

TENTH REPORT
STANDING COMMITTEE ON FOOD, CIVIL
SUPPLIES AND PUBLIC DISTRIBUTION
(2001)

(THIRTEENTH LOK SABHA)

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

DEMANDS FOR GRANTS
(2001-2002)

Presented to Lok Sabha on 20.4.2001

Laid in Rajya Sabha on 20.4.2001



LOK SABHA SECRETARIAT
NEW DELHI

April, 2001/Chaitra, 1923 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON FOOD,
CIVIL SUPPLIES AND PUBLIC DISTRIBUTION
(2001)

Shri Devendra Prasad Yadav — *Chairman*

MEMBERS

Lok Sabha

2. Shri A.P. Abdullakutty
3. Prof. S.P. Singh Baghel
4. Shri Shyamlal Bansiwai
5. Shri Ranen Barman
6. Shri Sujan Singh Bundela
7. Shri Namdeorao Harbaji Diwathe
8. Shri Rameshwar Dudi
9. Shri Abdul Hamid
10. Shri Jai Prakash
11. Shrimati Preneet Kaur
12. Shri Brijlal Khabri
13. Shri Shyam Bihari Mishra
14. Shri Yogi Aditya Nath
15. Shri Sisram Ola
16. Shri Mansinh Patel
17. Shri Laxmanrao Patil
18. Shri Baju Ban Riyan
19. Shri Vishnu Dev Sai
20. Shri Abdul Rashid Shaheen
21. Shri Ram Naresh Tripathi
22. Shri Ram Chandra Veerappa
23. Dr. Sahib Singh Verma
24. Shri Akhilesh Yadav
25. Shri Tejveer Singh
26. Shri Kishan Lal Diler
27. Shri Ramshakal
28. Shri Rama Mohan Gadde
29. Shri P.D. Elangovan
30. Vacant

Rajya Sabha

31. Shri W. Angou Singh
32. Shri Abdul Gaiyur Qureshi
33. Shri Lajpat Rai
34. Shri Dawa Lama
35. Shri M.A. Kadar
36. Shri Kaushok Thiksey
37. Shri D.P. Yadav
38. Shri Vijay Singh Yadav
39. Smt. Bimba Raikar
40. Dr. A.K. Patel
41. Shri Ghanshyam Chandra Kharwar
42. Vacant
43. Vacant
44. Vacant
45. Vacant

SECRETARIAT

1. Shri Babu Ram Kanathia — *Joint Secretary*
2. Shri Krishan Lal — *Director*
3. Shri R.S. Mishra — *Under Secretary*
4. Smt. Manju Chaudhry — *Committee Officer*

INTRODUCTION

1. the Chairman of the Standing Committee on Food, Civil Supplies and Public Distribution (2001) having been authorised by the Committee to submit the Report on their behalf, present this Tenth Report on Demands for Grants (2001-2002) 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 (2001-2002) of the Ministry which were laid on the Table of the House on 19th March, 2001.

3. The Committee took evidence of the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) on 28th March, 2001.

4. 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 the examination of the subject.

5. The Report was considered and adopted by the Committee at their sitting held on 17th April, 2001.

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

NEW DELHI;
18 April, 2001
28 Chaitra, 1923 (Saka)

DEVENDRA PRASAD YADAV,
Chairman,
Standing Committee on Food, Civil Supplies
and Public Distribution.

CHAPTER 1

INTRODUCTORY

The Department of Consumer Affairs is entrusted with the functions of monitoring of prices and availability of essential commodities, control of futures trading and matters relating to regulation of Weights and Measures, standardization and Quality Control, consumer Protection and Integrated Management of Prices. In the field of Cooperation, the Ministry is responsible for Consumer Co-operative Schemes only.

1.2 The Department has also the following attached and subordinate offices entrusted with the responsibility of implementation of policies laid down by the Government of India:—

- (1) Weights and Measures Unit; and
- (2) Forward Markets Commission.

1.3 The Department has administrative responsibility of the following Organisations functioning under the administrative control of the Ministry:—

- (1) Bureau of Indian Standards (BIS);
- (2) National Consumer Disputes Redressal Commission (NCDRC);
- (3) National Co-operative Consumers Federation (NCCF);
and
- (4) Super Bazar, New Delhi.

1.4 The details of the Budget Estimate and Revised Estimates for 2000-2001 as well as Budget Estimates for (2001-2002) are as under:—

(In crores of Rupees)										
Major Head	1	2000-2001 Budget			2000-2001 Revised			2001-2002 Budget		
		2000-2001 Budget		Total	2000-2001 Revised		Total	2001-2002 Budget		Total
		Plan	Non-plan		Plan	Non-plan		Plan	Non-plan	
		2	3	4	5	6	7	8	9	10
Revenue Section										
Secretariat-Economic Services	3451	0.24	5.11	5.35	0.24	4.91	5.15	0.28	5.11	5.39
Industries	2852	2.95	—	2.95	1.75	—	1.75	2.09	—	2.09
Civil Supplies	3456	3.50	5.06	8.56	3.50	27.97	31.47	3.40	33.19	36.59
Other General Economic Services	3475	1.07	3.89	4.96	1.02	3.83	4.85	0.33	4.25	4.58
Total Revenue Section		7.76	14.06	21.82	6.51	36.71	43.22	6.10	42.55	48.65
Capital Section										
Capital Outlay on other General Economic Services	5475	1.24	—	1.24	2.49	—	2.49	1.70	—	1.70

	1	2	3	4	5	6	7	8	9	10
North Eastern Areas	4552	1.00	—	1.00	0.50	—	0.50	0.70	—	0.70
Loans for other General Economic Services	74.75	—	—	—	—	8.00	8.00	—	—	—
Total Capital Section		2.24	—	2.24	2.99	8.00	10.99	2.40	—	2.40
Grand Total		10.00	14.06	24.06	9.50	44.71	54.21	8.50	42.55	51.05

1.5 The details of recoveries adjusted on account in reduction of expenditure for revenue and capital section are as under:—

Revenue Section	3456	—	-2.00	-2.00	—	-2.00	-2.00	—	-5.00	-5.00
Civil Supplies										

The Expenditure provisions, net of the above recoveries, will be as under:

Revenue Section	7.76	12.06	19.82	6.51	34.71	41.22	6.10	37.55	43.65
Capital Section	2.24	—	2.24	2.99	8.00	10.99	2.40	—	2.40
Grand Total	10.00	12.06	22.06	9.50	42.71	52.21	8.50	37.55	46.05

1.6 A statement showing BE/RE for the year 1999-2000, 2000-2001 and expenditure incurred under both plan and non-plan schemes/programmes under Department of Consumer Affairs up to 28.2.2001 alongwith percentage expenditure is enclosed:

Plan

Scheme	(Rs. in crores)									
	1999-2000					2000-2001				
	BE	RE	Actual Expenditure	% with Reference to BE	% with Reference to RE	BE	RE	Actual Expenditure upto 28.2.2001	% with Reference to BE	% with Reference to RE
Industries & Minerals										
(a) Consumer Protection	2.54	2.54	2.27	89.37	89.37	3.50	3.50	*3.16	90.29	90.2
(b) Bureau of Indian Standard	2.00	0.30	Nil	0.00	0.00	2.80	1.60	**1.60	57.14	100.00
(c) Contribution to the Quality Council of India	0.45	0.45	0.45	100.00	100.00	0.15	0.15	Nil	0.00	0.00
(d) Weights & Measures	2.00	1.20	1.08	54.00	90.00	2.42	3.12	***2.09	86.36	66.98
(e) Regulation of Markets	1.51	1.51	1.33	88.08	88.08	0.89	0.89	0.66	74.16	74.70
(f) Information Technology office Expenditure	0.00	0.00	0.00	0.00	0.00	0.24	0.24	0.21	87.50	87.50

* Inclusive of authorisation in favour of DAVP and Doordarshan amounting to Rs. 3.02 crores.

** Amount released in March, 2001.

*** Including authorisations issued in favour of CPWD amounting to Rs. 1.68 crores.

Non-Plan

(Rs. in crores)

Scheme	1999-2000					2000-2001				
	BE	RE	Actual Expenditure	% with Reference to BE	% with Reference to RE	BE	RE	Actual Expenditure	% with Reference to BE	% with Reference to RE
Secretariat	4.26	4.63	4.27	100.23	92.22	5.11	4.91	*4.02	78.67	81.87
Forward Markets Commission	1.45	1.80	1.41	97.24	78.33	2.32	2.32	*1.57	67.67	67.67
Weights & Measures	1.09	1.16	0.98	89.91	84.48	1.43	***1.38	1.04	72.73	75.36
Consumer Protection Unit	0.13	0.13	0.09	69.23	69.23	0.13	0.13	0.10	76.92	76.92
NCDRC	0.61	0.64	0.67	109.83	104.69	0.83	0.84	0.67	80.72	79.76
Contribution to International orgn. of Legal Metrology	0.12	0.13	0.10	83.33	76.92	0.14	0.13	0.10	71.43	76.92
National Agricultural Co-operative Marketing Federation of India	2.00	15.00	5.50	275.00	36.67	2.10	25.00	0.00	0.00	0.00
Project Under CWF	3.00	3.00	0.30	10.00	10.00	2.00	2.00	0.41	20.50	20.50
Loans to Super Bazar	0.00	0.00	0.00	0.00	0.00	0.00	8.00	8.00	0.00	100.00

* Inclusive of authorisation amounting to Rs. 0.06 crore.

** Inclusive of authorisation amounting to Rs. 0.02 crore.

*** Inclusive of authorisation amounting to Rs. 0.08 crore.

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1.7 During the course of evidence, the Committee asked the Ministry to know the reasons for less expenditure in Plan/Non-Plan expenditure during the year 2000-2001. The Ministry in their reply stated the following reasons:—

2000-2001

(A) Non-Plan Scheme

(Rs. in crore)			
S.No.	Scheme		Reasons for less expenditure
1	2		3
1.	Administrative Expenditure on Sectt.		
	BE	RE	Anticipated Exp. upto 31.3.2001
	5.11	4.91	4.50
			Less provision of Rs. 0.20 crore in RE is due to 10% cut on non salary expenditure. Savings of Rs. 0.41 crore which is inclusive of less expenditure on salary and wages amounting to Rs. 0.39 crore due to ban on recruitment and Rs. 0.02 crore on otherhead.
2.	Administrative Expenditure on	Forward Markets Commission	
	BE	RE	Anticipated Exp. upto 31.3.2001
	2.32	2.32	1.70
			No variation in BE and RE. Savings of Rs. 0.62 crore is under salary head as the vacant posts could not be filled due to ban on recruitment.

1	2		3
3.	Administrative Expenditure on Weights and Measures Unit		Variation of Rs. 0.05 crore in BE and RE is due to 10% cut on non-salary expenditure. Savings of Rs. 0.23 crore is inclusive of less expenditure on salary amounting to Rs. 0.21 crore due to vacant posts which could not be filled due to ban order. Balance savings of Rs. 0.02 crore is on other items.
	BE	RE	Anticipated Exp. upto 31.3.2001
	1.43	1.38	1.15
4.	Administrative Expenditure on Consumer Protection		No variation in BE and RE. Less expenditure of Rs. 0.03 crore is on salary due to vacant posts which could not be filled up due to ban order.
	BE	RE	Anticipated Exp. upto 31.3.2001
	0.13	13.00	0.10
5.	Administrative Expenditure on National Consumer Disputes Redressal Commission		Excess provision of Rs. 0.01 crore was on salary head. Less expenditure of Rs. 0.07 crore is due to non-drawal of salary by the President from NCDRC. The new President has since joined and he will be drawing salary from NCDRC.
	BE	RE	Anticipated Exp. upto 31.3.2001
	0.83	0.84	0.77

1	2	3
6.	Contribution to International Organization of Legal Metrology	Less provision of Rs. 0.01 crore in RE is due to 10% cut on non-salary expenditure. Less expenditure of Rs. 0.03 crore is due to foreign exchange variation.
	BE RE	Anticipated Exp. upto 31.3.2001
	0.14 0.13	0.10
7.	Assistance to National Agricultural Co-operative Marketing Federation	Additional provision of Rs. 22.90 crore has been made for reimbursement of losses suffered by NAFED on transaction of pulses. Funds have been fully utilized. ∞
	BE RE	Anticipated Exp. upto 31.3.2001
	2.10 25.00	25.00
8.	Project under Consumer Welfare Fund.	No variation in BE and RE. Less expen- diture of Rs. 1.14 crore is due to less receipt of application from eligible (as per rules) from VCOs/NGOs etc. for grant from CWF.
	BE RE	Anticipated Exp. upto 31.3.2001
	2.00 2.00	0.86
9.	Loans to Super Bazar	Excess provision has been made for providing loan to Super Bazar to bridge their financial resource gap.
	BE RE	Anticipated Exp. upto 31.3.2001
	0.00 11.00	11.00

200-2001

(B) Plan Scheme

(Rs. in crore)

S.No.	Scheme	Reasons for less expenditure
1.	Consumer Protection BE 3.50 RE 3.50	No variation in BE and RE. Less expenditure of Rs. 0.23 crore is due to no expenditure on salary amounting to Rs. 0.20 crore and less expenditure of Rs. 0.03 crore on Other Charges.
2.	Bureau of Indian Standards BE 2.80 RE 1.60	Less provision in RE is due to delay in starting construction of Training Institute of BIS at Noida.
3.	Contribution to the Quality Council of India. BE 0.15 RE 0.15	No variation in BE and RE. As sufficient funds are already available with the Quality Council of India, they did not accept this Department's contribution this year.
4.	Weights and Measures BE 2.42 RE 3.12	Excess provision of Rs. 0.80 crore in RE was construction of building of IRSI, Faridabad. Less expenditure of Rs. 0.7% crore is due to less expenditure of Rs. 0.54 crore on Major Works and Rs. 0.21 crore on purchase of Machinery and Equipment. Savings of Rs. 0.1 crore is on salary due to no filling up of posts on account of ban on recruitment.
5.	Regulation of Markets BE 0.89 RE 0.89	No variation in BE and RE. There are no savings.
6.	Information Technology BE 0.24 RE 0.24	There is no variation in BE/RE. There is 100% utilization of funds.

1.8 During the course of official evidence the Ministry further informed, "The release of money was delayed basically for two reasons—Firstly, when the first amount was released to the CPWD, which normally books their expenditure at the end of the financial year, has shown it so and that is why it is reflected as if it has been spent at the end of the financial year. Secondly, coming to the release which we have done in March, to which you have pointed out that it is as if the expenditure did take place only in March, I must admit that the speed with which we should have completed the task in setting up the training institute could not be done. Recent reviews made by me as well as by the D.G., BIS have led to certain internal decisions regarding the selection of contractor and procedural activities had to be completed between September, 2000 and March, 2001. We could not release any money to BIS without knowing whether they have completed the procedural formalities like selection of the proper party, selection of the drawing and its approval, selection of the organisation which will actually do the job and other matters. Otherwise we would have simply spent the money just by showing it as a transfer to BIS without leading to any actual achievement on the ground. That is why the Department delayed this release expecting that once these formalities are completed and then only the money should be released from the Consolidated Fund of India. We have put a very tight schedule and we expect that the construction will be completed within one year's time.

The other reason for releasing this money now was, as I said, we could not have released it earlier without their doing anything. If we had not released this money by March, then it would have lapsed and in next year getting the same money for the same work would have been impossible. Now that the money has been given to BIS, it is a non-lapsable fund now and they will be able to ensure that the construction is completed within the agreed period.

Coming to weights and measures, the point which you have mentioned regarding the delay in their utilisation of funds, I would basically point out that we have got for regional reference standard laboratories. We are in the process of setting up our own building in Guwahati. It is primarily for this unit that this figure is coming up as if we have not spent this money. The difficulty in the last two years is that we have been asking the Government of Assam to give us a suitable land. Two years back they had given us some land. But then, we found out later on, to our dismay, that it is under litigation. We tried with the Court to get this matter settled quickly, but we have not been successful. Thereafter, we requested the Government of Assam that they may give us some land where it is free from all encumbrances. We are yet to receive a positive response from them in spite of many references made by us and our hon. Minister's own intervention when he was in Assam.

As you know, the money that is allocated for North-East under a special dispensation is non-lapsable. Our difficulty is that whereas for the North-East we have earmarked some money and we are very keen that we should spend this money and we set up a good laboratory in Guwahati, but because of factors beyond our control, we are not being able to spend this money. We cannot buy land in Guwahati. That will not be correct also. Somehow the State Government is so pre-occupied with many things that this is not one of their priority items."

1.9 The Committee asked the Government whether any amount allocated under BE/RE in various heads has been diverted to other heads during the financial year (2000-2001). The Ministry in their written reply stated that details of diversion of funds under BE/RE of Demand No. 40, Department of Consumer Affairs under various heads during the financial year (2000-2001) are as under:—

From	To	Reasons
1	2	3
(I) Revenue (Plan)	Revenue Section (Plan)	
(i) Major Head 3475 Other General Economic Services	Major Head 3475 Other Economic Services	The actual expenditure under OE was Rs. 28,17,473/- and there was committed expenditure of Rs. 43,23,928/- and there was saving of Rs. 15,57,473/- under DTE and FTE due to economy in travelling expenses.
00.107 Regulations of Markets.	00.107 Regulations of Markets.	
01-Forward Markets Commission	01-Forward Markets Commission	
01.00.12 Foreign Travel Expenses Rs. 14,55,756/-	01.00.13 Office Expenses Rs. 15,57,473/-	
(ii) Major Head 3475 Other General Economic Services.		
00.107 Regulations of Markets.		
01 Forward Markets Commission.		
01.00.11 Domestic Travel Expenses Rs. 1,01,717/-		
Total (I+II) Rs. 15,57,473/-	Total 15,57,473/-	

1	2	3
<p>II. Major Head 3451 Sectt. Economic Services 00.090 Sectt. 46 Deptt. of Consumer Affairs 46.00.01 Salaries Ra. 3,50,000/-</p>	<p>major Head 3451 00.090 Sectt. 46 Deptt. of Consumer Affairs 46.00.28 Professional services Ra. 3,50,000</p>	<p>Additional funds were required for making payment to Central Govt. Standing Counsel who represented Central Government in Writ petitions filed under Prevention of Black Marketing Act etc.</p>
<p>Major Head 3451- Sectt. Economic Services 00.090-Sectt. 46-Deptt. of Consumer Affairs. 46.00.12 Foreign Travel Expenses Ra. 50,000/-</p>	<p>(c) Major Head 3475- Other General Economic Services. 00.106 Regulation of W&M 06.00.11-Domestic Travel expenses Ra. 50,000/-</p>	<p>A budget provision of Ra. 1,00,000 was provided to three RRSs, Ahmedabad, Bhubaneswar and Bangalore. The officers have to undertake extensive tours etc. in their respective regions in connections with verifications of standards/instruments/models approval etc. Due to paucity of funds during the previous years there were outstanding bills of the staff which were to be cleared in order to bring outstanding payments upto date. The additional funds of Ra. 50,000/- were diverted to this head.</p>
<p>Major Head 3451 Sectt. Economic Services 00.090 Secretariat</p>	<p>Major Head 3451 Sectt. Economic Services 00.090 Sectt.</p>	<p>Extra expenditure has been incurred in connection with press conferences.</p>

1	2	3
46-Deptt. of Consumer Affairs 46.00.01 Salaries Rs. 3,00,000/-	46 Department of Consumer Affairs 46.00.20 Other Administrative expenses Rs. 3,00,000/-	held by Hon'ble Minister for CAP& PD. Also additional expenditure has been incurred on holding of meeting with the State Food Ministers and Food Secretaries and other Trade Unions/ Industry representatives which resulted an expenditure of Rs. 2.85 lakhs till January, 2001. For meeting the expenditure for the remaining period of the year an amount of Rs. 3.00 lakhs was diverted to this head.
III. Revenue Plan Voted Major Head 3456 Civil Supplies 02 Consumer Protection Cell (i) 02.00.21 Grant in aid Rs. 5,00,000/- (ii) 02.00.50 Other charges Rs. 17,00,000/- Total Rs. 22,00,000/-	Revenue Plan Voted (A) Major Head 3456 Civil Supplies 02 Consumer Protection Cell 02.00.26 Advertisement and Publicity Rs. 22,00,000/- Total Rs. 22,00,000/-	For publishing a half page advertisement in the newspapers in connection with celebration of World Consumer Rights Day on 15th March, 2001.
IV. Revenue Section (Non-Plan) Major Head 3456 Civil Supplies 03. Consumer Disputes Redressal Commission 03.00.11 Domestic Travel expenses Rs. 1,50,000	Revenue Section (Non-Plan) Major Head 3456- Civil Supplies. 03 Consumer Disputes Redressal Commission 03.00.13 Office expenses Rs. 1,50,000/-	For meeting expenditure on telephone bills. Excess expenditure has been incurred on postage of summons/notices etc. to the parties.

1.10 During the course of official evidence, the Ministry further stated the reasons for diversion of funds, "Regarding diversion of funds especially from foreign travel to domestic travel. Basically we had kept some provision for the foreign travel. But then, during the year, we noticed that the foreign travels which were anticipated, are not likely to materialise. For example, the participation in the Consumer International meeting is a normal thing for the officers from this Department. But I took a decision that there are more important items of work than going aboard. So, we stopped it. Also, certain other visits were found not so necessary. Besides this the Finance Ministry issued an order saying that unless it is absolutely essential, foreign travel should be discouraged. I am aware that such a directive has also come from higher levels as well.

In respect of domestic travel we found that there was need for more money, the reason being that during this year, of which we are talking about, two to three important meetings and conferences were held because the Consumer Protection Act was going to be amended and it was necessary to have deliberations with all stakeholders, we had to call the Presidents of all the State Commissions and other Members.

We had to call representatives from voluntary consumer organisations. We had to interact with many other people who had been invited over to Delhi or who were asked to come at our expense. As a result, their expenses, their daily rates had to be borne by the Department. It was an unforeseen expenditure when the budget was first formulated. So, when we found that we have a commitment, which we have taken on board, and we have less money for domestic travel under office expenses but savings in the foreign travel account, we took to diversion to meet our commitments.

1.11 The Committee are not satisfied with the actual expenditure of the Ministry in respect of BE (2000-2001) both in plan and non-plan estimates. The percentages of expenditure during the year 2000-2001 in plan and non-plan, which are respectively 83.9 and 72.37, do not seem to be up to the mark and also the funds allocated in some of the heads have been diverted to other heads. As regards less expenditure, the reasons put forth by the Ministry such as delay in starting construction of training Institute of BIS at NOIDA and pre-occupation of State Governments who do not accord priority to Central Government projects like construction of Regional reference

Standards Laboratory (RRSL) are not very convincing. Also the reasons put forth by the Ministry for diversion such as for office expenses, professional services and meeting expenses towards deliberation and conferences regarding Consumer Protection Act only reveal their poor planning. In the opinion of the Committee, the monitoring of the Ministry over its various schemes and also its coordination with State Govts. have not been upto the mark. The Committee, therefore, strongly recommend that the Ministry should further strengthen its monitoring over the entire schemes and ensure that the projects undertaken are completed without further delay which in turn will also check on cost escalation. Also steps should be taken to release funds for the pending projects in a phased manner so that major spending at the fag end of the year may be avoided.

CHAPTER II

CONSUMER PROTECTION

Major Head-3456

Consumer movement is a socio-economic one which seeks to protect the rights of the Consumer in relation to the goods purchased and services availed. The main objectives of the Consumer Protection programme are:—

- (i) To create a suitable administrative and legal mechanism which would be within the easy reach of the consumers;
- (ii) To involve and motivate various sections of society such as consumer organisations, women, youth etc. to participate in the programme;
- (iii) To assist, encourage and provide financial assistance to Voluntary consumer organisations to take up various consumer protection activities; and
- (iv) To generate awareness amongst consumer about their rights and responsibilities, motivate them to assert their rights and not to compromise on quality and standards of goods and services and seek redressal in consumer courts, whenever required.

2.2 The Consumer Protection Act, 1986 is a milestone in the history of socio-economic legislation in the country. It provides a separate three tier consumer disputes redressal machinery at the National, State and District Level. The Act is intended to provide simple, speedy and inexpensive redressal to the consumers' grievances.

2.3 The BE and RE (2000-2001) and BE (2001-2002) are as given below:—

(In crores of Rupees)

BE (2000-2001)			RE (2000-2001)			BE (2001-2002)		
Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
3.50	0.96	4.46	3.50	0.97	4.47	3.40	1.09	4.49

(i) Consumer Courts and Fora

2.4 To provide simple, speedy and inexpensive redressal of grievances of Consumers, the Government have established a three tier consumer dispute redressal machinery at the National, State and District Levels.

2.5 When asked about efforts, if any, made to identify reasons for non-functioning of some of existing consumer courts, the Govt., in their written reply, furnished as:

"The main reason for non-functioning of the consumer courts is delay in filling up of the vacant posts of Presidents/Members. The State-wise information of non-functional fora reported upto December, 2000 is as under:

State/UT	No. of Fora reported non- functional	
Bihar & Jharkhand	11	Action initiated to fill up vacant posts.
Madhya Pradesh & Chhattisgarh	11	Filling the vacant posts is under progress.
Tamil Nadu	10	Action initiated to fill up vacant posts.
Uttar Pradesh & Uttaranchal	16	Filling the vacant posts is under progress.
Total:	48"	

2.6 The Secretary, Department of Consumer Affairs, during official evidence, further stated:—

"Coming to the non-functioning of the Districts Fora the figures which we have collected says that there are 48 Districts Fora which are non-functioning. That is the latest what we have collected.

After this review, our Minister has been kind enough to write to the Chief Ministers individually telling this state of affairs and mentioning that 'this is the gross violation of the consumer right and whether they will intervene.' I am happy to say that practically all the Chief Ministers have replied to our Minister that they will personally take steps to see that these Districts Fora start functioning at the earliest. Essentially, they are not functioning for one and only one reason and that is non-selection of Members. There are various reasons for it and over them, the Government of India has practically no control. We can only persuade them and tell them."

2.7 Adding further, the Ministry, in their Post Evidence Reply, have stated that as on date 15 States/UTs had initiated actions to fill vacant posts. The Ministry also informed the Committee that they don't maintain year-wise, district-wise and date-wise data about each vacancy and that apart from the 48 non-functional District Fora, no other district fora had been reported to be non-functional for the quarter ending December, 2000.

2.8 The Committee have been informed that the steps taken by the Central Government for the smooth functioning of the consumer courts and to facilitate quicker disposal of cases are:

1. To strengthen the infrastructure of the consumer courts, Central Government has provided a one-time grant of Rs. 61.80 crores to the States/UTs during the period 1995-99.
2. Monitoring of the working of the consumer courts through National Commission.
3. State/UT Govts. have been requested from time to time, to fill up the vacancies of Presidents/Members in various consumer forums on priority.
4. State/UT Govts. are requested from time to time to take steps for ensuring the smooth functioning of the consumer courts and close monitoring of their performance.
5. Proposals for amendment of the Consumer Protection Act, 1986 are under consideration of Govt. mainly to facilitate quicker disposal of complaints by the consumer disputes redressal agencies.

2.9 The Ministry has furnished a statement showing the number of cases filed and disposed in the National Commission, State Commission and District Fora since inception as under:—

	Cases filed	Cases disposed
National Commission	20,622	11,185 (45.8%)
State Commission	2,06,802	1,24,899 (60.5%)
District Fora	14,18,268	11,73,495 (82.7%)

2.10 When asked whether the Government is satisfied with the disposal rate of 45.8%, 60.5% and 82.7% for National Commission, State Commissions and District Fora respectively in view of the fact that the purpose of consumer courts being delivery of speedy justice to the consumers, the Government in their post evidence reply, stated:—

“The Department is generally satisfied with the disposal rate of the State Commissions and District Forums keeping in view the various constraints. Percentage of disposal by the State Commissions and the National Commission is less but it may be appreciated that these bodies have to deal with higher value cases and more complex cases. Various amendments to the Consumer Protection Act, 1986 are being proposed with a view to achieve quicker disposals of complaints in consumer courts including creation of benches in the State Commission and National Commission and strengthening their powers etc. Once the amendments are carried out, faster disposals of cases by the consumer courts in the country will be greatly facilitated.”

2.11 When asked whether the Government has updated information regarding the number of cases disposed of within stipulated time, the Committee have been informed that National Commission does not maintain information about cases disposed within the stipulated time. Giving reasons for not maintaining such an information, the Secretary, Department of Consumer Affairs during official evidence stated:—

“We were told that since the District Forum people do not maintain records like that, which is the primary source of the data-base, it is not possible for the State Commission or the National Commission to give us that data saying that out of the sixteen-and-a-half lakh cases registered, more than 14 lakh cases have been disposed of; many have been disposed of within three months or six months or nine months etc. But gradually, we

should move to that. Otherwise, the effectiveness of the disposal and the speed of disposal cannot be monitored. It is our endeavour to give some facility to these bodies so that they are in a position to expedite the data and information. Unfortunately, the difficulty is that the State Governments are not providing as much support or financial backing as they should to the Consumer Courts. Many Presiding Officers have told us that the infrastructure available with them falls far short of the basic minimum requirements. They have also not been very generous in giving financial delegation and minimum financial flexibility to the State Commission or the District Forum. These are genuine concerns which we have taken up with the State Government on more than one occasion. But we do hope that our persuasive skills will yield results.

There are provisions for additional Benches to be set up. There are provisions for better quality men coming through a better screening process. There are provisions for better qualification and experience etc. We do hope that with these amendments, if they are passed by both the Houses of Parliament, there will be a perceptible improvement in the functioning of the Courts."

2.12 Adding further, the Ministry, in its Post Evidence Reply, have stated that under the provisions of section 24B of the Consumer Protection Act, 1986, National Commission has the administrative control to call for such information from the State Commissions. National Commission has already directed them to make available such information to build up data-base.

2.13 Despite the fact that the Government have enacted Consumer Protection Act and established Consumer District Fora for the redressal of grievances of the consumer within stipulated time, it is an astonishing fact that as on date 48 district fora are still non-functional. This is an increasing trend because non-functional district fora reported last year was only 43. The reply of the Ministry that though the issue was reviewed in the meeting of the Central Consumer Protection Council Chaired by the Union Minister and attended by the State Ministers of all the States, no fruitful result could be obtained in making all the district fora functional is not convincing to the Committee. In the opinion of the Committee the Government have not taken up the matter in its right earnest in the larger interests of the consumers of the country. The Committee, therefore, recommend that Government should vigorously persuade State Governments to make these non-functional district fora functional by appointing Presiding Officers in time. For that purpose, if necessary, financial assistance may also be provided by the Central Government.

2.14 The Committee note that the percentage of disposal of cases stood at 45.8% for National Commission, 60.5% for the State Commissions and 82.7% for district fora which is far from being satisfactory. In some of the States the number of pending cases in district fora are of the order of 69,592 (Uttar Pradesh) and 21,445 (Maharashtra). The Committee view this situation very seriously and with deep concern. They, therefore, strongly recommend that the Government should devise ways and means for disposal of cases within stipulated time in consultation with State Governments at the earliest, if need be, by amending the Consumer Protection Act as has been asserted by the Secretary during evidence. The Committee also recommend that the Government should make efforts to link the consumer courts with computer network so that information is readily available to consumers for quick redressal of their grievances.

(ii) Consumer Welfare Fund (CWF)

2.15 Consumer Welfare Fund, set up by the Department of Revenue, is operated by the Ministry of Consumer Affairs, Food and Public Distribution, Department of Consumer Affairs. The objectives of the fund is to provide financial assistance to promote and protect the welfare of the consumers and strengthen the voluntary consumer movement in the country particularly in the rural areas.

2.16 The Ministry has furnished a list of VCOs/NGOs (alongwith activities undertaken by them and districts/areas benefited) which got assistance from the Consumer Welfare Fund for the last three years (Annexure I).

2.17 Regarding clarification sought by the Committee in regard to grants made to the States of Delhi and Manipur during the year 1999-2000 which were not reflected in the statements furnished by the Ministry, the Government, in its Post evidence Reply stated that Consumer Coordination Council was given grants for two separate projects amounting to Rs. 5,54,000 during 1999-2000. The figure of Rs. 4,75,060 was a typographical error. In this year the list of agencies indicated against Delhi did not contain the information relating to 1999-2000 due to an omission which is regretted. Similarly, in respect of Manipur one grant amounting to Rs. 4,73,000 was made to Controller, Weights and Measures, Manipur during 1999-2000. This information was not reflected due to an omission which is regretted.

2.18 When the Committee asked about the monitoring being done by the Ministry over funded NGO's/VCO's the Secretary, Department of Consumer Affairs, during official evidence stated, "That point is very well taken that when we are giving money we have to ensure that it is properly utilised. There are no two opinions about it. Now the question is either we do it directly or we get it done. Now, if you kindly just remember that the total amount of money which we have given over the last few years, is less than Rs. 5 crore. The total number of NGOs who have got money from us would be around 450 to 500. On an average they are getting something between Rs. 30,000 to Rs. 50,000 per year. Some may have received over Rs. 1 lakh in five years. They are spread all over the country as you must have seen, they are mostly located not in cities but in rural areas. Now the size of our Department is very small. It is not possible for our officer to go on a long trip and costly trip to find out which of the NGO in which State is working properly or not. What we do is, whenever we go to the State Capital to attend regional conferences, we meet the officers from the State Governments. We are also meeting VCOs because they also attend the conference. We discuss what they have been doing and all that. But basically we always depend on the State Governments to check and tell us what exactly the VCOs are doing."

2.19 Adding further, the Secretary stated:

"We have also taken a decision that if the VCO or the NGO does not give us full utilisation certificate, no fresh money will be given to them. That means it will remain one time allocation and until they have satisfied us fully with the performance report as well as utilisation certificate, they will not get it. We have also engaged consumer coordination council an apex body of the VCOs telling them that you independently evaluate the performance of a group of VCOs say about 20 to 25 at random and tell us what are they doing and what are the difficulties they are encountering."

2.20 Regarding evaluation study of 20 VCOs, the Secretary stated during evidence.

"It was a small project given by the Consumer Coordination Council. They gave us a project saying that they would like to evaluate the functioning of these 20 VCOs regarding the utilisation of money and its effective use for the purpose it was given. We have given this money to them and it is a small sum of about Rs. 2.5 lakh or Rs. 3 lakh. They would do the evaluation and will come back to us with their report. But in addition, I have written to all the State Governments with the list of VCOs who have got money from us, the year and the purpose, requesting the State Secretaries that since they have the machinery in the field which we do not have, they should help us and check through their machinery whether the VCOs have really done their work, and give their evaluation report to us so that we can help each other."

2.21 Detailing the latest position about evaluation study of 20 VCOs, the Ministry, in their Post Evidence Reply, stated that the Consumer Coordination Council (CCC) has identified the agencies and personnel for conducting the survey. Their report is expected to be submitted to the Department shortly.

2.22 To a suggestion given by the Committee regarding involvement of local MLAs and MPs in order to have a close watch over the performance of NGOs/VCOs, the Secretary stated during evidence:

"Coming to the association of MLAs and MPs, we personally do not have any objection whatsoever. But I am not very sure whether all the VCOs would actually like to be fully involved in this thing. They are after all not extension of Government Department. They are voluntary bodies. They have their own system and work. We also do not want them to become a Government extension because if they are made like that then the basic advantage of flexibility and informality they enjoy will go. They have easy access to people without any bureaucratic red tape. They will lose all that. So, we cannot compel them to associate MLAs and MPs."

2.23 The Committee note that Consumer Welfare Fund was created with the objective of providing financial assistance to promote and protect the interests of consumers and strengthen consumer movement in the country. However, the Committee is seriously concerned to note that the Ministry has no monitoring over the performance of the NGOs/VCOs, instead they rely only on the utilisation certificates furnished by the concerned NGOs/VCOs. The Committee, therefore, recommend that a separate cell should be set up in the Ministry to monitor the performance and functioning of the NGOs/VCOs benefited by the CWF on a regular basis. The Committee also recommend that while funding for a particular project undertaken by NGO/VCO, the information may also be conveyed to the representatives of people i.e. M.P. of that area so that he/she should also have an information about the schemes/projects to be implemented for the welfare of the consumers.

CHAPTER III

CONSUMER COOPERATIVES

Major Head-3456

The Consumer Cooperatives have a four tier structure comprising primary consumer stores with branches functioning at the grass-root level, the wholesale/central consumer stores with their branches at district/taluka level, the State Consumer Cooperative Federations at the State level and the NCCF of India Ltd., at the national level.

3.2 The BE & RE of 2000-2001 and BE of 2001-2002 are given below:—

(In crores of Rupees)					
BE (2000-2001)		RE (2000-2001)		BE (2001-2002)	
Plan	Non-plan	Plan	Non-plan	Plan	Non-plan
	2.10		25		27.10

(i) National Cooperative Consumers Federation (NCCF)

3.3 The NCCF is an apex body of consumer cooperatives in the country with the objective of providing supply support to consumer cooperatives in general and to its members in particular for distribution of consumer goods. The federation has been earning profits since the financial year 1997-98.

Five Year Work Programme

3.4 NCCF has prepared a detailed cash flow statement and work programme for the next five years (Annexure-II).

3.5 As regards the summarized working result of NCCF for the last three years, the Government has furnished the following statement:

The following are the summarized working results of the NCCF since 1998-99:

Particulars	1998-99	1999-2000	(Rs. in crores)
			2000-2001 (upto Feb. 2001)
Sales	297.54	312.20	339.56
Gross Income	12.30	15.37	13.16
Expenditure	11.36	12.59	10.90
Net profit	0.94	2.78	2.27

3.6 When asked whether the Federation would be able to achieve its projected profit of Rs. 3 crores by the end of financial year (2000-2001), the M.D. of the federation stated during evidence:

"We achieved a sales turn over of Rs. 339 crore upto February this year with a profit of Rs. 2.27 crore. In the previous year of 11 months, our sales was in the range of Rs. 262 crores with a profit of Rs. 1.97 crore. Based on the same trend, we will be having a sales of Rs. 390 crore with a profit of 2.30 crore."

Recovery of Outstanding Dues

3.7 Regarding outstanding dues, the Committee have been informed that NCCF has set up a Recovery & Reconciliation Cell (RRC) at Head Office and main branches for reconciliation of accounts and recovery of dues. Regular follow-up action is taken with the parties concerned. Monthly reports on overdue outstanding dues recoverable from major Govt. agencies and others are furnished by the NCCF to the Department of Consumer Affairs. The Department, in turn, takes up the matters with the concerned authorities. A sum of Rs. 106.09 lakhs was recovered from various major agencies during the period from 01.04.2000 to 28.02.2001, out of the overdue balances of over 1 year old as on 01.04.2000. NCCF has been following up the matter with the major parties for recovery of the dues. Apart from this, NCCF has initiated legal action for recovery of its dues against a number of parties.

3.8 When the Committee wanted to know the details about organisations involved, efforts made by NCCF and the Ministry at different levels, expected time to achieve full recovery and also about legal action initiated in this regard, the Government has stated that dues amounting to Rs. 66.74 crores were recoverable by the NCCF from various Government agencies, members and others against supply of goods from different branches of NCCF as on 28.02.2001. The age-wise classification of these dues are as follows:

	Amount (Rs. in lakhs)
Upto 3 months	4122.28
3-6 months	740.78
6 months to 1 year	347.18
1 year to 3 years	704.41
Above 3 years	659.86
	6674.51

3.9 They further stated that NCCF has created Recovery & Reconciliation Cells at its Head Office and main branches (Delhi, Kolkata, Chennai and Mumbai) for taking follow-up action with the major parties. NCCF also submits monthly reports indicating the dues recoverable from the major Govt. institutions and others to the Ministry. The Ministry has also been writing to the Chief Secretaries and other concerned authorities like Secretary (Food & Civil Supplies), Secretary (Coopn.) and Registrars of Cooperative Societies etc. in different States requesting them to settle the dues of NCCF. NCCF has been taking continuous follow-up action to recover the overdue outstanding dues, particularly which are more than one year old. The Recovery and Reconciliation Cell is working out the yearly targets of recovery of old outstanding dues by segregating possible cases of bad and doubtful debts. However, it may be difficult to set any fixed period for recovery of the entire overdue outstandings. NCCF will continue to take necessary follow-up action and make all out efforts to recover the dues as early as possible.

3.10 NCCF has reportedly taken legal action for recovery of dues against the following major parties.

		(Rs./lakhs)
S.No.	Name of the Party	Recoverable dues (28.02.2001)
1.	A.P. State Consumers' Cooperative Federation	33.59
2.	Punjab State Consumers' Cooperative Federation	25.55
3.	M.P. State Consumers' Cooperative Federation	12.96
4.	J&K State Consumers' Cooperative Federation	9.37
5.	Tamil Nadu State Consumers' Cooperative Federation	38.35
6.	West Bengal State Consumers' Cooperative Federation	15.83
7.	West Bengal Essential Commodities Supplies Corporation	10.06
8.	Maharashtra State Consumers' Cooperative Federation	57.70
9.	Manipur State Consumers' Cooperative Federation	21.57
10.	Government of Mizoram	13.56
11.	Varanasi W/s. Consumers' Cooperative Stores	1.48
12.	Shahdara W/s. Consumers' Cooperative Stores	22.44
13.	Trivandrum Dist. W/s. Consumers' Cooperative Stores	4.76

3.11 MD, NCCF, further stated during official evidence.

"We have been writing to the Chief Secretaries of the State Governments. We are following up this matter systematically with the parties concerned. We have taken legal action also in a number of cases. We have initiated proceedings against 8 State Federations for arbitration proceedings of recovery of dues and further action would be taken based on the orders given by the Central Registrar.

The Central Register fixes the instalments and direct them to pay monthly instalments. We have approached the Central Registrar in the case of members and in the case of non-members we have to go to courts."

3.12 When the Committee asked whether the 3 year old dues of Rs. 759.86 lakhs will not become time barred, M.D. NCCF, during official evidence clarified, "It is not time barred, because we are taking actions. We have been making contacts with Government officials and concerned agencies. Wherever there is time bar case, we initiate legal action before it becomes time barred."

Vigilance Activity

3.13 When the Committee asked about vigilance activities of the NCCF, the Ministry in their reply stated:—

"There is a full fledged Vigilance Cell in NCCF headed by a CVO. Regional Vigilance Cells have also been created at 4 places. The Vigilance Cell of NCCF takes various preventive vigilance measures like educating and training the concerned officials, conducting surprise checks, periodical inspection of documents and enforcement of internal control measures. A Preventive Vigilance Manual has also been introduced to educate the employees on handling of various aspects of commercial activities. As of now, 10 cases are under investigation by the Vigilance, Cell. During the period from April 2000 to February 2001, the Vigilance Cell investigated 7 cases and had taken action against 11 officials.

3.14 Asked to furnish details about the 10 cases under investigation, reasons for delay in investing 3 cases and whether any case has also been referred to the CBI the Government has stated as under:

"The following are the details of 10 pending vigilance cases:

Category/details of the case	Date
1	2
(a) Cases under investigation with the vigilance cell	
1. Supply of Gen. Merchandise items to AIIMS (Stationery, Gauge etc.)—Misconduct	08.09.2000
2. Irregularities in purchase of Paddy Seeds	01.03.2001
3. Irregularities in transaction of confiscated goods (Poppy Seeds) with regard to sales tax	01.03.2001

1	2
(b) <i>Cases referred to CVC for final stage advice</i>	
4. Irregularities in supply of printing/binding machine (Delhi Branch)	(a) 20.12.2000 (b) 31.01.2001
5. Charging of less margin in sale of stationery (Mumbai Branch)	10.01.2001
(c) <i>Cases referred to CVC for 1st stage advice</i>	
6. Release of EMD	31.01.2001
7. Irregularities in various business transactions (Guwahati Branch)	05.01.2001
(d) <i>Cases with Inquiry Officers</i>	
8. Irregularities in business transaction (Cuttack Branch)	16.03.2001
9. Irregularities in opening of Liaison Office (Bhopal Branch)	28.03.2001
(e) <i>Cases for final decision after 2nd stage advice of CVC</i>	
10. Sale of confiscated goods by Lucknow Branch— Final notice for comments of Charged Officer issued	19.03.2001

14 officers and one subordinate staff are involved in irregularities in the cases where investigations have been completed so far. In 3 pending cases with the Vigilance Cell, the involvement of persons will be known after the completion of investigations.

Out of the 3 pending cases, only one is about 7 months old. The rest of the two are recent cases. The investigation in the 1st pending case could not be completed because of voluminous nature of transaction covering 2-3 years' period, which required examination of large number of documents. This is expected to be completed in next 3 months time.

No case has been referred to CBI by the NCCP. However, 2 cases have been taken up by CBI (one each at Delhi and Bhubaneswar), for investigations relating to the supplies made by respective branches of NCCP."

3.15 The Committee are happy to note that the National Cooperative Consumers Federation (NCCF) have started earning profits for which they prepared a five year work programme which is a welcome step. However, the Committee desire that the Government and NCCF should take concrete measures to achieve the said target. In the opinion of the Committee efforts should be made to enhance the business operation of the federation in the manner the Government has nominated NCCF to undertake export of foodgrains and pulses from the Central Pool.

3.16 The Committee further take note of the fact that even though NCCF has a Recovery and Reconciliation cell (RRC), dues amounting to Rs. 66.74 crores are still outstanding and that part of such amount is more than three years old. The Committee, therefore, urge the Ministry to make special efforts to realise the outstanding dues as early as possible. For this the matter may be taken with the concerned State Governments/public undertaking at the highest level.

3.17 The Committee are, however, unhappy to note that even though the federation has taken a number of preventive steps, many cases of irregularities have been reported. The Committee, therefore, urge the Ministry to devise certain ways and means in consultation with NCCF to ensure that cases of reported irregularities are eliminated for which the vigilance Cell of the federation should be further strengthened.

Major Head 7475

(ii) Super Bazar, Delhi

3.18 The Co-operative Store Ltd. New Delhi, popularly known as 'Super Bazar' was registered under the Bombay Coop. Societies Act 1925 as extended to the Union Territory of Delhi under Registration No. 284(s) dated 25.6.66, and established during July 1966 in the wake of the devaluation of the rupee and the steep rise in prices of essential/scarc/mass consumption commodities. During January 1996, it has been registered under Multi State Co-operative Societies Act, 1984, under Registration No. MSCS/CR/59/96. The prime objectives of Super Bazar are briefly mentioned hereunder.

- (i) to undertake wholesale and retail distribution of consumer goods, essential commodities and to establish departmental Store(s) and to maintain regular supplies of scarce/essential mass-consumption commodities, to the consumers.
- (ii) to raise the quality of products and maintain minimum standards.
- (iii) to lower distribution-cost, introduce fair and better trade practices and to contain the rising trend of prices in the open market.

3.19 The Committee asked the Government since when Super Bazar started making losses.

3.20 The Ministry in their reply stated that Super Bazar started making losses since 1996-97. Year-wise loss (audited) is as under:—

	(Rs. in crores)
1996-97	0.67
1997-98	3.21
1998-99	7.06
1999-2000	13.72

Upto 31.3.2001 the accumulated loss was Rs. 22.99 crores. The account for the year 2000-2001 are yet to be finalised.

3.21 The Ministry in their reply stated that the year-wise expenditure on salary, allowances to staff is as under:—

	(Rs. in crores)
1996-97	11.55
1997-98	12.76
1998-99	16.25
1999-2000	19.54

3.22 The Ministry in their post evidence reply also states that other expenditure incurred by Super Bazar are as Under:—

	(Rs. in crores)
1996-97	2.95
1997-98	3.75
1998-99	4.28
1999-2000	3.72

3.23 During the Course of evidence the Committee asked about the Reasons for the rising trend of losses in Super Bazar. The Ministry in their reply stated that:—

- (i) the losses were incurred due to lack of Central aid and Planning.
- (ii) Excess employees.
- (iii) Inadequacy in working Capital.
- (iv) Non-recovery of outstanding amount against credit sales made in the past;
- (v) Increase in the level of fixed cost and wage Bills
- (vi) Uneconomic functioning of branches;
- (vii) Lack of professionalism in supervision of the management; and
- (viii) Mismanagement by a section of the employees in collusion with some members of the Board of Director of Super Bazar.

3.24 During course of evidence, Ministry stated that the major factor for loss is that the limits of Super Bazar credit saving which was raised from 60 days to six months resulting in cash shortage and the suppliers stopped the supply. Godwon level in Inventory Control System was not according to norms. The Ministry itself admitted that these were not proper business planning in running the Super Bazar.

3.25 The Committee asked the Ministry about the total sales during 1999-2000 and 2000-2001. The Ministry in their reply stated that during 1999-2000 and 2000-2001 the total sale was Rs. 81.67 crores and 31.10 crores respectively. When the Committee asked about the reasons for the difference, the Ministry in their reply stated that this loss was due to payment to employees of super bazar and non-payment to suppliers and consequently the suppliers have totally stopped the supply.

3.26 During the course of evidence the Committee asked about the steps, if any, initiated to remove the impression of closure of Super Bazar. The Ministry in their reply stated that:—

“Regarding Super Bazar, you have just been told the reasons why it has come to such a sorry pass. This is not an event of one day or one year. It has happened over a period of time. Primary reasons, our analyses show, are just three factors. Firstly, enhancement or revision of the salary structure radically without any radical improvement in the business profile. So the expenditure commitment was taken on board whereas income opportunities were not explored parallelly at the same time.

Second, at certain point of time, the then management did not exert, supervise in the manner one expects them to supervise, as given in the reports. Third, the amount of money that should have been generalised by sale of goods and by reorganising the staff strength and the money redeployed in business actually was utilised for regular salaries or consumption expenditure.

The difficulty today is that Super Bazar still has got some plus points even now. Had it not been so, there would not have been so much enthusiasm amongst the people to take part in the election which was conducted in the recent past under the supervision and guidance of the High Court. Had Super Bazar no problems whatsoever in the near future, the elected representatives would not have been so keen to become directors in the board. The basic reason is that the Super Bazar has still some built-in plus points, like its trade mark or trade value, it is known all over Delhi by one name. It does not require any introduction. Secondly, it has wonderful infrastructure by way of 152 shops located in every Mohalla. Third, it has got long established linkages with the suppliers.

What has gone wrong is that it requires some money or new infusion of capital so that the suppliers can be paid either in full or part to generate confidence in them to supply fresh material. It requires a more active involvement of the management which is demoralised at the moment for the factors known to you because they are not getting pay from November onwards. Thirdly, there should be much more rigorous control to see that past mistakes are not repeated. Taking cue from these suggestions, the Department explored the possibility first revive it. For that purpose we are now thinking a parallel line of activity to find out a suitable multi-State Co-operative Society which will be willing to come forward and work out a proper working relationship with Super Bazar so that it can run more profitably.

If such a society is not readily identifiable or such a society comes forward and we find that such a society is not capable to deliver what we think of doing then the second alternative will be that the Government funds will be given to Super Bazar Management with proper control and after proper scheme is devised with a proper revival package so that it starts functioning again, goods start coming to the shelves and they can recycle this money that will liquidate their liabilities. This exercise is under examination, in consultation with the Ministry of Finance and we expect to work out some meaningful results in the very near future, particularly because the authorities at higher level, not only in my Ministry but in other Ministries, also are very keen to work out some practical solution to this problem."

3.27 The Committee asked the Ministry whether they have prepared any revival plan. The Ministry in their reply stated that they are actively considering for revival plan.

3.28 They further stated:

"This is a very important function where specialised expertise is required to work out what kind of money is required, whether it will be a total grant or loan, what should be the pay-back period; what should be the flow of money; how that money will come; where from it will come; where will it go; how much to establishment and how much to working expenses; how that money will go to each particular unit; what will be their margin; how will the margin be ploughed back to liquidate the liabilities, etc. That is why, though we have got an idea about the revival we want to do, we have not worked out a firm blue print because we are awaiting the final thing."

3.29 During the course of evidence the Committee asked the Ministry whether any enquiry was conducted in to the past irregularities that took place in Super Bazar. The Ministry in their written reply stated that the Central Registrar of Cooperative Societies had instituted an inquiry on 1st July, 1999 under section 69 of Multi-State Cooperative Societies Act, 1984 into the affairs of Super Bazar. In pursuance of this, another enquiry was initiated on 27th November, 2000 under section 73 to pin point the responsible person for recovery of losses caused by them during their tenure. On the basis of the inquiry report, the Central RCS have issued show cause notice to alleged person on 25th January, 2001 to recover the dues.

3.30 A copy of each of the inquiry report of the Central Registrar of Cooperative Societies (CRCS) has reportedly been sent to CBI for appropriate action. The Ministry also stated that the case of officers of Super Bazar allegedly involved in Mahamaya Biscuits has also been referred to CBI.

3.31 The Committee are seriously concerned about the deteriorating condition of Super Bazar which was established with the sole objective of fair and better trade practices to contain the rising trend of prices in the market and to provide commodities at a reasonable price on no loss no profit basis. Super Bazar has failed to achieve the objective. It gained profit till 1995 and after that it suffered losses totalling about Rs. 32.79 crore till date. Some of the reasons for the rising trend of losses given by the Ministry are due to lack of Central aid and planning, lack of professionalism in supervision, mismanagement by a section of employees in coalition with some members of the Board of Directors of Super Bazar, etc. The Committee failed to understand as to why the Ministry did not come to the aid of Super Bazar in time when the reasons for its losses were known to them and was within their capacity. Further, no sincere efforts were made by the Ministry for making it viable by devising a proper revival package or by providing Government funds under proper control and supervision as in the case of other Organisation like NCCF. In the opinion of the Committee it is not difficult for the Government to make the Organisation viable keeping in view the fact that value of its assets are running in several crores and there is all possibility of influx of imported essential commodities in Indian market against the long term interest of consumers. The Committee, therefore, very strongly recommend that the Ministry should not be a silent spectator and should come forward with the revival package for running Super Bazar without further delay. For the purpose, managerial responsibility should be given to persons with adequate business expertise and experience in the related field who should be held responsible for loss and mismanagement. Avoidable administrative expenses as well as expenditure on top management should be curtailed to the maximum extent in the interest of Super Bazar.

3.32 The Government has been making statement time and again and dialogue with Delhi Government in regard to handing over of Super Bazar to National Capital Territory of Delhi is on, whereas during the evidence, the Ministry stated that they had lost all hopes with the Delhi Government and they were thinking to find out a suitable Multi-State Cooperative Society for running Super Bazar. The Committee do not appreciate different versions of the Government on different occasions in this regard. The Committee, therefore, strongly urge the Government to finalise its stand at the earliest so that Super Bazar is given a clear direction to run and make profits.

3.33 The Committee strongly recommend that all efforts should be made for speedy disposal of those cases which are pending with Central Registrar of Cooperative Societies and Central Bureau of Investigation so that the guilty may be booked and money embezzled may be recovered from them without further delay. The Committee is also of the opinion that the vigilance machinery of Super Bazar is not very efficient and hence should be adequately strengthened so that cases of irregularities are totally checked. Further, the Government should ensure that properties attached to Super Bazar worth several crores should be gainfully utilized which will also extend a helping hand in repaying its dues. Steps taken in this regard should also be communicated to the Committee.

(iii) National Agricultural Co-operative Marketing Federation of India Ltd. (NAFED)

3.34 National Agricultural Co-operative Marketing Federation of India Ltd. (NAFED) popularly known as NAFED is the nodal agency for procurement of Oil Seeds and pulses under Price Support Scheme. NAFED also undertakes buffer stocking of onions and pulses on behalf of Central Govt. for checking price rise in the consumer markets.

3.35 The Ministry in their written reply stated that amount of Rs. 2.10 crores was provided in the budget for 2000-2001 to meet any expenditure towards public distribution of essential commodities in case of exorbitant price rise on shortages. The outlay has been increased to Rs. 25 crore to re-imburse partially the losses suffered by NAFED in the disposal of pulses imported on Government account during the year 1999-2000.

3.36 The Committee asked about the reasons for further increase in the non-plan outlay to Rs. 27.10 crores in BE 2001-2002.

3.37 The Ministry in their reply stated that as per the provisional audited account of NAFED the total losses towards import of pulses on Government account during 1999-2000 is estimated to be around Rs. 62.43 crores. However, it is proposed to re-imburse Rs. 25 crores only during the current financial year and an amount of Rs. 27 crores is proposed to be re-imbursed during 2001-2002.

3.38 Detailing the reasons for the losses in the deal, the Ministry in their post evidence reply, stated:

"The Cabinet Committee on Prices (CCP) in its meeting held on 7.6.99 decided that STC be authorized to import on Government of India account one Lac tons of pulses of different varieties. Thereafter in the meeting taken by the then Food Secretary on 16.6.1999, it was decided that STC would handover imported pulses stock to NAFED after custom/quarantine clearance and NAFED would be the designated agency for handling, storage, processing, distribution. Profit/loss in undertaking the above operations, would be borne by Government of India (DOCA Office Memorandum no. 6 (2)/99-PMC dated 31.8.99). Thereafter the Empowered Coordinating Committee (ECC) (constituted by CCP) directed that NAFED would store the pulses and keep it as buffer stock at stocking points and quantity as approved by EEC and NAFED would arrange distribution only after obtaining due authorization from HPPMB or ECC.

STC finalized contracts during June-July-August, 1999 and handed over the stock to NAFED during September-December, 1999. The total stock received was round 1,01,990 MTS as under; in nine Shipments:

Moong	—	10,281 MTS
Urad	—	10,241 MTS
Toor	—	31,320 MTS
Durpeas	—	50,148 MTS

ECC during its meeting on 15.9.99 took a decision that Department of Food & Consumer Affairs would inform availability of imported Pulses and Spices to all the State Govts./ Civil Supplies Corporations. In case no demands/requisitions were indicated to NAFED by end September, NAFED would be at liberty to sell the same including to private trade according to its best commercial judgement in consultation with Department of Consumer Affairs.

Ministry of Food & Consumer Affairs (Dept. of Food & Civil Supplies) vide its letter no. 1-5/99 BP III dated 20.9.99 informed the availability of various imported pulses indicating the stocking point and ex-godown delivery prices for September, October, November 99 to all the State/Union Territories including Army Purchase Organizations, Super Bazar, NCCF etc. and asked them to communicate their requirement to the Ministry or NAFED by 30th September, 99. The response was extremely poor.

NAFED vide its letter no. HO/MD/IMP-PUL/99-2000 DT. 1st Oct., 99 addressed to Department of Consumer Affairs (DoCA) requested that since there was virtually no response from State/ Civil Supplies Corporations, NAFED should be authorized to arrange disposal of the stock at best available price in open market. DoCA vide its letter No. 6(1)/99-PMC dt. 5th Oct., 99 advised that NAFED may dispose of imported pulses at such places where ruling market prices are higher. Accordingly NAFED started disposal in markets where prices were at par or higher than the issue price fixed by Government of India. Since the ruling prices of Urad in the open market were higher than issue prices, disposal of the same was commenced and completed with a profit of about Rs. 1.54 crores.

However, ruling market prices of the other pulses were ruling much below the issue prices and demand for imported pulses was also low on account of the following reasons:—

- (a) International market prices of Pulses came down substantially.
- (b) Total lack of demand from any State or State Civil Supplies Corporations.

- (c) The commencement of arrival of the domestic Moong and Toor from the fresh crop in Maharashtra, AP, Karnataka, Gujarat, Delhi etc. The Toor crop was reported to be very good in Maharashtra, A.P., Karnataka & Gujarat.
- (d) Adequate availability of seasonal vegetables during that period.
- (e) Huge quantity (51%) of Dunpeas which has very restricted demand confined to southern part of Tamil Nadu, Kerala and some coastal areas of Bengal & Orissa.
- (f) Nation wide transporters strike during middle of October, '2000.
- (g) NAFED's Sales were made on cash and carry basis instead of market practice of credit sale.
- (h) Continued import of pulses under OGL without any import duty and import of 90,000 tons Pulses by private trade during September-November, 1999.

In view of the extremely poor response from States/UTs for imported Pulses and after reviewing pulses market situation in country, the Ministry of Agriculture vide its letter dt. 20th December, 1999 authorized Nafed to arrange disposal of imported pulses in the open market at best available market rates. Accordingly Nafed made vigorous efforts for arranging/expediting disposal of imported pulses through its various branches by putting advertisement and Tenders in various Newspapers, direct contacts with stockists, brokers, importers etc. as well as various Government Departments, Super Bazar, Kendriya Bhandar, Civil Supplies Corporations.

Since the quantity was very huge particularly the Dunpeas which has very limited market confined to only lower part of South India, disposal has taken a long time due to reasons stated above. Nafed also contacted Ministry of HRD, Department of Women & Child Development for inclusion of imported pulses in ICDS Programme in various States/UTs. The matter was also taken up

with Ministry of External Affairs for exploring possibility of donating Dunpeas as food aid to food deficit countries like Africa etc. but no response was received. Army Purchase Organisation (APO) was also contacted for disposal but there was virtually no response. The Civil Supplies Corporation of several potential states (Tamil Nadu, Maharashtra, Karnataka, A.P., Orissa and Delhi) were also approached. After much persuasion and follow up only Tamil Nadu Civil Supplies Corporation placed orders of 4000 Mts Toor dal. There was no response from others. A quantity of 1700 Mts Toor/Moongdal was also sent to Orissa as an emergency relief measure for super cyclone affected areas as instructed by Ministry of Agriculture but the State Government agencies did not accept the same.

However, after sustained efforts, NAFED was able to finalize sale of entire quantity of balance stock of Dunpeas to Public Sector Undertakings like STC and STCL and as on 31.10.2000, a quantity of 72,697 tons was physically sold/delivered. Meanwhile to repay loan to SBI against their Cash Credit Limit and as also to reduce interest burden. NAFED submitted the tentative accounts (upto 31.10.2000) duly audited by Chartered Accountant (our statutory auditors appointed by Central Registrar of Cooperative Societies) to Department of Consumer Affairs *vide* letter No. HO/FA/IMP/Pulses/2000-01 dated 29.11.2000 with a request that the tentative losses of around Rs. 62.44 crores be reimbursed. Ministry of Agriculture, Department of Agriculture & Cooperation *vide* its letter Nos. 15014/29/99-MPS dated 1.12.2000, 9.2.2001 and 9.3.2001 have also recommended NAFED's case and requested DOCA for release of atleast 75% of the tentative loss so that NAFED may repay its loans to SBI/RBI and avoid default and penal rate of interest.

Meanwhile deliveries to STC, STCL and two other private trade bulk purchasers are continuing. However the lifting is very slow due to poor demand and a quantity of 10,000 Mts remains to be delivered. As soon as the deliveries are completed the final accounts shall be submitted to DCA."

3.39 The Committee note that NAFED suffered a loss of Rs. 62.44/- crores towards import of pulses during the year 1999-2000. The Committee is not at all convinced with the reasons putforth by the Ministry for the losses. While making the deal to import pulses no reference was made in the contract for the timely arrival of pulses. Further, the Ministry has been unable to justify the reasons for the purchase of pulses at a very high price and that too at the time when the fresh crop was ready to arrive in the market and also without keeping in mind the estimate of the quantity of pulses to be imported under OGL. The quality of imported pulses was also not good which is evident from the fact that the pulses were not accepted by most of the State Government Agencies and even by the cyclone hit State of Orissa. The Committee are not happy with the situation. In their opinion, the Government while making such deals should have considered all pros and cons in detail so that the country which is passing through severe financial crisis is not put to such a heavy loss of foreign exchange. Also the interests of farmers and consumers should be kept in mind while making such deals. The Committee further recommend that the matter should be thoroughly enquired into at the highest level and responsibility/accountability for the losses suffered should be fixed in a time bound manner.

CHAPTER IV

BUREAU OF INDIAN STANDARDS (BIS)

Major Head 2852

Bureau of Indian Standards (BIS), the National Standards Body of India, establishing the standardization promoting and nurturing the standardization movement in the country was set up as a statutory organisation under the BIS Act, 1986, taking over the assets and liabilities of the Indian Standards Institution (ISI). Its enforcement Wing carried out raids. Testing of samples are done as and when required. BIS also widens its scope or activity from time to time:—

4.2 The B.E. and R.E. (2000-2001) and B.E. (2001-2002).

B.E. (2000-2001)		R.E. (2000-2001)		B.E. (2001-2002)	
Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan
2.95		1.75		2.09	

4.3 The Committee asked the Ministry to furnish a list of products that have been covered in BIS Standard marks. The Ministry in their written reply, stated that 1400 products have been covered under BIS certification scheme. Major products covered are milk products, pesticides, food colours and additives, LPG gas cylinders valves. Regulators, electrical appliances, cements, steel items, pumps, motors, paints chemicals, wires and cables, fire extinguishers and different types of pipes. Standards for Packaged Natural Mineral Water as per IS 13428:1998 and Packaged Drinking Water (other than Packaged Natural Mineral Water) as per IS 14543:1998 have been published. These specifications lay down requirements for physical tests like colour, taste, odour suspended matter pH etc. and chemical requirements like the limits for mineral which are desirable in certain range, checks for harmful bacteria or absence of radio active elements like alpha, beta emitters and pesticidal residues. So far two licences have been granted as per IS 13428 and 8 licences have been granted for IS 14543. 8 applications are under various stages of processing for mineral water and 98 applications for Packaged Drinking water. The Ministry also stated that BIS certified jewellery ensure the homogeneity and purity of jewellery. The sampling plan ensures that the sample for assaying is drawn from various portions of the jewellery including joints to ensure that sample so taken from jewellery is representative of the whole article.

4.4 The Ministry in their reply also stated that BIS laboratories continuously upgrade the testing equipments from time to time to be in conformity with technological upgradations in product specification as well as in methods of tests as specified in the relevant Indian Standards.

4.5 The Committee asked the Ministry about the implementation of Indian Standards on the wide range of imported products to check the inflow of sub-standard imported goods. In their written reply, the Ministry stated that BIS has not issued any order for implementation of Indian Standards to wide range of imported products/goods. However, Directorate General of Foreign Trade, Ministry of Commerce, have issued a notification No. 44(RE-2000)/1997-2002 dated 24 November, 2000 making compliance of Indian Standards mandatory for imported goods in respect of 131 items, which is also applicable to domestic goods. For compliance to this requirement, all foreign manufacturers of these products who intend to export to India shall have to obtain BIS Certification Marks licence.

4.6 The Committee asked the Ministry about the number of violation cases received and number of conviction made thereon and also action taken by Directorate of BIS for speedier trials. The Ministry in their post evidence reply stated that 92 violation cases were registered through different sources and search and seizure was undertaken in 37 cases. During the course of hearing the courts are requested for speedy disposal. BIS, through its advocates, endeavours to conclude the trial speedily without seeking any adjournment.

4.7 The Committee asked whether any person can store, sell or distribute certain electrical appliances and accessories as well as wire and cables without the ISI quality seal given by the BIS under electrical wires, cables, appliances and accessories quality control order 1993.

4.8 The Ministry in their written reply stated that electrical wires, cables, appliances and accessories (quality Control) Order 1993 stipulates the requirement of compulsory BIS Standard Mark on seven items. items covered in schedule are electric Iron, Electric Radiator, Electric Immersion Water Heater, Electric Stoves, e-Pin Plugs and Socket Outlets, Switches for domestic and similar purposes and 2-amp switches for domestic and similar purposes. It may be noted that cables and wires are not appearing in this Quality Control Order.

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4.9 The Committee then asked whether tests conducted by a consumer group found that many brands are without ISI mark and that even in case of brands bearing ISI mark conformity to the parameters drawn up by BIS on mechanical strength and construction and dimension are too poor. The Ministry in their reply stated that one consumer organization had informed in the past about availability of a few brands falling under above category without ISI mark. The said organization had taken up the issue with the appropriate authorities of the concerned States and Union Territories.

4.10 Failure in respect of a few samples for certain criteria for some of the above seven items bearing ISI Mark were also reported by the same consumer organization. BIS had taken up the issue with concerned branch offices for taking up appropriate actions as per BIS procedure.

4.11 When the Committee reflected its displeasure for not covering cables and wire under compulsory BIS certification and asked the Government whether they consider compulsory certification, the Ministry in their reply stated that this QC Order has been issued by Ministry of Industry in exercise of powers conferred under Essential Commodity Act, 1955. BIS is already operating on voluntary basis certification scheme for cables and wires. Large number of manufacturers both in large and small scale have been granted BIS licences.

4.12 The objective of BIS is to bring the producer and consumer near to each other and make them work together in the development of national standard. The Committee are, however, not satisfied with the performance of the Organisation keeping in view the fact that a number of spurious goods are being sold in the market. The Committee, therefore, strongly urge the Ministry to come forward with a detailed plan in consultation with concerned Ministries to check the flow of spurious goods and in turn saving the lives of consumers. Search and seizure operations should not only be confined to the manufacturers but also to the traders or persons who store, sell or distribute the spurious goods.

4.13 The Committee note that the electrical wires, cables, appliances and accessories (Quality Control) Order, 1993 stipulates the requirement of compulsory BIS standard marks on 7 items. However, cables and wires are not appearing in the quality control order. In the opinion of the Committee use of substandard cables and wires which are the major parts of any electric appliances can endanger the lives of consumers. The Committee, therefore, strongly recommend that cables and wires should be brought under mandatory certification. For this the Ministry may take up the issue with Ministry of Industry at the earliest.

4.14 The Committee are concerned to note that in the recent past, cases of blast of CNG Cylinders have been reported in the various parts of the country. According to the Supreme Court judgement all the commercial vehicles plying in Delhi should invariably use CNG. The Committee, therefore, strongly recommends that CNG cylinders/kits should invariably bear ISI certification mark in order to save the lives of consumers. For this, Ministry may take up the issue with concerned Ministries for immediate issuance of orders in this regard. Also steps should be devised to check the use of substandard cylinders/kits.

4.15 The country has been witnessing natural calamities like earthquakes, cyclones, etc. in the recent past. It is very painful that the maximum loss was due to inferior quality of materials used in high rise buildings. The Committee, therefore, urge upon the Ministry to ensure that the structural specifications and building materials used for construction purposes should have BIS specification in consultation with concerned Ministries so that loss of life and property could be minimized during earthquakes, cyclones, etc. Research and study should also be envisaged in this regard.

CHAPTER V

REGULATION OF MARKETS

Major Head 3475

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

5.2 During the recent time certain commodity exchanges were switching over to on-line trading. But a very weak response was apparently noticed in respect of most others. The main reason for the slow progress is paucity of funds with the exchanges.

5.3 The Committee asked whether such reluctance on the part of exchanges have any adverse impact on working of the FMC, The Ministry in their written reply, stated:

"While online monitoring will definitely improve the pace of surveillance and monitoring by FMC, immediate reporting by means of fax/telegram which is being followed minimizes any adverse impact on the working of the FMC."

5.4 Regarding enforcement work of the FMC, the Ministry stated that a total of 364 cases have resulted in conviction and 552 cases resulted in acquittal/discharge while 721 cases are pending in the courts of law.

5.5 When asked about the time since when the 721 cases are pending and what steps Government have taken to speed up trial of such cases, the Government, in their post evidence reply, stated:

"These cases relate to various years from 1970 onwards. Government have advised FMC from time to time to improve the functioning of Exchanges which *inter-alia* envisages speedy prosecution of accused persons. However, the assistance of the State Police and the efforts of the trial courts are equally necessary to achieve the desired results."

5.6 FMC has its Head office in Mumbai and one Regional Office in Kolkata. The Commissions Enforcement Division, which has jurisdiction throughout the country, is only in the Head Office in Mumbai. Therefore, in times of raid, search and seizure, the officers of FMC have to coordinate with the State Government.

5.7 The Committee asked the Ministry how coordination is done with the different State Governments from Mumbai and whether this is the reason for less number of raids and low conviction, the Ministry, in their post evidence reply stated:—

"It is not possible to set up Enforcement Wing all over the country in respect of all Exchanges. The Enforcement Wing of the Forward Markets Commission keeps liaison with the State Police authorities by arranging workshops for Police officers and also forwarding to them any information received by FMC regarding violation of FC (R) Act. The State Police authorities arrange for raid and follow-up of the cases in the Court of Law. The officers of the FMC also assist the State Police authorities during raids on the request."

5.8 The Committee note with concern that various commodity exchanges are reluctant to go on-line and that the Government/ Forward Markets Commission (FMC) remain content with obsolete means of communicating information like telegram and fax. This will, they opine, fail to attract adequate volumes of trade. They are also much concerned with the fact that a mere 364 cases have so far resulted in conviction while 552 cases are acquitted and 721 cases are pending in the courts of law relating to malpractices in the field of forward contract/futures trading and that these cases relate to various years from 1970 onwards. This is indicative of their poor vigilance and enforcement. The Committee also note that the FMC's Enforcement Division with its Head Office in Mumbai, coordinate with the State Governments in times of need. The Committee, therefore, strongly recommend that the various trading exchanges should be persuaded to go on-line at the earliest. The Government should make efforts to settle pending cases without further loss of time and to bring the guilty to book. Also they should ensure that the required infrastructure and cooperation is given to the enforcement officials for smooth functioning of their activities.

NEW DELHI;
18 April, 2001
28 Chaitra, 1923 (Saka)

DEVENDRA PRASAD YADAV,
Chairman,
Standing Committee on Food, Civil Supplies
and Public Distribution.

PART II

MINUTES OF THE THIRD SITTING OF THE STANDING COMMITTEE ON FOOD, CIVIL SUPPLIES AND PUBLIC DISTRIBUTION HELD ON WEDNESDAY, THE 28TH MARCH, 2001

The Committee sat from 10.30 hrs. to 16.00 hrs.

PRESENT

Shri Devendra Prasad Yadav — *Chairman*

MEMBERS

Lok Sabha

2. Shri A.P. Abdullakutty
3. Shri Namdeorao Harbaji Diwathe
4. Shri Abdul Hamid
5. Shri Jai Prakash
6. Shri Brijlal Khabri
7. Shri Shyam Bihari Mishra
8. Shri Mansinh Patel
9. Shri Abdul Rashid Shaheen
10. Shri Ram Naresh Tripathi
11. Shri Tejveer Singh
12. Shri P.D. Elangovan

Rajya Sabha

13. Shri W. Angou Singh
14. Shri Lajpat Rai
15. Shri Dawa Lama
16. Shri Vijay Singh Yadav
17. Shrimati Bimba Raikar
18. Shri Ghanshyam Chandra Kharwar

SECRETARIAT

- | | | |
|---------------------------|---|------------------------|
| 1. Shri Babu Ram Kanathia | — | <i>Joint Secretary</i> |
| 2. Shri Krishan Lal | — | <i>Director</i> |
| 3. Shri R.S. Mishra | — | <i>Under Secretary</i> |

WITNESSES

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

- | | | |
|------------------------------|---|------------------------------------|
| 1. Shri S. Bandopadhyay | — | Secretary (CA) |
| 2. Shri C.S. Rao | — | AS&FA |
| 3. Shri S. Nautiyal | — | Addl. Secretary (CA) &
DG (BIS) |
| 4. Shri Kamal Kishor | — | Economic Adviser |
| 5. Shri S.P. Pathak | — | OSD (Consumer Affairs) |
| 6. Shri Baldev Chand | — | Acting Chairman (FMC) |
| 7. Shri T.T. Adhikari | — | MD (NCCF) |
| 8. Shri P. Mitra | — | MD (Super Bazar) |
| 9. Shri Priyadarshi Thakur | — | MD (NAFED) |
| 10. Shri P.A. Krishnamoorthy | — | Dir. (W&M) |

2. At the outset, the Chairman welcomed the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs). The Chairman then asked the Secretary concerned to introduce his colleagues and the Secretary introduced his colleagues.

3. The Committee then discussed with the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) the various points mentioned in the list of points. The queries of Members were resolved by the representatives. The evidence was concluded.

4. A Verbatim record of the proceedings has been kept.

The Committee then adjourned.

MINUTES OF THE SIXTH SITTING OF THE STANDING COMMITTEE
ON FOOD, CIVIL SUPPLIES AND PUBLIC DISTRIBUTION
HELD ON TUESDAY, THE 17TH APRIL, 2001.

The Committee sat from 1500 hrs. to 17.30 hrs.

PRESENT

Shri Devendra Prasad Yadav— *Chairman*

MEMBERS

Lok Sabha

2. Shri Shyamlal Bansiwai
3. Shri Abdul Hamid
4. Shrimati Preneet Kaur
5. Shri Mansinh Patel
6. Shri Laxmanrao Patil
7. Shri Bajji Ban Riyan
8. Shri Abdul Rashid Shaheen
9. Shri Ram Naresh Tripathi
10. Shri Tejveer Singh
11. Shri Ramshakal

Rajya Sabha

12. Shri W. Angou Singh
13. Shri Abdul Gaiyur Qureshi
14. Shri Lajpat Rai
15. Shri Dawa Lama
16. Shri Vijay Singh Yadav

SECRETARIAT

1. Shri Krishan Lal — *Director*
2. Shri R.S. Mishra — *Under Secretary*

(i) **Consideration and adoption of Draft Tenth Report.**

2. The Committee considered and adopted the Draft Tenth Report on Demands for Grants (2001-2002) relating to the Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution.

(ii) **Consideration and adoption of Draft Eleventh Report.**

3. ***

4. The Committee also authorised the Chairman to make consequential changes arising out of the factual verification of the reports by two Departments of Ministry of Consumer Affairs, Food and Public Distribution and present/lay the same in both the Houses of Parliament.

The Committee, thereafter, adjourned.

ANNEXURE I

Statement showing financial assistance to VCOs/NGOs in various districts of States/UTs.

Andhra Pradesh

Name	Year	Amount Sanctioned	
		2	3
Freedom Fighters Welfare Association, Dharmaram Rural Vill., Gessu Konda Mandal	1997-98		58,5000.00
St. Patrick's Educational Society, Main Road, Borabana, Hyderabad	1997-98		63,900.00
Rural Poor People's Welfare Society, 12/269-DID, Ashok Nagar, Anantapur	1997-98		29,700.00
Annaji Rural Development Organisation, D. No. 14/46-1A, Kamala Nagar, Behind Bank of Baroda.	1997-98		22,500.00
Humanitarian Organisation of Peoples' Education (HOPE), Dum-Dum Gardens, Nuzvid, Krishna Distt.	1997-98		27,000.00
Kanchikacherla Consumer Welfare Council Kanchikacherla, Krishna Distt.	1997-98		22,500.00
Nehru Yuvajana Sangham, Nagulavaram, Adm. Vinukonda	1997-98		27,000.00
Socio-Economical Voluntary Association, MIG 3, A.P. Housing Board Colony, Tirupati	1997-98		18,000.00
Priyadarshini Rural Welfare Development Trust, 6-685-25, Srinagar Colony	1997-98		31,500.00

1	2	3
Rural Education Health & Agricultural Dev. Society (REHADS) House No. 26/595, Sham Nagar, Nandyal	1997-98	27,000.00
Vendateswara Social Service Association 15/44/1, Mirjalaguda Malkajigiri, Ranga Reddy Distt.	1997-98	45,000.00
Visakha Consumer's Council, 13-28-6/4, Upstaira, KGH UP Road,	1997-98	67,500.00
Aktividu Consumers Association, Aktividu, W.G. District	1997-98	37,250.00
Andhra Seva Samiti, Kakumanuvuri Street, Kothapet, Gunthar,	1997-98	22,500.00
Comprehensive Action for Rural Development Society, Nuzvid, Patha Ravicherla, Nuzvid Mandal, Krishna Distt.	1997-98	36,000.00
Kanchukacherla Consumers Welfare Council, Kanchukacherla, Krishna Distt.	1998-99	41,400.00
I.C.W.A., Pothumajunitta, Kandukur	1997-98	45,000.00
National Educational Minorities Society, 12-15-53, Surya Hanuman Apartments, Kothupet	1997-98	45,000.00
Rural Poor People's Welfare Society, D.No. 11/292-A2, Arvinda Nagar	1997-98	40,500.00
Vijaya Education Society, Church Compound, Door No. 17-173, Narasaspet	1997-98	45,000.00
Arunodaya Mahila Mandal, D.No. 4-600-A21, Somnath Nagar, Anantapur	1998-99	36,000.00
Integrated Rural Development Society	1998-99	27,000.00
Nehru Yuvaka Mandal, Magallu, Nandigama Mandal	1998-99	22,500.00

1	2	3
Sri Virayaka Yuvajana Sangam, Door No. 11-321, Kaji Street, Chittoor	1998-1999	31,500.00
Aruna Mahila Mandali, Shed No. 5, Phase-II, Auto Nagar, Nellore-524004	1999-2000	27,000.00
Consumer Welfare Society, 2-160, Vidyanagar Colony, Adoni-518302	1999-2000	13,500.00
Garthapuri Consumers Council, Tripuramalluvuri Veedhi, Old Guntur	1999-2000	27,000.00
Jagruthi Voluntary Organisation, Office H. No. 11-3-34/2, Nehru Nagar, Khamman-507001, Khamman Distt.	1999-2000	22,500.00
Kasturibai Mahila Mandali, Elchuru, Santhamaguluru Mandal, Praksham Distt.	1999-2000	22,500.00
Machilipatnam Consumers Protection Council, D.No. 18-120, Sukarlabad, Machilipatnam-521 001	1999-2000	31,500.00
Madhuri Mahila Mandali, Bharatpet, 1st Line, Guntur-522002	1999-2000	27,000.00
Sree Devi Weaker Section Mahila Mandali, T.S.R. Building, IInd Line, Nallacheruvu, Guntur-522003	1999-2000	22,500.00
Vijaya Voluntary Orgn. (VVO), H.No. 13-74, Dr. Ram Reddy Complex, Post-Jadacheila-509 301, Mahabubnagar Distt., Andhra Pradesh	2000-2001	60,000.00
Integrated Rural Development Trust, Prasannayapalli Village, Engineering College, Post-Rapthad Mandal, Anantpur Distt., Andhra Pradesh	2000-2001	50,000.00
Prakasam District Mahila Consumer Council (AP)	2000-2001	50,000.00

1	2	3
<i>Assam</i>		
Arunoday Vikas Samity, P.O. Jagirroad, Morigaon Distt.	1997-98	27,000.00
<i>Bihar</i>		
Gramin Rojgar Seva Parishad, Vill. Kanhauli Dih, Near Sanskrit College, Post G.P.O.	1997-98	22,500.00
Jan Vikas Kendra, Hamidganj, Daltongaj, Palamau	1997-98	18,000.00
Akdegwa Gram Vikas Sansthan, Vill Akdegwa, Post Mubarakpur (Akama)	1997-98	27,000.00
Harjien Mahila Evam Bal Vikash Sansthan, At & PO Shahi Niketan, Pupri PO, Janak Pur Road, Sitamarhi Distt.	1997-98	27,000.00
Rural Development Society, Shastri Nagar, House No. 45, Ground Floor, Sajjad Nagar, Apna Bihar	1997-98	36,000.00
Chandrika Samajik Uthan Evam Gramin Vikas Sansthan, Jamhor, Aurangabad	1997-98	31,500.00
Gautam Budh Manav Kalyan & Prakritic Vikas Sansthan, At-Sheepur, P.O. Malwa	1997-98	27,000.00
Gram Vikas Sanstha Parasa, At-Parasa, Post-Kulharia, Distt. Madhubani	1998-99	27,000.00
Rural Ladies Welfare Society, Village-Dharampur, Post-Nikashi, Via-Pindharuch, Distt. Darbhanga	1998-99	

1	2	3
Jan Jagaran Samiti, Yarpur, N.C. Ghose Lane, Near-Kailash Bhawan, M.O.-Yarpur, Post-G.P.O, Patna-800001	1998-1999	8,10000
Lok Manglan, Mohalla-Gudri, P.o.-Laheriasarai, Distt. Darbhanga	1998-1999	22,500.00
Seva Sansthan, C/o Rambilash Roy, (Chandwara) Kanhauli Math Road, P.O.-Ramra, Distt. Muzaffarpur	1998-1999	18,000.00
Vikasayan, Vill: P.o. Sheikhpur, Akharaghat, Muzaffarpur	1999-2000	22,500.00
Daroga Prasad Ray Mahila Prashikshan Evam Audyogik Kendra, Sutihaar, Nawadah (Saran)	1999-2000	27,000.00
Mahila Avam Bal Vikas Kendra, Jayprakash Nagar, Patna-800001	1999-2000	12,500.00
North Bihar Samaj Kalyan Sangathan Paigamberpur Via-Silout, Distt. Muzaffarpur	1999-2000	22,500.00
Radhika Sewa Sansthan, Vill.-Partapu, P.o. Mehshi (Thana), Distt. East Champaran	1999-2000	22,500.00
Bhartiya Gramothan Avan Janhit Seva Sansthan, Bokaro (Bihar) Chandigarh		45,000.00
Consumer Forum Chandigarh, Room No. 3, 3rd Floor, Karuna Sadan, Sector 11-B, Chandigarh-CCPC member		35,000.00

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1	2	3
<i>Delhi</i>		
Consumers Forum, B-24, Maharani Bagh,	1997-98	207,000.00
All India Dalit Development Research Institute, 1955, DDA Janata Flats, Nand Vihar	1997-98	36,000.00
JAN Jagariti Educational Society, M-186, Mangol Puri	1997-98	27,000.00
Consumer Coordination Councils Shaheed Jeet Singh Marg	1997-98	157,160.00
Society for Civic Rights, J-13, Prasad Nagar	1998-99	235,000.00
Voluntary Organisation in Interest of Consumer Education (VOF-71) (Basement)	1998-99	5,00,000.00
Citizen Development Society, 1-West Kidwai Nagar, New Delhi	2000-2001	5,00,000.00
Consumer Coordination Council, 62, Qutab View	2000-2001	5,00,000.00
Apartments. Shaheed Jeet Singh Marg, New Delhi-110016-CPC member		
<i>Gujarat</i>		
Consumer Protection Education & Research Centre, 10, Arihant Chambers, Jamadar Street Bhavnagar	1998-99	235,000.00
Consumer Education & Research Centre, Suraksha Sankool, Thaltej, Ahmedabad-380054	1998-99	420,000.00
Jagrut Grahak, Deepak Chambers Nawabwada Raopura Vadodara-390001 (Gujarat)	1999-2000	36,000.00

1	2	3	
Consumer Protection Association, Vigyan Bhavan, P.N. Institute of Medical Science Campus, Clinical Research Centre, "Jai Somnath", Himmatnagar, Sabarkantha, Gujarat-383001— Former CCPC member	2000-2001	40,000.00	
<i>Haryana</i>			
Adarsh Saraswati Shiksha Samiti, Kakroi Road, Sonapat (Haryana)	1999-2000	31,500.00	
Haryana Lok Kalyan Shiksha Samiti, Blue Jay Road Samalkha, Distt. Panipat, Haryana	1999-2000	31,500.00	
All India Common Weal Organisation, 665/20, Prem Nagar, Rohtak (Haryana)	2000-2001	35,000.00	58
<i>Himachal Pradesh</i>			
Social Action for Rural, Develop. of Hilly areas (Sardha), Village Kaffota, Distt. Sirmour	1997-98	33,300.00	
<i>Karnataka</i>			
Karnataka State Federation of Consumer Organisation, 93, 9th Cross, 1st Stage	1997-98	20,250.00	
Harihara Grameenabhivrudhi Sangha, At. Siddaganahali, 1138/3, Narayana Sastry Road, Devaraj Mohalla	1997-98	18,000.00	
Renuka Mahila Samaja, Near Marikamba Temple, Vedavathi Na Hiriya Town	1997-98	36,000.00	

1	2	3
Social Action for the Rural Development Organisation (SARD), L-1, 322/A, 5th Cross. Saradadevi Nagar	1997-98	36,000.00
Hazrat Allipur Moral and Spiritual Association (R) Armangalu-577558 Hariyur Taluk, Chitraduega Distt. Karnataka	2000-2001	35,000/-
Seva Bharathi Trust, First Cross, Bramaramba Extension Chamaraganagar-571313, Karnataka	2000-2001	40,000.00
Balakedara Vedika (R) Consumer Forum (R) Sagar, Karnataka	2000-2001	25,000.00
Shri Akshayam Kethani Trust (R), Swmagahally, Mandya (Tq. And District), Karnataka	2000-2001	25,000.00
<i>Kerala</i>		
Kerala Consumer Welfare Federation, Door No. XXVI/519 (1211 Neaw), Thevara,	1997-98	27,000.00
National Service Society of India, Building No. 711/TV/N.P. Kadavil Buil Chingavanam PO	1997-98	27,000.00
Alathur Taluk Consumers Protection Forum, Jyothy Bhavan, Allathur Post, Pallakkad-678541	1997-98	27,000.00

1	2	3
<i>Madhya Pradesh</i>		
Utthanum Samiti, 16, Sindhi Colony, Lashkar, Gwalior		
Anusuchit Jati Janjati Kalyan Sansthan, House of Shri Mukesh Agrwal,	1997-98	31,500.00
Durga Near Agrwal STD, Kiree Mohalla Shri Ballabh Shiksha Prasar Samiti,	1997-98	27,000.00
Tiwari Bhawan, Tulsi Colony, Morena		
Jaya Prakash Memorial Centre, 11/89 Distt. Bastar, Kirandul-494556	1997-98	36,000.00
Upbhokta Samrakshana Salahakar Samiti, Bhopal M.P.	1999-2000	27,000.00
Consumer and Civil Rights Association, Janakjanj	2000-2001	5,00000.00
Hanuman Choraha Lashkar, Gwalior, M.P.	2000-2001	5,00000
<i>Maharashtra</i>		
Satyashodhak Mahila Vikas Mandal, N-9, K-79/4, HUDCO		
Pawan Nagar, New Aurangabad,	1998-99	45,000.00
Bahujan Education Society, Tembhari, At. Tembhan, Post-Silli		
Tehsil Kuhi, Distt. Nagapur-441202.	1999-2000	18,000.00
<i>Manipur</i>		
Greenland Development Organisation, Sagalband Tera Sapam Leirak		
Tyre Road, Imphal.	1997-98	58,500.00
Integrated Rural Development Agency, Hanguai B.P.O. Santhel		
P.O. Mayang Imphal	1997-98	67,500.00
The Chingamathak Nemeirakpam Makha Leikai Development Centre		
Chingamathak.	1997-98	72,000.00

1	2	3
National Association of fishermen, Manipur State Unit, Assembly Road	1997-98	45,000.00
Rural Development Women Organisation, WANGBAL, PO Thoubal	1997-98	33,300.00
<i>Mizoram</i>		
Mizoram Consumer Union (MCU), Aizwal, Mizoram	2000-2001	1,20,000.00
<i>Nagaland</i>		
Kwghi Kemehai Zie (Consumer Welfare Organisation), Tseminyu, Distt. Kohima, Box No. 197, Nagaland-797001	1999-2000	27,000.00
<i>Orissa</i>		
Consumer Guidance and Protection Forum, F/31-LIC Colony, Rajabagicha, Balasore	1997-98	18,000.00
Natural Institute for Social Welfare At/P.O. Kaliapani, Jaipur Distt.	1997-98	36,000.00
Peoples Rural Reconstruction Institute for Youth Action, (PRRIYA), At. Sanakumari, P.O. Bartana	1997-98	27,000.00
Rourkela Consumers' front, A-256, Sector 7, Rourkela	1997-98	81,000.00
Nilakantheswar Club, Tigiria At, Jorakani PO	1997-98	45,000.00
Jatiya Seba Pratishthana, Shri Ramji Bhavan, Temple Street Baripada, Mayurbhanj	1997-98	45,000.00
Mother Teresa Ladies Mission, Vill. & PO Chirulai, Mahimagadi via Dhenkanal Distt.	1997-98	27,000.00
Nilachal Seva Pratisthan, Dayavihar (Kanas), Puri Distt.	1997-98	31,500.00
Orissa Consumer's Association, Biswanath Lane, Cuttack	1997-98	49,500.00

1	2	3
Research Academy for Rural Enrichment (RARE) At/PO/Distt. Sonepur	1997-98	27,000.00
Jagrat Yuva Jyoti Club (YJC), At Kantamal, PO Utkela	1997-98	40,500.00
Ratnakar Rural and Urban Bilash Institution, At Kabara, PO Kabara Madhapur, Via Mahimaganad	1998-99	27,000.00
Radhakrishna Club, At San Bazar, Jagatsinghpur Distt. & PO	1998-99	36,000.00
Citizens' Association For Rural Dev., Berhampur	1998-99	27,000.00
Jeevan Rekha Parishad, NI/78, IRC Village, Nayapalli	1998-99	35,100.00
Consumer Protection Council, C-66, Sector-2, Rourkela-769000	1999-2000	2,35,000.00
Orissa Consumers' Association, (Ex. Member C.C.P.C.) Biswanath Lane, Cuttack-753002	1999-2000	45,000.00
National Council of Child and Rural Technology, At Rendhagarh P.O. Gornal, Distt. Puri-752002	1999-2000	22,500.00
Project Swarajya, At. Moti Bhavan, Kesharpur Road, Buxibazar, Cuttak-753001	1999-2000	31,500.00
Mousumi Social and Charitable Organisation, Plot No. 3456, At. Palasuni, Rasulgarh, Bhubaneswar-751010	1999-2000	30,600.00
Naba Jyoti Club, At. Madhapur, P.O. Kabara, Madhapur, Distt. Dhenkanal	1999-2000	18,000.00
Zilla Parishad, Sundargarh District, Orissa	2000-2001	5,00000.00
Zilla Parishad, Keonjhar District, Orissa	2000-2001	5,00000.00

1	2	3	
Integrated Women & Child Development Centre, At/PO-Bauasaingh, Via-Mahimagari, Distt-Dhenkand (Orissa)	2000-2001	60,000.00	
SANCHAR, At/PO-Fakirpur, Distt.-Keonjhar-758022 (Orissa)	2000-2001	60,000.00	
Better Institute for Rural Development & Action (BIRDA), At-Kankalunda PO-Mahimagadi, Distt. Dhenkonai-759014	2000-2001	45,000.00	
Social Awareness Institution (SAI), At Divine Nagar, Nayabazar, Cuttack (Orissa)	2000-2001	30,000.00	
'Suprativa', Fakirpada, Baribati, Sadar Block, Cuttack, Orissa	2000-2001	40,000.00	
National Institute for Community & Child Development, Khurda, Orissa	2000-2001	50,000.00	
Thanapally Millit Jubak Sangh, At/PO Thanapally, Via-Kalapathir, Distt-Khurda (Orissa)	2000-2001	40,000.00	8
<i>Punjab</i>			
Social Work and Rural Development Centre Vill. & PO Nurpur Bedi, Distt. Ropar	1997-98	31,500.00	
<i>Rajasthan</i>			
Banswara Sahkari Upbhokta Thok Bhandar Ltd., Banswara Distt.,	1997-98	67,500.00	
Nirashrit Mahila Bal Vikas Gramodyog Shiksh Samiti, Pai Bagh Bharatpur,	1997-98	27,000.00	
Prachin Kathputli Kala Sansthan, B-22, Indrapuri Lalkothi, Yojana, Jaipur	1997-98	36,000.00	
Gandhi Yuva Mandal, Bajman, Baroda, Teh. Gangapur City	1998-99	27,000.00	

1	2	3
Consumer Unity and Trust Society, 7-A, Jamnalal Bajaj Marg, C-Scheme, Jaipur	1998-99	235,000.00
Ajmer Zilla Gramin Upabhokta Sansthan, Masuda, Ajmer Distt.	1999-2000	22,500.00
Ajmer Zilla Gramin Upbhokta Sansthan, Masuda (Raj), CCPC Member	2000-2001	50,000.00
Nirashirit Mahila Bal Vikas Gramodyog Shiksha Samiti, Pai Bagh, Bharatpur (Raj)	2000-2001	40,000.00
<i>Sikkim</i>		
Govt. of Sikkim	2000-2001	4,00,000.00
<i>Tamil Nadu</i>		
Bharathi Integrated Rural Development Society, Ammapalayam Vill. & PO, Onnumpuram, Ami Taluk	1997-98	27,000.00
Centre for Integrated Social Action, 23-Old Pappuraja Line, Edamal Street Theni-625531	1997-98	45,000.00
Centre for Rural Development (CRD), PO Appipatty, Via Chinnamanur.	1997-98	45,000.00
Centre for Rural Oppressed People (CROP), No.7, Appu Gounder Street, Chinna Allapuram, Vellore	1997-98	27,000.00
Chetana Vikas, Parthibanur, Ramnad Distt.	1997-98	63,000.00
Community Action for Village Improvement, 62 East Palayam, Pattukkottai, Tanjore	1997-98	36,450.00

1	2	3
Dr. (Ms) C.M.E. Mathews Memorial Development Association, 2/95, Kollaimattu Street, Katecherimangalam.	1997-98	40,500.00
Federation of Consumer Organisation (FEDCOT), 115/2, Kamaraj Avenue, 2nd Street, Adyar.	1997-98	225,000.00
Gananaguru Welfare Association, 65-A, Khanpalayam, 1st Street, Madurai,	1997-98	45,000.00
Gokul Education and Employment Training Society (GEETS), No. 5/D Block, Pensioners Line	1997-98	63,000.00
Nehru Social Education Centre, Ayakkaranpulam-2, Sethi PO, Vedaraniyam Taluk	1997-98	45,900.00
Society for Education and Economic Development (SEED) Melpadur Village & Post Chengam Taluk, Tiruvannamalai	1997-98	36,000.00
Tamil Nadu Consumer Protection Centre, Navjeevan Mansion, North Gate, SS Colony, Madurai.	1997-98	36,000.00
Village Progress Welfare Centre, Kuppam Village & PO, Kannamangala, Polur Taluk.	1997-98	22,500.00
National Mother & Child Welfare Organisation 56, Old Sandipettai Street, Tiruturaipondi.	1998-99	36,000.00
S.M.N. Consumer Protection Council, 115/2, Kamaraj Avenue, Adayar, Madras	1998-99	235,000.00

1	2	3
<i>Uttar Pradesh</i>		
Bharat Gram Ydyog Vikas Sansthan, Vill. Neeli Kheri, PO Didauli	1997-98	22,500.00
Bharat Jyoti 46, Diamond Dairy, Kabir Marg	1997-98	36,000.00
Cosmic Society for Human Resource Development and Research, 67, Balipur, Katra Road, Pratapgarh.	1997-98	27,000.00
Grameen Shiksha Avam Prodyogiki Vikas Sansthan, L-33, Indira Nagar, Rae Bareli.	1997-98	27,000.00
Grameen Yuva Evam Bal Vikas Parishad Kasrav Vill. Semramanapur PO Fatehur	1997-98	22,500.00
Gramin Udyog Sewa Samity, Tulsi Colony, Kankar Kheda Sardhana Road,	1997-98	49,500.00
Gramin Yuva Vikas Samiti, Gram. Umargahana, PO Malwan	1997-98	27,000.00
Himalayan Gramodyog Vikas Sansthan, GB Hospital Road via Linktora Pithoragarh-262501.	1997-98	36,000.00
Jan Seva Samiti, Kutiliya Sonedi Pratapgarh	1997-98	36,000.00
Janpriya Seva Sansthan, 198, Paltan Bazar, Pratapgarh	1997-98	28,800.00
Lokoudyog Sewa Sansthan, AT & PO Sikraura	1997-98	27,000.00
Mahila Jagriti Samiti, Bahjoi, Moradabad.	1997-98	43,200.00
Peoples Society of Socio-Economic Development, 266/162, Sarlakunj, Nai Basti, Bhadewan	1997-98	27,000.00
Poorvanchal Nagar Evam Gramya Vikas Sansthan, 519, Chotte Qazipur, Gorakhpur	1997-98	45,000.00

1	2	3
Seva Kula Sikshan Sansthan, Jat Mulpur, P.O. Parpati, Deoria	1997-98	40,500.00
Swami Sant Das Manav Kalyan Samiti, Baraicha Vill. Panchamai, P.O. & Dist. Fatehpur	1997-98	22,500.00
Vishwa Bhartiya Samajouthan Sansthan 178, Munshi Purava, D-Block, Indira Nagar	1997-98	36,000.00
Abhilasha, 77E, Bakshi Kala, Daraganj	1998-99	45,000.00
Amit Shikshan Sansthan, Vill. & PO Maharajganj, Azamgarh.	1998-99	18,000.00
Bharatiya Gram Vikas Parishad, Vill. & PO Sonkh	1998-99	31,500.00
Bhoot Purva Sainik Sanstha, Vill. Kumrala, PO Gajraula	1998-99	18,000.00
Grameen Shiksha Avam Prodyogiki Vikas Sansthan, L-33, Indira Nagar, Rae Bareli.	1998-99	18,000.00
Maya Silai Kadai, Prashikshan Sasthan, Vill. Gunnour Abdulhai, PO Gunnour	1998-99	36,000.00
Siksha Avam Gan Kalyan Samiti, Ranipur, P.O. Bharsar (Sahjanwa)	1998-99	22,500
Shivam Udhyog Shakti Sansthan, Gram Fatepur, PO Anoopshahar,	1998-99	34,200.00
Awadh Grameen Vikas Sansthan, Vill. & PO-Dhammaur, Distt. Sultanpur.	1999-2000	22,500.00
Bhartiya Upbhokta Sanrakshan Samiti, L-124, Sector 11, Noida, Distt.-Gautam Budh Vihar.	1999-2000	25,500.00
Gram Vikas Seva Sansthan, Village Mannipur, PO Golabazar, Gorakhpur	1999-2000	22,500.00
Institute for Socio-Cultural and Rural Development, 32, Narendra Nagar, Unnao.	1999-2000	27,000.00

1	2	3
Janta Sewa Samiti, Vill. Pakarder, PO Mahson, Distt. Basti	1999-2000	31,500.00
Kalyan Shikha Seva Sansthan, At-Chaudah Meel, P.O.-Ghurwara, Distt-Rae Bareli,	1999-2000	22,500.00
Late Ramrakhar Randey Jan-Hitkari Kendra, Gram-P.O. Malokbari, Fatehpur-212658	1999-2000	22,500.00
Mahila Mandal Sewa Sansthan, 476, Ram Janki Nagar, Near Viveka Nand School, Basaratpur, Gorakhpur (UP)	1999-2000	18,000.00
Manishi Bal Vidya Mandir Samiti, 402/1, Sharma Sadan, Raj Colony, Jaunpur	1999-2000	27,000.00
Rasoolpur Latif Nagar, Paropkari Sanstha, Vill.-Rasoolpur, Post-Bhatgaon, Distt. Lucknow	1999-2000	22,500.00
Sangram Samai Seva Sansthan, Vill. & PO Betabar Kalan, Distt-Ghazipur	1999-2000	22,500.00
SHARP Development, L-124, Sector-XI, Noida-201301	1999-2000	27,000.00
<i>West Bengal</i>		
Chingurdania Vivekananda Chingurdania Vill. & PO, Midnapur Distt.	1997-98	38,700.00
Federation of Consumer Associations, West Bengal, 39, Shakespeare Sarani, Calcutta.	1997-98	49,500.00
Tarun Sangha, Vill. Phakirehak, PO Barabari	1998-99	45,000.00
Barachira Mitra Sangha Vill. Barachira, P.O. Rankinipur, Distt. Midnapore-721 659	1999-2000	22,500.00
Federation of Consumer Association, West Bengal, 39, Shakespeare Sarani, Calcutta-700 017	1999-2000	1,90,000.00

1	2	3
Federation of Consumer Association West Bengal, 39, Shakespeare Sarani, Calcutta-700017	1999-2000	4,41,000.00
Federation of Consumer Associations, West Bengal, 39, Shakespeare Sarani, Calcutta-700017	1999-2000	400,000.00
Better Business Bureau, A Society Incorporated, 39, Shakespeare Sarani, Calcutta-700017	2000-2001	5,00,000.00
Federation of Consumer Association, West Bengal, 39 Shakespeare Sarani, Calcutta-700017	2000-2001	5,00,000.00
Better Business Bureau, A Society Incorporated, 39, Shakespeare Sarani, Calcutta-700017	2000-2001	5,00,000.00
Nautanhat Hospital Para Khadi Unnyan Samiti, Nautanhat (WB)	2000-2001	40,000.00

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The activities funded from the CWF have been for the following purposes:—

- (1) Awareness and training programmes through seminars workshops and camps, cultural programmes like puppet shows and nukkad nataks, printing and distribution of leaflets, pamphlets and booklets amongst the public and advertisements in the form of banners and wall paintings.
- (2) Setting up of District Consumer Information Centres.
- (3) Setting up of food/consumer product testing laboratories.
- (4) Recently programmes have also been introduced for infrastructural development for promoting consumer education on a permanent footing and strengthening consumer organisations in each State @ 2 VCOs per State per year.

NATIONAL COOPERATIVE CONSUMERS FEDERATION OF INDIA LTD., NEW DELHI

Projected Cash Flow Statement for the Period from 2000-01 to 2005-06

(Fig. in lakhs of Rs.)

Particulars	Anticipated	Projections				
	Actuals 2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
1	2	3	4	5	6	7
Sources of Funds						
Share Capital						
- Government of India	0.00	0.00	0.00	0.00	0.00	0.00
- Others	6.00	5.00	5.00	5.00	5.00	5.00
Net Profit	300.00	300.00	400.00	475.00	525.00	550.00
Depreciation	11.00	11.00	10.00	15.00	20.00	20.00
Recovery of old dues, Advances from customers and other receipts	100.00	100.00	50.00	25.00	25.00	25.00
Cash Credit from banks	0.00	100.00	100.00	100.00	100.00	100.00
Total	417.00	516.00	565.00	620.00	675.00	700.00

1	2	3	4	5	6	7
Utilisation of Funds						
Redemption of Share Capital of Govt. of India	0.00	80.00	80.00	128.00	95.00	125.00
Repayment of Govt. loans						
WCTL - 1991	111.00	111.00	111.00	0.00	0.00	0.00
VRS - 1994	72.00	36.00	36.00	36.00	0.00	0.00
Interest on Govt. loans	100.00	40.00	24.00	7.00	0.00	0.00
UCO Bank	13.00	13.00	13.00	13.00	13.00	13.00
N.C.D.C.	18.00	17.00	16.00	15.00	14.00	13.00
Development activities (Margin money etc.)						
Fixed Assets	43.00	34.00	65.00	146.00	203.00	124.00
Provision for taxation	10.00	10.00	20.00	25.00	100.00	125.00
NTC	0.00	25.00	50.00	100.00	100.00	150.00
	50.00	150.00	150.00	150.00	150.00	150.00
Total	417.00	516.00	565.00	620.00	675.00	700.00

ANNEXURE II

NATIONAL COOPERATIVE CONSUMERS FEDERATION OF INDIA LTD., NEW DELHI

Projected work programme for the period from 2000-2001 to 2005-2006

Particulars	(Fig. in crores of Rs.)					
	Anticipated Actuals 2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
Sales	390.00	450.00	500.00	550.00	600.00	650.00
Margin	14.95	17.50	20.25	22.50	24.50	26.00
Expenditure						
Establishment Expenses	8.00	9.00	10.00	11.00	12.00	12.50
Administrative Expenses	2.00	2.50	2.75	3.00	3.25	3.50
Interest	0.85	1.50	1.50	1.25	1.00	1.00
Selling & Distribution Exps.	0.75	1.00	1.25	1.50	1.75	2.00
Other Expenses	0.35	0.50	0.75	1.00	1.25	1.50
Total Expenditure	11.95	14.50	16.25	17.75	19.25	20.50
Net Profit	3.00	3.00	4.00	4.75	5.25	5.50