - Director
3. Shri Khakhai Zou - Under Secretary

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

1. Shri Afzal Amanullah - Special Secretary (CA)
2. Smt. Gangamurthy - Pr. Advisor
3. Shri Prabhat Kumar Jha - AS & FA
4. Shri Manoj Parida - Joint Secretary (CA)
5. Dr. Bijendra Kumar - DG, NTH
6. Shri Ramesh Abhishek - Chairman, FMC
7. Dr. M. Mathisekaran - Member FMC
8. Smt. Supriya S. Devasthali - Director, FMC
9. Smt. Bharti Das - CCA
10. Shri K.G. Radhakrishnan - Economic Advisor
11. Shri Suresh Mishra - Professor (IIPA)
12. Shri H.D. Nautiyal - Registrar (NCDERC)
13. Smt. Alka Panda - ADG(BIS)
14. Shri P. K. Gambhir - Scientist (BIS)
15. Shri A. K. Sen - DDG, BIS
16. Dr. Kanchan Anand - Scientist, BIS
17. Shri Brij Mohan - Director
18. Shri S.K. Nag - Director
19. Shri A.K. Jain - Director
20. Shri G.N. Singh - Director
21. Shri B .N. Dixit - Director
22. Shri M.S. Ashokan - Director (Coop.)
23. Shri Arvind Kumar Sharma - Technical Director

1. At the outset, Hon'ble Chairman welcomed the members to the sitting convened to have briefing by the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) on Demands for Grants of the Department for 2013-14. Thereafter, the Special Secretary and other officials of the Department of Consumer Affairs were invited to the sitting of the Committee. After welcoming them, the Hon'ble Chairman apprised them of the provisions of Direction 55(1) of the Directions by the Speaker. Hon'ble Chairman, in his welcome speech, raised various important

issues such as failure of the Department to make realistic projection of funds at initial stage, major variation at BE and RE stage and reasons for even less actual expenditure done by the Ministry, reasons for non-utilization of funds allocated by the Planning Commission during 2012-13, steps taken by the Department for resolving consumer related issues, functioning of Consumer Fora's in the country, status of consumer welfare funds, special steps taken by the Government for creating awareness amongst the consumers in the country, targets achieved under Gold Hallmarking Scheme, Regulation of Forward Market Commission during 2012 etc.

2. Thereafter, the Special Secretary, Department of Consumer Affairs introduced his colleagues to the Committee and briefly addressed to the concerns raised by the Hon'ble Chairman in his opening remarks. The issues raised by Hon'ble Chairman were further supplemented by the members of the Committee. Thereafter, the representatives of the Ministry briefed the Committee on the functioning of the Ministry with reference to their budget proposals for the year 2013-14 with the help of power point presentation.

3. The following are some of the important points that emerged during the deliberations of the Committee:-

- (i) Need of independent head of Price Monitoring Cell rather than merging it with Forward Market Commission, as strengthening price monitoring cell is the need of the hour to protect the consumers;
- (ii) Building of institutional structures for the strong delivery system to the consumers and to remove the major bottlenecks like acquisitions of land to build the infrastructure in states to establish Consumer Courts/Forums;
- (iii) Lack of accountability on the part of Department was felt in opening of Laboratories in Weight & Measure Section, Centres for BIS, regularization of Consumer Courts etc. and need to improve the performance of the Department keeping in view of large consumer market in the country;
- (iv) Need to increase the expenditure on awareness programmes and emphasis should be given on awareness campaign against misleading advertisements;
- (v) Need to address lacunae in the working of redressal agencies, delay in disposal of complaints & level of consumer satisfactions;
- (vi) Need to advertise regarding provisions of the scheme of Consumer Welfare Fund at State and District level with the help of self help groups;

- (vii) Need to bring consumer helpline number to the District level to ensure wider coverage;
- (viii) Need for strengthening and computerization of Consumer Fora at the earliest;
- (ix) The grave effects of black marketing on price rise and steps taken to curb the same;
- (x) Need to fill up the vacant posts in the National Commission, State Commissions and District Forums and the efforts made by the Ministry in this direction;
- (xi) Need to expand the activities of the Gold Hallmarking Scheme under the BIS and making it mandatory; and
- (xii) Need to empower the Department to play pro-active role and take initiatives for better protection of consumer etc.

4. The representatives of the Department responded to the queries raised by the Chairman and the members on the aforesaid issues.

5. The Hon'ble Chairman then thanked the Special Secretary and other representatives of the Department of Consumer Affairs for their free and frank discussion.

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

The Committee then adjourned.

MINUTES OF THE TWENTY-SIXTH SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2012-13) HELD ON MONDAY, 8TH APRIL, 2013

The Committee sat from 1430 hrs. to 1600 hrs. in Committee Room 'E', Parliament House Annexe, New Delhi.

PRESENT

Shri Vilas Muttemwar - Chairman

MEMBERS

LOK SABHA

2. Shri Kantilal Bhuria
3. Shri Sanjay Dhotre
4. Shri Prataprao Ganpatrao Jadhav
5. Shri Sohan Potai
6. Shri Ponnambhakar
7. Shri Purnmasi Ram
8. Shri Chandulal Sahu
9. Shri Adhi Sankar

RAJYA SABHA

10. Dr. Bhushan Lal Jangde
11. Dr. Bharatkumar Raut
12. Dr. T. N. Seema
13. Shri Birender Singh
14. Shri Kaptan Singh Solanki

SECRETARIAT

1. Shri P.K.Misra - Joint Secretary
2. Smt. Veena Sharma - Director
3. Shri Khakhai Zou - Under Secretary

REPRESENTATIVES OF THE DEPARTMENT OF CONSUMER AFFAIRS

Sl. No.	Name of Officers	Designation
1.	Shri Pankaj Agrawala	Secretary (CA)
2.	Shri Afzal Amanullah	Special Secretary
3.	Smt. Gangamurthy	Pr. Adviser
4.	Shri Prabhas Kumar Jha	AS & FA
5.	Shri Manoj Parida	JS (CA)
6.	Dr. Bijendra Kumar	DG, NTH
7.	Shri Ramesh Abhishek	Chairman, FMC
8.	Smt. Bharti Das	CCA
9.	Ms. Ranjana Nagpal	Dy. DG (NIC)
10.	Prof. Suresh Mishra	IIPA
11.	Shri K.G. Radhakrishnan	Economic Adviser
12.	Shri H.D. Nautiyal	Registrar (NCDRC)
13.	Smt. Alka Panda	ADG, BIS
14.	Shri P.K. Gambhir	Scientist, BIS
15.	Shri S.K. Nag	Director
16.	Shri A.K. Jain	Director
17.	Shri G.N. Singh	Director
18.	Shri B.N. Dixit	Director

At the outset, Hon'ble Chairman welcomed the members to the sitting of the Committee convened to take oral evidence of the representatives of the Department of Consumer Affairs in connection with the examination of Demand for Grants of the Department for the year 2012-13. Thereafter, Secretary and other officials of the Department of Consumer Affairs were invited to the sitting of the Committee. After welcoming them, the Chairman apprised them of the provisions of Direction 55(1) of the Directions by the Speaker of Lok Sabha. Thereafter, the Hon'ble Chairman, in his welcome speech, raised various important issues such as pattern observed in plan and non-plan expenditure during 2012-13, need for Price Monitoring Cell in the country in the backdrop of rising prices of essential commodities in the recent years, need for awareness campaign to prevent consumers against misleading advertisements, schemes which are drastically revised or modified either due to lack of availability of

land or non-receipt of utilization certificates in respect of funds allocated in various categories from the States/UTs, etc. Thereafter, the Secretary, Department of Food and Public Distribution addressed to the concerns raised by the Hon'ble Chairman in his opening remarks with the help of a Power point Presentation. The issues raised by Hon'ble Chairman were further supplemented by the Members of the Committee.

2. The following are some of the important points that emerged during the deliberation of the Committee:-

- (i) To facilitate better monitoring of availability of land in the States, a new Empowered Committee under the Chairmanship of Chief Secretary has been made in each State who will be empowered to allocate the funds to States for the purpose.
- (ii) Need for providing modern digital equipments in each State.
- (iii) Need to allocate more funds to States to spread awareness in regional language, and also bring competition amongst States to spread awareness campaign nation-wide.
- (iv) Imparting training to the Members of the Forum Judicial Academy of the States.
- (v) Need to have guidelines for selection of members of Consumer Fora through competitive exams as being done by some States like Maharashtra, etc.
- (vi) Need to have uniform remunerative rules within Consumer Fora to attract good talents from various States.
- (vii) Need for uniform policy within Price Monitoring Cell for collection and dissemination of data relating to retail and wholesale prices as well as its validation by the State Governments.
- (viii) Need to run the CONFONET Scheme evenly in all the States and further expedite replacing old and obsolete hardware with new ones and their proper monitoring.

3. The representatives of the Department and other officials responded to the queries raised by the Chairman and the members on the various issues.

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

5. The Committee also decided to undertake the study visit to some of the States in the month of May-June, 2013.

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

The Committee then adjourned.

MINUTES OF THE TWENTY-EIGHTH SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2012-13) HELD ON FRIDAY, 26TH APRIL, 2013

The Committee sat from 1015 hrs. to 1100 hrs. in Chairman's Room No. 115 – A, First Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Vilas Muttemwar - Chairman

MEMBERS

LOK SABHA

11. Smt. Harsimrat Kaur Badal
12. Shri Shivraj Bhaiya
13. Shri Arvind Kumar Chaudhary
14. Shri Sanjay Dhotre
15. Shri Eknath M. Gaikwad
16. Shri Ponnamp Prabhakar
17. Shri C. Rajendran

RAJYA SABHA

18. Shri Lalhming Liana
19. Shri Veer Singh
20. Shri Kaptan Singh Solanki

SECRETARIAT

1. Shri P. K. Misra - Joint Secretary
2. Smt. Veena Sharma - Director
3. Shri Khakhai Zou - Under Secretary

2. At the outset, Hon'ble Chairman welcomed the Members to the sitting of the Committee convened for consideration and adoption of the draft Reports on Demands for Grants (2013-14) of the Ministry of Consumer Affairs, Food and Public Distribution pertaining to the (i) Department of Food and Public Distribution, and (ii) Department of Consumer Affairs. In his opening remarks Hon'ble Chairman highlighted the important recommendations contained in both the draft Reports.

3. The Committee then took up for consideration the draft Reports pertaining to the Department of Food and Public Distribution and Department of Consumer Affairs. After due deliberation, the Committee unanimously adopted both the draft Reports pertaining to the Department of Food & Public Distribution and the Department of Consumer Affairs without any amendments/modifications.

4. The Committee then authorized the Chairman to finalize the aforesaid Reports and present the same to Parliament in the current Session of Parliament.

The Committee then adjourned.

SUMMARY OF OBSERVATIONS/RECOMMENDATIONS

Sl. No.	Para No.	Observation/ Recommendation
1.	2.	3.
1.	2.28	<p>The Committee note that during the 11th Plan period the total amount allocated to the Department of Consumer Affairs as Budget Estimates was Rs. 1076.00 crores which was subsequently reduced at Revised Estimate stage to Rs. 857.00 crores whereas the total actual expenditure incurred during the entire 11th Plan period was Rs. 757.93 crores having unspent balance of Rs. 100 crores. In the 12th Plan period during the year 2012-13, the BE was kept at Rs. 241.00 crores which was revised to Rs. 150.00 crores at RE stage and the actual expenditure incurred upto February, 2013 was only Rs. 125.15 crores. The Committee find that the performance of the Department is unsatisfactory not due to scarcity of funds but due to non-utilization of funds. A detailed study of schemes in 11th Five-Year Plan document produced before the Committee, shows that under the scheme Consumer Protection/Capacity Building/Consumer Helpline, the average expenditure in percentage utilization was never satisfactory. Since the year 2007-08 it varies from 37.60% to 67.77%, which is very low. Similarly, under the scheme, Bureau of Indian Standards, since 2007-08 except the year 2011-12, where percentage utilization was 94.21%, percentage utilization was as low as 2.78% in the year 2008-09. The Committee, further note that under the same Scheme, the Department was able to spend only 11.68% of total allocation of 11th five-year Plan. Similarly, under the scheme Weight & Measures, National Test House and Forward Market Commission total percentage utilization were 81.37%, 66.44% and 33.31% respectively in 11th Five-Year Plan. The Committee strongly feel that since last six years there has been trend of miscalculation while preparing the Budget Estimates and under utilisation of the funds allocated at Revised Estimate stage. The Committee are disappointed to note that performance of the Department is not up to the expectations as the Department was not able to spend the allocated funds in the stipulated time period and therefore, did not achieve desired outcome. The Committee feel that the Department could have opened more Centres of Bureau of Indian Standards and Hallmarking Centres in the Country, had intensive awareness campaign for consumer welfare and</p>

initiated consumer helpline in States which are not covered till date so that funds could not remain unutilized in the said period. The Committee are of the view that this continuous oversight and improper assessment of the Department reflects deterioration in their performance. The Committee, therefore, recommend that the Department should make proper assessment and broaden their activities on project/schemes in accordance with the funds allocated so that funds do not remain unutilized and performance of the Department can be improved.

2. 2.29 The Committee note that from the very first year of the 12th Plan period i.e. 2012-13 the momentum of funds utilization under various ongoing schemes/projects is unsatisfactory. The Committee are unhappy to note that under the scheme Consumer Awareness (Publicity) only Rs. 56.53 crores was spent against the BE of Rs. 89.00 crores upto 28.02.2013. Similarly, under the scheme Strengthening of Price Monitoring Cell, for the year 2012-13 against BE of Rs. 3 crores, which was reduced to Rs. 0.75 crores at RE stage, the Actual Expenditure was nil. The Committee observed the same pattern of BE, RE and Actual Expenditure of all ongoing Plan schemes in 11th Plan period that continued in 1st year of 12th Plan too.

The Committee are not convinced by the reasons given by the Department that due to requirement of holding Expenditure Finance Committee Meeting (EFC)/Standing Finance Committee (SFC) in first year of 12th Plan they could not perform as most of the schemes were awaiting EFC approval from Planning Commission and expenditure is always the least in the first year of every plan. It goes without saying that the Department of Consumer Affairs are entrusted with the larger responsibility of providing welfare to the consumers of such a vast country, the Government has to bring changes in their way of functioning. The Committee feel that the Department needs methodological changes to carry out their mandate. The Committee, therefore, strongly recommend that the Department should strictly review their performance in 11th five year Plan and take pre-emptive steps so that 12th Plan period does not suffer with the same infirmities as experienced during the 11th Plan period and total outlay of 12th Plan period could be properly utilized in effective implementation of various schemes/projects run by the Department.

3. 2.30 The Committee are unhappy to note that during the last three years number of Utilization Certificates received from

the States/UTs in respect of funds allocated to implement various schemes/projects of the Department have not been submitted on time. The Committee note that during the year 2010-11 under the ongoing scheme Consumer Protection, States like Punjab, Tripura, Nagaland, Kerala, Sikkim and Gujarat have not furnished Utilisation Certificates. Similarly, in the same year, under the head Consumer Welfare (publicity), States like Tamil Nadu, (special project), Mizoram, Sikkim (special project) were provided Rs. 48 lakh, Rs. 16 lakh and 8 lakh respectively for which Utilization Certificates were not submitted. Likewise, under the scheme Weight & Measures the Utilisation Certificates of some of NE States viz. Assam, Manipur, Mizoram, Sikkim and Tripura were still pending. Under BIS scheme, Arunachal Pradesh, Meghalaya, Sikkim and Mizoram did not report utilization on time inspite of several reminders sent. The Committee, were informed that the State Governments could not utilize the funds due to difficulty in finding the land for the construction work, delay in releasing the funds by the State Governments themselves and long time taken by the construction work. The Committee were also informed that the Department makes constant efforts to obtain Utilization Certificates by written reminders, messages, video conferences telephonic request and personal interactions. The Committee also note that some of States like Arunachal Pradesh, Meghalaya, Odisha and Sikkim have not been provided further financial Assistance due to non-receipt of Utilisation Certificates of the grants released earlier. Appreciating these measures, the Committee feel that, other than stopping financial assistance to States in case Utilisation Certificates are not submitted on time, the Department may consider to impose penalty of paying interest on unutilized fund by the State Governments till the funds are not utilized or Utilization Certificate is not submitted. The Committee feel that Department should also constantly monitor the physical output in terms of construction works and assets created by the States. In case of States, which could not utilize the fund due to difficulty in finding land, the Department should vigorously pursue such State Governments to remove this bottleneck at the earliest.

4.

3.8

The Committee note that Consumer Protection Unit of the Department is mandated to administer the Consumer Protection Act, 1986. The Government has been striving to ensure that the Act remain vibrant and meets the objectives for which the Act has been amended thrice

during the years 1991, 1993 and 2002. The Act is being amended again through the Consumer Protection (Amendment) Bill, 2011 on which the Committee have already submitted their report to the Parliament on 19.12.2012. The Committee have made several observations/ recommendations with regard to widening the provisions of the Act, facilitating quicker disposal of cases, rationalizing the qualifications and procedure for selection of President/Members of the Consumer Fora at the State level and Members at the National level. The Committee hope that the Government will accept all their observations/recommendations and implement them in letter and spirit and ensure that the objectives of the Act are achieved.

5. 3.9 The Committee note that the Scheme of 'Computerization and Computer Networking of Consumer Fora in the Country, (CONFONET)' which was launched during the 10th Plan period in March, 2005 is proposed to be extended during 12th Plan with a total outlay of Rs. 70.00 crores. An amount of Rs. 6.60 crore has been released to NIC for the activities to be undertaken under the CONFONET Scheme during the year 2012-13. The Committee feel the initiative taken by the Department in implementing the Case Monitoring System under the CONFONET Project for capturing the entire life cycle of consumer complaints cases from registration till its disposal will go a long way in addressing the grievances of the Consumer and also instill faith of the consumers in the System. The Committee are, however, concerned to note that out of 640 locations being covered, only 340 Consumer Fora are operational so far and 288 Consumer Fora are uploading cause lists while 191 Consumer Fora are uploading judgements. The Committee also note that the Department has taken replacement of Hardware, simplified the software to avoid specialized training and continue technical support manpower to ensure smooth functioning of the Scheme till particular location gets fully operational. The Committee, therefore, recommend that the Department should take all necessary steps to replace old hardware with new ones and also ensure that the Case Monitoring System is operational in all Consumer Fora. The Committee further urge the Department to ensure operationalization of Consumer Fora in all the Districts of the country during the 12th Plan period.

6. 3.19 The Committee observe that for the Scheme 'Strengthening of Consumer Fora', the BE were Rs. 19.00 crore and Rs.

25.00 crore during the year 2011-12 and 2012-13 respectively which were drastically reduced to Rs. 9.35 crore and Rs. 5.48 crore at RE stage and the Actual Expenditure incurred were Rs. 6.77 crore and Rs. 3.84 crore only. The Department stated that 2012-13 being the first year of the 12th Plan, the schemes required appraisal and approval by the competent authority like Standing Finance Committee/Expenditure Finance Committee, etc. which is a time consuming procedure and are the reasons for major variation at BE and RE stage. The Committee further note that allocation of funds at RE stage were less due to non-fulfillment of the pre-conditions for release of central assistance namely providing land for construction of building, creation of posts of President/Members in Consumer Fora, furnishing of Utilization Certificates of grants released earlier etc. by various States. The Committee are not fully convinced with the reasons cited by the Department regarding non-utilization of allocated funds in full because such issues could be sorted out by timely action and regular consultation with the States. The Committee, therefore, recommend that the Department should make earnest efforts to utilize the allocated funds in full so as to strengthen the Consumer Fora in the country. The Committee further desire that the Department should take up the matter with the States and ensure that they fulfill the desired pre-conditions for release of Central Assistance under the scheme.

7. 3.20 The Committee note that under the Scheme 'Strengthening of Consumer Fora', financial assistance is provided for construction of Building and Non-Building Assets to State Commissions and District Fora. An amount of Rs. 3.84 crore has been released to 4 eligible States during 2012-13 against total outlay of Rs. 25 crore. Further, an amount of Rs. 1.40 crore is being released to Uttar Pradesh Government shortly and another proposal for sanctioning of a sum of Rs. 57.00 lakh to Tripura Government is under consideration. The Committee also note that the guidelines for the 12th Plan have been thoroughly revamped based upon the experiences and shortcomings observed during the last Plan period. The Committee further note that a total amount of Rs. 190 crores has been released to various States and UTs for improving infrastructure in Consumer Fora. Various steps such as filling up of vacancies, setting up of circuit benches, holding of Lok Adalats etc. have also been taken for strengthening infrastructure of Consumer Fora and for speedy disposal of consumer grievances. The

Committee desire that the Department should take proactive role and strictly follow up with various States/UTs to ensure that the revised guidelines are followed and the funds released to them are utilized properly so that sufficient infrastructure of Consumer Fora is created in all the States/UTs in the country.

8. 3.32 The Committee note that besides the National Commission in New Delhi, 35 State Commissions and 632 District Fora have been established in the country for providing simple, inexpensive and time bound redressal of grievances against defective goods, deficient services, restrictive/unfair trade practices etc. adopted by any trader or person through summary trials. The Presidents of the National Commission and State Commissions have been empowered to constitute Benches with one or more members for speedy disposal of grievances of consumers. The Committee, however, are concerned to note that a large number of cases are pending in the National Commission, State Commissions and District Fora as these Consumer Fora could dispose of 86.55%, 84.13% and 92.35% cases respectively. The Committee find that non-filling up of vacancies by States/UTs, lack of adequate supporting staff, rising number of complaints etc. are the reasons for pendency of cases. The Ministry has decided to set up mediation centres, similar to Lok Adalat, in each District of India under the direct supervision of the District Forum to expedite disposal of pending cases. The Committee hope that the Government would pursue with the Planning Commission and the Ministry of Finance to expeditiously obtain their approval of the Memorandum for the scheme 'Consumer Counseling and Mediation' so that Mediation Centres are set up in every district of the country for speedy disposal of pending cases.

9. 3.33 The Committee are unhappy to note that as on 06.03.2013, as many as 3 posts of President and 22 Members are lying vacant in the State Commissions. Besides 100 posts of President and 249 posts of Members are also lying vacant in the District Forum across the country. The Committee note that the Department have requested the State Governments from time to time to take advance action for filling up vacancies of Presidents and Members and also maintain a panel of candidates for filling up further vacancies. Hon'ble Minister of the Department have also impressed upon the Hon'ble Chief Minister and Chief Secretaries of States/UTs to take immediate steps to fill up the vacancies in the Consumer Fora. The Committee also note that States are being asked to bring competition in

selection procedure as done by Maharashtra. While appreciating the efforts made by the Department, the Committee are, however, constrained to say that too many posts of Presidents and Members are still lying vacant in various State Commissions and District Forums. The Committee, therefore, urge the Department to make more earnest efforts in persuading the States/UTs to fill up the vacancies in all the Consumer Fora so that cases are not kept pending due to vacancies in the State Commissions/District Fora.

10. 3.39 The Committee note that Consumer Welfare Fund was created to provide financial assistance to promote and protect the welfare of the consumers, create consumer awareness and strengthen consumer movement in the country. The financial assistance by the Central Government for setting up Consumer Welfare Fund has been enhanced to Rs. 10 crore as Corpus Fund and the Central Government share has also been increased to the ratio of 75:25 and in case of special category States, the ratio is 90:10. The Committee also note that 21 States have created CWF in their respective States whereas no response has been received from the remaining States/UTs so far. Delay in creation of a separate independent interest-bearing account by State Government and also delay in depositing their own share of Rs. 2.5 crores is creating difficulties in implementation of the scheme. Also most of the States do not have separate Consumer Affairs Department and it is mostly attached with Food and Civil Supplies Department whose official are pre-occupied with supply chain of food product and Public Distribution System. The Committee feel that all the States/UTs should be impressed upon to create separate independent interest bearing account as well as separate Consumer Department in their respective States/UTs for better implementation of the scheme. The Committee, therefore, recommend the Department to take the matter with the State Government at the highest level and also urge the remaining States/UTs to set up Consumer Welfare Funds in order to promote and protect the welfare of the Consumers.
11. 3.49 The Committee note that the National Consumer Helpline Scheme was set up in collaboration with the Delhi University at a cost of Rs. 3.13 crore. The Delhi University has been granted an amount of Rs. 378 lakh for taking up the second phase of the National Consumer Helpline (i.e. from 1st April, 2010 to 31st March, 2013). The Committee also note that 28 States/UTs have been sanctioned funds for setting up State Consumer Helpline on similar lines as

the National Consumer Helpline. The State Consumer Helpline will extend services in regional language of the State concerned besides Hindi and English. The State Consumer Helpline is presently functional in 16 States/UTs only. While arrangements have been made with the IIPA, New Delhi and ASCI, Hyderabad to train the helpline staff, the Department has advised the State Governments to take the help of NGOs/VCOs to run the State Consumer Helplines, if necessary. Standard software has been developed and supplied free of cost. The Committee are, however, of the view that while it is essential to ensure that the National Consumer Helpline as well as the State Consumer Helplines are functional at all times, there is also need to create awareness of the consumers about the existence of these helplines. Moreover, State Consumer Helplines should be set up in the remaining States/UTs also. The Committee, therefore, recommend that while ensuring that these helplines are functioning efficiently, the remaining States/UTs should be persuaded to set up State Consumer Helplines at the earliest by extending financial assistance to them.

12. 3.50 The Committee note that for setting up of Consumer Clubs in Schools/ Colleges a grant of Rs. 10,000/- per consumer club is admissible and this scheme has been decentralized and transferred to the Governments of States/UTs w.e.f. 1.4.2004. Proposals can be submitted now to the Nodal Officer in the Food, Public Distribution and Consumer Affairs Department of the respective States/UTs by eligible organizations/VCOs. The Committee also note that an amount of Rs. 317 lakhs have been released since 2008-09 and 7749 consumer clubs have been sanctioned in 23 States/UTs. The Department have been vigorously pursuing the remaining States/UTs to implement the scheme. The Committee feel that setting up consumer clubs in Schools/Colleges would go a long way in creating awareness about the consumer rights amongst the school/college students. The Committee, therefore, recommend that the Department should persuade and convince the remaining States/UTs to set up Consumer Clubs in as many schools and colleges as possible.
13. 3.54 The Committee note that the Consumer Protection Cell Scheme aims to render secretarial assistance to the Department in administering the Consumer Protection Act and other related activities including holding of review meetings, annual conferences of National Consumer Disputes Redressal Commission (NCDRC) and Central Consumer Protection Council (CCPC). Payment of

professional fees to Government counsels in court cases arising out of consumer issues etc. are also met out of the provisions under the Consumer Protection Cell Head. Though the State Governments are responsible to constitute State Consumer Protection Council (SCPC) and District Consumer Protection Councils (DCPCs) under the Consumer Protection Act, the Committee feel that the Department should monitor and keep themselves informed of the meetings held and decisions taken by the SCPC/DCPCs. The Committee, therefore, recommend that the Central Consumer Protection Council should monitor the meetings of the SCPCs/DCPCs.

14. 3.61 The Committee note that consumer awareness is essential for good governance though it may not be an easy task to educate the entire population of the country with different background and level of literacy. The Committee are aware that the Department is making various publicity campaigns through the print and electronic media including 'Jago-Grahaak-Jago' campaign to create awareness amongst the consumers. The Department has conducted a study in the year 2012 through IIM, Lucknow to ascertain awareness level of consumers in the country with a sample size of 2000 persons of which 400 were selected from NE region. Such study is proposed to be commissioned during the 12th Plan to ascertain extent of awareness in remote or backward areas among various States. The Committee appreciate that the Department has accorded priority concern to tackling the menace of misleading advertisements and recently issued campaigns covering issues of real estate, education, banking, pharmaceuticals, consumer rights, hallmarking, misleading advertisements, wastage of food etc. The Committee are happy to note that the National Law University, Bangalore has been assigned the task of drafting a legislation on Misleading Advertisement. The Committee are, however, concerned that rampant misleading advertisement on various products and services remained unchecked till today. The Committee, therefore, strongly recommend that the Department should vigorously pursue with the National Law University, Bangalore and the Ministry of Information and Broadcasting to expeditiously complete drafting of the legislation and obtain comments thereon respectively.
15. 4.8 The Committee note that the Price Monitoring Cell (PMC) of Department of Consumer Affairs has been monitoring retail and wholesale prices of essential commodities based on the information furnished by the State Food and Civil Supplies Department. With the addition of 4 essential

commodities in the year 2010-11, the Department is presently monitoring the prices of 22 essential commodities on daily basis from 55 centres of the country. The Price Monitoring Cell generally studies the international and domestic market trends of major commodities from various sources and the information is incorporated in the notes for high level meetings of the Committee of Secretaries (COS) and Cabinet Committee on Prices (CCP) for taking considered policy decisions on prices. The Committee are concerned that retail prices of pulses, edible oils, tea and onion keep rising though the retail prices of urad dal, vanaspati and sunflower declined over the last one year. Retail prices of most of the 22 essential commodities also registered an upward trend over a period of one year and the variation is as high as Rs. 37 in case of loose tea, Rs. 17 in onion and Rs. 18 in Gram dal. Though the Government have taken several steps to contain rise in prices of essential commodities such as reducing import duty to zero, duty free import of while and raw sugar, ban in export of edible oils, imposition of stock limit from time to time, etc., yet the prices of essential commodities still increasing. The Committee, therefore, strongly recommend that the Department in consultation with other concerned departments should step up their efforts to contain rise in prices of essential commodities by strengthening monitoring mechanism, market interventions etc.

16. 4.21 The Committee note that the task of Price Monitoring Cell is to monitor the Prices of 22 essential Commodities collected from 55 centres spread across the country through the Civil Supplies Department of the States/UT Governments and other matters related to price scenario. The Department proposes to add 10 Centres annually to increase the number of collecting centres to 100 by the end of the XII Plan. The Department organized a 'National Workshop on Prices' in July, 2010 to have an interface between the officials of PMC and States to discuss the technicalities of price collection and reporting. In house training was also provided to the PMC officials for better modes of presentation and other possible applications of data through MS Excel. The Committee appreciate the efforts made and steps taken by the Department to improve the functioning of the PMC. The Committee, however, urge the Department to make more earnest efforts to improve the efficient functioning of the PMC by organizing frequent workshops, training of officials and opening of reporting centres etc.

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| 17. | 4.22 | <p>The Committee observe that no expenditure was incurred against the BE of Rs. 2.70 crore in the year 2012-13 under the scheme strengthening of Price Monitoring Cell. Again BE of Rs. 1.65 crore has been proposed for the year 2013-14. A plan scheme of PMC has been shown for budgetary purposes alongwith Forward Market Commission (FMC) for which approval of Expenditure Finance Committee (EFC) was required. The Department is also facing problems in collection and reporting of prices such as lack of uniform mechanism for transmission of data, methodology of collection, authentication and validation of data by the States/UTs, absence of nodal officers in some States, inadequate studies to explain trends in prices, research to understand the nature of demand for specific commodities etc. To overcome these problems, the Department has taken various measures to strengthen the PMC in States by way of organizing training programmes, subscribing the web services of professional organizations, hiring of professionals and engaging private organizations for conducting research studies and surveys. The Department has also asked all the States/UTs to nominate nodal officers with whom the Department should interact for information or clarification. While appreciating the steps taken by the Department for strengthening the PMC and State PMCs, the Committee recommend that thorough training be given to manpower employed in collection and tabulation of data, organize regular workshop at regional and national levels and upgrade the IT infrastructure including software systems etc, so as to improve the efficiency and reliability of the PMC and State PMCs.</p> |
| 18. | 5.11 | <p>The Committee note that existing practice for verification of sophisticated Weight & Measures instruments is done through Legal Metrology Department of the States/UTs. However, for sharing the workload for increasing the capacity and available infrastructure of testing, the Union Government has drafted new rules, which provide for setting up Government Approved Test Centres (GATC) all over the country for which legal vetting and notification of the rules are in process. The Committee have been informed that under the scheme Strengthening Legal Metrology Infrastructure of States/UTs, new proposal for the construction of Controller office in 12 States and establishment of Research & Development (R&D) Centres in 5 States is proposed. The Committee observe that in the 12th Plan, Rs. 300 crores have been allocated under the head Weights and Measures and Rs. 53.76 crores was granted for the first year of the 12th Plan i.e. 2012-13. The</p> |

Committee are disappointed to note that despite having so many proposals, the Department were able to spend only 39.60 crores out of Rs. 53.76 crores. The Committee hope that the Government will make every sincere effort to complete the project of opening controller office in 12 States and R&D Centres in 5 States on urgent basis by utilizing the fund allocated for the purpose within a definite time period. The Committee are of the view, that the Department should make earnest efforts to open Government Approved Test Centres (GATC) all over the country for advantage of the consumer at large so that the workload for increasing the capacity and available infrastructure of testing in States could be shared. The Committee would also like to be apprised of the action taken in regard to above proposals made by the Department, during the year 2013-14.

19. 6.19 The Committee note that under the Plan Scheme on Gold Hallmarking, central assistance for setting up Assaying & Hallmarking Centres has been extended in locations where no centre exists. The Committee also note that as on 31.01.2013 there were 200 Assaying & Hallmarking Centres established in the country of which 20 Centres were set up in 2012-13 (upto 31.01.2013). The Committee are disappointed to note that in the year 2012-13 the Department has failed to set up any Assaying & Hallmarking Centres by providing central assistance. The Committee observed that under Gold Hallmarking Scheme certain modifications have been made and the financial assistance for setting up of Assaying & Hallmarking Centre under the schemes, was revised from 15% to 30% to private entrepreneur and 50% to PSUs. For North East States/Special Category States/Rural Areas the assistance was revised from existing rate of 30% to 50% to private entrepreneur and 75% to PSUs.

While noting that setting up of Assaying & Hallmarking Centres is a market driven activity where promoters are private entrepreneurs, the Committee feel that the Department should concentrate on popularizing this scheme through consumer awareness campaign by making the consumer aware of the benefits of Hallmarked Gold Jewellery so as to increase the demand of Hallmarked Jewellery in the market. This would encourage the entrepreneurs to setup more Assaying & Hallmarking Centres in the country. The Committee further reiterate their earlier recommendation made in the 18th Report on Demands for Grants (2012-13) that the Department should review the formalities of the Government scheme to

simplify the procedure & suitably increase the financial assistance given under the Hallmarking scheme so as to attract private entrepreneurs to come forward not only in metropolitan cities but also in remote rural areas and open more centres of assaying and hallmarking throughout the country.

20.

6.20

While observing the physical targets and achievements of the BIS for the scheme System Certification, the Committee note that the achievement was 54 against the target of 150 during 2012-13. The Committee are not convinced with the reasons furnished by the Department that there are other certifying bodies for Management System Certification and the certification schemes under Management Systems are voluntary in nature. The Committee feel that, though, certification scheme under management systems are voluntary in nature the Department has failed to achieve even 40% of their target. The Committee also note that there are only 7 licences in operation under the scheme Food Safety Management Systems as per IS/ISO 22000 and 5 licences for Service Quality Management System as per IS/15700. In this context, the Committee were informed that three schemes were yet to be approved and 'Creating Awareness Through Publicity of BIS certified products' scheme was dropped as it had overlapping objectives with other schemes of the Department.

The Committee are shocked to note that during the year 2012-13, i.e. the first year of 12th Plan, the BE of the new schemes proposed under the Plan period was 9.40 crores which was drastically revised to Rs. 0.20 crore and till December 2012 Rs. 0.19 crores was spent. The Committee are disappointed to note the casual approach of the Ministry towards their mandate. The Committee feel that there is lack of proper planning, farsightedness and coordination on the part of the Ministry. The Committee also feel that scheme Creating Awareness Through Publicity of BIS product proposed under 12th plan is very important for creating awareness regarding standards. Therefore, the Committee recommend that creating awareness through publicity of BIS, being the primary responsibility of the Department should continue as a scheme.

The Committee, further, recommend that under Food Safety Management System, number of licence should also be increased on other essential food items other than milk and milk products so that maximum food items should be covered and come under the purview of BIS certification.

But at the same time, the Committee desire that the Department should ensure and monitor maintenance of standards while granting licence to private entrepreneurs.

21. 6.21

As regard to Human Resource Development and Capacity Building in educational institutions, the Committee observe that balance amount available with the BIS as on 31.03.2012 was Rs. 41.80 lakhs against total amount of Rs. 50 lakhs released for the Scheme. The Committee were informed that the scheme of Human Resource Development/Capacity Building in Educational Institutions was approved on 27th March, 2008 with an outlay of Rs. 7.00 crores and 21 Institutions/Universities were short-listed for introduction of the curriculum. Evolution of curriculum was in progress in consultation with the identified Universities/Institutes. The Committee are disappointed to note that the scheme could not make headway as introduction of standardization in curriculum in the educational institutions is not under the purview of BIS, therefore, it was recommended that this scheme need not be continued under the 12th Plan. Accordingly the balance amount of Rs 49.98551 (including interest) was surrendered.

The Committee are shocked to know that it took the Department four years to realize that introduction of the process of Standardization and Standards relating to important socio-economic sectors in curriculum of Professional, Technical and Higher Education Institutions does not come under the purview of Bureau of Indian Standards. The Committee take strong note of the lethargic approach of the Ministry and, therefore, strongly recommend that the Department should strictly follow the mandate before making schemes which are not under the purview of the Ministry so that the crucial funds are not wasted in this manner.

22. 7.12

The Committee note that the Forward Market Commission has an effective strength of 71 officers/staff against the sanctioned strength of 132 officer/staff including all the Group A, B, C & D posts. The Committee were surprised to note that the strength of officers/staff even went down in comparison to last year. The Committee further observe that in the Group 'A' category against the sanctioned strength of 51, only 21 posts are in position and 26 posts are vacant. Similarly, in Group 'B' 4 against the sanctioned of 18, and 50% of the posts under Group 'C' are unfulfilled. The Committee also find that besides there being a large number of vacancies, the SCs/OBCs communities are also not

adequately represented in Group 'A, B & C' categories and STs are not represented at all in three categories of employees other than Group 'D'. The Committee, are of the view, that existence of such a large number of vacancies in a small organisation like FMC would not only hamper its functioning but would rather diminish effectiveness of the organisation. The Committee, therefore, reiterating its recommendation made during Demands for Grants (2012-13), strongly urge the Department/FMC to make further sincere efforts to fill up all the vacancies in all categories of post.

23. 7.13 The Committee, further note that despite employing officers on deputation, there is always scarcity of officers and staff with the FMC. The Committee note that there is no proper procedure for recruitment to employ officers/staff in the FMC, due to which only higher posts which comes under Group 'A' are filled and other category of Group 'B' and 'C' posts of Economic Officer, Stenographers, Junior Research Assistants, Upper Division Clerks, Lower Division Clerks are majorly vacant.

The Committee feel that, though, FMC is a small organisations but it is very necessary to have its working staff strength to run the organisation efficiently as FMC is entrusted with important economic regulatory functions that should not be hamper by these problems. Non-availability of suitable candidates on Group B & C posts, as only higher posts can be filled up by the deputation process, the Committee feel that other than deputation, Department/FMC may consider to establish a proper recruitment Cell to fill up the vacant posts in the category of Group 'B' and 'C' so that FMC can recruit officers/staffs of its own and will not depend upon other organisations to have adequate manpower to perform efficiently.

24. 7.18 The Committee are happy to note that the shift from conventional Price Ticker Board(PTB) to GPRS enabled ticker boards, the Committee also note that the project for dissemination of spot and futures prices in commodities of relevance is implemented in consultation with AGMARKNET. During the year 2012-13 under phase IV, 409 PTBs have been installed till January, 2013 at various locations having heavy farmer footfall. The Committee while examining installation of PTBs under Price Dissemination Project in each phase find that so far 1863 PTBs have been installed since 2009-10, whereas in some of the UTs like Andaman Nicobar, Lakshadweep, Dadra & Nagar Haveli, Daman & Diu and North East Region viz. Sikkim, Meghalaya and Mizoram not a single PTBs has been installed. Besides this, targets under phase NER

(2010-11) as well as under phase IV, there has been shortfall in achievement of physical targets. The Committee, therefore, recommend that work relating to installation of PTBs in NE Region, phase IV and other projects under phase IV may be expedited.

25. 8.8 The Committee note that for prevention of unethical trade practices like hoarding and black-marketing etc. the "Prevention of Black-Marketing and Maintenance of Supplies Act, 1980" is being implemented by the State Governments/UT Administrations. The Committee further note that based on the provisions under the Sub-Section 4 of the Section 3 of the Act, the State Governments which are passing detention order, are reporting the facts together with the grounds of detention as well as other connected particulars to the Department of Consumer Affairs within the stipulated period of 7 days. The Committee have been informed that during the year 2012, 231 detention orders were reported to Central Government by three States namely Tamil Nadu, Gujarat and Maharashtra. The Committee appreciate the gesture shown by these States and hope that this will be followed by other States as well as it would help in preventing unethical trade practices in the country in times to come. The Committee, therefore recommend the Department to take follow up action with these State Governments in accordance with the grounds of detention furnished by them so as to prevent such practices in future.

26. 8.9 The Committee note that there is low conviction vis-à-vis the number of persons arrested and prosecuted during 2012 as the number of persons arrested, prosecuted and convicted were 4022, 3256 and 413 respectively. The same trend was observed in the previous years. However the number of persons convicted during 2012 has increased from 30 when compared from the previous year. The Committee further note that some of the States namely Bihar, Chhattisgarh, Gujarat and Punjab have furnished the reasons for instance witnesses not turning up or even if they do turn up their turning hostile, not drawing up proper FIRs which is thrown out by the courts, cases investigated by the police go off track and are not investigated properly, transfer of judges and lack of special courts/Fast Track Courts for low conviction. The Committee feel that the provision of the Act to prevent unethical trade practices like hoarding and black-marketing is not taken in true spirit by the various organizations of the Government of the States/UTs. Taking this issue merely through video conferencing will not resolve the matter. The Committee,

therefore, recommend the Department to co-ordinate with all States/UTs and discuss the matter at higher level so as to resolve the various reasons furnished by the States for low convictions.

27.

9.6

The Committee note that in response to Special Leave Petition (SLP) filed by the workers of Super Bazaar, the Hon'ble Supreme Court allowed the Government to try and revise the Super Bazaar through open bidding. As a consequence, M/s Writers and Publishers Ltd. has been accepted as the highest bidder. The Committee are surprised to note that despite Supreme Court's orders dated 14.03.2011 which empower the Central Registrar, Multi-State Cooperative Society to issue directions from time to time and which shall be complied to by the highest bidder, there is an indication of non-implementation of directions as can be inferred from fresh petition filed in Supreme Court by the workers. The Committee have been further informed that the Hon'ble Supreme Court has fixed the next date of hearing on 01.05.2013. The Committee feel that waiting till the date of hearing of Supreme Court will further affect the effective functioning of Super Bazaar. The Committee, therefore, recommend that the Department themselves should take up the matter to check the authenticity of the petition filed by the workers against non-implementation of the orders of Supreme Court and strict action should be taken in case of non-compliance of the said orders.