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# STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2017-2018)

#### SIXTEENTH LOK SABHA

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

{Action Taken by the Government on the observations/ recommendations contained in the Sixteenth Report of the Committee (2016-17) on Demands for Grants (2017-18) pertaining to the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs)

#### **NINETEENTH REPORT**



# LOK SABHA SECRETARIAT NEW DELHI

**December, 2017/ Pausa, 1939 (Saka)** 

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Presented to Lok Sabha on 28.12.2017

Laid in Rajya Sabha on 28.12.2017



# LOK SABHA SECRETARIAT NEW DELHI

**December, 2017/ Pausa, 1939 (Saka)** 

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# Composition of the Standing Committee on Food, Consumer Affairs and Public Distribution (2017-18).

# Shri J. C. Divakar Reddy, Chairperson

#### **LOK SABHA**

- 2. Shri Anto Antony
- 3. Shri R. K. Bharathimohan
- 4. Shri Babu Lal Choudhary
- 5. Shri Sanjay Haribhau Jadhav
- 6. Shri Sukhbir Singh Jaunapuriya
- 7. Shri Dinesh Kashyap
- 8. Shri Bhagwanth Khuba
- 9. Shri Dharmendra Kumar
- 10. Shri Ravinder Kushwaha
- 11. Smt. Sakuntala Laguri
- 12. Dr. Swami Sakshiji Maharaj
- 13. Shri Sunil Kumar Mondal
- 14. Shri Kamlesh Paswan
- 15. Shri Ram Chander Paswan
- 16. Shri C. S. Putta Raju
- 17. Smt. Priyanka Singh Rawat
- 18. Shri Midhun Reddy
- 19. Shri Bhola Singh
- 20. Shri Shibu Soren
- 21. Shri Nandi Yellaiah

#### **RAJYA SABHA**

- 22. Shri Shadi Lal Batra
- 23. Smt. Misa Bharti
- 24. Shri Ripun Bora
- 25. Shri Vinay Katiyar
- 26. Smt. M. C. Mary Kom
- 27. Ms. Rekha
- 28. Shri Amar Shankar Sable
- 29. Shri Veer Singh
- 30. Shri Ravi Prakash Verma
- 31. Vacant

# **LOK SABHA SECRETARIAT**

- 1. Shri P.V.L.N. Murthy Joint Secretary
- 2. Shri Lovekesh Kumar Sharma Director
- 3. Shri Khakhai Zou Additional Director
- 4. Dong Lianthang Tonsing Executive Officer

INTRODUCTION

I, the Chairperson of the Standing Committee on Food, Consumer Affairs

and Public Distribution (2017-18) having been authorized by the Committee to

submit the Report on their behalf, present this Nineteenth Report on Action

Taken by the Government on the Observations/Recommendations contained in

the Sixteenth Report of the Committee (2016-17) on Demands for Grants

(2017-18) of the Ministry of Consumer Affairs, Food and Public Distribution

(Department of Consumer Affairs).

2. The Sixteenth Report was presented to Lok Sabha and laid in Rajya

Sabha on 20 March, 2017. The Government have furnished their replies

indicating Action Taken on the recommendations contained in the Report on

2 August, 2017.

3. The Report was considered and adopted by the Committee at their sitting

held on 23 October, 2017.

4. An analysis of the action taken by the Government on

Observations/Recommendations contained in the Report is given in **Appendix II**.

5. For facility of reference and convenience, the Observations/Comments of

the Committee have been printed in thick type in the text of the Report.

NEW DELHI; 23 October, 2017 1 Kartika, 1939(Saka) J.C. DIVAKAR REDDY, Chairperson, Standing Committee on Food, Consumer Affairs and Public Distribution.

#### **REPORT**

#### **CHAPTER - I**

This Report of the Standing Committee on Food, Consumer Affairs and Public Distribution deals with the action taken by the Government on the Observations/Recommendations contained in the Sixteenth Report of the Committee (2016-17), (16<sup>th</sup> Lok Sabha) on Demands for Grants (2017-18) pertaining to the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs)

- 1.2 The Sixteenth Report was presented to Lok Sabha and laid on the Table of Rajya Sabha on 20th March, 2017. It contained 15 observations/ recommendations. Action taken replies in respect of all the 15 observations/recommendations contained in the Report have been received and these have been categorized as follows:-
  - (i) Recommendations which have been accepted by the Government -

Para Nos.:- 3.9, 3.11, 3.52, 3.54, 3.55, 3.67, 3.92, 3.93, 3.108, 3.109.

(ii) Recommendations which the Committee do not desire to pursue in view of the replies received from the Government -

Para No .: - Nil

(iii) Recommendations in respect of which replies of the Government have not been accepted by the Committee -

Para No.:- 2.9.

(iv) Recommendations in respect of which the interim replies of the Government have been received -

Para No.: - 3.10, 3.53, 3.59, 3.81.

- 1.3 The Committee desire that action taken notes the on Observations/Recommendations contained in Chapter I and final replies in respect of recommendations for which only interim replies have been given by the Government, should be furnished to the Committee expeditiously. The Committee strongly emphasize that utmost importance should be given to the implementation of Observations/Recommendations accepted by the Government. In case where it is not possible for the Government to implement the recommendations in letter and spirit for any reason, the matter should be reported to Committee in time with reasons for nonimplementation.
- 1.4 The Committee will now deal with action taken by the Government on some of the recommendations.

# A. Need for proper utilization of funds

#### Recommendation (Para No. 2.9)

1.5 The Committee in their earlier report observed/recommended as follows:-

"The Committee note that the BE of 2016-17 under the plan scheme was Rs. 1050 crore and the same was raised to Rs. 3539 crore at RE stage but the Actual Expenditure was only Rs. 3481 crore. Similarly, in the case of Non-plan schemes also, the BE was Rs. 191.61 crore and it was raised to Rs. 271 crore at RE stage but again Actual Expenditure was Rs. 251.94 crore only. The Committee had earlier pointed out that such steep upward revision of Budgetary allocations at RE stage and then incurring less expenditure only indicate lack of proper planning at the initial stages and the technical excuses such as transfer from one major head to another, delay in registration of agencies/departments in the Public Financial Management System etc. not convincing to the Committee. The Committee, therefore, strongly recommend that all out efforts should be made to ensure that the entire budgetary allocations are properly utilized fully during the financial year itself so that the Schemes/Programmes of the Department are completed without any delay.

The Committee further note that the Department has been allotted Rs. 3705.65 crore under revenue and Rs. 21.35 crore under capital heads totalling Rs. 3727 crore for the year 2017-18. The allocation of Rs. 3705 crore under the revenue head includes Rs. 3500 crore towards Price Stabilization Fund. Keeping in view the fact that the Department of Consumer Affairs has been entrusted with the mandate of consumer advocacy, the Committee strongly urge the Department to strictly monitor the expenditure of funds from the initial stage itself so as to *ensure* that the entire budgetary allocation of the year is fully utilized."

#### 1.6 The Ministry in their action taken reply have stated as under:-

"The abovementioned figures were provisional only, since the figures were taken up-to January, 2017 only. The details of Budget Figures provided by the Principal Accounts Office are as under:

Head of Account	BE - 2016-17	RE- 2016-17	AE – 2016-17
PLAN	1050.00	3539.00	7022.02**
NON-PLAN	207.11	286.50	242.80

<sup>\*\*</sup> In the final batch of Supplementary Demands for Grants (2016-17), an amount of Rs. 3502.60 crore was allocated under PSF. The expenditure figure includes expenditure incurred out of the additional funds allocated."

1.7 The Committee had recommended in their original report that the Government should ensure that entire budgetary allocation are properly utilized fully during the financial year and expenditure strictly monitored from the initial stage itself. The Government in their Action Taken reply stated that as per the Principal Accounts Office the Plan Budget Estimate, Revised Estimate and Actual Expenditure figures for (2016-17) are Rs. 1050 crore, Rs. 3539 crore and Rs. 7022.02 crore respectively. Similarly, the Non-Plan figures for the same period are Rs. 207.11 crore, Rs. 286.50 crore and Rs. 242.80 crore respectively. An amount of Rs. 3503.60 crore was allocated under Price Stabilisation Fund (PSF) in the final batch of Supplementary DFG (2016-17).The expenditure figure includes expenditure

incurred out of the additional funds allocated. Thus, the Committee are constrained to state that the reply of the Government is out of sync with the Committee's basic focus on advance planning of expenditure in a phased manner out of the allocated funds. This reveals that more than half of the actual expenditure incurred of Rs. 7022.02 crore during 2016-17 was spent in the last guarter and that too on one single head viz. PSF. This only reflects total lack of planning with regard to proper utilization of allocated funds. They also opine that last stage/ quarter release of more than 50% of allocation for one single head of account speaks volumes of the manner in which funds are getting spent in the Department. They caution the Department to avoid such practices, it leads to improper utilization of funds within the limited time which in turn reflects poor monitoring of The Committee, therefore, reiterate earlier expenditure. their recommendation that fund utilization should be properly monitored right from initial stage. They desire to be apprised of the action taken to rectify this anomalous situation.

# B. Need for more funds for Consumer Rights Awareness Recommendation (Para No. 3.10)

#### 1.8 The Committee earlier observed/recommend as under:

"The Committee note that in the BE for 2017-18 Consumer Awareness (Publicity) has been fixed at Rs. 62.00 crore. The Committee, however, are dismayed to note that even after utilizing 86.87% the budget during 2016-17 (Rs. 52.12 crore out of Rs. 60 crore allocated), the Department has not been given a substantial increase in funds allocation under this scheme. The Committee understand the challenges of the Department in spreading consumer rights awareness among people and are of the view that a sustained national campaign is required to educate the consumers about their rights and welfare. The Committee further note that under this scheme, the Department also releases funds to States for educating consumers based on awareness programmes on local themes and other advertisements in local exhibitions, street plays, cultural functions etc. to educate the citizens about consumer rights. The Committee are of the firm view that the scheme of consumer rights awareness should be further strengthened for which allocation of more funds is required to spread the scheme to various parts of the country so that citizens are aware about their rights and the mechanism available for redressal of their grievances or complaints. The Committee, therefore, recommend that the Department should approach the Ministry of Finance for increased allocations for the scheme at the RE stage. They desire to be apprised of the steps taken in this regard with outcome thereof."

#### 1.9 The Ministry in their action taken reply stated as under:-

"The suggestions have been noted. At the time of Revised Estimates, Ministry of Finance would be approached for more funds for Consumer Awareness Campaign."

1.10 The Committee in their earlier report had recommended that the Government should approach the Ministry of Finance for increasing allocation from the Rs. 62 crore already allocated for this fiscal for Consumer Awareness (Publically). The Department of Consumer Affairs assured the Committee that they would approach the Ministry of Finance for more funds at the Revised Estimate stage. While appreciating the Commitment of the Government, the Committee desire to be apprised within 3 months the position obtaining at the RE stage as to the extent to which the demand for additional funds for the above purpose has been met by the Ministry of Finance vis-a-vis the additional amounts demanded.

# C. Need for improving backlog position of pending cases

### Recommendation (Para No. 3.53)

#### 1.11 The Committee earlier observed/recommend as under:

"The Committee note that as on 31.12.2016 the percentage of disposal of cases at the National, State and District Fora stands at 86.63%, 86.10% and 92.17% respectively with a total 415144 pending cases. They are further constrained to note that out of 658 District Fora, 624 are functional as on date and 98 posts of President and 310 posts of members are lying vacant in different District fora. The figure for State Commission is 1 and 20 respectively. They strongly feel that the vacancies need to be filled up in a time bound manner which would go a long way in reducing the pendency position. The Committee find that though the performance of the consumer fora in the country is more or less satisfactory as per records, however, they are constrained to observe that the grievances of consumers in various sectors of the economy are not being adequately addressed. The Committee, therefore, desire that the Department should urge upon the State Commission/District Fora to make every effort to dispose of the cases pending with them at the earliest.

The Committee further note that timely justice is essential for the consumers and disposal of cases in a reasonable time would inspire the confidence of consumers to get their grievances redressed by the various consumer fora and strengthen the consumer movement in the country. The Committee, therefore, strongly recommend that the Department of Consumer Affairs should strictly monitor the disposal of cases at regular intervals and offer necessary guidance to State and District Fora in expediting the disposal of cases.

They further recommend that the State Governments be impressed upon to fill up the vacancies in posts of President and Members in their respective States in time bound manner. This, according to them, would help in improving the backlog position of pending cases at various consumer fora."

## 1.12 The Ministry in their action taken reply stated as under:-

"As already replied earlier, it is submitted that as per the provisions of the Consumer Protection Act, 1986, it is the responsibility of the State Governments to fill up the vacancies of President and Member in the Consumer Fora in the States. The Central Government has been asking the State Governments from time to time to fill up the existing and anticipated vacancies well in time. The matter has also been taken up by the Minister of Consumer Affairs with the Chief Ministers.

Similarly, as regards disposal of cases in the Consumer Fora, as per the statutory provisions in the Consumer Protection Act, the National Commission has the power to generally oversee the functioning of the Consumer Fora. It calls for reports on pending cases from the consumer fora. In so far as the Central Government is concerned, it impresses upon the Consumer Fora through conferences held to expedite disposal of cases. DO letters from Secretary and Minister are also sent from time to time to the States emphasing this aspect. Recently, a videoconferencing was held during 20-22 June, 2017 with the Secretaries of Consumer Affairs of the State Governments by Union Secretary, Consumer Affairs where they were asked to look into this aspect.

It is further submitted that the Hon'ble Supreme Court in Civil Appeal No. 2740/2007 has constituted a three-member Committee under the Chairperson of Justice Arijit Pasayat to look into the functioning of the Consumer Fora in the country and to recommend measures for improvement of their functioning. The Committee would look into aspects such as physical infrastructure, manpower, operational problems etc. It already visited 19 states, has held meetings with the state govts. and state consumers disputes Redressal Commissions and issued direction to 12 states for improving the functioning of Consumer Fora in the states."

1.13 The Committee had recommended that the Department may urge upon the State Commissions/ District Fora to make every effort to dispose of cases pending with them totaling 415144 cases. They also recommended strict monitoring of the disposal of cases at regular intervals and also for impressing the State Governments about the need for improving backlog position of pending cases at various consumer fora. In reply, the Department of Consumer Affairs have stated, inter-alia, that DO letters from Department Secretary and Minister had been sent to States from time to time emphasizing this aspect. The Department further informed that a three member Committee under the Chairmanship of Justice Arijit Pasayat was constituted to look into and to recommend measures for improvement in the functioning of consumer fora. The Committee may be apprised about

the responses on the DO letters written by Secretary and Minister. Also, the Committee would like to be specifically informed of the status of work done by the three member Committee including the major recommendations made and the action taken or proposed to be taken by the Government on the recommendations within a month of the presentation of this Report.

# D. Need for early computerisation of all Consumer Commissions/Fora Recommendation (Para No. 3.55)

#### 1.14 The Committee earlier observed/recommend as under:

"The Committee note that the scheme of Computerization and Computer Networking of Consumer Fora in the country (CONFONET) was launched in March, 2005. Under the scheme, the consumer fora at all the 3 tiers were to be fully computerized to enable access to information and quicker disposal of cases. Hardware, software and technical manpower are provided to the Consumer Forum. An On-line Case Monitoring System Application has also been developed in NCDRC, 34 State Commissions and 580 District Consumer Fora/Circuit Branches.

The Committee note that against the target of computerization of 617 Consumer Fora, during 2016-17, hardware had been supplied to 568, manpower was provided to 554 and 546 consumer fora are using on-line case monitoring system. The Committee observe that in this age of computerization and with the Government initiative for Digital India, the Department should take up the computerization of consumer fora in right earnest and complete them quickly so that the entire consumer movement would get a fillip to its activities. The Department should not waste any more time to get the last ten years' efforts in computerization reviewed by an independent evaluation agency and complete computerization of the remaining consumer fora in a time bound manner The work should be completed during the current year and in any case not beyond 2018-19. If need be the matter should be pursued through video conferencing or other means too.

The Committee note that for using the On-line Case Monitoring System Application, internet connectivity is required at the Consumer Forum. However, due to non-receipt of contact details and site readiness confirmation of internet connection the system could not be done. The Committee recommend that the Department should hold review meetings with concerned States and such issues be resolved at the earliest so that the On-line Case Monitoring System can be used by all Consumer Fora uninterruptedly. The Department should, if needed, seek the assistance of the Ministry of Information Technology in this regard to set up and maintain the OCMS application effectively."

#### 1.15 The Ministry in their action taken reply stated as under:-

"It is submitted that against the target of computerization of NCDRC, 35 State Commissions & 617 District Consumer Fora (DCF) including Circuit Benches (CB) /additional benches-

 Hardware has been supplied to NCDRC, 34 State Commissions and 593 DCFs/CBs. List of 25 remaining locations which are pending is attached at Annexure-I.

- Manpower has been deployed at NCDRC, 33 State Commission & 573 DCFs/CBs.
- During 12<sup>th</sup> plan scheme (01-04-2012 to 30-04-2017), 34 State Commissions and 553 DCFs including CBs were found operational in OCMS. List of locations where no entry is found during April, 2012 to April,2017 in OCMS is attached at **Annexure-II**.
- Detailed status is mentioned at Annexure-III.

`Department took a review meeting through Video Conferencing on 5<sup>th</sup> May, 2017 to discuss the issue and asked the States to get the pending sites ready at the earliest & to explore the local best available option either through local service provider or through SWAN to provide Internet connectivity to the concerned consumer forum.

For the locations in North-eastern States where there is no filing of cases, Department has also asked to the concerned States to create awareness among the people so that they can approach the consumer fora in case of any grievances. States were also asked to fill up the vacant positions in the consumer fora and to send necessary proposal to the Department, if any support is required from the Department to get the Confonet operational at all the locations.

Senior Officers of NIC Headquarters also visited Bihar State Commission & District Consumer fora of Patna, Muzzafarpur and Vaishali on 25<sup>th</sup> -26<sup>th</sup> May, 2017 to review the implementation of Confonet scheme."

1.16 The Committee had earlier recommended that in view of the Government's initiative on Digital India, the Department should not waste any more time to review the last 10 years' efforts in computerization and complete computerization of the remaining consumer fora in a time bound manner. In their reply, the Department stated that they held a review meeting through video-conferencing on 5th May, 2017 where States were asked to get the pending sites ready at the earliest and explore the local best available option. Against the target of computerization, NCDRC, 35 State Commissions and 617 District Fora (DCF) including Circuit Branches (CB) hardware has been supplied at NCDRC, 34 State Commissions and 593 DCFs/CBs.The figures about deployment of manpower is NCDRC, 33

State Commissions and 573 DCFs/CBs. Senior officers of NIC Headquarters also visited Bihar State Commission and District Fora of Patna, Muzaffarnagar and Vaishali on 25 to 26 May, 2017 to review the implementation of CONFONET Scheme. The Committee may be apprised of the outcome of the video-conferencing held on 5 May, 2017 along with the state of affairs as reported by the officers of NIC after their visit to Bihar in May, 2017 including the action taken thereafter as a corollary to the video-conferencing and visit of NIC Officers.

# E. Need for Training to Legal Metrology Officers

# Recommendation (Para No. 3.59)

#### 1.17 The Committee recommended in the earlier Report as follows:-

"The Committee note that the Legal Metrology Division of the Department of Consumer Affairs oversees the implementation of the Legal Metrology Act, 2009 to protect consumer interest. Against provision of Rs. 39 crore only Rs. 12.7 crore was spent in the year 2016-17. The Ministry stated that this was due to non-supply of equipment by DGS&D and functional head problem. Now some of the equipments are being procured through Government of India Mint. This indicates the lack of proper planning and foresight at the planning stage. The Committee expect that this time the Government would have weighed the pros and cons before awarding the contract / task to the Government Mint. Otherwise the decision be once again reconsidered to ensure that targets are met and construction of laboratories and capacity building of officers fulfilled. The Committee also hope that funds allocated to the scheme of 'Weights and Measures' during the current year 2017-18 of Rs. 28 crore would be judiciously utilized in time without compromising on quality. They desire to be informed of the progress made in this regard."

## 1.18 The Ministry in their action taken note stated:-

"Out of Rs. 39 crore BE, RE was Rs. 28 crore. For strengthening of Legal Metrology infrastructure of States/UTs, expenditure was Rs. 21.72 crore and for strengthening of RRSL and IILM, Ranchi, expenditure was Rs. 5 crore. Therefore, total expenditure in plan was Rs. 26.7 crore.

During this financial year 2017-18 it will be ensured that funds allocated for procurement of equipment, construction of laboratory buildings and capacity building of Legal Metrology Officers of States/ UTs/ UOI will be judiciously utilized in time without compromising on quality.

The DGS&D has recently started a new portal GeM for procurement to be made by Government Departments. DGS&D has already been requested to bring the equipment required for Legal Metrology on this portal to setup the infrastructure as envisaged in the plans in a time bound manner. The Department will closely monitor the progress of implementation and will make every sincere effort to get the funds utilised. The possibility of floating of tenders by this Department itself will also be considered, if need be.

All sincere efforts will be made with CPWD for establishment of two new RRSLs at Varanasi, Uttar Pradesh and Nagpur, Maharashtra.

The Legal Metrology Officers of States/ UTs/ UOI will be trained at National Physical Laboratory, New Delhi, Fluid Control Research Institute, Palakkad and other Institutes of National and International repute to enhance their technical capabilities."

1.19 The Committee had recommended in their original report that the Government should ensure that targets for capacity building of officers of Legal Metrology are fulfilled. The Committee note from the reply of the Government that Legal Metrology Officers of States/UTs/UOI will be trained at national Physical Laboratory, New Delhi, Fluid Control Research Institute, Pallakkad and other Institutes of repute to enhance their technical capabilities. The Committee desire that the duration and timeline drawn for imparting training to Legal Metrology Officers be intimated to the Committee. They further desire to be apprised of the current status and timelines fixed for establishment of new RRSLs at Varanasi and Nagpur.

#### F. Need for test facilities in NTH establishments

# Recommendation (Para No. 3.67)

## 1.20 The Committee recommended in the earlier Report as follows:-

"The Committee note that a plan schemes for construction/enhancement of test facility and buildings is under implementation at regional centers of National Test House such as Mumbai, Jaipur, Chennai, Kolkata and Guwahati and projects in Jaipur and Chennai run behind schedule. The CPWD authorities blamed unavailability of funds. Construction works of one additional floor over the existing Laboratory Building at NTH Centres like Jaipur and Chennai are still unfinished.

The Committee note that the funds projected for BE 2017-18 is Rs. 20 crore for construction of one additional floor at NTH, Jaipur and also Phase – II building at Mumbai and impulse voltage at Chennai alongwith testing of packaged drinking water in all the regional centers, testing distributive transformers and completion of testing facilities for LED based Luminaries are all on the agenda for the current financial year 2017-18. Since 2017 is the last year of 12<sup>th</sup> Five Year Plan, it should be ensured with the coordination of CPWD as to *complete the maximum possible work in this financial year* by them and accordingly Ministry of Finance should be approached for higher allocation of funds, if need be, for this purpose. The Committee recommend that adequate funds be allocated for construction of laboratories which could be utilized for testing services for consumers. They also desire that these constructions should be completed in the current fiscal year 2017-18.

The Committee also note that the Department is in the process of installing testing facilities for packaged drinking water, distributive transformers and LED based luminaries, all of which is for the benefit of the consumers. The committee desire the Department to complete such installation in a time bound manner in the larger interest of the consumers so as to make the facilities fully functional."

#### 1.21 The Ministry in their action taken note stated:-

#### " Co-ordination with CPWD:

In order to strengthen Co-ordination between the National Test House & CPWD, one Nodal Officer has been appointed by NTH from each Regional Centre. The Nodal Officers regularly co-ordinate with the CPWD authorities and monitor the progress of the Constructions. They also co-ordinate with the Local Authorities and try to resolve issues arising in connection with the constructions.

#### Allocation of additional funds

The SFC approved projects for Mumbai (Rs. 25.26 Cr), Chennai (Rs. 6.62 Cr) & Jaipur (4.58 Cr) for 12<sup>th</sup> plan. There was a Gap between the Funds Allocated in the Financial Year of 2016-17 and that of the demand raised by the CPWD authorities and also as approved in 12<sup>th</sup> plan. Hence the project could not be completed in 2016-17. CPWD demanded Rs. 22 crore but only Rs. 4 crore was allocated. However, CPWD Authorities at Chennai & Mumbai have indicated that the construction may be completed within the current financial year of 2017-18 provided the demand of funds raised by them to the tune of Rs. 12.66 crore over and above Rs 7 crore allotted during the current financial year 2017-18 is met at the earliest. NTH has been allocated a fund of Rs. 20.00 crore during the financial year 2017-18. Out of Rs. 20 crore, 7 crore is earmarked for authorization for civil and electrical work. The balance requirement of Rs. 12.66 crore will be projected at RE stage.

#### Installation of Test facilities for

# (a) Packaged Drinking Water:

Test facilities at NTH, Kolkata are made functional.

"Ion Chromatograph" for NTH, Guwahati has been purchased from abroad and received. Complete test facilities for testing of Packaged Drinking Water will be available at NTH, Guwahati in Financial Year 2017-18.

all the test facilities are available except identification of Bromate for which one equipment, viz. is required. For this, the Technical Specification for "Ion Chromatograph" and for NTH, Jaipur & NTH, Ghaziabad has been approved by National Physical Laboratory New Delhi. At present the Test Houses are outsourcing the work to NTH, Kolkata. Construction of Microbiology Spectrometer" lab at NTH Chennai has been completed. "Gas Chromatograph Mass is being procured during 2017-18.

#### (b) LED based luminaries:

One equipment viz. "Goniophotometer with Spectroradiometer" has been received by NTH, Kolkata in March 2017. A dedicated laboratory space of 24 m (L) x 6 m (W) x 7 m (H) is likely to be completed within three months. Letter of Credit for supply of another equipment viz. "Integrating sphere with Tri-Stimulus Colorimeter" will be placed shortly, which could not be done last year. The

entire laboratory is expected to be functional during the current Financial Year 2017-18.

# (c) Distribution Transformers:

NTH, Ghaziabad is already equipped with full test facilities except "Short Circuit Tests". Creation of **complete test facilities for "Distribution Transformers"** involves a huge expenditure of around Rs. 70 Crores. A proposal from NTH has been placed before the Department of Heavy Industries, New Delhi, in March 2017, through DoCA, for funding the project for creation of **complete test facilities for "Distribution Transformers" at NTH, Kolkata; Short Circuit Test facility for Transformers at NTH, Ghaziabad** (Ghaziabad has other test facilities but for this) and for creation of **complete test facilities at NTH, Chennai** once the "Impulse Generator Laboratory" building is completed at Chennai."

1.22 The Committee had recommended in the original report that the Department should complete installation of test equipments in a time bound manner to make them fully functional. The Department of Consumer Affairs in their Action Taken Reply, has stated that Ion Chromatograph in NTH Guwahati is awaiting arrival of accessories to remain functional; the work in NTH, Jaipur and Guwahati are outsourced to NTH Kolkata pending procurement of own Ion Chromatograph; and Gas Chromatograph Mass is being procured in NTH Chennai. With regard to LED based luminaries the Committee is informed that Goniophotometer with Spectroradiometer was received in March, 2017 and lab space refurbished in NTH Kolkata. Also, letter of credit for supply of integrating sphere with Tri-Stimulus Coloriometer is being placed. And the entire lab is expected to start functioning in 2017-18. Also, a proposal for creation of complete test facilities for Distribution Transformers at NTH Kolkata, Short Circuit Test facilities for transformers at NTH Ghaziabad and for creation of complete test facilities at NTH Chennai has been placed. The Committee feel that the

replies are vaguely and generally phrased instead of furnishing categorical answers/ complete information. They would like to be informed of the status of the works in progress and timelines fixed, if any, for procurement, completion, installation, putting to functionality etc. in respect of the above mentioned projects under implementation.

# G. Need for review of the Scheme of Gold Hallmarking

# Recommendation (Para No. 3.81)

#### 1.23 The Committee earlier recommended as follows:-

"The Committee would expect the Department of Consumer Affairs to ensure completion of the centres of hallmarking scheme in time and take necessary steps to improve its functioning among the consumers and traders. The Committee desire that the Government should take corrective action wherever required as suggested by the reviewing agency viz. IIPA, New Delhi which is scheduled to complete its evalution study by August, 2017. They would like to be apprised of the action taken alongwith major outcomes of the evaluation study at an early date."

# 1.24 The Ministry in their action taken reply stated as noted below:-

"Based on the result of the audits and samples drawn and if shortage of purity is observed appropriate action against A&H Centre is taken which includes imposing stop marking, penalty or de-recognition of the A&H Centre.

The evaluation study is expected to be completed by 31<sup>st</sup> Aug. 2017. The outcome of the study and the action taken on the recommendations would be informed in due course."

1.25 The Committee had expressed concern with the less then satisfactory working of the Assaying & Hallmarking (A&H) Centres and recommended that corrective action be taken. The Government, in their Action Taken Reply has stated that based on the results of the audits and samples drawn and if shortage of purity is observed, appropriate action against A&H Centre is taken which includes imposing stop marking, penalty or de-recognition of the A&H Centre. The evaluation study was to be completed by 31st August, 2017. The Committee desire that the outcome of the study and the action taken on the recommendations should be informed within a month of presentation of this Report.

# H. Need for effective implementation of the relevant Acts.

## (Recommendation Para No. 3.92)

#### 1.26 The Committee earlier recommended as follows:-

"The Committee note that the Department is implementing the scheme of Price Monitoring Cell to strengthen the existing mechanism of price monitoring, both at the centre and States. The Committee further note that at the 3rd National Consultation Meeting of Food Ministers of State Governments chaired by the Union Minister for Consumer Affairs, Food and Public Distribution, an action plan consisting 18 actions for the States/ UTs such as strengthening cold storage chains for perishable food items, rationalising stock limits on pulses for millers, reform in Agriculture Market laws, exemption of VAT and local taxes etc. were concluded. The Committee expect that the Department would closely follow up with the States/UTs to effectively implement all the Action Plans finalised in the National Consultation Meeting in the interest of consumer. The Committee further note that the Department of Consumer Affairs issues advisories and requests States/UTs to implement the Essential Commodities Act, 1955. However, it is obvious from the statement of Action Taken by the States/UTs under the Act, that the provisions of the Act have not been evenly or properly implemented by the States/UTs. During the 2016 no raids were conducted in Arunachal Pradesh, Lakshadweep, Manipur, Nagaland and Dadra and Nagar Haveli. In Delhi, there was one arrest but no prosecution. In Himachal Pradesh, there were 29290 raids, no arrests, no prosecution and no conviction, but goods worth Rs. 94.44 lakh were confiscated. And in Chandigarh, during the same period there was no raid and no arrests. But the authorities made three (3) prosecution and one(1) conviction. The Committee, therefore, recommend that the Commodities Act, 1955 be got implemented evenly and properly in all States/UTs so that adverse comments/observations from the competent judicial bodies are avoided as also preventing the offenders go scot free in the absence of proper implementation of the provisions of the EC Act, 1955."

#### 1.27 The Ministry in their action taken reply to have stated as under:-

"Ensuring adequate availability of essential commodities is a priority agenda for the Government. In this context, the Government is already implementing two crucial Acts i.e. The Essential Commodities Act, 1955 and Prevention of Black-Marketing and Maintenance of Supplies of Essential Commodities Act 1980 through the States/UTs, under entry 33 of the concurrent list and powers delegated to them vide order dated 09.06.1978. The primary objective of these Acts is to ensure adequate availability of essential

commodities, especially to those sections belonging to Below Poverty Line (BPL), at fair prices.

From time to time Central Government issues advisories and requests States/UTs to implement these Acts effectively. States/UTs submit the action taken report on implementation of EC Act, 1955 & PBM Act, 1980 to Central Government on monthly basis. A copy of Action taken report for the year 2016 & 2017 is placed at Annexure- IV. Hon'ble Minister of Consumer Affairs, Food and PD also advised all Chief Ministers to take action on the decisions taken unanimously in the National Consultation Meeting-2016. So far 17 States/UTs have furnished their action taken report on the action plan concluded in the NCM 2016, a compiled copy of which is placed at Annexure-V."

1.28 The Committee had recommended that States/UTs should implement the EC Act, 1955 and PBM Act, 1980 effectively. Furnishing of action taken report by the States under the Acts, the Department of Consumer Affairs has stated that from time to time Central Government issues advisories and requests to States/UTs to implement these Acts effectively. However, the information forwarded to the Committees is still not free of paradoxes. For example, there is an instance of conviction without prosecution in the State of Rajasthan. The Committee, therefore, desire the Department to verify data from the concerned Departments of the State Governments before forwarding the same to them in future.

# I. Need to avail of facilities under CWF by Consumers

# (Recommendation Para No. 3.108)

1.29 The Committee in their earlier report observed/ recommended as follows:-

"The Committee note that the Department of Consumer Affairs grants funds to voluntary consumer organisations (VCOs)/Non government organisations (NGOs) to promote and protect the welfare of consumers, create consumer rights awareness, strengthen consumer movement and undertake comparative testing of products and services so as to provide consumers with correct information at the right time. The committee also note that 24 proposal for financial assistance have been received for the year 2017-18. They desire that utmost care should be taken to ensure that the funds are productively utilized for the benefit of the consumers. Also social audit of the funded NGOs/VCOs may also be institutionalised before fresh funds are released. They also desire the Government to ensure that codal formalities be completed by the funded organisations at the earliest."

1.30 The Ministry in their action taken reply to have stated as under:-

"The recommendations of the Committee have been noted."

1.31 The Committee had recommended for the institutionalization of social audit of the NGOs/VCOs before release of fresh funds and also desired completion of codal formalities by funded organization. In their Action Taken reply, the Department stated that the recommendations of the Committee have been noted without indicating if any action is being initiated. The Committee are dissatisfied with the non-committal and general reply of this nature as no step whatsoever seem to have been taken by the Department even after more than four months have lapsed. The Committee are constrained to observe that their comments on this sort of replies contained in many of their earlier Reports are not being taken

seriously by the Department and similar practices are continuing. They once again at the cost of sounding repetitive, caution the Department to desist from furnishing replies to their recommendations in similar nature. They desire the Department to apprise them of the necessary steps initiated to institutionalize the social audit of NGOs/VCOs and also complete the codal formalities for funding of NGOs/VCOs at an early date.

# J. Need for States to avail corpus fund from CCWF

#### (Recommendation Para No. 3.109)

1.32 The Committee in their earlier report observed/ recommended as follows:-

"The Committee also note that under the corpus fund scheme, eleven states have availed of funds from the Central Consumer Welfare Fund (CWF). The Committee hope that the consumer welfare will be further strengthened by those States by fruitful utilization of funds by setting up Grahak Suvidha Kendras, facilitating centres, consumer education, counseling and mediation, grievance Redressal etc. in the respective States. They also urge the Government to make all efforts to convince more States/UTs to avail of the same which would ensure that the institution of consumers rights protection become more federal and self sustaining. Action taken in the matter may be intimated to the Committee with in three months time."

# 1.33 The Ministry in their action taken reply to have stated as under:-

"Under the corpus fund scheme, 13 states have availed of funds from the Central Consumer Welfare Fund (CWF) as on 20.04.2017. D.O letter dated 17.02.2017 has been written by Secretary (CA) to different States who have not submitted proposal for availing Corpus Fund."

1.34 The Committee had recommended in their original report that States/UTs which have not availed of the corpus fund from CWF be convinced to avail of the same under which States/UTs wishing to set up Grahak Suvidha Kendras etc. are supported by the Central Government by contribution of either 75% or 90% as the case may be. The Ministry have stated in their reply that 13 States have availed of funds from the CWF as on 20.04.2017. The figure was 11 in the month of March, 2017. A DO letter dated 17.02.2017 in the matter was also written by the Secretary (Consumer Affairs) to different States who have not submitted proposals. The

Committee desire that remaining States may also be persuaded to submit proposals. They may also be informed about the number of Grahak Suvidha Kendras/Zonal Consumer Helplines set up by the States. The state-wise response with reference to D.O. letter dated 17.02.2017 may also be intimated to the Committee.

#### CHAPTER II

# OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

#### Recommendation (Para No. 3.9)

2.1 "The Committee note that one of the important functions of the Department of Consumer Affairs is protection of consumer interest/welfare and the scheme of consumer awareness is a step in that direction. With a population of more than 125 crore people, the job of creating consumer awareness will be a challenging task more so with the diversities on account of language, socioeconomic profile, gender and demographic profile of the country. The Department has been carrying out 'Jago Grahak Jago' campaign on various issues relating to consumer rights and responsibilities across diverse subjects. The Committee also note that the Department has recently launched 'Joint Publicity Campaigns' in key sectors in partnership with other related Government Departments/Organizations like National Pharmaceuticals Pricing Authority (NPPA). These joint campaigns are made through various electronic and print media such as television, radio, newspapers and outdoor advertisements. The Committee while appreciating the Department for taking several steps to create awareness of consumers, desire that such efforts be made more result oriented."

#### **Reply of the Government**

2.2 "The suggestions have been noted. Within the budget allocations, all out efforts are made to reach to consumers across sections of society and in different parts of the country by using different platforms such as outdoor publicity, print advertisements, Television, Radio, social media etc. Efforts are being made to strengthen Joint campaign by collaborating with other Departments."

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#### Recommendation (Para No. 3.11)

2.3 "The Committee also note that there are network of Consumer Courts/Fora, gold hallmarking and assaying centers and laboratories for the consumers to seek justice against traders and service providers. There is also a prospect of consumer being able to file cases online. The Committee have apprehensions of the masses/consumers being unaware of such facilities. They,

therefore, recommend that the regular advertisement and publicity campaigns should invariably and specifically be highlighted the existence of such facilities."

#### **Reply of the Government**

2.4 "The suggestions have been noted and the Department has started working in this area."

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#### Recommendation (Para No. 3.52)

2.5 "The Committee note that the Department of Consumer Affairs administers Consumer Protection Act, 1986. Under Consumer Protection Unit various schemes/projects are being implemented to improve the functioning of consumer fora. A scheme for Strengthening Consumer Fora Phase-II, a scheme for Computerization and Networking namely CONFONET, State Consumer Helplines are some of the important programmes being implemented under Consumer Protection Unit. The Budget allocated under this scheme during the year 2017-18 is Rs. 32.00 crore. The Committee note that during 2016-17, the Department had allocated Rs. 33.00 crore for Consumer Protection Schemes and incurred actual expenditure of Rs. 7.42 crore (upto 31.01.2017) indicating a utilization of 22.5%. The Committee are of the view that Consumer Protection is a very important component of the Department of Consumer Affairs and the strengthening of various consumer fora envisaged under this scheme are very essential. They, therefore, recommend that the Department should leave no stone unturned to ensure that the implementation of the scheme is closely monitored at all times so that administrative and legal mechanism are within easy reach of consumers as early as possible."

# **Reply of the Government**

2.6 "This Department has been making sincere efforts to utilize the funds allocated for strengthening Consumer Fora. In the financial year 2015-16, the position of release of funds for strengthening Consumer Fora was quite satisfactory.

As per the provisions of the Consumer Protection Act, 1986, it is the responsibility of the States to establish State Commissions and District Fora in the State and consequently, provide physical infrastructure and manpower etc to these Fora. However, to supplement the efforts of the States, the Central

Government has been providing financial assistance under the scheme "Strengthening Consumer Fora" for construction of buildings of Consumer Fora and also for non-building purpose. Release of grants under the scheme "Strengthening Consumer Fora" depends on proposals from the State Governments, which should be complete in all respects. It is not possible to release further grants to those States which have not fully utilized the previous grants and have not furnished Utilization Certificates. In addition, some States find it difficult to allot land for construction of building of Consumer Fora and therefore, do not forward any proposal for financial assistance from the Central Government.

There were some problems in the financial year 2016-17 relating to release of funds to the States/UTs. Based on instructions from the Ministry of Finance, initially funds under heads 3601/3602 were not released as funds from these heads were to be reflected under sub-head '3456' and re-appropriation orders in this regard were issued in the last week of October, 2016. Further, as per instructions, funds were to be released directly to Implementing Agencies. Though the States were asked to name the Implementing Agencies, not many States responded. This condition was relaxed in March, 2017 only. Further, there were only a few proposals from States.

Despite these problems, after persuasion with the States, a grant of Rs 965.75 lakh could be released by the end of the financial year 2016-17."

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# Recommendation (Para No. 3.54)

2.7 "The Committee furthermore note that unspent balances under Consumer Protection Unit for 2015-16 and 2016-17 stand at Rs. 1.49 crore and Rs. 25.58 crore respectively. This is mainly due to non-settlement/non-submission of utilization certificates in respect of previous year's grants. The Committee find that between these two years, unspent balances increased by about Rs. 24.09 crore. The figure for the years 2014-15 and 2015-16 was Rs. 15 crore. They desire the Department to take up this matter of unspent balances and non-receipt of utilizations certificates earnestly with all concerned States to rectify the anomalous situation. They are of the firm view that rising unspent balances would result in lesser allocations in succeeding years which in turn would weaken the consumer movement in the country resulting in increasing pendency of cases etc. They desire to be apprised of the steps taken in this regard."

# Reply of the Government

2.8 "The Department of Consumer Affairs is very much concerned with the pending utilisation certificates from the States in respect of grants released under different schemes. This Department has been writing to the State Governments from time to time to utilise the grants already released and to furnish utilisation certificates along with fresh proposals for further financial assistance. In addition, the State Governments are advised of the problem of pending UCs and the need to submit the same is impressed upon through National Level Consultation meeting every year. The officers of the Department have also been visiting different States to discuss the problems faced by the State Governments in the implementation of the schemes and to review the utilisation position of the grants. Videoconferencing was held by Union Secretary, Consumer Affairs during 20-22 June, 2017 with the Secretaries of Consumer Affairs of the State Governments, where they have been asked to look into this.

The Department is making serious efforts in this regard and would continue to do so."

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# Recommendation (Para No. 3.55)

2.9 "The Committee note that the scheme of Computerization and Computer Networking of Consumer Fora in the country (CONFONET) was launched in March, 2005. Under the scheme, the consumer fora at all the 3 tiers were to be fully computerized to enable access to information and quicker disposal of cases. Hardware, software and technical manpower are provided to the Consumer Forum. An On-line Case Monitoring System Application has also been developed in NCDRC, 34 State Commissions and 580 District Consumer Fora/Circuit Branches.

The Committee note that against the target of computerization of 617 Consumer Fora, during 2016-17, hardware had been supplied to 568, manpower was provided to 554 and 546 consumer fora are using on-line case monitoring system. The Committee observe that in this age of computerization and with the Government initiative for Digital India, the Department should take up the computerization of consumer fora in right earnest and complete them quickly so that the entire consumer movement would get a fillip to its activities. The Department should not waste any more time to get the last ten years' efforts in computerization reviewed by an independent evaluation agency and complete computerization of the remaining consumer fora in a time bound manner The

work should be completed during the current year and in any case not beyond 2018-19. If need be the matter should be pursued through video conferencing or other means too.

The Committee note that for using the On-line Case Monitoring System Application, internet connectivity is required at the Consumer Forum. However, due to non-receipt of contact details and site readiness confirmation of internet connection the system could not be done. The Committee recommend that the Department should hold review meetings with concerned States and such issues be resolved at the earliest so that the On-line Case Monitoring System can be used by all Consumer Fora uninterruptedly. The Department should, if needed, seek the assistance of the Ministry of Information Technology in this regard to set up and maintain the OCMS application effectively."

## **Reply of the Government**

2.10 "It is submitted that against the target of computerization of NCDRC, 35 State Commissions & 617 District Consumer Fora (DCF) including Circuit Benches (CB) /additional benches-

- Hardware has been supplied to NCDRC, 34 State Commissions and 593 DCFs/CBs. List of 25 remaining locations which are pending is attached at Annexure-I.
- Manpower has been deployed at NCDRC, 33 State Commission & 573 DCFs/CBs.
- During 12<sup>th</sup> plan scheme (01-04-2012 to 30-04-2017), 34 State Commissions and 553 DCFs including CBs were found operational in OCMS. List of locations where no entry is found during April, 2012 to April, 2017 in OCMS is attached at **Annexure-II**.
- Detailed status is mentioned at Annexure-III.

`Department took a review meeting through Video Conferencing on 5<sup>th</sup> May, 2017 to discuss the issue and asked the States to get the pending sites ready at the earliest & to explore the local best available option either through local service provider or through SWAN to provide Internet connectivity to the concerned consumer forum.

For the locations in North-eastern States where there is no filing of cases, Department has also asked to the concerned States to create awareness among the people so that they can approach the consumer fora in case of any grievances. States were also asked to fill up the vacant positions in the consumer fora and to send necessary proposal to the Department, if any support is required from the Department to get the Confonet operational at all the locations.

Senior Officers of NIC Headquarters also visited Bihar State Commission & District Consumer fora of Patna, Muzzafarpur and Vaishali on 25<sup>th</sup> -26<sup>th</sup> May, 2017 to review the implementation of Confonet scheme."

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#### **Comments of the Committee**

(Please see Para No. 1.16 of Chapter - I of the Report)

#### Recommendation (Para No. 3.67)

2.11 "The Committee note that plan scheme for а construction/enhancement of test facility and buildings is under implementation at regional centers of National Test House such as Mumbai, Jaipur, Chennai, Kolkata and Guwahati. The Committee also note that the projects in Jaipur and Chennai run behind schedule. The building was slated to be completed by the financial year 2016-17. It is stated that the respective CPWD authorities are unable to accelerate their activities due to unavailability of funds. Construction of one additional floor over the existing Laboratory Building at NTH (NWR), Jaipur, was initiated in the year 2013-14 which was said to be on the verge of completion last year but is still incomplete. Further, the pace of construction of the Impulse Voltage Laboratories at NTH (SR), Chennai also initiated during 2014-15 is said to have suffered due to shortage of fund.

The Committee note that the funds projected for BE 2017-18 is Rs. 20 crore for construction of one additional floor at NTH, Jaipur and also Phase - II building at Mumbai and impulse voltage at Chennai alongwith testing of packaged drinking water in all the regional centers, testing distributive transformers and completion of testing facilities for LED based Luminaries are all on the agenda for the current financial year 2017-18. The Committee feels that the pace of construction by CPWD is very slow and there is lack of coordination between the two Departments. Since 2017 is the last year of 12<sup>th</sup> Five Year Plan and at some place most of the work has been completed it should, therefore, be ensured with the coordination of CPWD as to complete the maximum possible work in this financial year by them and accordingly Ministry of Finance should be approached for higher allocation of funds, if need be, for this purpose. The Committee recommend that adequate funds be allocated for construction of laboratories which could be utilized for testing services for consumers. They also desire that these constructions should be completed in the current fiscal year 2017-18.

The Committee also note that the Department is in the process of installing testing facilities for packaged drinking water, distributive transformers and LED based luminaries, all of which is for the benefit of the consumers. The committee desire the Department to complete such installation in a time bound manner in the larger interest of the consumers so as to make the facilities fully functional."

#### **Reply of the Government**

#### 2.12 "Co-ordination with CPWD:

In order to strengthen Co-ordination between the National Test House & CPWD, one Nodal Officer has been appointed by NTH from each Regional Centre. The Nodal Officers regularly co-ordinate with the CPWD authorities and monitor the progress of the Constructions. They also co-ordinate with the Local Authorities and try to resolve issues arising in connection with the constructions.

Regional In-Charges regularly hold meetings with the CPWD authorities and try to resolve issues which may hinder the progress of the work. DG-NTH regularly visits the Regional Centres to review the performance of the Regions. He holds meetings with Higher Officers of the respective CPWD to review the progress of construction and resolve issues related to the constructions, within the powers vested with him. Department of Consumer Affairs (DoCA) is regularly monitoring the progress of the construction. The collective effects of the efforts have resulted in significant progress in the pace of construction of the respective projects.

#### Allocation of additional funds

The SFC approved projects for Mumbai (Rs. 25.26 Cr), Chennai (Rs. 6.62 Cr) & Jaipur (4.58 Cr) for 12<sup>th</sup> plan. There was a Gap between the Funds Allocated in the Financial Year of 2016-17 and that of the demand raised by the CPWD authorities and also as approved in 12<sup>th</sup> plan. Hence the project could not be completed in 2016-17. CPWD demanded Rs. 22 crore but only Rs. 4 crore was allocated. However, CPWD Authorities at Chennai & Mumbai have indicated that the construction may be completed within the current financial year of 2017-18 provided the demand of funds raised by them to the tune of Rs. 12.66 crore over and above Rs 7 crore allotted during the current financial year 2017-18 is met at the earliest. NTH has been allocated a fund of Rs. 20.00 crore during the financial year 2017-18. Out of Rs. 20 crore, 7 crore is earmarked for authorization for civil and electrical work. The balance requirement of Rs. 12.66 crore will be projected at RE stage.

#### Installation of Test facilities for

#### (c) Packaged Drinking Water:

In respect of installation of test facilities, complete facilities for testing have already been created at NTH, Kolkata and made functional.

In NTH, Guwahati, one equipment, viz. "Ion Chromatograph" has been purchased from abroad and received. On receipt of a few more accessories the same will be made functional and thereafter complete test facilities for testing of Packaged Drinking Water will be available at NTH, Guwahati in Financial Year 2017-18.

At NTH, Jaipur & NTH, Ghaziabad all the test facilities are available except identification of Bromate for which one equipment, viz. "Ion Chromatograph" is required. For this, the Technical Specification has been approved by National Physical Laboratory New Delhi. The equipment will be procured during the current financial year. However, at present NTH, Jaipur & NTH, Ghaziabad are outsourcing this parameter to NTH, Kolkata, for serving the customers. Construction of Microbiology Spectrometer" lab at NTH Chennai has been completed. "Gas Chromatograph Mass is being procured during 2017-18.

#### (d) LED based luminaries:

For creation of test facilities of LED based luminaries, one equipment viz. "Goniophotometer with Spectroradiometer" has been received by NTH, Kolkata **in March 2017**. A dedicated laboratory space of 24 m (L) x 6 m (W) x 7 m (H) is being refurbished by CPWD for installing the equipment and the same is likely to be completed within three months. Letter of Credit for supply of another equipment viz. "Integrating sphere with Tri-Stimulus Colorimeter" will be placed shortly, which could not be done last year. The entire laboratory is expected to be functional during the current Financial Year 2017-18.

#### (c) Distribution Transformers:

NTH, Ghaziabad is already equipped with full test facilities except "Short Circuit Tests". Creation of **complete test facilities for "Distribution Transformers"** involves a huge expenditure of around Rs. 70 Crores. A proposal from NTH has been placed before the Department of Heavy Industries, New Delhi, in March 2017, through DoCA, for funding the project for creation of **complete test facilities for "Distribution Transformers" at NTH, Kolkata; Short Circuit Test facility for Transformers at NTH, Ghaziabad** (Ghaziabad has other test facilities but for this) and for creation of **complete test facilities at NTH, Chennai** once the "Impulse Generator Laboratory" building is completed at Chennai."

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#### **Comments of the Committee**

(Please see Para No. 1.22 of Chapter - I of the Report)

#### Recommendation (Para No. 3.92)

2.13 "The Committee note that the Department is implementing the scheme of Price Monitoring Cell to strengthen the existing mechanism of price monitoring, both at the centre and States. The Committee further note that at the 3rd National Consultation Meeting of Food Ministers of State Governments chaired by the Union Minister for Consumer Affairs, Food and Public Distribution, an action plan consisting 18 actions for the States/ UTs such as strengthening cold storage chains for perishable food items, rationalising stock limits on pulses for millers, reform in Agriculture Market laws, exemption of VAT and local taxes etc. were concluded. The Committee expect that the Department would closely follow up with the States/UTs to effectively implement all the Action Plans finalised in the National Consultation Meeting in the interest of consumer. The Committee further note that the Department of Consumer Affairs issues advisories and requests States/UTs to implement the Essential Commodities Act, 1955. However, it is obvious from the statement of Action Taken by the States/UTs under the Act, that the provisions of the Act have not been evenly or properly implemented by the States/UTs. During the 2016 no raids were conducted in Arunachal Pradesh, Lakshadweep, Manipur, Nagaland and Dadra and Nagar Haveli. In Delhi, there was one arrest but no prosecution. In Himachal Pradesh, there were 29290 raids, no arrests, no prosecution and no conviction, but goods worth Rs. 94.44 lakh were confiscated. And in Chandigarh, during the same period there was no raid and no arrests. But the authorities made three (3) prosecution and one(1) conviction. The Committee, therefore, recommend that the Essential Commodities Act, 1955 be got implemented evenly and properly in all States/UTs so that adverse comments/observations from the competent judicial bodies are avoided as also preventing the offenders go scot free in the absence of proper implementation of the provisions of the EC Act. 1955."

#### Reply of the Government

2.14 "Ensuring adequate availability of essential commodities is a priority agenda for the Government. In this context, the Government is already implementing two crucial Acts i.e. The Essential Commodities Act, 1955 and Prevention of Black-Marketing and Maintenance of Supplies of Essential

Commodities Act 1980 through the States/UTs, under entry 33 of the concurrent list and powers delegated to them vide order dated 09.06.1978. The primary objective of these Acts is to ensure adequate availability of essential commodities, especially to those sections belonging to Below Poverty Line (BPL), at fair prices.

From time to time Central Government issues advisories and requests States/UTs to implement these Acts effectively. States/UTs submit the action taken report on implementation of EC Act, 1955 & PBM Act, 1980 to Central Government on monthly basis. A copy of Action taken report for the year 2016 & 2017 is placed at **Annexure- IV**. Hon'ble Minister of Consumer Affairs, Food and PD also advised all Chief Ministers to take action on the decisions taken unanimously in the National Consultation Meeting-2016. So far 17 States/UTs have furnished their action taken report on the action plan concluded in the NCM 2016, a compiled copy of which is placed at **Annexure-V**."

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#### **Comments of the Committee**

(Please see Para No. 1.28 of Chapter - I of the Report)

#### Recommendation (Para No. 3.93)

2.15 "The Committee also note that the Price Stabilization Fund scheme was earlier implemented by Department of Agriculture, Cooperation and Farmers Welfare and transferred to the Department of Consumer Affairs w.e.f. 1/4/2016 and Rs. 900 crore was allocated under the scheme during the year 2016-17. Due to increase in the quantum of pulses for buffer from 1.5 lakh tonnes to 20 lakh tonnes final expenditure came up to Rs. 3397.39 crore. This scheme is primarily aimed to support market interventions for price control of perishable agrohorticultural commodities. The Committee further note that this price stabilization fund is used to advance interest free loans to State Governments and Central agencies to support their working capital and other expenses on procurement and distribution interventions of such commodities. The States will also set up revolving fund to which Centre and States will contribute equally in the ratio of 50:50 whereas in respect of North East States the ratio will be 75:25. The fund is to be used for price stabilization operation in respect of onions, potatoes and pulses. The Committee also note that the procurement of these commodities are undertaken locally and through import. In view of the increase in the stock limit of buffer to 20 lakh tonne and the allocation of Rs. 3500.00 crore in BE 2017- 18, the Committee hope that the Government would ensure stability of prices of important agro-commodities and protect the interest of consumers by maintaining sufficient buffer stock throughout the year and ensure timely availability and arrest speculative and hoarding activities of traders in respect of these commodities."

#### Reply of the Government

2.16 "Funds allocated under the Price Stabilization Fund (PSF) scheme are largely utilized for building the buffer stock of pulses of upto 20 lakh tonnes. As on 13.07.2017, Government has built a buffer of 20.48 lakh tonnes of pulses. During 2016-17, pulses from the buffer were allocated to the States and Central Agencies at subsidized rates for retail sale at reasonable rates for effective market intervention to stabilise the prices of pulses. Pulses from buffer was also auctioned to improve availability and help moderate the prices. In addition, other activities under PSF include assistance to the States for creation of State level PSF, building buffer stock of Onions etc. Prices, however, are affected by various factors which, inter alia, include demand-supply mismatch, shortfall in production, increase in demand because of rise in population and per capita income and change in food habits."

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#### Recommendation (Para No. 3.108)

2.17 "The Committee note that the Department of Consumer Affairs grants consumer organisations (VCOs)/Non funds voluntary government organisations (NGOs) to promote and protect the welfare of consumers, create consumer rights awareness, strengthen consumer movement and undertake comparative testing of products and services so as to provide consumers with correct information at the right time. The committee also note that 24 proposal for financial assistance have been received for the year 2017-18. They desire that utmost care should be taken to ensure that the funds are productively utilized for the benefit of the consumers. Also social audit of the funded NGOs/VCOs may also be institutionalised before fresh funds are released. They also desire the Government to ensure that codal formalities be completed by the funded organisations at the earliest.

#### Reply of the Government

2.18 "The recommendations of the Committee have been noted."

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#### **Comments of the Committee**

(Please see Para No. 1.31 of Chapter - I of the Report)

#### Recommendation (Para No. 3.109)

2.19 "The Committee also note that under the corpus fund scheme, eleven states have availed of funds from the Central Consumer Welfare Fund (CWF). The Committee hope that the consumer welfare will be further strengthened by those States by fruitful utilization of funds by setting up Grahak Suvidha Kendras, facilitating centres, consumer education, counseling and mediation, grievance Redressal etc. in the respective States. They also urge the Government to make all efforts to convince more States/UTs to avail of the same which would ensure that the institution of consumers rights protection become more federal and self sustaining. Action taken in the matter may be intimated to the Committee with in three months time."

#### Reply of the Government

2.20 "Under the corpus fund scheme, 13 states have availed of funds from the Central Consumer Welfare Fund (CWF) as on 20.04.2017. D.O letter dated 17.02.2017 has been written by Secretary (CA) to different States who have not submitted proposal for availing Corpus Fund."

(Department of Consumer Affairs (Ministry of Consumer Affairs, Food & Public Distribution)
O.M. No.N-13/5/2017-P&C)

#### **Comments of the Committee**

(Please see Para No. 1.34 of Chapter - I of the Report)

#### **CHAPTER III**

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

-NIL-

#### **CHAPTER IV**

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

#### Recommendation (Para No. 2.9)

4.1 "The Committee note that the BE of 2016-17 under the plan scheme was Rs. 1050 crore and the same was raised to Rs. 3539 crore at RE stage but the Actual Expenditure was only Rs. 3481 crore. Similarly, in the case of Non-plan schemes also, the BE was Rs. 191.61 crore and it was raised to Rs. 271 crore at RE stage but again Actual Expenditure was Rs. 251.94 crore only. The Committee had earlier pointed out that such steep upward revision of Budgetary allocations at RE stage and then incurring less expenditure only indicate lack of proper planning at the initial stages and the technical excuses such as transfer from one major head to another, delay in registration of agencies/departments in the Public Financial Management System etc. not convincing to the Committee. The Committee, therefore, strongly recommend that all out efforts should be made to ensure that the entire budgetary allocations are properly utilized fully during the financial year itself so that the Schemes/Programmes of the Department are completed without any delay.

The Committee further note that the Department has been allotted Rs. 3705.65 crore under revenue and Rs. 21.35 crore under capital heads totalling Rs. 3727 crore for the year 2017-18. The allocation of Rs. 3705 crore under the revenue head includes Rs. 3500 crore towards Price Stabilization Fund. Keeping in view the fact that the Department of Consumer Affairs has been entrusted with the mandate of consumer advocacy, the Committee strongly urge the Department to strictly monitor the expenditure of funds from the initial stage itself so as to ensure that the entire budgetary allocation of the year is fully utilized."

#### **Reply of the Government**

4.2 "The abovementioned figures were provisional only, since the figures were taken up-to January, 2017 only. The details of Budget Figures provided by the Principal Accounts Office are as under:

Head of Account	BE – 2016-17	RE- 2016-17	AE – 2016-17
PLAN	1050.00	3539.00	7022.02**
NON-PLAN	207.11	286.50	242.80

\*\* In the final batch of Supplementary Demands for Grants (2016-17), an amount of Rs. 3502.60 crore was allocated under PSF. The expenditure figure includes expenditure incurred out of the additional funds allocated."

{(Department of Consumer Affairs (Ministry of Consumer Affairs, Food & Public Distribution) O.M. No.N-13/5/2017-P&C )}

#### **Comments of the Committee**

(Please see Para No. 1.7 of Chapter - I of the Report)

#### **CHAPTER V**

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

#### Recommendation (Para No. 3.10)

5.1 "The Committee note that in the BE for 2017-18 Consumer Awareness (Publicity) has been fixed at Rs. 62.00 crore. The Committee, however, are dismayed to note that even after utilizing 86.87% the budget during 2016-17 (Rs. 52.12 crore out of Rs. 60 crore allocated), the Department has not been given a substantial increase in funds allocation under this scheme. The Committee understand the challenges of the Department in spreading consumer rights awareness among people and are of the view that a sustained national campaign is required to educate the consumers about their rights and welfare. The Committee further note that under this scheme, the Department also releases funds to States for educating consumers based on awareness programmes on local themes and other advertisements in local exhibitions, street plays, cultural functions etc. to educate the citizens about consumer rights. The Committee are of the firm view that the scheme of consumer rights awareness should be further strengthened for which allocation of more funds is required to spread the scheme to various parts of the country so that citizens are aware about their rights and the mechanism available for redressal of their grievances or complaints. The Committee, therefore, recommend that the Department should approach the Ministry of Finance for increased allocations for the scheme at the RE stage. They desire to be apprised of the steps taken in this regard with outcome thereof."

#### **Reply of the Government**

5.2 "The suggestions have been noted. At the time of Revised Estimates, Ministry of Finance would be approached for more funds for Consumer Awareness Campaign."

{(Department of Consumer Affairs (Ministry of Consumer Affairs, Food & Public Distribution) O.M. N-13/5/2017-P&C dated.)}

#### **Comments of the Committee**

(Please see Para No. 1.10 of Chapter - I of the Report)

#### Recommendation (Para No. 3.53)

5.3 "The Committee note that as on 31.12.2016 the percentage of disposal of cases at the National, State and District Fora stands at 86.63%, 86.10% and 92.17% respectively with a total 415144 pending cases. They are further constrained to note that out of 658 District Fora, 624 are functional as on date and 98 posts of President and 310 posts of members are lying vacant in different District fora. The figure for State Commission is 1 and 20 respectively. They strongly feel that the vacancies need to be filled up in a time bound manner which would go a long way in reducing the pendency position. The Committee find that though the performance of the consumer fora in the country is more or less satisfactory as per records, however, they are constrained to observe that the grievances of consumers in various sectors of the economy are not being adequately addressed. The Committee, therefore, desire that the Department should urge upon the State Commission/District Fora to make every effort to dispose of the cases pending with them at the earliest.

The Committee further note that timely justice is essential for the consumers and disposal of cases in a reasonable time would inspire the confidence of consumers to get their grievances redressed by the various consumer fora and strengthen the consumer movement in the country. The Committee, therefore, strongly recommend that the Department of Consumer Affairs should strictly monitor the disposal of cases at regular intervals and offer necessary guidance to State and District Fora in expediting the disposal of cases.

They further recommend that the State Governments be impressed upon to fill up the vacancies in posts of President and Members in their respective States in time bound manner. This, according to them, would help in improving the backlog position of pending cases at various consumer fora."

#### **Reply of the Government**

5.4 "As already replied earlier, it is submitted that as per the provisions of the Consumer Protection Act, 1986, it is the responsibility of the State Governments to fill up the vacancies of President and Member in the Consumer Fora in the States. The Central Government has been asking the State Governments from time to time to fill up the existing and anticipated vacancies well in time. The matter has also been taken up by the Minister of Consumer Affairs with the Chief Ministers.

Similarly, as regards disposal of cases in the Consumer Fora, as per the statutory provisions in the Consumer Protection Act, the National Commission has the power to generally oversee the functioning of the Consumer Fora. It calls for reports on pending cases from the consumer fora. In so far as the Central Government is concerned, it impresses upon the Consumer Fora through

conferences held to expedite disposal of cases. DO letters from Secretary and Minister are also sent from time to time to the States emphasing this aspect. Recently, a videoconferencing was held during 20-22 June, 2017 with the Secretaries of Consumer Affairs of the State Governments by Union Secretary, Consumer Affairs where they were asked to look into this aspect.

It is further submitted that the Hon'ble Supreme Court in Civil Appeal No. 2740/2007 has constituted a three-member Committee under the Chairperson of Justice Arijit Pasayat to look into the functioning of the Consumer Fora in the country and to recommend measures for improvement of their functioning. The Committee would look into aspects such as physical infrastructure, manpower, operational problems etc. It already visited 19 states, has held meetings with the state govts. and state consumers disputes Redressal Commissions and issued direction to 12 states for improving the functioning of Consumer Fora in the states. "

{(Department of Consumer Affairs (Ministry of Consumer Affairs, Food & Public Distribution) O.M. N-13/5/2017-P&C dated.)}

#### **Comments of the Committee**

(Please see Para No. 1.13 of Chapter - I of the Report)

#### Recommendation (Para No. 3.59)

5.5 "The Committee note that the Legal Metrology Division of the Department of Consumer Affairs oversees the implementation of the Legal Metrology Act, 2009 to protect consumer interest. Against provision of Rs. 39 crore only Rs. 12.7 crore was spent in the year 2016-17. The Ministry stated that this was due to non-supply of equipment by DGS&D and functional head problem. Now some of the equipments are being procured through Government of India Mint. This indicates the lack of proper planning and foresight at the planning stage. The Committee expect that this time the Government would have weighed the pros and cons before awarding the contract / task to the Government Mint. Otherwise the decision be once again reconsidered to ensure that targets are met and construction of laboratories and capacity building of officers fulfilled. The Committee also hope that funds allocated to the scheme of 'Weights and Measures' during the current year 2017-18 of Rs. 28 crore would be judiciously utilized in time without compromising on quality. They desire to be informed of the progress made in this regard."

#### Reply of the Government

5.6 "Out of Rs. 39 crore BE, RE was Rs. 28 crore. For strengthening of Legal Metrology infrastructure of States/UTs, expenditure was Rs. 21.72 crore and for strengthening of RRSL and IILM, Ranchi, expenditure was Rs. 5 crore. Therefore, total expenditure in plan was Rs. 26.7 crore.

During this financial year 2017-18 it will be ensured that funds allocated for procurement of equipment, construction of laboratory buildings and capacity building of Legal Metrology Officers of States/ UTs/ UOI will be judiciously utilized in time without compromising on quality.

The DGS&D has recently started a new portal GeM for procurement to be made by Government Departments. DGS&D has already been requested to bring the equipment required for Legal Metrology on this portal to setup the infrastructure as envisaged in the plans in a time bound manner. The Department will closely monitor the progress of implementation and will make every sincere effort to get the funds utilised. The possibility of floating of tenders by this Department itself will also be considered, if need be.

All sincere efforts will be made with CPWD for establishment of two new RRSLs at Varanasi, Uttar Pradesh and Nagpur, Maharashtra.

The Legal Metrology Officers of States/ UTs/ UOI will be trained at National Physical Laboratory, New Delhi, Fluid Control Research Institute, Palakkad and other Institutes of National and International repute to enhance their technical capabilities."

{(Department of Consumer Affairs (Ministry of Consumer Affairs, Food & Public Distribution) O.M. N-13/5/2017-P&C dated.)}

#### Comments of the Committee

(Please see Para No. 1.19 of Chapter - I of the Report)

#### Recommendation (Para No. 3.81)

5.7 "The Committee note that the Department of Consumer Affairs is implementing the Hallmarking Scheme for setting up of Gold Assaying & Hallmarking centres. One time financial assistance for setting up of gold assaying and hallmarking centres in normal areas where no such centre exist, 30% to private entrepreneurs and 50% to PSUs is provided. However, in NE/SCS/RA the percentage of financial assistance is 50% to private entrepreneurs and 75% to PSUs. Under the component of capacity building, training programmes like Artisan Training, A&H Personnel Training and BIS Officers Training are envisaged. The Committee feel that the 429 Assaying & Hallmarking centres in the country need to be geared up to meet the expectations of the consumers. So, building up of infrastructure and manpower capacity are the two vital components apart from setting up of maximum possible assaying and hallmarking centres. The Committee are concerned with the less than satisfactory working of A&H sector as these sectors do not seem to have made much of a difference to the consumers in purchase of pure gold. The Committee have observed during their study tour in Jaipur that proper testings are not being done before hallmark seal are made available for the gold which needs to be ensured by BIS/Department of Consumer Affairs very strictly. This scheme needs appropriate monitoring and regular testing of samples from the centres. The Committee are of the considered view that the consumers should have the benefit of hallmark gold not only at the time of buying but also at a time of selling. The Committee would expect the Department of Consumer Affairs to ensure completion of the centres of hallmarking scheme in time and take necessary steps to improve its functioning among the consumers and traders. The Committee desire that the Government should take corrective action wherever required as suggested by the reviewing agency viz. IIPA, New Delhi which is scheduled to complete its evalution study by August, 2017. They would like to be apprised of the action taken alongwith major outcomes of the evaluation study at an early date. The Committee are also concerned to note that wide publicity about assaying and hallmarking of gold does not seem to have been given by the Government/BIS. In view of the pathetic situation noticed during their visit to Jaipur in matters of Gold hallmarking, the Committee found that only 9 cases of BIS Act violation were filed in Rajasthan in the year 2016-17. This shows lack of awareness of rights amongst consumers about the scheme. They desire that the gold consumers are not shortchanged due to ignorance of the hallmarking facility. The Committee, therefore, recommend that such issues as gold hallmarking should be incorporated in regular advertisement and publicity of the Government."

#### Reply of the Government

5.8 "459 BIS recognized Assaying & Hallmarking (A&H) Centres are in operation as on 25<sup>th</sup> April 2017. The number of A&H Centres have grown @ 19% on an average during last three years. However setting up of A& H Centres is a market driven activity where decision to open an A&H Centre is taken by the entrepreneur based on commercial viability. It is observed that new A &H Centres keep on coming at location where demand exists.

For monitoring of hallmarking scheme, market surveillance of licensed jewelers is carried out during which samples of hallmarked jewellery are drawn from the BIS licensed jeweller outlet. These samples of hallmarked jewellery are tested at BIS referral assay laboratory at Chennai against the marked purity on the article. Monitoring of performance of the A&H centres is also done by carrying out surprise surveillance audits of the A&H centre.

Based on the result of the audits and samples drawn and if shortage of purity is observed appropriate action against A&H Centre is taken which includes imposing stop marking, penalty or de-recognition of the A&H Centre.

The data in this respect for the last three years is given as under:

	Market Surveillance of licensed Jewellers	Monitoring of p	performance of the	A&H centres
Year	Sample Drawn for testing	Audits of A&H Centre	A&H Centre put under Stop Marking	A&H Centre derecognized
2014-15	2172	159	3	7
2015-16	1793	233	68	24
2016-17	3063	126	85	72

The evaluation study is expected to be completed by 31<sup>st</sup> Aug. 2017. The outcome of the study and the action taken on the recommendations would be informed in due course.

Details of expenditure of publicity on Hallmark through print, electronic and outdoor media for three years by BIS are as under:

(Rs. In lakh)

SI. No.	Subject	Year 2014-15	Year 2015-16	Year 2016-17
		(Rs.)	(Rs.)	(Rs.)
1.	Print	248.97	91.37	32.86
2	Electronic	252.37	342.93	307.44
3.	Outdoor	164.09	219.18	362.02

It is also informed that BIS got modified the print creatives and audio & video spots on Hallmark as per Gazette Notification on 24 Nov 2016 with respect to changes in IS 1417:2016 effective from 1 Jan 2017. The modified advertisements on Hallmark were released from time to time to make common consumers aware of it."

{(Department of Consumer Affairs (Ministry of Consumer Affairs, Food & Public Distribution) O.M. N-13/10/2016-P&C dated.)}

#### **Comments of the Committee**

(Please see Para No.1.28 of Chapter - I of the Report)

NEW DELHI; 23 October, 2017 1 Kartika, 1939(Saka) J.C. DIVAKAR REDDY, Chairperson, Standing Committee on Food, Consumer Affairs and Public Distribution.

#### **ANNEXURE - I**

### LIST OF CONSUMER FORUMS WHERE H/W SUPPLIED / NOT SUPPLIED

SI	STATE NAME	sc	Distric	t Forums & Circuit Benches	CFs (SC & DCF)WHERE H/W SUPPLIED				FS WHERE H/W NOT SUPPLIED	
	IVAIVIE	No.	No. NAME		SC	DCF+CB	NAME	No.	NAME	Remarks
1	Arunachal Pradesh	1	16	Tawang, West Kameng, East Kameng, Papum Pare, Lower Subansiri, Upper Subansiri, West Siang, East Siang, Upper Siang, Dibang Valley, Lohit, Changlang, Tirap, Anjaw, Lower Dibang Valley, Kurung Kumey	1	11	State Commission, West Kameng, East Kameng, Papum Pare , Lower Subansiri, East Siang, Upper Siang, Lower Dibang Valley, Tawang, Upper Subansiri, West Siang, Lohit	5	Changlang, <u>Dibang</u> <u>Valley, Tirap, Kurung</u> <u>Kumey, Anjaw</u>	Site not ready at 4 DCFs. Site confirmation for Changlang DCF is just receievd and would be taken up now.

2	Bihar	1	38	Pashchim Champaran, Purba Champaran, Sitamarhi, Madhubani, Supaul, Araria, Kishangang, Purnia, Katihar, Madhepura, Saharsa, Darbhanga, Muzaffarpur, Gopalgang, Siwan, Saran, Vaishali, Samastipur, Begusarai, Khagaria, Bhagalpur, Banka, Munger, Lakhisarai, Sheikhpura, Nalanda, Patna, Bhojpur, Buxar, Kaimur(Bhabua), Rohtas, Jehanabad, Aurangabad, Gaya, Nawada, Jamui, Sheohar, Arwal	1	33	State Commission, Purba Champaran, Purnia, Saharsa, Darbhanga, Muzaffarpur, Saran, Bhagalpur, Munger, Nalanda, Patna, Gaya, Araria, Aurangabad, Banka, Bhojpur, Jamui, Khagaria, Kishangang, Katihar, Lakhisarai, Sitamarhi, Vaishali, Pashchim Champaran,,, Supaul, Madhepura, Gopalgang, Samastipur, Begusarai,,, Buxar, Kaimur(Bhabua),, Jehanabad,, Nawada, Sheohar	5	Sheikhpura, Rohtas, Madhubani, , Arwal, Siwan,	For 11 DCF, deliveries are under process. Site confirmation for Madhubani & Arwal DCF is just receievd and would be taken up now. Confirmation about readiness of site is awaited from 3 DCFs.	
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3	Chhattisgarh	1	18	Koriya, Surguja, Jashpur, Raigarh, Korba, Janjgir- Champa, Bilaspur, Kawardha, Rajnandgaon, Durg, Raipur, Mahasamund, Dhamtari, Kanker, Baster, Dantewada, Narayanpur, Bijapur	1	16	State Commission, Koriya, Surguja, Jashpur, Raigarh, Korba, Janjgir- Champa, Bilaspur, Kawardha, Rajnandgaon, Durg, Raipur, Mahasamund, Dhamtari, Kanker, Baster, Dantewada	2	Narayanpur, Bijapur	Site not ready
4	Daman and Diu	1	2	Diu, Daman,	0	1	Daman	2	Presently State Commission does not exists. Diu DCF is pending.	Site not ready
5	Gujarat	1	30	Kutch-Bhuj, Banas Kantha(Palanpur), Patan, Mahesana, Sabar kantha, Gandhinagar, Ahmedabad City, Surendranagar, Rajkot, Jamnagar, Porbandar, Junagadh, Amreli , Bhavnagar,	1	26	State Commission, Kutch-Bhuj, Banas Kantha(Palanpur), Patan, Mahesana, Sabar kantha, Gandhinagar, Ahmedabad City, Surendranagar, Rajkot, JamnagarJunagadh, Amreli, Bhavnagar, Anand, Kheda (Nadiad), Panch Mahals(Godhara)VadodaraBharuch, SuratNavsari, Valsad, Surat Addl, Ahmedabad Addl, Vadodra Addl, Ahmedabad Rural, Rajkot Addl	4	Porbandar, Dohad, Narmada, The Dangs	New DCF. Site not ready

				Anand, Kheda (Nadiad), Panch Mahals(Godhara), Dohad, Vadodara, Narmada, Bharuch, Surat, The Dangs, Navsari, Valsad, Surat Addl, Ahmedabad Addl, Vadodra Addl, Ahmedabad Rural, Rajkot Addl,						
6	J and K	1	3	Srinagar, Jammu, Srinagar Bench	1	2	Jammu Bench, Jammu, Srinagar Bench	1	Srinagar DCF	Site not ready
7	Nagaland	1	11	Mon, Tuensang, Mokokchung, Zunheboto, Wokha, Dimapur, Kohima, Phek, Peren, Longleng, Kiphire	1	7	State CommissionMon, Tuensang, Mokokchung, Wokha, Dimapur, Kohima, Phek	4	Zunheboto, <u>Peren,</u> <u>Longleng, Kiphire</u>	Site not ready at 3 DCFs (Confirmation for Zunheboto is just received and would be taken up now)

8	Uttaranchal	1	13	Uttarkashi, Chamoli, Rudraprayag, Tehri Garhwal, Dehradun, Pauri Garhwal, Pithoragarh, Bageshwar, Almora, Champawat, Nainital, Udham Singh Nagar, Hardwar,	1	12	State Commission, Almora, Bageshwar, Chamoli, Champawat, Dehradun, Nainital, Tehri Garhwal, Udham Singh Nagar, Rudraprayag, Hardwar, Uttrarkashi, Pauri Garhwal	1	Pithoragarh,	Site not ready (Space not available) at Pithoragarh. For 2 DCF, Deliveries of HW are under process.
9	West Bengal	1	24	Darjeeling, Jalpaiguri, Cooch Behar, Uttar Dinajpur, Dakshin Dinajpur, Malda, Murshidabad, Birbhum, Burdwan, Nadia, North 24 Parganas DF Barasat, Hooghly, Bankura, Purulia, Paschim Medinipur, Howrah, Kolkatal, South 24 Parganas DF	1	23	State Commission, Darjeeling, Jalpaiguri, Cooch Behar, Uttar Dinajpur, Dakshin Dinajpur, Malda, Murshidabad, Birbhum, Burdwan, Nadia, North 24 Parganas DF Barasat, Hooghly, Bankura, Purulia, Paschim Medinipur, Howrah, Kolkata-I, South 24 Parganas DF Alipore, Purba Medinipur, Siliguri, Jalpaiguri DF (CB) Alipurduar, Kolkata-II	1	2nd new Additional Bench	Newly created. Would be taken up now.

	Alipore, Purba Medinipur, Siliguri, Jalpaiguri DF (CB) Alipurduar, Kolkata-II, Kolkatta-III, Newly created 2nd additional bench					
				25		

<sup>\*</sup> Out of 25 Consumer Forums, Site confirmation is just received from 5 more locations(BH=2, AR=1, NG=1, WB=1) and these would be taken up now.

#### **Annexure-II**

## <u>List of locations where no entry is found of On-line case Monitoring System</u>

SC=State Commission, CB=Circuit Benches, DCF= District Consumer forum

Sno	Name of the State/UT	State wise total District consumer for a in which Hardware & Manpower provided [CB+DCF]	No. of District Consumer Fora found operational on OCMS during 12 <sup>th</sup> plan period (From 01/04/2012 to 30/04/2017)	No of District Consumer fora found not operational on OCMS during 01/04/2012 to 30/04/2017	Comments received from TSP/ deployed hired manpower telephonically/ through E-mail / during VC meeting w.r.t 'no entry in OCMS'
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)
1	Andaman &	1	1	0	
	Nicobar				
2	Andhra P.	17	17	0	
3	Arunachal P.	(Manpower not providing at 3 locations where post of Consumer forum's officer is vacant)	6	5	There is no case filed at 3 locations and at 2 locations, no Departmental officer posted there.
4	Assam	23	22	1	Site not ready in Jorhat DCF.
5	Bihar #	33	13	20	-Internet problem or Installation of Hardware is getting delayed due to site issues at some locationsDelivery of HW is under process at 11 recently covered DCFs. Manpower at these 11 DCFs would be provided after Delivery of HW.
6	Chandigarh	2	2	0	
7	Chhattisgarh	16	16	0	
8	D & N. Havly	1	1	0	
9	Daman & Diu	1	1	0	
10	Delhi	10	10	0	
11	Goa	2	2	0	
12	Gujarat	26	26	0	
13	Haryana	21	21	0	
14	Himachal Pradesh	4	4	0	
15	J&K	2	2	0	
16	Jharkhand	24	22	2	Internet problem.
17	Karnataka	31	31	0	
18	Kerala	14	14	0	

1

19	Lakshadweep	1	1	0	
20	Madhya P.	24	24	0	
21	Maharashtra	46 **	45	1	CB-Kolhapur works one week in every month. so staff for the office is not yet deputed.
22	Manipur	3	3	0	
23	Meghalaya	7	4	3	There is no case.
24	Mizoram	8	4	4	There is no case.
25	Nagaland	7	5	2	There is no case.
26	Orissa	31	31	0	
27	Puducherry	1	1	0	
28	Punjab	20	20	0	
29	Rajasthan	41	41	0	
30	Sikkim	4	4	0	
31	Tamilnadu	31	31	0	
32	Tripura	4	4	0	
33	Telangana	12	12	0	
34	Uttar Prdesh	79	79	0	
35	Uttrakhand #	12	10	2	Delivery of HW is under process at 2 recently covered DCFs. Manpower at these 2 DCFs would be provided after Delivery of HW.
36	West Bengal	23	23	0	
	TOTAL	593	553	40	

<sup>\*\*</sup> Manpower deployed at 42 locations in Maharashtra, as there was no requirement of hired manpower in 4 Circuit Benches.

<sup>#</sup> After the receipt of site confirmation, Purchase order of hardware supply in 11 locations of Bihar and in 2 locations of Uttrakhand have been recently issued. Delivery of HW in these locations is under progress. Manpower would be provided after delivery Hardware at these 13 locations.

### **CONFONET Status Report (30<sup>th</sup> April'2017)**

The CONFONET Scheme Phase III approved by the SFC for the 12th plan period with an outlay of Rs. 70.0 Crore is being implemented in a mission mode approach and NIC is the executing agency for the scheme. As on 30<sup>th</sup> April'2017, NIC has received total 59.56 Cr. at NICSI from the Department of Consumer Affairs.

As per scope of the scheme, old offline application software 'Case Monitoring System (CMS)' has been enhanced to Online CMS application software on the basis of feedback received from field locations and to facilitate online entry of consumer cases through this online CMS application. For this purpose, Infrastructure at Data Centre has been enhanced and new hardware has been/is being provided to the NCDRC, all State Commissions and their District Consumer Forums where existing hardware is more than 5 years old. To facilitate help to the consumer fora staff in their day-to-day activities related to the computerization, Technical Support is being provided by posting TSP (Technical support persons) at all the State Commissions and operational staff (Office Assistant) at the District Consumer forums. Trainings to the TSPs and Office Assistants are being provided by conducting e-learning sessions to familiarize them their duties and various features/ benefits of the software application/ confonet scheme.

#### Present Status as on 30<sup>th</sup> April'2017

#### **HARDWARE**

• New set of hardware has been supplied to the NCDRC, 34 State Commissions and their 12 Circuit Bench & 581 District Consumer forums.

#### **Total: NCDRC+ 627 Consumer forums**

#### **MANPOWER**

- TSPs have been deployed to NCDRC & 33 State Commissions.
- Operational staff (DMAs) have been deployed at 8 Circuit Bench & 565 District Consumer forums.

#### **Total: NCDRC+ 606 Consumer forums**

• Remark:. Due to less work, as per request of State Commission, TSP deployed at State Commission - Lakshadweep has been withdrawn & only 1 DMA is posted for State Commission and its DCF both.

- Manpower posted at DCFs of Amrawati, nashik, Pune and Kolhapur are also working for 4 new circuit benches, so no separate manpower requirement for these 4 new circuit Bench.
- At 3 DCFs of Arunachal Pradesh, manpower was not continued further as per the information received from State Commission.

#### **Operationalization status**

- As on date, Case Monitoring system has been fully implemented & operational at NCDRC. 587 consumer forums (34 State Commission & 553 DCFs including CB), which were found operational on online CMS application during 01/04/2012 to 30/04/2017.
- Total 1494240 cases have been updated on Central Server.

State-wise distribution of hardware and manpower and number of consumer fora working on Online CMS application is as follows:

SC=State Commission, CB=Circuit Benches, DCF= District Consumer forum

Sta	te-wise distribution	of Haro	dware a	nd Ma	npowe	r under	Confone	t Scheme	2		
S N	STATE	Total be co un Confo	CFs to overed ider onet as med by	H/w supplied *				P deploye	Consumer fora found operational on OCMS (During 01/04/2012 to 30/04/2017)		
			DCF	AT	AT	AT			AT		DCF
		SC	+CB	SC	СВ	DCF	AT SC	AT CB	DCF	SC	+CB
1	Andaman & Nicobar	1	1	1	0	1	1	0	1	1	1
2	Andhra Pradesh	1	17	1	0	17	1	0	17	1	17
3	Arunachal Pradesh	1	16	1	0	11	1	0	8	1	6
4	Assam	1	23	1	0	23	1	0	23	1	22
5	Bihar	1	38	1	0	33	1	0	22	1	13
6	Chandigarh	1	2	1	0	2	1	0	2	1	2
7	Chhattisgarh	1	18	1	0	16	1	0	16	1	16
8	D & N. Haviely	0	1	0	0	1	0	0	1	0	1
9	Daman & Diu	1	2	0	0	1	0	0	1	0	1
10	Delhi	1	10	1	0	10	1	0	10	1	10
11	Goa	1	2	1	0	2	1	0	2	1	2
12	Gujarat	1	30	1	0	26	1	0	26	1	26
13	Haryana	1	21	1	0	21	1	0	21	1	21
14	Himachal Pradesh	1	4	1	0	4	1	0	4	1	4
15	Jammu & Kashmir	1	3	1	1	1	1	1	1	1	2
16	Jharkhand	1	24	1	0	24	1	0	24	1	22
17	Karnataka	1	31	1	0	31	1	0	31	1	31
18	Kerala	1	14	1	0	14	1	0	14	1	14
19	Lakshadweep	1	1	1	0	1	0	0	1	1	1
20	Madhya Pradesh	1	24	1	0	24	1	0	24	1	24
21	Maharashtra	1	46	1	6	40	1	2	40	1	45

22	Manipur	1	3	1	0	3	1	0	3	1	3
23	Meghalaya	1	7	1	0	7	1	0	7	1	4
24	Mizoram	1	8	1	0	8	1	0	8	1	4
25	Nagaland	1	11	1	0	7	1	0	7	1	5
26	Orissa	1	31	1	0	31	1	0	31	1	31
27	Puducherry	1	1	1	0	1	1	0	1	1	1
28	Punjab	1	20	1	0	20	1	0	20	1	20
29	Rajasthan	1	41	1	4	37	1	4	37	1	41
30	Sikkim	1	4	1	0	4	1	0	4	1	4
31	Tamilnadu	1	31	1	1	30	1	1	30	1	31
32	Tripura	1	4	1	0	4	1	0	4	1	4
33	Telangana	1	12	1	0	12	1	0	12	1	12
34	Uttar Pradesh	1	79	1	0	79	1	0	79	1	79
35	Uttrakhand	1	13	1	0	12	1	0	10	1	10
36	West Bengal	1	24	1	0	23	1	0	23	1	23
	TOTAL	35	617	34	12	581	33	8	565	34	553

- \* Work orders for 13 locations [BH=11, UK=2] are recently issued & Delivery of Hardware in 11 more locations of Bihar & 2 locations of Uttrakhand are under process. Manpower would be deployed at these said 13 locations after delivery of HW.
- \* As per the information received from Department of Food, Civil Supplies & Consumer Affairs, Dadra & Nagar Haveli, only one state commission has been established for the Two UTs of Daman & Diu & Dadar & Nagar Haveli with headquarter at Daman. One DCF at Silvassa has established for UT of Dadar & Nagar Haveli.
- \* Due to less number of cases, as per request of State Commission, TSP deployed at State Commission Lakshadweep has been withdrawn & only 1 DMA is posted for State Commission and its DCF both.
- \*\* "H/w Delivered" means that work orders for supply of Hardware have been issued to concerned vendor. It may be possible that at few locations, H/w delivery is under progress. Similarly, For "Manpower deployed" means that work orders for deployment of manpower have been issued to concerned vendor. It may be possible that at few locations, deployment of manpower is under progress.

#### **Enhancements in the Application**

Based on feedbacks/ change requests from the field locations additional features/ up-gradation have been carried out in the Online Case Monitoring System by the Development team. This is a continuous activity. A dedicated team has been deployed and working at NCDRC to take care of their requirements w.r.t. applications running at NCDRC. As per the request received from NCDRC, a new feature to send SMS & E-mail alerts on next date of hearing to all concerned has been introduced in NCDRC and Online CMS application software. Similarly, a Pull SMS facility has also been introduced in application that one can send SMS to request and get the date of next hearing of his case on his mobile through SMS. MIS reports for monitoring the performance/working status & Pendency status at consumer forums has also been developed and implemented successfully. Necessary credentials for the same have been provided to the Department of Consumer Affairs to check the progress. In addition to this, Confonet Dashboard for Administrator & for General Public is

developed which has been approved by the Department. A module to collect feedback about the consumer forum has also been made available on CONFONET portal.

In addition to above, a module to display cause list on Big LED TV at NCDRC has also been developed and implemented. COFONET Mobile app has also been launched on 15<sup>th</sup> March'2017.

#### Infrastructure at Shastri Park Data Centre

Dedicated Servers for the deployment of Online CMS and other applications have been procured and installed at Shastri Park Data Centre during December 2013. Necessary System Software's (VMWARE, Linux, WAS, DB2 etc.) have been installed in the servers during January 2014. After Security Audit of Online CMS application, it has been successfully deployed on the Central servers. Existing data of old set of servers have also been migrated to the new setup. Thereafter, as per requirement, migration of other locations from offline to Online CMS has been done.

#### **Training & Support**

As on date, Forty Four e-learning sessions have been organized for the TSPs/DMAs and nominated staff of consumer forums on Online CMS application. Till date, total 5262 personnel have attended the training during said 44 e-learning sessions.

Necessary support is being provided by the NIC Confonet Help Desk to the TSPs/DMAs/Consumer Forum's staff through Telephone, email and remote access of their local computer systems.

#### **Annexure-IV**

## ACTION TAKEN UNDER THE ESSENTIAL COMMODITIES ACT, 1955 DURING 2016 (Relating to offences under EC Act- for violation of stock control orders)

Updated as on 6.7.2017

		No. of	N	o. of Persons		Value of	Detentions	Reported upto/the	
Sl.	STATES/UTs	Raids	Arrested	Prosecuted	Convicted	goods	Ordered	month of	
No.	31A1E3/U18	Conducted				Confiscated			
						(Rs. In Lakhs)			
1	2	3	4	5	6	7	8	9	
1.	ANDHRA	3001	79	0	0	3604	0	July	
	PRADESH	3001	19	U	U	3004	U	July	
2.	ARUNACHAL	2	0	0	0	0	0	December	
	PRADESH	2	U	U	U	U	U	December	
3.	ASSAM	77	0	8	0	8.50	0	May	
4.	BIHAR	298	141	85	98	0	0	August	
5.	CHHATTISGARH	159	0	13	10	15.09	0	December	
6.	DELHI	80	1	0	0	0	3	July	
7.	GOA	26	0	0	0	0	0	December	
8.	GUJARAT	9505	13	15	0	133.23	17	December	
9.	HARYANA	76	74	7	0	94.44	0	December	
10.	HIMACHAL	32182	0	0	0	33.34	0	December	
	PRADESH	32182	U	U	U	33.34	U	December	
11.	JAMMU &	NR	NR	NR	NR	NR	0	NR	

	KASHMIR							
12.	JHARKHAND	154	61	0	0	0	0	December
13.	KARNATAKA	3100	326	66	12	259.96	0	December
14.	KERALA	9770	72	47	8	4.02	0	December
15.	MADHYA PRADESH	107	0	0	0	0	0	June
16.	MAHARASHTRA	521	732	320	0	476	1	November
17.	MANIPUR	0	0	0	0	0	0	December
18.	MEGHALAYA	3	1	0	0	0	0	November
19.	MIZORAM	67	0	0	0	0	0	November
20.	NAGALAND	0	0	0	0	0	0	September
21.	ODISHA	NR	NR	NR	NR	NR	0	NR
22.	PUNJAB	985	0	0	0	0	0	December
23.	RAJASTHAN	61	8	8	9	0	0	Only August Spt. & NovDec.
24.	SIKKIM	92	3	0	0	0	0	December
25.	TAMILNADU	21337	6070	4001	183	121.88	131	December
26.	TELANGANA	2180	206	48	5	1067.16	7	December
27.	TRIPURA	572	0	0	0	5.03	0	December
28.	UTTARAKHAND	601	33	5	0	0.57	4	December
29.	UTTAR PRADESH	13284	221	215	95	392.98	0	December
30.	WEST BENGAL	547	168	30	2	10900.63	0	November
31.	A & N ISLANDS	145	0	0	0	0	0	December
32.	CHANDIGARH	0	0	3	1	0	0	December
33.	D&N HAVELI	0	0	0	0	0	0	December
34.	DAMAN & DIU	NR	NR	NR	NR	NR	NR	NR
35.	LAKSHADWEEP	0	0	0	0	0	0	Only June
36.	PUDUCHERRY	788	2	9	0	10.09	0	December
	TOTAL	99720	8211	4880	423	17126.92	163	

### STATE WISE STATEMENT OF ACTION TAKEN UNDER THE ESSENTIAL COMMODITIES ACT, 1955, FOR 2017

(Relating to violation of orders issued under the EC Act)

Updated as on 6 .7.2017

SL. NO.	States/Uts	Number of District(s)	No. of		Total	Number of persons	Number of persons	Number of persons	Detention s Ordered	Value of goods	Reporeted upto/ For the Month of
NO.	States/Sts	under report	State	State	(a/b)	arrested	prosecuted	convicted		(Rs. In Lakhs)	the Month of
			Police	Deptt.							
1	2	3	4(a)	4(b)	4 ( c)	5	6	7	8	9	10
1	ANDHRA PRADESH	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
2	ARUNACHAL PRADESH	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
3	ASSAM	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
4	BIHAR	1	NR	350	350	112	0	0	0	0	May
5	CHATTISGARH	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
6	DELHI	1	2	NR	2	0	0	0	0	0	April
7	GOA	2	0	19	19	0	0	0	0	0	June
8	GUJARAT	33	NR	3059	3059	0	0	0	0	105.30	May

9	HARAYANA	23	14	NR	14	12	2	1	0	5.57	April
10	HIMACHAL PRADESH	12	NR	9229	9229	0	0	0	0	8.17	March
11	JAMMU & KASHMIR	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
12	JHARKHAND	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
13	KARNATAKA	35	39	0	39	60	16	0	3	19.11	April
14	KERALA	20	130	NR	130	10	3	0	0	3.5	February
15	MADHYA PRADESH	NR	NR	NR	NR	NR	NR	NR	1	NR	NR
16	MAHARASHTRA	36	107	44	151	219	74	0	0	95.27	April
17	MANIPUR	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
18	MEGHALAYA	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
19	MIZORAM	8	0	0	0	0	0	0	0	0	February
20	NAGALAND	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
21	ODISHA	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
22	PUNJAB	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
23	RAJASTHAN	6	NR	38	38	0	0	2	0	0.54	March
24	SIKKIM	4	22	15	37	0	0	0	0	0	May

25	TAMIL NADU	33	NR	8146	8146	3659	1661	48	55	32.84	March
26	TELANGANA	31	3307	NR	3307	196	6	1	3	308.55	April
27	TRIPURA	8	NR	65	65	0	0	0	0	0	March
28	UTTARAKHAND	13	2	NR	2	3	0	0	0	0.44	February
29	UTTAR PRADESH	75	1389	NR	1389	132	127	32	30	158.41	May
30	WEST BENGAL	NR	NR	NR	NR	NR	NR	NR	0	NR	NR
31	A & N ISLANDS	3	85	0	85	0	0	0	0	0	Мау
32	CHANDIGARH	1	0	NR	0	0	0	0	0	0	March
33	DADRA & NAGAR HAVELI	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
34	DAMAN & DIU	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
35	LAKSHADWEEP	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
36	PUDUCHERRY	2	151	549	699	0	5	0	0	3.85	May
	TOTAL	346	5248	21164	26411	4291	1894	84	92	636.25	

Source : Reports received from States Govt./Uts

# ACTION TAKEN BY STATES/UTs ON ACTION PLAN PREPARED IN NATIONAL CONSULTATION MEETING, 2016-17

#### **ANDHRA PRADESH**

- Govt. of A.P. requested the GOI for allocation of 10,000 MTs of Tur and 2000 MTs of Urad. GOI has so far allotted 4426.519 MTs of Tur in 3 installments (2000+1352.3193+1074.200) and the entire allotted stock has been lifted, milled and is being distributed at Rs.120/- per kg.
- Production estimates of plusses is16.40 LMT (2016-17(Target) E.C. Act is implemented in the State. The A.P. Scheduled Commodities (Licensing, Storage and Regulation) Order, 2008 is issued for strict enforcement. De-hoarding operations of pulses, edible oils and edible oilseeds is being done through stock limits. Pending finalization of the confiscation proceedings, as an interim measure, Stocks seized are being released through open auction to augment availability in the open market at affordable prices to the Consumers. Scheduled commodities are distributed at subsidized rates to the BPL card holders, E-modules in PDS introduced as under:
  - i) Ration cards are digitized and tagged on to the Fair Price Shops and allotting commodities every month through online.
  - ii) Distribution of Scheduled Commodities by the Fair Price Shop dealers to the beneficiary is through e-PoS cum Electronic Weighing scales.
  - iii)Transportation of ECs to the door step of the Fair Price Shop through Supply Chain Management.
  - iv)All the units in the ration cards seeded with AADHAAR.
  - v) Regular inspections are conducted and cases are booked u/s 6-A of EC Act, if any violation is noticed viz irregular distribution, diversion of ECs, etc.
- Payment made and quantities lifted in time.
- Agriculture Dept. promoting to increase area, productivity and production of pulses. Govt. of AP has constituted managing Committee for State Stabilization Fund with the Secretary to Govt. (AM& Co-op) as Chairman of Committee. The Marketing and Cooperation Dept is the nodal dept. for Price stabilization Fund. GOI have sanction Rs.50 Crore as working capital under PSF scheme and released Rs.25 Crore as the first installment as GOI contribution to the State. The balance of Rs.25 Crore would be released on deposition of State share of Rs.50 Crore in State PSF Corpus Fund account. The Govt. of AP introduced Red Gram Dal on subsidy through PDS from

June, 2015 onwards as a price stabilization mechanism. An amount of Rs.270.00 crore has been spent for purchase of RG Dal. The Dal Millers/Wholesale dealers were convinced to sell RG Dall @ not more than Rs.120/- per Kg through Special Counters/Rythu Bazars and at Mill points.GOI was requested for allocation of 10,000 MTs of Tur and 2000 MTs of Urad. GOI has so far allotted 4426.519 MTs of Tur in 3 installments (2000+1352.319 +1074.200) and 2000 MTs of Urad.

- Earlier, there was a separate Vigilance Cell in Civil Supplies Dept., to prevent unscrupulous trading and black marketing of essential commodities. After abolition of the Vigilance Cell (CS), now the Vigilance and Enforcement Dept. of the Genl.Admn. Dept. is conducting raids and checking hoarding and black marketing.
- Yes, the price reporting centres at Vijayawada, Visakhapatnam, Kurnool and Tirupathi are furnishing information daily, including Saturdays and Sundays also.

# **ASSAM**

- Assam is a consuming state and most of the essential commodities are imported by the Traders from other States.
- The Geographical position of the State is that it is surrounded by seven States and the only connected with rest of India through the Chicken neck or the Siliguri corridor. The entire N.E. region depends for their requirement of essential commodities on the stocks available in the State of Assam.
- Imposing stock limits may give rise to artificial scarcity of essential commodities which will lead to price rise. Moreover North Eastern region is prone to natural calamities like flood, earthquake etc.. We have experienced sudden price of essential commodities if hit by a sudden natural calamities. To meet up such situation it is necessary to keep sufficient stock of essential commodities. In this regard even the district authorities are instructed to keep sufficient stocks.

## CHANDIGARH

1. Need for a separate Consumer Affairs Department/ Directorate: - As per guidelines of Govt. of India, to cope up the matters of the consumers, the Food & Supplies Department was re-named as Department of Food & Supplies and Consumer Affairs in 1993. Since then the matter relating to consumer affairs are dealt by this department as per the Consumer Protection Act, 1986. To settle the consumer disputes, two consumer dispute redressal agencies i.e., the State Consumer Dispute Redressal Commission and Consumer Dispute Redressal Forum have been working since 1987 at Madhya Marg, Sector 19, Chandigarh. To protect the consumers' interest, the Legal Metrology Department has also been merged with this department and re-named as Department of Food & Supplies and Consumer Affairs & Legal Metrology, U.T., Chandigarh in 2015. The

- department has also activated "Consumer Helpline" at Sector-19, Chandigarh with the financial assistance of Govt. of India.
- 2. Drafting of Pricing Policy: The policy regarding farm-gate price to wholesale mandi price is related to the Agriculture Marketing Board/Mandi Board, Chandigarh. However, as far as price monitoring of the essential commodities is concerned, the Department keeps vigil in the local market in order to keep a check on black marketing, hoarding and to prevent other malpractices by carrying out routine checking in relation to over-pricing and stock position.
- 3. There seems to be no need in establishing an exclusive Police wing within the Department/police department for investigation of offences related to essential commodities.
- 4. Though Chandigarh is a non-producing area, yet no such circumstances have arisen in long past that demand supply imbalance in the city because of the plentiful availability of foodgrains from the neighboring states of Punjab & Haryana, which are leading producers of foodgrains in the country.
- 5. In case of U.T., Chandigarh it is not viable to create buffer stock.
- 6. In case of U.T., Chandigarh, there is no need to increase the price monitoring centers.
- 8. The subject matter relates to the Agriculture Marketing Baord/Mandi Board and Health Department as the implementation of Food Safety & Standards Act comes under the preview of the said department. However, the Department of Food & Supplies and Consumer Affairs & Legal Metrology, U.T., Chandigarh keep vigil in the local market in order to keep a check on black marketing, hoarding and to prevent other malpractices.
- 9. The stock limits on the Essential Commodities as per the guidelines received from the Government of India in consultation with the representative of the concerned Association of Dealers. At present, the stock limits prevalent in U.T., Chandigarh are as following:

Commodity	Retail Stock Limit	Wholesale Stock Limit (in qtls.)
Pulses	50	1000
Edible Oils	25	700
Edible Oil Seeds	100	1000
Onion	100	500
Sugar	50	500

- 10. The monthly reports on enforcement action are being sent regularly to the Govt. of India.
- 11. The fortnightly reports are being sent regularly to the Govt. of India.
- 12. The reports are being sent on regular basis through online formats to Government of India.

# **CHATTISGARH**

- Chhattisgarh State imports pulses from other states. Hence, proposal for demand of 5000
  Tons Arhar for Buffer Stock under price stabilization fund for the State has been sent to
  Government of India.
- Trading in pulses is exempted from control. So, stock limits/Price of pulses could be fixed.
- Information regarding Action Taken under the Essential Commodities Act, Prevention of Black Marketing and Maintenance of Supplies of Essential Commodities Act, 1980 during 2016-17 (up to March, 2017) has been sent to Government of India. Monthly information under these Acts is being regularly sent.
- Information regarding Daily Market Price is being regularly reported to Price Reporting Centre.
- If any person is found contravening the provisions of Essential Commodities Act, action will be taken against such person under the provisions of Prevention of Black Marketing and Maintenance of Supplies of Essential Commodities Act, 1980.
- A separate Directorate for Consumer Affairs may be established.
- Proposal for demand of 5000 Tons Arhar for Buffer Stock under price stabilization fund for state has been sent. This has led to reduction in the price of Arhar dal in the State.
- Action is being taken from time to time to ensure availability of essential commodities and to check Hoarding and Black Marketing.

## **GOA**

- The total foodgrains production during the year 2015-16 as reported by the Deptt. Of Agriculture is as below:-
  - 1) Paddy-172602 M. Tonnes.
  - 2) Pulses-6011 M. Tonnes.

The details of consumption are not Available.

- No such buffer stock is kept in the State.
- May be treated as nil

- Not applicable in view of 3 aboveNo such plan has been prepared as the requirements of the State are met by the imports of essential commodities by the traders from the Whole sale market/Mandis of the neighbouring State like Maharashtra and Karnataka. The availability and price of essential commodities in those States influence the availability and price in the State of Goa. However in order to contain prices Department of Agriculture, Government of Goa is operating a scheme titled "Government Intervention for Control of Price Rise Scheme, 2014" through the 'Goa State Horticultural Corporation Ltd', which supplies subsidized vegetables to the consumers through their kiosks. Besides subsidized vegetables, pluses & subsidized sugar is supplied under the scheme through the mobile vans which go to various designated spots in various towns and villages for delivery.
- Since Goa is not the major producer of Pulses and pulses cannot be stored for a long period due to weather conditions of the State, the need to set up Dal mills has not bee felt.
- Does not arise in view of 5 above.
- Nil demand has been made from time to time by the State.
- Monthly reports on the enforcement of the EC Act, PBMMSEC Act and LM Act are submitted.
- It is reported that Department of Legal Metrology in Goa adopt and implement the Act and rules made by Central Government as the said comes in the concurrent list.
- This Department has drafted a food stuff order titled "Goa Foodstuffs Dealers (Licensing & Stock Holding Limits) Order, 2016" and has been submitted to the Law Department for vetting after obtaining due concurrence of the Central Govt.
- In view of reasons stated above the need to set up a special police wing under the EC is not felt necessary.
- The Registrar of Co-Operative Societies has informed that they are reporting prices on Daily basis except Sundays, as most of the Wholesale and retail shops remain closed on Sunday at Panaji Centre.
- No cases of hoarding have been reported in the State till date, therefore the question does not arise.

#### **GUJARAT**

- The State Govt. has not kept buffer stock of pulses during year 2016-17.
- Gujarat is Deficit State in producing Chana/ GRAM. However farmers of Chana/GRAM, get the price of their produce above MSP, even though State Govt. has made arrangement through Nodal Agency GSCSC to procure Chana/GRAM from farmers whenever the open market prices reaches below MSP.
- State Govt. has lifted 1306 tones Tur dal from buffer stock from GOI and paid the amount. The State has prepared about 900 MT of Tur Dal from above quantity

through pulse mills in Gujarat and distributed it to AAY family on Barcoded ration card, at Rs.60 per Kg. per family during October 2016. Moreover State has purchased about 2627 M.T. Tur dal from open market through e-tendering and distributed it to BLP family at 1 Kg. per families at subsidized rate of Rs.60 per Kg. per Barcoded ration card during October 2016.

- State Govt. has taken various steps to motivate farmers to produce more pulses rather than regular crops.
- State Govt. has convened meetings with millers and wholesale dealers of pulses and reviewed the stock and price position. Voluntarily they agreed to make arrangements so that Tur dal is available to customers in open market at Rs.135/- per Kg. in Gujarat. They were cautioned not to do any antisocial trade practices i.e. hoarding, black marketing etc. to earn more profits etc.
- State government always gives in writing for the procurement of Tur dal and will do the same whenever required.
- State Govt. is submitting monthly report on enforcement of EC Act to Government of India.
- The rules under the legal Metrology Act have already been framed and sent to the GOI.
- State govt. always gives comments about stock limit on pulses and will do the same whenever required.
- The replication of Tamil Nadu model of dedicated policing for essential commodities under the EC Act is under consideration of the State Govt.
- Daily report of prices of essential commodities is being sent regularly. The report on Saturday & Sunday is also sent regularly to Government of India.
- The State Govt. is taking actions according to the gravity of the violation of the Act and it has been instructed to district machineries to take necessary steps.

## **HIMACHAL PRADESH**

- The Department of Agriculture, Himachal Pradesh is having programs on increase in production of pulses and edible oilseeds and implement vigorously in order to minimize the gap between demand and supply of pulses and edible oilseeds. It is to review the APMC Act to delist pulses the other essential food items. Stock limit on pulses & edible oil seeds has been imposed.
- HP State Civil Supplies Corporation Ltd., is one and the only procurement agency in the State for Public Distribution System
- There are no big mandis in the State, so the imported quantity of pulses shall not reach within 45 days in the market. Hence, this time limit is not practical for the State.
- A proposal of the Deptt. to enhance stock limits on pulses from 150 Qtl. to 500 Qtl. is being examined and the matter of issuing necessary orders for imposition of stock

- limit as per Gol's order till 30-09-2017 on pulses, edible oil and edible oilseeds is also under process.
- At present 4% VAT and 1% market fee is being charged on pulses. The matter regarding considering removal of VAT and local taxes on pulses has been taken up with Excise & Taxation Department of H.P.
- The state is not self-sufficient in the production of onion, potato and pulses and almost all the requirement are met from other States. Three pulses at fair prices are already being distributed through the network of State subsidy scheme being implemented by the State Govt. The HP State Civil Supplies Corporation is the procurement agency in the State for PDS and existing storage capacity of the State is already short than required. Therefore, there is no necessity to create Price Stabilization Fund (PSF) in the State.
- To curb hoarding and to check price line the department has given monthly target to the enforcement staff and regular inspections are being carried out to achieve the target and to enforce control order issued under EC Act, 1955. When there is price rise in the State, special inspection drives are also conducted by enforcement staff to control the prices of pulses. Moreover stock limit in case of pulses, edible oilseeds and edible oil has been fixed so that no hoarding could take place. Prices are being regularly monitored by 4 centers of the State. So no necessity is felt to engage a professional independent agency to collect, examine, disseminate data and offer solutions to different problems regarding demand and supply, price, trends, speculation, unscrupulous trading, artificial shortage, hoarding, cartel ling and black marketing in pulses and other essential food items, after completing procedural requirements.
- As PSF is not functional in the State, the question of lifting the whole pulses procured by Govt. under the PSF immediately does not arise.
- H.P. is a small State and there is no necessity to create a dedicated Police force in the State. A flying squad has already been constituted to check the diversion of essential commodities under TPDS, Hoarding Profiteering and other mal-practices in essential commodities in the whole State.
- Being a small State, where the Consumer Awareness Programme is being spearheaded by this Department smoothly; creating a separate department exclusively for Consumer Awareness would not be justified rather it would be an extra burden on the State exchequer.
- Meetings are being held with the traders to keep the prices at reasonable level. Margin of Profit is already being fixed under clause 4(1)(d) of HP Hoarding and Profiteering Prevention Order, 1977, minimum and maximum stock limit of pulses has already been imposed and is being enforced strictly.
- Information Management System of prices has been strengthened in the State. Govt. of India has selected there reporting enters viz. Shimla, Mandi & Dharamshala. The

retail & wholesale prices of 22 essential commodities are being entered on daily basis in the Website of GoI, Ministry of Consumer Affairs, Food & PD Deptt. One new reporting Centre at Solan has also been identified. GoI has provided Rs 5.40 Lacs for strengthening of PMC to these centres. Besides this, all the districts in the State are reporting prices of essential commodities on the Departmental Web Portal of State Govt. on every Friday. Daily rates are being collected from Shimla and rates on Wednesday are being collected from Shimla and Mandi Districts.

 Monthly report under EC Act and PBMMSEC is being sent regularly to the Govt. The Govt. Approved Test Centre Rules under section 53 of Legal Metrology Act, 2009 have been notified for calling objections.

#### **JHARKHAND**

- Stock limit has been imposed, 500 MT for wholesaler and 50 MT for retailer. However, it was felt that a maximum of 200 MT (Raw or / and Milled Dal) can be allowed subject to the
- condition that there should not be more than 100 MT of one variety. States can also change these limits considering local factors.
- There is no Market fee in the State.
- PSF has been created in the state having corpus of Rs. 20 Cr. In the State budget. Central Assistant is yet to be grated.
- Proposal regarding lifting the whole pulses procured by Government under the PSF immediately and ensure its availability to the consumers through market intervention to bring down the prices of pulses at reasonable level is under consideration.
- Regular meeting with chamber of commerce are being held to check the price under control. Regular meetings with traders of pulses are held in the State to fix the prices.
- Stock limit for pulses has been abolished in the State.
- Consumer welfare fund has been setup in State.
- There is no market fee in the state..
- Regular raids and inspections are being conducted for deterring tendencies of hoarding, cartelizing, black marketing and its information is shared on regular basis.
- PSF fund has been created in the state having corpus of Rs.20 Cr. In the State budget. Central Assistant is yet to be granted.
- Regarding creation of a separate Department/Directorate of Consumer Affairs with the mandate similar to the Union Department of Consumer Affairs, role assigned to directorate, food and consumer affairs department, Ranchi.
- The proposal is under consideration of state govt. There is no demand of Chana/Gram in the State to be bought from central Govt. at present.
- Rules under the legal metrology have been framed and sent to Gol.

- Matter of arresting criminals under the EC Act, for any kind of violation of any order issued under the act is under consideration.
- Already stated above regular meeting with chamber of commerce are being held to check the price under control.
- The monthly reports on implementation of the EC Act, PBMMSEC Act and LM act regularly. Report is already being sent.
- NFSA has been in operation since October, 2015, DBT for K-oil in eleven districts is in
   Operation and will be operational in whole state from July, 2017. End to End
- Computerization has been successfully. E-PoS has been successfully implemented all over the state. To Impalement DCP, Ramgarh district has been chosen to start the DCP.

#### **KARNATAKA**

- National Food Security Mission (NFSM): It is proposed to take up Pulse Mission during 2016 on account of celebration of 'International Pulse Year 2016'. Pulse Mission aims to encourage better utilization of the nutritional benefits of pulses through better development of varieties and technology that contribute to increased production and productivity in pulses. In the Operational Guidelines of NFSM (12th Plan), addendum has been issued under NFSM-Pulse scheme wherein provision has been made to extend seed production assistance for certified seeds of pulse varieties which are less than 10 years old. In view of this, it has been planned to produce approx. 60000 qtls. of Certified seeds of different pulse varieties. In addition, it has also been proposed to take up large scale demonstrations on pulse production technologies by SAUs (6600 Ha) that facilitate enhancement of area and production of pulses through strengthening of seed chain. NFSM 2016-17-Pulse program is being implemented in the State with Demonstration in clusters, intercropping and cropping system based demo (growing pulses in paddy fallows utilizing residual moisture) with the target of 65000 Ha;
  - Growing pulses on paddy bunds
  - Distribution of seeds and other Agri- inputs
  - Distribution of efficient water management tools, Pump set, water carrying pipes.
- These programmes are dovetailed with other flagship schemes of the Dept. viz., Krishi Bhagya Yojana, Bhoosamrudhi.
- Presently, the State has totally 97 cold storage units (including private & KAPPEC owned units) with a storage capacity of 2.96 lakhs Mt for fruits and vegetables. These are being mainly used for pre-cooling of produce storing Resins, chilies, seeds potatoes, high value seed materials and other temperate imported fruits (apples). Encouragement has been provided under Rashtriya Krishi Vikas Yojana (RKVY) and National Horticulture Mission (NHM) schemes by extending subsidy as per Mission for Integrated Development of Horticulture (MIDH) norms, & also subsidy of Rs. 1/unit is extended on electricity usage for Horticulture Produce under state scheme.
- The State will examine the Tamil Nadu model of policing under the EC Act.

- In the operational guidelines issued for the price support scheme (PSS), there is proposal for exemption from mandi tax/levy etc. State/UT Government shall exempt all state duties in respect to PSS operations in the interest of its farmers and reduce the procurement cost. Further, these taxes, if charged by the State/U'T Government, the same shall not be permissible / reimbursable by the DAC to the State/UT Government and the State/procuring agency.In this regard, a proposal has been moved by the Department to the Government, Co-operation Department on 15/03/2016 giving details of procurement made during last three years, the quantity procured, value and the market fee payable on such procurement and if the Government concedes that exemption from payment of market fee is to be given, the financial effect on the APMCs and the assistance from the State Government in this regard and sought a decision at the Government level. Further clarifications sought by the Government have been submitted on 28/06/2016.
- End-to-end Computerization: The state has followed various stages of computerization of PDS and a digitized database of about 1.38 crore ration cards. It includes about 1.11 Crore Priority households (BPL and Anthyodaya families) and 0.27 Crore Non Priority households (APL families). All these ration cards have been digitized. The database is stored in the servers maintained by NIC.
- The ration card data contains details like photo and biometric of the HOH (Head of the Household) and all the family members above 5 years of age and all members' demographic details viz., Name, Age, Gender, Relation to HOH, Address, RR number (electricity meter number of the house in Urban areas) and the HH number (Property number) in rural areas (as per panchatantra database of RDPR department), UID numbers and LPG consumer numbers of the family to enable the correct identification of beneficiary.
- The Ration Card database established by the department is huge and fairly comprehensive covering almost all the households of the Stateand in fact, the only household based database available in the state. This is a dynamic database wherein new families can be added and the details of the existing families can be modified at any point of time.
- Online allocation of food grains has been implemented in the State up to District> Taluk>Godown>FPS>RC level. The details of online allocation have been made available to the public in the State portal under linkage http://:ahara.kar.nic.in>Statistics> Allotment Statistics.
- Supply chain is also computerized. All Go-downs in the State are automated i.e. computers are installed; connected to internet for accessing NIC's application Software for the purpose of Online billing, Stock and Go-down management, etc. This will help the timely availability of food grains to intended beneficiaries at the respective Fair Price shop. The above data has been made available for Public in the Departmental Web page: http://kfcsc.kar.nic.in. A Real time SMS will be sent to people representatives on lifting of food grains from WSP. From August 2015 a real time SMS is being sent to the beneficiaries to know the Quantity of Ration articals and price. Public can verify the ration cards statistics by clicking the link Statistics, and also if they find any ineligible family possessing priority house hold (BPL) Ration Card and other irregularities, their opinion can be registered in the same online site. Based on their opinion necessary action will be taken by the department.

• After verifying the pros and cons of this project, this project is extended for kerosene as well as food grains in IRA and other town areas across the state. As of now 6139 shops are selected for kerosene and 2453 shops are selected for food grains and the same will be scaled up to all shops phase by phase, across the state.

# **Aadhaar Seeding:**-

At present there are about 5.2 crore UIDs have been Generated against 6.11 crore population in the State. So far the department has collected 2.84 crore DID numbers from the cardholders. The department has taken initiative to digitize, linked and Seeded these DID numbers against RC beneficiaries. In order to bring more transparency in TPDS and to remove duplicates/in-eligible beneficiary, the department is collecting Aadhaar numbers of each RC holders. So far total Linked/Seeded of RCs is 98%. The process of Seeding remaining Aadhaar numbers against concerned beneficiaries is at the completion stage. The progress report of Aadhaar seeding as on 16.08.2016 is enclosed. The existing database is getting updated with the linking of Aadhar of all members of the ration cards. Till now 1, 00, 09,637 (98%) members of ration cards are already Seeded/linked with UID. Thus 2, 84, 25,644 Aadhaar members are seeded/linked till 16<sup>th</sup> August 2016.

# **Bio-Coupon System:**

To bring more transparency in TPDS and to reach out to the eligible beneficiaries, the Department has introduced UII) based Bio verified coupon system in the State. For this initially 50 Shops of Bangalore IRA had been selected for pilot, based on the Pros and cons of the pilot. The Coupon system is further extended to 10 shops of each District in June-2016 and also all shops in Urban area across the State from July-Zn 16 for kerosene distribution. At present, the Department is introduced the Bio Coupon system from Aug-2016 for the Distribution of Food grains also. Now in 6145 FPDs for kerosene coupon distribution and 2452 FPDs for Food Grains Coupon Distribution is started.

# DCP:

Kamataka State has adopted DCp·System for procurement of paddy/rice. The State will procure Paddy from the farmers locally under the MSP OJ>\_eration. There are three procuring agencies viz., Karnataka Food Civil Supplies Corporation (KFCSC), Kamataka State Ware House Corporation (KSWC) and Kamataka State Co-operative Marketing Federation (KSCMF). The Kamataka State will procure the Paddy as per GOI guidelines and Costing Sheet.

The payment for farmers is being done through RTGS.

The procured paddy will be milled through local rice millers. The CMR will be taken back as per Gol guidelines and the same is surrendered for central pool.

The procurement details of Paddy, Ragi and While Jowar (Maldanti) for the KMS 2015-16 is enclosed.

## **ONLINE PROCUREMENT:**

State has e-procurement software developed by state NIC unit. State NIC unit has been requested to adopt the additional features from Chhattisgarh software. This software would be utilized for KMS 2016-17 procurement from October, November 2016 onwards.

#### **LAKSHADWEEP**

- 1. Lakshadweep is the smallest UT in India with limited population (64,429 as per 2011 census). This UT has a State and District Consumer Dispute Redressal Forum and also a consumer protection council which is set up as per consumer protection Act, 1986. Considering the low population and the unique circumstances of the UT with its limited resources and the steps already taken to ensure consumer protection, it is felt that a separate department of Consumer Affairs may not be required.
- 2. In U.T of Lakshadweep, many Essential commodities including pulses have to be imported from mainland. The Supply of Pulses to the Public in this Union Territory is done by the large number of organized cooperative societies and a small number of private traders. Also, the demand for pulses in this Union Territory is not significant.
- 3. In U.T. of Lakshadweep, the Administration is transporting and distributing essential Commodities through Public Distribution System which works through a network of Island Cooperative Marketing Societies. It works in a transparent and efficient manner under regular and strict monitoring of the Administration and hence there is no report of black marketing and irregularities in this U.T.
- 4. The FSSAI officials/Health Inspector functioning under Health Department in various Islands regularly carry out the inspections.

## **MEGHALAYA**

- The Department of FCS&CA is an administrative department implementing the various schemes under PDS and also monitoring the prices of Essential Commodities in the open market. So far the work-load in connection with the Consumer Affairs is not so heavy. The Consumer Cases in the State have been done by the State and District Consumer Court. Hence, it seems that creation of a separate Department of consumer Affairs/Consumer Protection is not necessary at present.
- No dedicated Police Department to check and investigate offences under Essential Commodities Act. However if any offence committed the persons involved will be punished by law as provided under the Essential Commodities Act.
- At present in Meghalaya pulses is non PDS items. The stock of pulses is maintained by private traders. However, regarding keeping of buffer stock in real time market

- interventions, a proposal for availing the Price Stabilization Fund (PSF) Scheme alongwith a draft guidelines is under process by the State Govt.
- To prevent hoarding and Black Marketing etc. the prevention of Black Marketing of supplies of Essential Commodities Act 1980 is being implemented by State Govt. to detain persons who are found guilty of same. No case of cartelling and profiteering trading in essential commodities reported.
- Pulses is non PDS item in Meghalaya.
- The States already meetings with the dealers of pulses and fix prices the pulses Price Monitoring Committee Meeting are held every fortnight regularly.

## **MIZORAM**

- The creation of a separate Department/Directorate of Consumer Affairs was discussed in a Meeting with Finance Department and Department of Personnel & Administrative Reforms chaired by the Secretary to the Government of Mizoram, FCS&CA Department. It was concluded in the meeting that under current austerity measures practised in the State, even a separate Directorate, not to mention a Department is not feasible at the moment. A separate Wing/Cell was proposed instead and is under consideration.
- Separate dedicated Police Force under the EC Act, 1955 has been created in the State so far. However, a Notification was issued empowering certain Officers, viz., all District Magistrates, all Sub-Divisional Magistrates, all Officers under FCS&CA Department and Legal Metrology, all District Civil Supplies Officers, all Inspectors (FCS&CA Department and Legal Metrology) and all Inspectors, Police Department, Govt. of Mizoram to authorize the power for search and seizure of commodities within the State of Mizoram.
- Food, Civil Supplies & Consumer Affairs Department, Govt. Of Mizoram is continuously taking necessary action following the Action Plan as per direction received from Govt. of India from time to time. However, since the Action Plan involves tasks under Agriculture and Agriculture Marketing, etc. appropriate action plan has to be worked out at the Govt. level through discussion with the concerned deptt.
- The State Govt. enforces The EC Act, 1955 and PBMMSEC Act, 1980 and Rules made under like The Mizoram Trade Articles Order, 1987, The Motor Spirit and High Speed Diesel Order, 1992, The Mizoram Legal Enforcement Rules, 2012 etc. to club malpractices of essential commodities.
- The Deptt. Distributes rice and wheat products to the public through Fair Price Shops using funds allocated by the State Finance Department for procurement of the

commodities. However, pulses not being the chief food item of the Stat, the State could not afford to procure pulses due to financial constraints for distribution to the public through Public Distribution System. Nevertheless, the Deptt. Carefully monitors the availability of the commodity and takes necessary action to prevent hoarding, etc. so as to ensure its availability throughout the State.

- The State Government is considering adoption of honorarium and conveyance allowance @ Rs. 1000/- and Rs. 300/- in respect of sitting of part-time member of State Commission members and honorarium and conveyed allowance @ Rs. 600/- and Rs. 150/- per day of sitting in respect of part time member of District Forum.
- Forming flying squad to check hoarding of essential commodities and kept a vigil on black marketing.
- Enforcing National Food Security Act, 2013 (20 of 2013) in line with Mizorarm State, Food Security Rules, 2015 to prevent against blackmarketing of PDS items.
- To curb the evil of cartelling profiteering etc. Monitoring team has been set up for tackling the evil doers.

# **ODISHA**

- The State Government is taking a number of initiatives to boost the production and Productivity of pulses, edible oilseeds etc. and to provide the same to the consumers at affordable rate. The State Govt. is implementing various Central sponsored Programmesand State sponsored Programme to increase production of pulses and edible oils under NFSM (National Food Security Mission Pulses), National Mission of Oilseeds & Oil Palm.
- State Govt. is taking initiative for construction of cold storages through Private Entrepreneurs. The Govt. is giving subsidy & financial assistance for construction of Cold Storages and on supply of electricity to boost the construction of more numbers of Cold Storage in the State .During the Financial Year 2016-17 Govt. has a target of constructing 45 number of Cold Stores with a capacity of 5000 MT each. Target for 2017-18 is 32 number of Cold Storage. Presently we have 104 number of Cold Storage (in 19 district) in the State.
- State Govt. has already taken steps to regulate the business of pulses by introducing
  a licensing system for pulses dealers and registration system for edible oils and
  oilseeds dealers. No persons can take up business of these commodities without
  license/Registration obtained from competent authority. These regulations will
  contain price hike.
- The Govt. of Odisha has already reduced VAT from 5% to 1% in pulses w.e.f. 01.07.2016 for a" period of 3 months on experimental basis with an objective to reduce the market rate of the pluses and encourage traders not to create to artificial scarcity, by resorting to hoarding etc.

- The State Govt. is implementing PSF Scheme and has created a PSF funds with a sum of Rs.100 crores on 50:50 basis with Centre and State, but Central Share of 50 crores has not been received though proposal has been submitted for the same.
- The State Govt. has taken steps for procurement of 5000MT of (Tur Whole gram) from Govt. of India under PSF Scheme for market intervention so that cost of dal will be reduced, followed by stabilization of price. It is under process.
- The State Govt. has decided that after lifting of pulses from Central buffer Stock, mill, store and sell to consumers through PDS network on no profit no loss basis.
- The State Govt. and District Administration are holding regular periodical meeting with whole sealers / Dealers of pulses, for watching the price level and keeping the same at a reasonable and affordable level in the interest of the primary consumers.
- The E.C. Act 1955 & PBMMSEC Act 1980 and L.M. Act 2009 also being enforced vigorously to keep the price level under control.

## **RAJASTHAN**

- In respect of the State, it is notable that the incidents of contraventions of Essential Commodities Act, 1955 are not much to justify creation of a separate establishment for enforcement.
- A separate Department of Consumer Affairs has been established in the State. In line with the Government of India, the Legal Metrology Department of the State has also been attached to the Department of Consumer Affairs. This has been operationalised from 01.10.2016, which is a major achievement of the State.

# **SIKKIM**

- Our State is a non-producing State. The consumption gap will be filled up as per the allocation received from GOI.
- Meetings are being held with the traders.
- Reports are being sent on monthly basis.
- The LMU division of the department is in the process for framing the rules under legal Metrology.

# **TELANGANA**

- Need for a separate Consumer Affairs Department/Directorate is under active consideration.
- The details regarding cost of production, taxes, handling charges etc. have been called for respective department and after receipt of the same, the view of the State Government will be intimated.
- Earlier, there was a separate Vigilance Cell in Civil Supplies Dept., to prevent unscrupulous trading and black marketing of essential commodities. After abolition of the Vigilance Cell (CS), now the Vigilance and Enforcement Dept. of the General Administration Dept., is conducting raids and checking hoarding and black marketing. The issue to have a compact Vigilance wing is under consideration of the Government with necessary police and C.S Department officials in the State and Districts.
- State Government usually through PDS is allotting essential commodities over and above regular allotment to the consumers during festival season. Whenever, there is rise of prices of commodities like onions, Redgram dal are distributed under Market Intervention operations through Marketing and Civil Supplies Department.
- Earlier prices of selected essential commodities as prescribed by the Govt. of India have been reported from Hyderabad Centre. After formation of State, five more centres viz; Warangal, Karimnagar, Jadcherla, Suryapeta and Adilabad are added for price collection and reporting to Govt. of India. As advised by the Govt. of India, the State Government has been submitting the daily prices even on public holidays, Saturdays and Sundays. The Govt. of India may be requested to provide financial assistance for strengthening of Price Monitoring Centres at new centres also. Prices at wholesale and retail are being monitored by the Economics and Statistics Department from 39 Divisional Headquarters in the State. Civil Supplies Dept. collects price information from Economics and Statistics, analyses and takes action to ensure availability at fair prices by resorting to market intervention operations, etc.
- Regular meeting with wholesalers/retailers dealing in pulses have been held and they have been requested to sell the Redgram dal @ Rs.120/- per kg to the consumers. With regard to effective action to be taken against the retailers, stockists, dealers

and manufacturers of spurious and adulterated food items - raw, processed or half processed, under the 'Food Safety and Standards Act', action is being taken by Commissioner of Food Safety, Institute of Preventive Medicine, Public Health Labs & Food (Health) Admn.

- Periodical reports on implementation of E.C Act, 1955 and PBMMSEC Act, 1980 are being sent regularly to Govt. of India. The Telangana State and A.P. Government are following similar procedure in collection of price data and submitting to Govt. of India and State Government. On introduction of GST, there will not be any VAT on pulses.
- At present the Telangana State Civil Supplies Corporation Ltd is making the payment of MSP of paddy to the farmers through online system only. On the same analogy, if need arises for pocurement of pulses under Minimum Support Price Operations, the same procedure would be adapted. Hence, the Enforcement Officials are taking stringent action in the unauthorized storage of pulses and booking 6-A cases on the unscrupulous persons.
- The following quantities of Pulses were seized in the State of Telangana from June, 2014 to September, 2016.

Period	Qty. in Qtls.
June, 2014 to December, 2014	6743
January, 2015 to December, 2015	7870
January, 2016 to September, 2016	4800

- The Government of Telangana is making vigorous efforts for increasing the area under Pulses and Oilseeds.
  - i) A Kharif campaign has been organized to replace Cotton with Pulses and Oilseed crops successfully.
  - ii) Cotton crop has been replaced with pulses like Redgram, Greeengram and Oilseeds like Soyabeen.
  - iii) The Government of Telangana has supplied adequate quantity of pulses seed i.e., Soyabean seed and subsidy.
  - iv) As a result of extensive extension and i Publicity, Department of Agriculture the total pulses area has been increased to 6.39 lakh ha., as against the normal of 4.04 Lakh ha. (Increase of 158%)
  - v) In the same way the Oilseed area has also been increased to 3.62 ha., as against the normal of 3.03 Lakh ha., (Increase of 120%)
  - vi) With the favourable season the pulses production shall be increased during Kharif, 2016-17.

vii) Efforts are also taken to increase area under Bengalgram and Groundnut and sufficient seed has been made available on subsidy.

# **UTTAR PRADESH**

- Establishment of Price Monitoring Centers (PMC) Price Monitoring Centers have been established in 08 Districts/Mandis of the State, where wholesale and retail prices of 22 essential commodities are being collected and Prices are being monitored and information is being sent to the Government of India on regular basis. The Prices are being collected on holidays i.e. on Saturdays and Sundays also. Fund for strengthening the PMC has been made from Government of India, sanction of which is still awaited.
- Regarding availability & regulation of prices of Vegetables The availability and prices of Potatoes, Onions and Tomatoes are being reviewed regularly. In view of the increase in the prices of Potatoes, District administration has been directed to closely monitor the cold storages for storing Potatoes and also directions have been issued for releasing potatoes from warehouses for sale among the consumers. In addition, directions have been given to district administrations for opening of retail outlets of vegetables at reasonable prices
- Regarding sale of imported pulses Earlier, 250+250= 500 MT of imported tur dal has been distributed among consumers @ 120/- per Kg. through various depots of Employees' Welfare Corporations. In addition, for lifting of 500 MT imported tur dal, a proposal for necessary amount has been sent to the Government for approval.
- Review of Market Price To review the Market Prices, Price Monitoring Cells have been established under the chairmanship of District Collector at District level, Divisional Commissioner at Division level and Additional Commissioner at State level. The Price Monitoring Cell continuously monitors the arrival, availability and prices of essential commodities.
- Directions issued to District Administration- To ensure the availability of essential commodities at fair prices, the District Administration has been directed to hold regular meeting of the traders and following instructions have been issued to take action to bring out qualitative change in the system with the cooperation of concerned departments:
  - > To effectively enforce the applicable stock limits on pulses, edible oils and edible oilseeds on dealers, millers, wholesalers and retailers;
  - ➤ While enforcing the provisions of Essential Commodities Act, strict action be taken to check hoarding and black-marketing of aforesaid commodities;
  - ➤ Whenever necessary, preventive detentions be made under the Prevention of Black-Marketing and Supply of Essential commodities Act, 1980;
  - Price Monitoring Mechanism be strengthened to ensure timely action for effective management of price trends and to check abnormal rise in prices;

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- Measures be taken for procurement and storage of pulses etc. for sufficient supply at different places in the State through State Food and Civil Supplies Corporation so that these can be available to the consumers at reasonable prices;
- Adequate market intelligence system be established to find out the indications of abnormal increase in prices in advance;
- A comprehensive Management Information System be developed which may provide required information to Government in respect of domestic availability, imported quantity etc. In this regard, there is a need for training and capacity building of concerned officials.
- Development of Storage Capacity A proposal for creating 2 steel silos of 50 thousand metric tonne each in Pilibhit and Shajhanpur districts was submitted to Food Corporation of India and Government of India, which has now been directed to be submitted through H.L.C. Apart from this, a proposal for creating a 2500 MT godown on PP Model to solve the problem of storage of food grain for public distribution system at block level has already been sent to government for necessary sanction.
- Regarding E-procurement Software for e-procurement has been developed in collaboration with N.I.C which is proposed to be implemented from the upcoming paddy procurement season 2016-17.
- Creation of Price Stabilisation Fund A proposal for the creation of Price Stabilisation Fund has been submitted to the Government.
- National Food Security Act is being implemented. Aadhar card seeding-Seeding of approximately 72% of Aadhar card has been completed. Grievance Redressal Development of grievance redressal system A system for registration of online grievances and its tracking is already developed in the State. For this, toll-free help line no is 18001800150.

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# APPENDIX I

# MINUTES OF THE SECOND SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2017-18) HELD ON MONDAY, 23 OCTOBER, 2017

The Committee sat from 1530 hrs. to 1615 hrs. in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

# **PRESENT**

Shri J.C. Divakar Reddy - Chairperson

# Members

# Lok Sabha

- 2. Shri R.K.Bharathimohan
- 3. Shri Babu Lal Chaudhary
- 4. Shri Sanjay Haribhau Jadhav
- 5. Shri Dinesh Kashyap
- 6. Shri Dharmendra Kumar
- 7. Smt. Sakuntala Laguri
- 8. Dr. Swami Sakshiji Maharaj
- 9. Shri Sunil Kumar Mondal
- 10. Shri Bhola Singh
- 11. Shri Sukhbir Singh Jaunpuria
- 12. Shri Nandi Yellaiah

# Rajya Sabha

- 13. Shri Shadi Lal Batra
- 14. Shri Ripun Bora
- 15. Shri Vinay Katiyar
- 16. Shri Ravi Prakash Verma
- 17. Shri Veer Singh

# **SECRETARIAT**

1. Shri Lovekesh Kumar Sharma - Director

2. Shri Khakhai Zou - Additional Director

2. At the outset, Hon'ble Chairperson welcomed the Members to the sitting of the Committee convened for consideration and adoption of the Draft Reports on Action Taken by the Government on the observations/recommendations contained in the 15<sup>th</sup> and 16<sup>th</sup> Reports of the Committee on Demands for Grants (2017-18) of the Ministry of Consumer Affairs, Food and Public Distribution pertaining to the (i) Department of Food and Public Distribution, and (ii) Department of Consumer Affairs respectively.

3. Thereafter the Committee took up for consideration the Draft Reports. After due deliberations, the Committee unanimously adopted the said two Action Taken Reports without any amendment/modification.

4. The Committee then authorized the Chairperson to finalize the aforesaid Draft Reports and present the same to Parliament in the ensuing Winter Session of Parliament.

The Committee then adjourned.

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#### **APPENDIX II**

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

**ACTION** OF THE TAKEN BY THE GOVERNMENT ON THE ANALYSIS OBSERVATIONS/RECOMMENDATIONS CONTAINED IN THE SEVENTEENTH REPORT OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC **DISTRIBUTION (2016-17)** 

(SIXTEENTH LOK SABHA)

(i) Total number of Recommendations:

15

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

Para Nos.: - 3.9, 3.11, 3.52, 3.54, 3.55, 3.67, 3.92, 3.93, 3.108, 3.109.

(Chapter – II, Total - 10)

Percentage: 66.66%

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

Para Nos. Nil

(Chapter – III, Total - Nil)

Percentage: 0

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

Para No. 2.9

(Chapter – IV, Total -1)

Percentage: 6.66%

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

Para No.:- 3.10, 3.53, 3.59 and 3.81.

(Chapter – V, Total - 4)

Percentage: 26.66%