

[Shri P. Chidambaram]

India and claim citizenship to the detriment of the Indian citizens and the Indian people. We are really protecting India's future against this clandestine influx of people.

I am grateful to some hon. Members in the opposition who thought fit to support this Bill. I think that is the measure of the large support that this Bill should get. If some people still choose to oppose it, I can only be sorry for them. They are not looking at this Bill from the larger national point of view. But, perhaps, they are looking at it from a very narrow point of view, with some blinkers imposed by their geography or any other reasons. I shall only request them to look at this Bill from a larger point of view.

SHRI SOMNATH CHATTERJEE : I am sorry for those people. *(Inter up. ions)*

SHRI P. CHIDAMBARAM : May I add just one thing. ?

This Bill does not effect the Assam Accord at all. The Assam Accord has been taken care of by introducing Section 6A. Section 6 A is a self-contained scheme. This Bill which amends Sections 3,5, and 6 does not effect in any manner the definition in Sec. 6A or the scheme of Sec. 6A. I may assure this hon. House that the Assam Accord is completely taken care of in Sec. 6A and nothing in this Bill will effect the Assam Accord and there is no dilution of Sec.6A.

SHRI P. NAMGYAL : What about my query ?

SHRI P. CHIDAMBARAM : I would request you to support this Bill.

MR. CHAIRMAN : The question is :

“That the Bill further to amend the Citizenship Act

1955, be taken into consideration.”

The motion was adopted.

17.38 hrs.

(English)

HALF-AN-HOUR DISCUSSION Legislation on protection of consumers

MR. CHAIRMAN : The House will now take up Half-an-Hour Discussion. Shri Sharad Dighe.

SHRI SHARAD DIGHE : I Bombay North Central) : I rise to raise Half-an-Hour Discussion on the points arising out of the answer given by the Minister of Food and Civil Supplies on the 4th November, 1986 to Starred Question No.9 regarding Legislation on protection of consumers.

On 4th November this question has been replied to. The question was—

Whether Government proposes to bring a comprehensive legislation on protection of the consumers in the country; if so, broad outlines thereof and when it is to be brought forward ? The only cryptic answer given was—

The enactment of the Consumer Protection legislation is under consideration of the Government. Various aspects of it are under examination.

At the outset I may point out that even though the Government has given this answer that the legislation is under consideration, I find that a model Bill regarding the consumer protection is already being circulated among the public and it is known to several consumers societies and several other trade representatives and other representatives. So, the provisions of the Bill which the Government propose to introduce in this House

are already known to everybody else except the Members of this Parliament. I would, therefore say that it was not a good Parliamentary practice to circulate a draft Bill on this subject without reference to the Members of this Parliament and therefore, the result is that everywhere in big cities the provisions of that model Bill are being discussed, seminars are being held in Delhi and in Bombay city wherein sometimes we, as Members of Parliament, are invited to speak and then we have to say that we do not know what is this Bill, whereas the other Members who take part in the seminars very well comment upon the so-called model Bill for the protection of consumers. So, I would urge upon the Government that this position is not good and if at all any Bill is in contemplation of the Government, it should be introduced in this House so that there could be public debate along with the Members of this House.

Sir, the legislation regarding this consumers' protection is being promised by the Government since the last Session and still I do not see any inkling about the introduction of such legislation even in this Session itself. I would urge upon the Government that the subject is very urgent and legislation ought to be introduced in this very Session itself. Now I find that even the Planning Commission has set aside nearly Rs. 100 lakhs for the protection of consumers in the Seventh Five-Year Plan and therefore, it is in the fitness of things that immediate legislation should be introduced in this House so that it can come into force as early as possible. The condition of consumers in this country as compared to the other countries especially the western countries, is really pitiable. Even though there are a number of enactments which purport to protect the interests of the consumers, I am told there are nearly 30 laws passed by the Central & State Legislatures in this country purporting to protect the consumers' interests. But in spite of this plethora of legislation, we find still the condition of the consumers is as bad as before and they are exploited on the question quality, quantity and price. Some of the existing laws are even preposterous.

If I may give one example, the Prevention of Food Adulteration Act and the Rules made thereunder provide that 16 per cent or more adulteration comprising even of a dead rodent or its excreta is considered permissible. This is the position as far as food adulteration is concerned.

Now, as I said there are nearly 30 laws including the Indian Sales of Goods Act, Prevention of Food Adulteration Act, Drugs Act etc. and even certain provisions in the Indian Penal Code, and the main problem is about their implementation and therefore, this legislation is not coming, really speaking, to the help of consumers' protection. Therefore, it is considered urgently necessary to have a comprehensive legislation on this subject as early as possible. If the model Bill which is being circulated is any indication of the Government's thinking on this subject, then I must say that it requires very drastic changes and from that point of view, it, is not on the right lines, on the subject. As I read the draft Bill that is being circulated, it has got three tiers of machinery. Firstly, there is constitution of the consumer Protection Council. And that Council is packed up only with bureaucrats. The Minister is the chairman and all the 4 Secretaries of different Departments are also sought to be made members. Even consumers' representatives are to be nominated by the Government. If it is a packed body of only bureaucrats and the Government nominees, then I must say that really speaking, it will not serve the purpose of protecting the consumers' interests. What is necessary is, all those genuine bodies which are looking after the consumers' interests throughout the country, and especially in different urban cities have to be taken into confidence and they should be given more powers and more representatives of them should be put in this Consumer Protection Council, as far as this Bill is concerned.

Then, of course, the Directorate is also fully governed by the bureaucrats. And also there is a forum provided, the Consumer Dispute Redressal Forum. But as I see, it is nothing else but a court. Now, we see about courts of law, in order to

[Shri Sharad Dighe]

get redress of these consumers' grievances, they are, at present, taking a lot of time. They are not effective at all and if you create a further forum for the purpose of looking after the consumers' interests, it will not serve any purpose. And, therefore, teeth have to be provided to the Council itself which should be packed up with the genuine and real representatives of the consumers' interests. From this point of view, immediate attention will have to be given to this Bill. Even the punishments that are provided in the model Bill are also very meagre. 20 times the price of that commodity, which is found to be adulterated is to be recovered. Now it is such a meagre sum and the punishment proposed is so small that I don't think, it would have any effect on the traders who are already exploiting the consumers in this respect.

Lastly, I would also point out that in the model Bill which you are proposing, only the commodities are included or protected and not services. Really speaking, there are many services which also exploit the consumers and, therefore, if you exclude the services from the operation of this Bill, then many more things we shall be excluding. Then, further on, only private and cooperative traders are covered by this model Bill whereas several public sector institutions have been exempted from this. The result will be that many commodities which are supplied through the public distribution system and the commodities which are produced by the public sector will be exempted and, therefore, consumers would be exploited in respect of those commodities and services which are under their control. From this point of view, I will urge upon the Government and the Minister to reconsider the whole model Bill and have a draft legislation which will really come to the rescue of the consumers and a very swift machinery, should be provided to the consumers, thereby they can redress the grievances in a short time without any reference to any cumbersome machinery as far as this is concerned.

With these words, I urge upon the Minister to let us know what is in the mind of the Government as far as this Bill and this aspect is concerned.

THE MINISTER OF PARLIAMEN-
TARY AFFAIRS AND MINISTER OF
FOOD AND CIVIL SUPPLIES (SHRI
H. K. L. BHAGAT) : I am grateful to
the hon. Member Shri Sharad Dighe for
having raised this matter and for the
Chairman having permitted him to have
his say. His subject is very important,
crucial and necessary in the interest of
the country. Each independent citizen is
a consumer. Even every trader is a
trader in some part and a consumer in
many parts. So is the manufacturer.
Each one of us is a consumer and consu-
mer consciousness in this country is
gaining ground and the demands of the
consumer for adequate protection regard-
ing quality, prompt remedies, is very
natural and the Government is very much
conscious of that. The Prime Minister
himself has said that something has to be
done about this. He is very positive
about this. That is his own thinking
which he has expressed before. Now I
want to say one thing that it is true that
national seminar was held on 20-21
January, 1986. In the seminar, the
representatives of the Central Ministries,
of the State Governments, voluntary
organisations and some others participated.
It is true that a working paper was
circulated for deliberation there by the
Ministry of Civil Supplies which was
described as a model Bill. Now obviously
when a working paper is described as a
model Bill, it is natural that people should
think that this is the Bill which the
Government is considering and taking
action on it. I personally feel that this
should have been described only as a
working paper, not as a Bill as such
having its salient features so that this
confusion which exists, was not there. It
is better not to describe it as a model
Bill. But there was a decision at some
level that a model Bill should be prepared
and this Bill should be brought in Parlia-
ment. Government is certainly considering
seriously of bringing forward a Bill in
Parliament. The Bill we propose to
introduce in Parliament now, my friend

Shri Sharad Dighe is naturally keen that it should be brought immediately in this Session. I cannot say whether it will be possible or not to bring it in this Session. But I can only tell him that serious consideration is being given to this. There has been follow up after that seminar also. There are a number of suggestions and recommendations on this, what I said, working paper or the so-called model Bill. A number of recommendations and suggestions were made by the seminar itself and then later on we received a number of suggestions from some other organisations who were in the seminar and from some other prominent citizens. I also discussed with a number of people. Then this matter came up in a meeting of the Consumer Advisory Council held on 26th June, 1985 where also it was discussed and a number of suggestions were made. Again this matter was discussed in the meeting of the Consultative Committee of the Ministry held on 8th August, 1986. Meanwhile, we have taken care to study the consumer laws as they exist in certain countries like U.K., USA, Australia and New Zealand etc. We made some studies. It has been a continuous process after the seminar on the so-called Bill. I have said that it was virtually a working paper for discussion. There is nothing final yet and that process is continuous. I would certainly say that there are a number of laws, a multiplicity of laws, with regard to the consumer protection already and it is true that the feeling is that there is necessity for a consumer protection law which can provide some prompt and effective relief to the people in the matter of their complaints, in regard to quality, reasonable price, availability and other matters. It is a very natural demand. The existing measures have been enforced. It is not that they have not been enforced. Acts which are already existing have been enforced to a certain extent. But the feeling is that they need also improvement. I would accept that position. The respective Ministries are examining the proposals regarding giving rights to the consumers and registered consumers' organisations to file complaints in such cases. As far as complaints are concerned, as of now, for example, under the Prevention of Food Adulteration Act, they are filed only by an Inspector. Now, the idea is to

encourage the voluntary consumer movement to grow in this country. But I cannot say to what extent it will be. Certainly, the consumers' organisations should be encouraged and a voluntary strong consumer movement need to be developed in this country. Government can give some encouragement. But Government cannot create a movement. It should be created by consumers themselves. There are a number of consumer organisations in this country. But yet I have a feeling that a consumer protection movement as such at the grass-root level is yet to develop. It would also be a continuous development process. A number of consumers organisations have also come up. But most of the consumer organisations which exist are city-based organisations so far. We want a consumer organisation to develop in the rural areas at the village level also and so on and so forth. Consumer interests have to be protected at all levels. It should be protected at the level of Fair Price Shops; and all other different levels. All these aspects are under examination of the Government.

Various other points have been mentioned by hon. Members, to review the monitoring of the existing systems and laws—monitoring in the sense of implementation. My own Ministry deals with a few laws. We are monitoring enforcement also and trying to see how enforcement can be done better.

There are a number of other points which my hon friend has mentioned regarding the services and regarding the Public Sector Undertaking and other things. I assure my hon. friend that these points will be taken care of. The debate and discussion has gone on very far. We are taking note of the discussions that are going on outside this House also. But I cannot say what shape the final Bill will take. I am not in a position to say more at this stage. All these points are under examination. We are definitely thinking of bringing as comprehensive and as practical a legislation as possible which can provide some prompt remedy to the complaints of the consumers.

[Shri H.K.L. Bhagat]

Now, the hon. Members has said that in the composition of the Consumer Protection Advisory Council, too many officials are there. I share his views. I feel that in the consumer Protection Council, we should give more and more representation to the representatives of the people, particularly those who are doing work in the consumers field. Certainly, the movement has not to be politicised. It should be a voluntary, natural movement of the consumers by themselves. He has given a suggestion that all the consumer organisations should be given representation in the Council. He would agree with me and appreciate that it cannot be possible. There are 180 consumer organisations. You have to see their status, experience, capacity and how much work they have done and so on and so forth. There may be growth of many new organisations. So, on the basis of merit, consumer organisations should be adequately represented in the Council. I also feel that consumer representatives, trade and industry should also be represented in the Council, apart from some officials. Actually we can do really some effective service if we combine the consumer movement and representatives of consumers. Government should do its part. At the same time, the trade and industry should also do its part, apart from legislation which is considered necessary by the Govt. at this stage. Certainly, we are examining that. But I have a feeling that a lot of voluntary effort also needs to be done by the consumer organisations themselves and they can do a lot of work. Government needs to encourage them through some laws and some other steps.

18.00 hrs.

Through today's discussion I would say to the trade and industry and various manufacturing organisations of this country that in their own interest, in the interest of the country and their own concerns they should have themselves some voluntary institutional arrangements. This is not to say that we will not do anything or will not bring any legislation. Whatever legislation is necessary to safeguard the interest of the consumer

according to the Government, that will be certainly brought forward.

Some of the business organisations have been talking for a long time of some business ethics which would look after consumer interest. That is also one of the most important points. The ethics should be followed honestly and in action. The trade and industrial organisations should have their own arrangements, time-bound arrangements to look into the consumers' problems and to give them the required relief, apart from having quality control at their level.

We are also considering the question of reorganising the ISI—its structure, its form. We are also trying to see that more and more consumer articles are brought into it so that there can be an ISI mark on them. Wherever ISI mark is not there, there is no reason why quality should not be there. I would say that quality should be there.

I assure the Hon. Member that a number of points which he has raised are under the examination of the Government and we are keen that we should bring a consumer legislation and also amend the existing laws to make them more effective, so that consumers can move for their grievances.

I must thank him again for having brought this matter before the House.

SHRI CHINTAMANI JENA (Balsore) : Hon. Chairman : I am very grateful to the Hon. Prime Minister and also I must congratulate the Hon. Minister for Food and Civil Supplies for their intention to pilot the consumers' protection bill in this House—if not in this Session, at least in the next Session.

You have already directed me to put only one question and I will put only one question. When the Hon. Minister was replying to the debate he has said that this was not a model bill, this was only circulated as a working paper to various interested parties etc. May I know from

him what was the constraint of his Ministry to circulate those working papers to the Members of both the Houses of Parliament ?

There are a few dozens of Bills to give protection to consumers. In a vast country like ours, everybody right from the President of India upto the poorest of the poor in the society is a consumer. Taking that aspect into account, may I know how this Bill—which the Hon. Prime Minister and also the Hon. Minister are trying to bring in this Session or in the next Session—is an exception to other Bills, because we all know that there are dozens of Bills; but the poorest of the poor in the society is not getting any benefit of them. He has to either go to the court of law, which is a time taking process and expensive too.

MR. CHAIRMAN : I have not called upon you to give a speech. Please put your question.

SHRI CHINTAMANI JENA : Sir, this is part (b) of my question. There is both levy and free sale sugar. A fair price shop sugar is dealing both in free and levy sugar. Now when the consumer will go and ask for sugar he will be told there is no levy sugar and there is only free-sale sugar. So my point is how it will be an exception to the other enactments which are already there.

[Translation]

DR. G. S. RAJHANS (Jhanjharpur) : Mr. Chairman, Sir, I would like to submit only a few points. There are already a number of Acts on the Statute Book for the protection of consumers which, if implemented properly, will not leave any room for enacting a fresh legislation. I have already said in this House that although legislations are enacted yet they are not implemented properly. I shall give you a small example. Considerable amount of money is spent on the advertisements on Radio and Television that no shopkeeper will weigh sweetmeats along with the carton but show me a single

shopkeeper who weighs sweetmeats without carton. There may be laws in existence but how will you infuse honesty in those who are supposed to observe them ? You say that you have gone through the Consumer Protection laws of Britain, the U.S.A. and other countries and want them to be implemented in our country too. But nothing will happen unless these laws are indianised. There are people in the country who have become millionaires by adulterating tallow with the vegetable oil and selling it in the market, but no action was taken against them and still we talk of the laws. There are many things to say which might be bitter. So, I would say that these laws should be indianised. If you happen to visit the countryside, you will find that sweetmeats are prepared with adulterated oil and the people eat them. But I would like to know how as to many persons have been prosecuted for violating the quality and quantity norms during the last two years, the time since when you have been talking of consumer protection and what has been its result ?

[English]

SHRI SOMNATH RATH (Aska) : We are talking of a bill which is not in existence. The Bill has not been introduced. When the Bill is introduced, then it is in existence. I will put only one question. We are spending a huge amount of foreign exchange by importing sugar and edible oil to be supplied to the poor and the needy people in the villages. The Central and State governments are giving sufficient amount as subsidy beginning from the primary cooperative societies, fair price shops to the apex societies. The aim of the Government is that these societies which are cooperative societies will distribute the consumer goods to the needy people. I want to know is it functioning at all ? Huge amounts have been spent to supply essential commodities to the poor and the needy people in the villages through cooperative societies. In fact, the palmoline oil and sugar never go to the village. The middlemen take advantage of it. The palmoline is taken by the middlemen, some mustard oil essence is

[Shri Somnath Rath]

added to it and they sell it as mustard oil at a high price.

So far as my State of Orissa is concerned, the cooperative societies meant for distribution of consumer goods are not at all functioning. We have got at the block level cooperative extension officers, we have got regular cooperative department officers and there are cooperative societies at the gram panchayat level. Why these consumer goods are not being equitably distributed by these cooperative societies? Why are we seeking the help of private individuals, when the policy of the Government is to give priority to the cooperative societies over private individuals? If the system has failed, what are the reasons for that? The Minister has said that we should strengthen the consumer movement. How will that be strengthened and by what agency? I want a categorical reply.

It is not a question of more legislation. We have got the Essential Commodities Act and other legislation. It is only the proper implementation of these laws that is needed. There should be proper public distribution system; the poor and the needy people should get the consumer goods as the Government wants it and the middlemen should not be allowed to take advantage of it. There is no dearth of foodgrains in our country; we have got sufficient foodgrains. Why should it not reach the people in the rural areas? Then what about the Adivasi and Harijan areas where there are no cooperative societies at grass root level. There, it is the middlemen who are employed as agents or dealers and they exploit. What does the Government intend to do in that regard?

SHRI H. K. L. BHAGAT : Sir, I am very grateful to the hon. Members for giving some suggestions as also putting a few questions.

Shri Chintamani Jena put one question, which I could understand as his question; he says that we should create another court because it takes a lot of time at present. In a way, he has answered the

point which hon. Members, Dr. Rajhans has raised. Dr. Rajhans says that we have too many laws and if we enforce them well, probably there would be no need of another law.

Now, under the principle of jurisprudence, before you convict a man and sentence him to imprisonment, you have to follow a certain procedure. That procedure has to be followed, whether you call it a summary trial or any other trial and that takes a long time. The laws which are existing are preventive and punitive in character. The character of most of the existing laws is preventive and punitive, and the general feeling is that they do not provide any speedy and prompt relief to the consumer. For example, if somebody has got something which is bad and defective, if he does not get any relief and he has to run to a court it will take many years. Therefore, the idea is that we should have a legislation which can provide prompt relief. Now, the question of legal procedure and at the same time a simple procedure is under consideration.

Apart from that, I feel that the social workers, particularly those who are working in the consumer field can be of great help. And most of them are ladies and I think the ladies are more competent—if you do not mind my saying that—to look after the interests of the consumers. The ladies should be adequately represented in the various forums so that they can look into it.

Now, a number of things have been said about the distribution system. The real thing lies in enforcement. Hon. member, Shri Rajhans stated that enforcement is not being done. He referred to the tallow case. He knows that in tallow case, people have been prosecuted and the cases are in the courts and there is a set procedure to punish them. It is not as though I do not want things to be done quickly. But then, the courts have their own procedure and they have their own powers. What I am trying to submit for the consideration of the House is that we have to bring something which can give prompt and speedy remedy.

With regard to distribution system, hon. member Shri Somnath Rath has stated that co-operatives should be encouraged. I certainly agree with him. A number of commodities are given to the cooperatives and essential commodities are also given to them. Encouraging cooperatives is our policy. But then the functioning of the cooperatives and the persons who run the cooperatives also should improve. I think that there is scope for improvement in all sectors, whether it is the cooperative sector or any other sector. It is not to say that there is absolutely no protection available today. It is not so, but we do feel that a legislation is necessary and the existing legislations also have to be improved. There should be better research facilities; there should be more laboratories; and so many more things have to come up in the wake of this. But depending on Government alone will not do. A lot has to come from the people themselves. For example, in my view, with regard to fair price shops there should be some committees comprising four or five people, (among whom there must be at least two ladies) persons of eminence and credibility, in whom people have faith, so that there is no leakage.

I would like to reiterate that it is not as if there is no enforcement at all. The hon. member has asked me figures about Delhi. Now, under the Essential Commodities Act, for the quarter ending March 1986,

1036 raids were conducted and 24 persons were prosecuted. Under Weights & Measures Act, 1450 cases were booked and fines to the extent of Rs. 43,000 were imposed. Under Prevention of Food Adulteration Act, 552 samples were examined; 112 were found adulterated, and prosecution in 83 cases was launched. This is the position so far as Delhi is concerned. I also have figures with me as regards the country. Under the Essential Commodities Act, for the quarter ending March 1986, number of raids conducted in the country is 45,397; number of persons arrested is 1,461 and persons prosecuted is 5765. I do not want to take much time of the House. I have figures with me regarding the Weights and Measures Act, with regard to Prevention of Food Adulteration Act, also with regard to the Indian Standard Institute Certification Act. All these figures are with me and the hon. members are welcome to come to me and get these figures and give their suggestions both inside and outside the House. The Government will welcome their suggestions and Government always feels strengthened by the suggestions which the hon. members give. I am therefore, thankful to the members for their contribution.

MR. CHAIRMAN: The House will now adjourn to meet at 11 A.M. tomorrow.

18.19 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Tuesday, November 11, 1986/Kartika 20, 1908 (Saka)