REPORT OF THE WORKING GROUP ON CONSUMER PROTECTION



Twelfth Plan (2012-17)

Volume - I

GOVERNMENT OF INDIA
DEPARTMENT OF CONSUMER AFFAIRS
MINISTRY OF CONSUMER AFFAIRS, FOOD AND
PUBLIC DISTRIBUTION

PREFACE

The growing interdependence of the world economy and international character of many business practices coupled with the change in the concept of State from welfare to contracting have contributed to emergence of universal emphasis on consumer rights promotion and protection. Consumers, clients and customers world over, are on the move and demanding value for money in the form of quality goods and better services. Modern technological developments have no doubt made a great impact on the quality, availability and safety of goods and services but the fact of life is that the consumers are still victims of unscrupulous and exploitative trade practices. In view of this fact the Planning Commission ,has selected 'Consumer Protection' as one of the subjects to be included as priority areas for the Twelfth Plan and constituted a Working Group to formulate a comprehensive set of policies, programmes and strategies to launch a strong policy paradigm for consumer protection.

The Working Group in its first meeting constituted six sub groups on (i)Consumer Protection & Redressal, ADR and Consumer Counseling; (ii) Consumer Awareness and Education; (iii) Standardization and Product Safety (iv) Testing Facilities and Legal Metrology(v) Internal Trade and Future Markets(vi) Price Monitoring and Market Intervention (strengthening of data and information base on prices of essential commodities). These sub group reports form the basis of the final report of the Working Group, which is in two volumes. I wish to place on record my appreciation and thanks to the members of the Working Group and of the sub groups especially the conveners of all the six sub groups for their active involvement and constructive suggestions. I would also like to express my thanks to Shri Pankaj Agrawala, Additional Secretary, Mrs. Ganga Murthy, Sr. Economic Advisor, Shri Manoj Parida, Joint Secretary Mrs. Anandi Ravichandarn, Economic Advisor, and Shri G. N. Sreekumaran, Joint Secretary, DCA for their help and keen interest in ensuring smooth functioning of the Working Group. I would also like to place on record my appreciation for the dedicated services rendered by all Members of the Working Group and Sub Groups and the officials of the Department in facilitating the work of the sub groups and the Working Group and to come out timely with this Report.

Date:	
	(Rajiv Agarwal)
Place:	Chairman

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EXECUTIVE SUMMARY

- 1. The Working Group on Consumer Protection for 12th Plan had setup the following six Sub-Groups to look into the various activities of the Department during 11th Plan and recommend an Action Plan for the 12th Plan;
 - (i) Consumer Protection & Redressal, ADR and Consumer Counseling
 - (ii) Consumer Awareness and Education
 - (iii) Standardization and Product Safety
 - (iv) Testing Facilities and Legal Metrology
 - (v) Internal Trade and Future Markets
 - (vi) Price Monitoring and Market Intervention (strengthening of data and information base on prices of essential commodities)

In this connection Appendixes I and II may be seen.

- 2. This Report of the Working Group on Consumer Protection for 12th Plan has been prepared in two volumes. Volume one has four chapters covering, Introduction, Eleventh plan thrust and achievements, Strategy for twelfth plan, and Recommendations and Suggestions. Volume Two is a compilation of reports of the six Sub Groups. Recommendations and Suggestions of the Sub Groups that have been accepted by the Working Group form the basis of the Working Group's major recommendations and suggestions, indicating priority areas that needed budgetary support during the 12th Plan.
- 3. The Constitution of India provides for protection of rights of an individual and also enjoins the State to adhere to the Directive Principles. The source of the consumer rights lies in the Fundamental Rights and is enshrined in our Constitution. The Consumer Protection Act elaborates, adds and provides the wherewithal for protection of the basic rights of a consumer. Today, it is widely acknowledged that the level of consumer awareness and protection is one of the major indicators of development in any country.
- 4. Technology and advent of sophisticated goods, coupled with aggressive marketing strategies have resulted in making available a wider choice to the consumers. However, rapid technological changes have also made the consumer vulnerable. These stem from the fact that consumers do not have the necessary knowledge or information to assess the new technologies that keep entering the market at frequent intervals. It has therefore become essential that governance enables consumers to make rational and informed choices. An effective, efficient

and fair implementation of a holistic and integrated National Consumer Protection Policy is one of the yardsticks to measure good governance.

- 5. The Working Group has taken into account the Vision, Mission and Objectives of the strategic paper 2012-17 of the Department of Consumer Affairs while making its major recommendations.
- 6. Chapter I deals with the background and basic activities of the Department. Chapter II deals with the existing schemes/activities being implemented by the Department of Consumer Affairs during the 11th Plan and Achievements during this period. Chapter III provides the Strategy for the Twelfth Plan highlighting the Vision and the Mission of the Department, as per the strategic paper 2012-17. The Working Group has made a number of recommendations and suggestions which are in Chapter IV, some of which are new initiatives, while some are in the nature of continuity with the existing schemes.

Major Recommendations and Suggestions:-The recommendations are based on the assumption of "**Innovation with Continuity**". Towards this end the following are recommended:-

1. Innovation:-

(A) Policy frame-work

- (i). Formulate a Comprehensive National Consumer Protection Policy in conformity with the UN Guidelines on Consumer Protection covering areas of product safety, economic interests of consumers, standards for safety and quality of products and services, distribution of essential goods and services, measures for redressal, promotion of sustainable consumption and consumer awareness, with added focus on rural consumers.
- (ii). Conceptualize a National Policy for Quality Infrastructure covering Standardization, Testing and Legal Metrology so as to provide the infrastructure for development of definitive standards, systems of Legal Metrology and Conformity Assessment.
- (iii). Strengthen commodities futures markets.
- (iv). Introduce a structured system of information, counseling and mediation so as to reach out to the rural consumers.
- (v) Strengthen data analysis to monitor price situation and to make informed market intervention

B) New Institutions

(i) National Consumer Protection Agency:-

The Department proposes to setup a National Consumer Protection Agency dedicated to:

- (a) Coordinate all matters affecting consumer on misleading advertisement and similar unfair trade practices
- (b) Create a Consumer awareness Index and its periodical assessment
- (c) Coordinate all Alternate Dispute Redressal (ADR) processes.
- (d) Coordinate enforcement of all related regulations at national and State levels and such organizations which play a complementary role in the system.
- (e) Enforce policies and new systems, emerging out of research and relevant studies on all aspects of consumer protection, issue public education advisories and
- (ii) Set up the National Institute for Commodity Markets under the scheme 'Strengthening of FMC'

2. Continuity

(i) Extension and Expansion of Existing Schemes

- (a) Strengthen MIS and set up a Database decision support system in the Department
- (b) Strengthen Price Collection mechanism by reinforcing Price Monitoring Cell at the Centre, and States in order to achieve and maintain the quality and robustness of daily price data.
- (c) Strengthen Indian Institute of Legal Metrology, Ranchi.
- (d) Strengthen Consumer education in schools and colleges
- (e) Support setting up of Assaying and Hallmarking centers under Hallmarking scheme.
- (f) Foster greater involvement of Stakeholders and Government Departments in development of standards.
- (g) Launch nationwide awareness campaigns among various stakeholders such as farmers, stockists, importers, exporters about the useful role played by Commodity Futures Markets.
- (h) Introduce Registration of Self Declaration of Conformity (SDOC) to ensure product safety.
- (i) Launch a massive IEC campaign to sensitize consumers, manufacturers and organized buyers about the advantages of ISI Standard Marked products. Make "Jago Grahak Jago" a household slogan.

- (j) **Revisit Legislative Framework:** Amendments and modifications in the existing Legislations such as;
 - (1) Consumer Protection Act, 1986,
 - (2) BIS Act, 1986,
 - (3) Forward Contracts (Regulation) Act, 1952.
- (k) Deepen and widen Consumer Awareness Campaign "Jago Grahak Jago" through Mass Media by using print media, radio, T.V., internet, mobile, outdoor publicity covering topical issues.
- (l) Integration of media campaign with those Ministries/Departments which have consumer interface/ public interaction.
- (m) Expansion of existing projects like 'Strengthening of Consumer Fora' so as to enable court annexed mediation process and take the Confonet Project on computerization and networking of Consumer Fora to advanced levels to enable filing of complaints online and data mining.
- (n) Strengthen National Test House Laboratories to supplement the work of and the Legal Metrology Wing of States & UTs and the Bureau of Indian Standards (BIS) to make it consumer specific facilitate updating of knowledge thorough training
- (o) Evaluation: In addition to the existing internal evaluation mechanisms, emphasis will be placed on an institutionalized system of formal evaluation of Schemes through independent third party professional agencies so as to enable the Department make mid course interventions through an appropriate data analysis.
- (p) Capacity Building through National and International training programmes on commodity markets for the development of the staff and officers of the Forward Markets Commission, Mumbai, Commodity Exchanges and State Governments.
- (q) International Training Programme: We propose to provide international training to certified trainers and officials dealing with consumer protection and consumer welfare so as to adopt international best practices.
- (r) Augmentation of IT infrastructure in Forward Markets Commission (FMC).

Budget Estimate for the XII Plan: For consumer protection programmes / schemes and activities the estimated budget is Rs. **2458.664** crore for the XII Plan period. Details of the budget estimates are given in **Annexure-XIII.**

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THE TERMS OF REFERENCE

The Working Group would also look at the broad issues for which are as follows:-

- (i) To review the existing framework and recommend a comprehensive set of policies, programmes and action plan in pursuit of a strong movement for consumer protection covering, inter alia, consumer rights to awareness, education, redressal of grievances and quality infrastructure, standardization & product safety.
- (ii) To identify specific areas requiring Government intervention and to suggest ways and means to enhance responsiveness of private sector to consumers.
- (iii) To make consumer disputes redressal more effective by providing for speedy and inexpensive systems and procedures.
- (iv) To make an assessment of resource requirements (year wise) for the purpose and manner of financing for the Twelfth Five Year Plan.

Planning Commission, Government of India,

Constitution of Working Group on Consumer Protection

1.	Secretary, Department of Consumer Affairs	Chairman
2.	Director General, Bureau of Indian Standards	Member
3.	Chairman, Forwards Market Commission	Member
4.	Representative of Food Safety and Standards Authority of	Member
	India, MoH & FW	
5.	Representatives of National Consumer Disputes	Member
	Redressal Commission	
6.	Representative of Competition Commission of India	Member
7.	Adviser (Development Policy), Planning Commission	Member
8.	Representative of Ministry of Information and	Member
	Broadcasting	
9.	Representative of NIC	Member
10.	Director, National Physical Laboratory	Member
11.	DG, National Test House, Kolkata	Member
12.	Representative of IIPA	Member
13.	Representative of Government of Uttar Pradesh	Member
14.	Representative of Government of Andhra Pradesh	Member
15.	Representative of Government of Gujarat	Member
16.	Representative of Government of Assam	Member
17.	Representative of CII	Member
18.	Representative of ASSOCHAM	Member
19.	Representative of FICCI	Member
20.	Joint Secretary (CPU), Department of Consumer Affairs	Member -
		Secretary

Constitution of Sub - Groups of the Working Group on Consumer Protection

Sub Group I: Consumer Protection & Redressal, ADR and Consumer Counseling

1.	JS(CPU), GOI, gn.sreekumaran@nic.in	Convener
2.	DIR(CPU), Department of Consumer Affairs	Member
3.	Dir(P&C), Department of Consumer Affairs	Member
4.	Dir(coop), Department of Consumer Affairs	Member
5.	US(cpu), Department of Consumer Affairs	Member
6.	Prof. Vijaya kumar, VC, Ambedkar Law University, Chennai	Member
7.	Representative of CGIS, MUMBAI	Member
8.	Representative of CCC, U.P.	Member
9.	Representative of CAI, Chennai	Member
10.	REGISTRAR, NCDRC	Member
11.	SR. Tech Dir(NIC)	Member
12.	Representative of GOVT OF Tamil Nadu	Member
13.	Representative of GOVT OF Orissa	Member
14.	Representative of , GOVT OF Gujarat	Member
15.	Representative of , GOVT OF A.P.	Member
16.	Representative of COMPETITION COMMISSION	Member
17.	Representative of IIPA	Member
18.	INDIAN PROJECT MANAGER GIZ	Member
19.	DR.P.K. AGARWAL Addl. Chief Secy.(retd)W.B.	Member
20.	DIRECTOR, MAC, FICCI	Member
21.	Prof. S. S. Singh Director, NLIU Bhopal	Member
22.	DIR /ENFORCEMENT/FSSAI	Member
23.	Secy., ADR, DELHI	Member
24.	Representative of CII	Member
25.	Representative of ASSOCHAM	Member
26.	Representative of FICCI	Member

Sub Group II: Consumer Awareness and Education

1.	JS(CA)GOI, js-ca@nic.in	Convener
2.	DS(PUB), Department of Consumer Affairs	Member
3.	DIR(CWF), Department of Consumer Affairs	Member
4.	Representative of MIN. OF H&FW	Member
5.	Representatives of DAVP	Member
6.	Representatives of Doordarshan	Member
7.	Representatives of AIR-FM	Member
8.	Representatives of NFDC	Member
9.	Representative of I&B MINISTRY	Member
10.	PR. SECY, GOVT OF KERALA	Member
11.	Ms. PUSHPA GIRIMAJI	Member
12.	Representative of Society For Action Group, Gurgaon	Member
13.	Representative of CAG, Tamil Nadu	Member
14.	Representative of FICCI	Member
15.	Representative of IIPA	Member
16.	Representative of ASSOCHAM	Member
17.	Representative of CII	Member

Sub-Group III: Standardization and Product Safety

1.	DG,BIS, dg@bis.org.in	Convener
2.	Scientist -G (Mr. Gambhir)	Member
3.	DIR(BIS), Department of Consumer Affairs	Member
4.	Dir(LM), Department of Consumer Affairs	Member
5.	CEO, FSSAI	Member
6.	Brig. Sarin, AFQC	Member
7.	Shri Ajay Mathur , BEE	Member
8.	Representative of Min. of Commerce	Member
9.	Representative of Min. of Environment	Member
10.	Representative of Min. of SME	Member
11.	Representative of CII	Member
12.	Representative of FICCI	Member
13.	Representative of ASSOCHAM	Member
14.	Representative of VOICE	Member

Sub-Group IV: Testing Facilities and Legal Metrology

1.	SS(CA), GOI, <u>as-ca@nic.in</u>	Convener
2.	DG(NTH)	Member
3.	DS(NTH), Department of Consumer Affairs	Member
4.	DIR(LM), Department of Consumer Affairs	Member
5.	DIR/NPL	Member
6.	Representative of CERC, Ahmedabad	Member
7.	Representative of FCAWB	Member
8.	Representative of GOVT OF U.P.	Member
9.	Controller Legal Metrology, Maharashtra	Member
10.	Representative of CII	Member
11.	Representative of FICCI	Member
12.	Representative of ASSOCHAM	Member
13.	Representative of VOICE	Member

Sub-Group V: Internal Trade and Future Markets

1.	Chairman/FMC, chairman.fmc@nic.in	Convener	
2.	Sr. EA, Department of Consumer Affairs	Member	
3.	E.A., Department of Consumer Affairs	Member	
4.	MD/NCCF	Member	
5.	Dir(IT), Department of Consumer Affairs	Member	
6.	Dir(Coop), Department of Consumer Affairs	Member	
7.	Representative of govt. of M.P.	Member	
8.	Representative of Govt of Gujarat	Member	
9.	Secretary, Food, or his Nominee Govt. of Assam	Member	
10.	Secretary, Food, or his Nominee Govt. of Maharashtra		
11.	Representative of Warehousing Development	Member	
	Corporation		
12.	CCA, Department of Consumer Affairs	Member	
13.	Representative of ASSOCHAM		
14.	Representative of FICCI		
15.	Representative of CII	Member	
16.	Commodity Participants Assn. of India	Member	
17.	Representative of CUTS	Member	

Sub Group- VI: Price Monitoring and Market Intervention (strengthening of data and information base on prices of essential commodities)

1.	Sr. Economic Adviser <u>, srea-ca@nic.in</u>	Convener
2.	MD(NCCF)	Member
3.	Economic Adviser, Department of Consumer Affairs	Member
4.	Representative of GOVT OF Tamil Nadu	Member
5.	Representative of GOVT OF Gujarat	Member
6.	Representative of GOVT OF Andhra Pradesh	Member
7.	Representative of GOVT OF Orissa	Member
8.	Representative of GOVT OF NCT of Delhi	Member
9.	Representative of Competition Commission of	Member
	India(CCI)	
10.	Representative of National Council of Applied	Member
	Economic Research(NCAER)	
11.	Representative of Central Statistical Organisation(CSO)	Member
12.	Representative of National Commodity	Member
	Exchange(NCDEX)	
13.	Representative of NIC	Member
14.	Director(Cooperation)	Member

CHAPTER-1

Introduction

Consumer welfare

- 1.1 Consumer welfare has been one of the concerns of the Government in the post- independence period. Policies have been designed and legislations enacted to protect the interests of consumers and grant them the rights of choice, safety, information and redressal. Towards this objective, the Department of Consumer Affairs created since June, 1997 has been focusing on protection of consumer rights and promotion of standards in goods and services.
- 1.2 In the history of the development of consumer policy, April 9, 1985 is a very significant date, for it was on this day that the General Assembly of the United Nations adopted a set of general guidelines for consumer protection. These U.N. guidelines for Consumer Protection also assist in the identification of priorities particularly in the light of emerging trends in a globalised and liberalised world economy. **Sustainable consumption** was also subsequently included which is an important step in this direction. Cross border consumer issues/disputes have become important and International cooperation on Consumer Protection therefore has become an emergent area that needs to given appropriate attention and support. The activities of the Department in the area of consumer protection are guided by these guidelines.

2. Consumer Protection - Implications for Good Governance:

2.1 The average citizen prefers rapid and equitable access to government services, both regulatory or developmental and welfare oriented. That is why, the citizens are most immediately concerned with, stability, transparency, efficiency and continuity in the governance. Our priority is therefore to place the citizen at the centre of a modern public administration.

3. Consumer Protection in India: A Brief Background:

3.1 'Grievance' has been defined as indignation or resentment arising out of a feeling of being wronged. IS 15700: 2005, a standard developed by Bureau of Indian Standards defines 'grievance' as an expression of dissatisfaction made to an organization related to its products, services and/or process(es), where a response or resolution is explicitly or implicitly expected. It can be real or imaginary, legitimate or ridiculous, written or oral; it must however, find expression in some form or the other. The basic principle of a grievance redressal system is that if the

promised level of service delivery is not achieved or if a right of a citizen is not honoured then the citizen should be able to take recourse to a mechanism to have his grievance redressed. This mechanism should be well publicized, easy to use, prompt and, above all, citizens must have faith that they will get justice from them it. Citizens rely on the open market for most of their purchases – particularly, goods and also increasingly, of services and the asymmetry between the consumers of goods and services and the producers of these goods and services in terms of knowledge, bargaining power etc. necessitates State intervention. This has resulted in setting up of consumer protection mechanisms. 3.2 The most important milestone in the area of consumer protection in the country has been the enactment of the Consumer Protection Act, 1986. In India, 24th December is celebrated every year as the National Consumer Rights Day as the Consumer Protection Act, 1986 was enacted on that day.

- 3.3 In India various Acts intended to protect the consumers against different forms of exploitation have been enacted. Acts such as, the Indian Penal Code, 1860; Indian Contract Act, 1872; Drugs Control Act, 1950; Industries (Development and Regulation) Act, 1951; Bureau of Indian Standards Act, 1986; Drug and Magic Remedies (Objectionable Advertisement) Act, 1954; Essential Commodities Act, 1955; Trade and Merchandise Marks Act, 1958; Hire Purchase Act, 1972; Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act, 1980; Essential Commodities (Special Provisions) Act, 1981; Multi-State-Co-operative Societies Act, 1984; The Legal Metrology Act, 2009; and Narcotic Drugs and Psychotropic Substances Act, 1985. Some significant consumer protection enactments of pre-Independence time are the Sale of Goods Act, 1930; Agriculture Produce (Grading and Marketing) Act, 1837 and Drugs and Cosmetics Act, 1940 all aimed at protection of consumers. The latest addition in the list of laws having bearing on consumer protection is Competition Act, 2002.
- 3.4 Government has also directed its attention towards enhancing of consumer awareness and consumer education through various agencies. If the consumers are alert and responsible and able to assert their rights, resist/reject sub-standard goods/services and do not hesitate to seek justice through consumer courts whenever needed, then the manufacturers, traders and the service providers cannot afford to take them for granted and will be bound to produce standard goods and deliver good services.
- 3.5 Consumer Protection Act, 1986 (CPA) was enacted with an objective to provide better protection of the interests of the consumers, to make provision for the establishment of Consumer Councils and other authorities for the settlement of consumer disputes. The Act is intended to provide effective and efficient safeguards to the consumers against various types of exploitations and unfair dealings. Unlike other laws, which are basically punitive or preventive in nature,

the provisions of the Act are compensatory. CPA has been in operation for about 25 years. A number of deficiencies and shortcomings in respect of its operation have come to light thereby requiring amendments thrice, still leaving scope for further improvements. Despite all this, it is a handy weapon for consumers to ensure accountability of producers of goods and providers of services.

3.6 Important Features of the C.P. Act are (i) The Act applies to all goods and services unless specifically exempted by the Central Government. (ii) It covers all the sectors – private, public and cooperative. (iii) The provisions of the Act are compensatory in nature. (iv) It provides adjudicatory authorities, which are simple, speedy and less expensive. (v) It also provides for Consumer Protection Councils at the National, State and District levels. (vi)The C.P. Act is in addition to and not in derogation of the provisions of any other law for the time being in force.

3.7 Consumer Rights under the Act are as follows

- (a) The right to be protected against marketing of goods and services which are hazardous to life and property;
- (b) The right to be informed about the quality, quantity, potency, purity, standard and price of goods or services, as the case may be to protect the consumer against unfair trade practices;
- (c) The right to be assured, wherever possible of access to variety of goods and services at competitive prices;
- (d) The right to be heard and to be assured that consumers interests will receive due consideration at appropriate fora;
- (e) The right to seek redressal against unfair trade practices or restrictive trade practices or unscrupulous exploitation of consumers; and
- (f) The right to consumer education.

4 Consumer Disputes Redressal Mechanism

4.1 Consumer Disputes Redressal Adjudicatory bodies are established at three levels i.e. District, State and National. They are known as District Forums, State Commissions and National Commission. District Forum is composed of a President and two members (one member is woman). Every member of the District Forum shall hold office for a term of five years or up to the age of 65 years, whichever is earlier and shall be eligible for reappointment. Graduation is the minimum educational qualification for a member. The State Commission is presided over by a retired or sitting High Court Judge. The National Commission is presided over by the retired or sitting Supreme Court Judge. The District Forum can adjudicate on the matter upto Rs. 20 lakh, State Commission up to one crore and National Commission above Rs. one crore. The proceedings before these

adjudicatory bodies are regulated in accordance with the principles of natural justice. At present 629 District Fora and 35 State Commissions are functioning all over the country besides the National Commission in New Delhi. State Commissions and National Commission have started sitting in Circuit Benches also.

5 National, State and District Consumer Protection Councils:

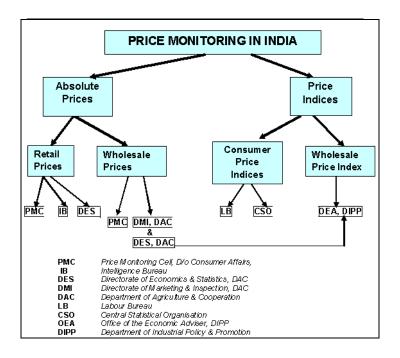
5.1 The Act provides for the establishment of the Consumer Protection Councils at the National, State and District levels. The objectives of these councils are to help the respective governments in adopting and reviewing policies for promoting and protecting the rights and interests of the consumers. The composition of these consumer councils is broad based. The citizens and organisations representing different interest groups having implications for consumer rights' protection are members of these councils along with Heads and representatives of the service providing institutions and representatives of the trade and business associations. It may not be out of place to mention that these Councils are constituted on public private partnership basis for better feedback as an input for improvements in the policy and its effective implementation for better protection of consumers' rights.

6. Price Monitoring and Market Intervention

Price Monitoring and Market Intervention cell was carveded out to study the system of price monitoring in India – specifically, the existing system of daily price collection and measures to be taken to improve data collection and to strengthen the data and information base of prices of essential commodities – and to review the scope for market intervention measures.

PRICE MONITORING IN INDIA

6.1 In India, monitoring of prices is done on a regular basis both from absolute prices and price indices (Chart-1) <u>Chart-1</u>



- 6.2 Price data available in India can broadly be classified into two categories: prices relating to bulk transactions and prices in respect of small transactions. Prices relating to bulk transactions include wholesale prices, farm harvest prices and such like. In contrast, retail (consumer) prices are essentially the prices paid by customers in respect of various commodities and services. Retail prices are customarily collected for those items which are contained in the consumer basket of goods of different segments of population such as Industrial Workers, Agricultural Labourers and Rural Labourers.
- 6.3 A number of Government Departments and agencies are involved in price collection and dissemination exercise. The agencies that collect different prices data have different objectives in data collection. This is also reflected in the protocols followed for the collection of prices. The data so collected by the agencies is also released by them in different forms. Price Monitoring Cell of the Department of Consumer Affairs collects and disseminates wholesale and retail prices of selected essential food items.
- 6.4. A comparative chart of the agencies involved in reporting of price data is given in Table 1.

Table 1:	Table 1: Nature of Data Reporting by Different Agencies							
Data	Data No of Commodities Form of Periodicity					Lag		
Source		Centres/	Covered	data	_			
		Quotations						
Office	of	5482	676	Whole sale	Weekly	for	2	
the		Quotations		Price Index	Primary a	and	weeks/	

Table 1: Nature of Data Reporting by Different Agencies						
Data	No of	Commodities	Form of	Periodicity	Lag	
Source	Centres/	Covered	data	-		
	Quotations					
Economic				Fuel & Power/	One	
Adviser,				Monthly for	month	
DIPP				Manufacturing		
				and all		
				commodities		
Labour	78	120-130	CPI(IW),	Monthly	1	
Bureau,			CPI(AL),		Month	
Shimla			CPI(RL)			
Central	Urban - 310		CPI-	Monthly	1 month	
Statistical	centers -		Urban			
Organisa-	1114		CPI-Rural			
tion	quotations					
	Rural-1181					
	centers					
Directorate	87	45 Food Items	Wholesale	Weekly	2	
of			& retail		Weeks	
Economic			prices			
Statistics						
Depart-						
ment of						
Agricul-						
ture &						
Coopera-						
tion						
Price	49	22	Wholesale	Daily	Real	
Monitoring			and retail		time	
Cell,			prices		basis	
Depart-					(Same	
ment of					day)	
Consumer						
Affairs						

7. Consumer Awareness and Education:

7.1 Education is the most powerful tool for the progress of the country. It is a social, economic and political necessity. Education has a well-defined role in creating conditions of change. In today's fast moving world, the frontiers of knowledge are widening with an incredible swiftness contributing to emergence of knowledge society. The importance of education in general and the consumer's education and awareness in particular, cannot be overemphasized. Education and information help the consumers in making rational choice and protects their rights and interests from trade and business exploitation.

- 7.2 One hardening factor, the good thing is that the growth of literacy has overtaken the population growth resulting in a decrease in absolute number of non-literates for the first time since Independence. National Literacy Mission and continuing education schemes are providing opportunity of learning to a large number of people in the country. Given the current level of socio-economic scenario in the country and the infancy of the consumer movement, there is a need to educate consumers about their rights and responsibilities through a concerted publicity and awareness building campaign. The Department of Consumer Affairs has been taking a number of steps to spread consumer awareness in the country, also by involving other Departments under Central and State Governments, local VCOs and consumer activists etc. to have a coordinated effort. One of the effective steps is taken in this direction is the introduction of consumer clubs.
- 7.3 Creation of awareness among consumers about their rights at districts and Taluka level needs to be given high priority. People living in remote and rural areas do become victims of unlawful trade practices being adopted by wrongdoers, because of less education and poor knowledge. Similar focused approach is needed for North East States. In view of this, the national awareness programme "Jago Grahak Jago" requires to be launched aggressively at the districts levels with the help of State Government and local VCOs for the benefit of most vulnerable categories of consumers such as: (i) Women and children; (ii) Students; (iii) Farmers and rural families; and (iv) Middle and working class.

The media also plays an important role in bringing information, news and views to the public. This generates awareness, promotes discussion on issues and creates perceptions. A responsive and responsible media is an asset in enhancing awareness.

- 7.4 The utility of VCOs in the area of consumer protection is second to none by virtue of their operational domain at the grassroots level. They are useful in many ways. They can effectively contribute in promotion and propagation of the programmes and schemes relating to consumer education and awareness especially in grass root level. They can play the role of a catalyst to mobilise the rural communities in organizing awareness activities such as consumer mela, road shows, *nukkad nataks etc.* VCOs in rural areas are contributing to the overall efforts of Government as per their capacity and in a useful way. Their role in helping the schools in running consumer clubs has already been recognized.
- **8. Internal Trade and Futures Markets:** The commodity futures trading in the country has registered a phenomenal growth following changes in the regulatory frame work i.e. by removing prohibition on futures trading and allowing the private sector initiative to take lead in setting up of the Commodity Exchanges.

These Exchanges have been set up as For-Profit Company without any financial assistance from the Government and have broken even in the third year of their operations. Appropriate changes in the regulatory framework would provide further impetus to the commodity derivatives market and enable it to serve the dual purpose of price discovery and risk management. The externalities thus generated would benefit various stakeholders of the commodity market. The endeavour of the regulator has been to ensure that these functions are performed in an efficient manner. An amendment to the Forward Contracts (Regulation) Act, 1952 has been proposed which seeks to provide financial and functional autonomy to Forward Markets Commission. The Bill provides for generation of internal resources to meet the expenses towards regulation of the Commodity Derivative Markets. World over, there is apprehension that financialisation of commodity; Derivative Market may have adverse impact on prices of Commodities. recently, G-20 Agriculture Ministers asked for enhanced collaboration between physical and financial regulators. In India, physical regulators for Commodities Markets are state agencies like Agricultural Marketing Board, while the financial regulation is by the Forward Market Commission. A few spot exchanges have also been come into existence and there is need to regulate them properly especially when delivery of the commodities is across the states. It is proposed to place a legal frame work for this purpose during the Plan.

9. Standardization and Product Safety

- 9.1 This scheme is in continuation from 10th Plan with the main purpose of creating infrastructure facilities in terms of 'Hallmarking Centres' so that jewellers do not face any difficulty in getting their gold or silver articles tested (regarding purity and then hallmarked) from any of such BIS recognized Hallmarking Centres. Presently 160 Hallmarking Centres have been recognized by BIS on all India basis, of which only 27 Centres have been given financial subsidy from the plan funds. Therefore, majority of the Centres have been set up on their own, primarily due to the commercial considerations. All efforts have been made by BIS to encourage organizations to take financial subsidy for opening Hallmarking Centres at locations where no Hallmarking Centres exists or in special category states. These efforts include publication of advertisements regularly in the print media, enhancement in the subsidy from 30% to 50% (for special category States), from 15% to 30% (for other states), and for PSUs, this subsidy is even enhanced up to 75%. But, the number of applications coming for financial subsidy are minimal. This only shows that the commercial consideration in terms of operating a Hallmarking Centre is one of the main factors.
- 9.2 For making consumers aware about the hallmarking of gold/silver jewellery articles, BIS has been giving publicity in print media, electronic media and arranging *Nukkad Nataks*.

9.3 One of the reasons for the poor response could be the uncertainty about mandatory hallmarking of Gold articles. After the approval of an Amendment to BIS Act, when hallmarking of gold jewellery articles will be made mandatory, it may be possible that applicants may come forward for taking financial assistance for opening hallmarking Centres. Their testing personnel may also require training for testing purity of gold/silver articles as per Indian Standards.

10 National System for Standardization

- 10.1 With increasing globalization, international standards are becoming critically important for facilitating trade. WTO/TBT agreement, which has been signed by 153 countries including India, makes it mandatory that a clear understanding is evolved within the country on issues of trade regulations and restrictive practices and the role of standards in impacting them. Now, since more and more Non Tariff Barriers (NTBs) are through technical regulations, (that is, mandatory compliance of standards); their use has increased considerably by many countries. As per TBT Agreement; member nations are free to impose technical regulations on grounds of national security, prevention of deceptive trade practices, health, safety and environment. The technical regulations not only protect consumers from receipt of imported sub-standard products, but also help the domestic industry for their survival. But as per WTO/TBT agreement, these technical regulations shall be based on international standards except in situations when such international standards are ineffective or inappropriate in achieving the objectives of technical regulations.
- 10.2 It is, thus, imperative that India actively takes part in the meetings of technical committees of International Organization for Standardization (ISO) and International Electro-technical Commission. It is, however, seen that the level of participation from the Indian Industry at such International Technical Committee meetings is limited. A reason cited often by the industry is lack of resources for such participation.
- 10.3 The Technical Committees of BIS are not able to recommend large number of Indian experts for participation in international Technical Committee meetings from 11th plan funds. One of the reasons for the same is the restricted categories of stakeholders who are eligible for financial assistance from plan funds for their participation. For example, at present Technical Committee members representing scientific/technical organizations, government research institutions, testing labs, academic institutions at centre and state level, PSUs and in personal capacity only can be allowed funding from the plan funds for attending International Technical Committee meetings.

10.4 It has been felt that at times, the members of technical committees from the industry are more knowledgeable and more expertise on the subjects on which international standards are being formulated, and in the national interest, their participation is necessary. India could even propose new subjects for preparation of international standards provided such experts from industry are available and are then made the project leaders. Such international standards could then be used by India for framing technical regulations. But, because of the restrictions presently imposed, as given in clause 10.3 above, it is not possible to send such experts from industry in the International Technical Committee meetings. The private sector, although being able to spare them for this international work, are not always in a position to pay their expenses for travel and stay abroad. Further, it is not a one time exercise and their repeated and continued participation may also be necessary.

10.5 As such, it is felt that Technical Committee members of all categories, including those from the private industry, should be allowed funding from Plan funds to represent India in international meetings. The selection criteria should be mainly dependent upon the contribution of the members in the work of the Technical Committees. Similar criteria should be applied for providing financial assistance from plan funds for participation of Technical Committee members in the BIS Technical Committee meetings.

10.6 Further, BIS should actively participate in policy or Technical Committee meetings of international standardizing bodies like ISO, IEC. In this regard, BIS should organize more and more such meetings in India. Further, the contribution at ISO or IEC meetings would be more effective if BIS actively participates in the various Regional standard bodies meetings, Multilateral or Bilateral meetings with the standardizing bodies of other countries. Sometimes, it would also be necessary to organize visits of officials and experts to different countries for lobbying in favour of India's view points so that India's interests are not adversely affected by formulation of International Standards.

11. National Test House (NTH)

11.1 National Test House(NTH)- a subordinate office- under the Department of Consumer Affairs(DoCA), Government of India and a Scientific and Technological(S&T) Organization has been rendering its services to the nation in the field of Test, Quality Evaluation and issuing of Test Certificates on the conformity of practically all sorts of engineering products(except Drugs, Pharmaceuticals, Arms and Ammunitions) as per national, international and customer specified standards since the year 1912. It was established in the year 1912 by the Indian Railway at Alipore, Kolkata as Government Test House which was rechristened as National Test House during the post-independence period.

- 11.2 Presently, NTH has a network of six regional laboratories situated at Kolkata (Alipore (1912) & Salt Lake(2003), Mumbai(1964), Chennai(1975), Ghaziabad(1977), Jaipur(1993) and Guwahati(1995) administered by the Office of the Director General, NTH at Salt Lake, Kolkata. (Year within brackets indicate the year of establishment).
- 11.3 The salient areas where NTH render its services through the six regions area) Test and quality evaluation of engineering products in six major engineering disciplines(viz. Chemical, Mechanical, Electrical, Metallurgy/ Non-Destructive Testing(NDT), Civil and Rubber, Plastic, Paper & Textile(RPPT), b) Welder Certification under Indian Boiler Regulation Act (IBR) Act, 1950 c) Calibration & Measurement Services d) Providing Training in Test Methodologies to industrial professionals and engineering students, and e) Scientists of NTH assist BIS in formulation, framing and developing of Indian Standards as members of various Technical Committees.
- 11.4 NTH extends its valuable services to the nation by assisting Custodians of law of the country, Judiciary and Vigilance Departments as a referral laboratory by testing and evaluation of disputed products. It is, however, necessary to ensure that it fulfills the objectives of the Consumer Protection by providing services needed by the Legal Metrology Wing and the Bureau of Indian Standards.
- 11.5 During the 11th Five Year Plan Period, NTH has so far (up to 4th year of Plan period) earned Rs.38.72 crore and is set forth to earn around Rs. 54.72 crore (considering the annual target of Rs. 16.0 crore during the current financial year) at the end of the 11th Plan. The growth in respect of revenue generation/earning with respect to 10th Plan Period is 210.7 % which indicates the increasing demand of NTH services in the field of test and quality evaluation of engineering products.
- 11.6 The Electrical Laboratory of NTH(NR), Ghaziabad has carved itself a niche among the Transformer Manufacturers by creating the high value Lightening Impulse Voltage Test facility at a cost of around Rs. 3.0 crore. In addition, the Miniature Circuit Breaking Test facility is likely to be made functional during the current financial year.
- 11.7 During the 12th Plan period, NTH has envisaged to strengthen its services to the consumers by creating new test facilities like Light Emitting Diode(LED) Lamps, Automotive Tyre, Solar Energy appliances, EMI/EMC test for electronic gadgets, Cement Concrete pipe of large diameter for water supply, sewage and drainage extensively used presently by Municipal Corporations etc. All these services are potentially hugely beneficial for consumers.

12. Legal Metrology:

- 12.1 The term "Legal Metrology" is used to cover field of interaction between regulation and measurement. Legal Metrology originated from the need to ensure fair trade and provide consumer protection, and it continues to place its greatest emphasis on this areas. In the recent decades, however, the need to protect the society in other areas such as health safety and the environment has led to new laws and regulation, and a broadening of legal metrology activities. The demand for legal metrology services is clearly linked to the government policies and will vary over time.
- 12.2 Although the desirability of international uniformity in measurement was recognized prior to the establishment of the BIPM in 1875, the need has continuously increased ever since and particularly over the past few decades. Reasons for this include a strong trend towards globalization of world trade, the move towards international co-manufacture of goods, greater technical complexity of most products and services, increased with health, safety and environmental issues. This trend is expected to continue in strengthening a mutual desire between nations for greater confidence in each other's measurements, tests and product-conformity assessment. India acceded to the metre convention in 1957.
- 12.3 India is a member country of International Organization of Legal Metrology (OIML) since 1956. The International Organization of Legal Metrology (OIML) is an intergovernmental treaty organization established in 1955 in order to promote the global harmonization of legal metrology procedures. Since that time, OIML has developed a worldwide technical structure that provides its Members with metrological guidelines for the elaboration of national and regional requirements concerning the manufacture and use of measuring instruments for legal metrology applications. Indian participation in the standard setting by OIML has been abysmal. There is need to actively participate in such activities to safeguard interests of Indian Industry and Consumers.
- 12.4 Legal metrology comprises all activities for which legal requirements are prescribed on measurement, units of measurement, measuring instruments and methods of measurement, these activities being performed by or on behalf of governmental authorities, in order to ensure an appropriate level of credibility of measurement results in the national regulatory environment.

It applies not only to trading parties, but also to the protection of individuals and society as a whole (e.g. law enforcement, health and safety measurements). Legal metrology includes provisions related to units of measurement, to measurement results (e.g. prepackages) and to measuring instruments. These provisions cover

the legal obligations related to the measurement results and the measuring instruments, as well as the legal control which is performed by or on behalf of the government.

13.6 Current Scenario;

The Legal Metrology Act, 2009(1 of 2010) has come in to force with effect from 1.4.2011. The Standards of Weights and Measures Act, 1976 (60 of 1976) and The Standards of Weights and Measures(Enforcement) Act,1985 (54 of 1985) have been repealed accordingly under section 57(1) of the Legal Metrology Act,2009.

- (i) The units of measurements in the Legal Metrology Act, 2009 are based on the international system (SI) of units and are according to OIML recommendations. The new laws cover both establishment of Standards and enforcement of weights and measures. The important features of the new Act are as follows:
- (ii) It covers both establishment and enforcement of Weights and Measures.
- (iii) Government Approved Test Centre(GATC) has been introduced for verification of specified weights and measures.
- (iv) It does not regulate export of Standards weights and measures.
- (v) Registration of weights or measures is not regulated.
- (vi) Qualification of Director, Controller and Legal Metrology Officer have been prescribed.
- (vii) Nomination of one Director of Company for legal metrology has been made.
- 13.7 The following rules have been made under new Act;-
 - (i) The Legal Metrology(General) Rules,2011
 - (ii) The Legal Metrology(Packaged Commodities) Rules,2011
 - (iii) The Legal Metrology(National Standards) Rules,2011
 - (iv) The Legal Metrology (Numeration) Rules, 2011
 - (v) The Legal Metrology(Approval of Model) Rules, 2011
 - (vi) Indian Institute of Legal Metrology Rules, 2011.
- 13.8 The Standards of weights and measures are laid down by the Central Government and enforcement of the weights and measures are done by the State Government.
- 13.9 The Weights and Measures laws envisage regulation of weighing and measuring instruments, as given below;-

- (i) Approval of Model of weighing and measuring instrument- by Central Government,
- (ii) Licensing of manufacture of any weight or measure/ weighing or measuring instruments- by State Government.
- (iii) Verification, stamping, inspection of any weight or measure/ weighing or measuring instruments- by State Government.
- (iv) Booking of case for violation of the provision of the Act and rules made their under- by State Government.
- (v) Checking of net contents and declaration of Pre-packaged Commodities- by State Government.

The theoretical case for regulating instruments

The purpose of regulating equipment is to ensure that those who sell by weight or measure have systems in place that minimize the risk of mistakes being made in the vast majority of "honest" transactions. If the equipment is manufactured and maintained to a sufficient degree of accuracy, each individual transaction in which that equipment is used to weigh or measure goods should be accurate - in the absence of fraud or gross incompetence on the part of the seller. There are many more transactions than there are instruments, so that from an enforcement point of view, an intervention to correct an inaccurate instrument, based on equipment controls, may be expected to deliver greater public benefit than an intervention based on a single instance of giving short weight, based on transaction controls. Indeed, from a value for money point of view the argument for relying on equipment controls in preference to transaction controls is overwhelming. Transaction controls rely on test purchases, which by their nature are more expensive to conduct than the examination of instruments, while giving no more assurance as to the levels of accuracy being maintained. Moreover, as noted above, in many transactions it is difficult, if not impossible, for most customers to check whether the seller has delivered the quantity of goods, they have contracted for, so that the only realistic way in which the consumer purchasing goods is protected is by making as sure as possible that the instrument delivering the product is accurate. This is done by controlling the equipment through a process of design or type approval and then by in-service controls (i.e. the periodical checking of the instrument to ensure its continued accuracy). Removing controls would place vulnerable consumers at a much greater risk of detriment. Although equipment controls may appear to impose an additional requirement, they actually make life easier for business. They mitigate the severity of a requirement such as the prohibition on giving short weight or measure by providing traders with a defense. For example, a trader selling 0.5 % less of a product than he purports to sell commits a short weight offence, but if the level of accuracy required of the equipment allows for a margin of error of between 1 % less and 2 % more than the correct measurement, and the equipment used falls within those

limits, the trader is very likely to have a defense. In practice, therefore, all the trader has to do is to ensure that his equipment complies with the equipment rules and he would never face prosecution under the transaction rules.

CSIR-NPL is the custodian and develops by research National Standards of weights and measures¹. It provides an open, transparent and comprehensive scheme to give users reliable quantitative information on the comparability of National and International Metrology Services and provides the technical basis for quality control and for the subsequent wider agreements negotiated for international trade, commerce and regulatory affairs. From October, 1999, CSIR-NPL is the signatory of **Mutual Recognition Arrangement (CIPM MRA)** under the International Bureau of Weights and Measures (BIPM), an intergovernmental organization under the authority of the General Conference on Weights and Measures (CGPM). The aim of this agreement is to bring together the officials concerned with measurements in trade, representatives from intergovernmental organizations and international bodies whose missions benefit from the global uniformity and international acceptance of measurements, and representatives from industry.

14 Scheme of Presentation: The report is divided in four, chapters. Chapter -1 is Introduction and provides information on some conceptual linkages Chapter -2 gives an account of Eleventh Plan Activities and Achievements. Chapter -3 deals with Strategy for Twelfth Plan. It also highlights thrust areas and strategy for action. Main suggestions and recommendations of the Working Group are provided under chapter-4. This chapter also provides Budget Estimate, and Need for Strengthening the Department of Consumer Affairs in view of increased workload over the years.

The Executive Summary of the Working Group report is provided in the beginning of the report to facilitate quick and easy reading of the recommendations and suggestions.

"(1) Work relating to the realization, establishment, custody, maintenance, determination, reproduction and updating of national standards of weights and measures shall, on the commencement of these rules, be the responsibility of the National Physical laboratory.

(2) The Central Government may call such reports from, or issue such direction to the National Physical laboratory as it may think fit, in relation to all or any of the matters specified in the sub rule (1)."

¹Legal Metrology [National Standards]

CHAPTER - 2

THRUST AND ACHIEVEMENT - OVERALL REVIEW OF 11TH FIVE YEAR PLAN

(A). CONSUMER PROTECTION & REDRESSAL, ADR AND CONSUMER COUNSELING

A brief note on all Schemes/Projects of Consumer Protection Unit is indicated as under:

1. <u>Integrated Project on Consumer Protection</u>: To supplement the efforts of the State Governments/UT Administrations for strengthening the infrastructure of the Consumer Fora, the scheme of "Integrated Project on Consumer Protection" was implemented during the years 2006-07 and 2007-08 wherein financial assistance was extended to States so that minimum level of facilities (infrastructure) required for their effective functioning were provided to each Consumer Forum in the country. An amount of Rs. 73.82 crores was released to 21 States upto 31.03.2008 viz. at the time of closure of the scheme, so as to strengthen the infrastructure of 506 Consumer Fora. At the closure, the second instalment remained due in respect of 181 Consumer Fora buildings in 12 States as the 12 States could not complete utilization of the first instalment in time to seek the second instalment from the Central Government. An amount of Rs. 13.20 crores was further released during 2008-09 to the States as second instalment for 131 Consumer Fora buildings, after they furnished utilization reports.

2. <u>Computerization and Computer Networking of Consumer Fora in the</u> country (CONFONET)

A project for Computerization and Computer Networking of Consumer Fora in the country (CONFONET) was launched during the 10th Plan period in March, 2005 at a cost of Rs. 48.64 crore. The project was to implemented by the National Informatics Centre (NIC) on a turnkey basis.

The CONFONET project has since been extended to 11th Plan with a total outlay of Rs. 25.69 crore. In the extended period of project, stress is being laid upon continued HR support by means of Technical Support Personnel (TSP) and training for eventual adoption of the system by the Consumer Fora themselves. An expenditure of Rs. 8.89 crore has been incurred during 2010-11 under the extended CONFONET project. Out of 629 locations being covered, the CONFONET Fora. While 519 Consumer Fora are uploading cause lists while 450 Consumer Fora are uploading judgments.

3. Construction of Building of the National Commission

A new office building for National Commission has been constructed at INA, New Delhi, a part of an Integrated Building Complex at INA, New Delhi. The cost of construction of the building is Rs. 19.91 crore. The building has been functional since August, 2011.

4. Scheme of 'Strengthening Consumer Fora'

The scheme, 'Strengthening Consumer Fora' has been formulated for implementation with an overall outlay of Rs. 54.50 crore during the last 4 years of the XIIth Plan viz. 2008-09 to 2011-12. The primary objective of this scheme is to complete the infrastructure of those Consumer Fora, which were covered under the earlier 'Integrated Project on Consumer Protection' scheme. An amount of Rs. 10.58 crore has been released to eligible States upto 31.03.2011 during 2010-11.

5. Consumer Protection Cell

This is an ongoing scheme. The scheme aims to enable the Consumer Protection Cell to render secretarial assistance to the Department in administering the Consumer Protection Act, and other related activities, including holding of meetings of the Central Consumer Protection Council (CCPC). The term of the last CCPC expired on 13.09.2010 and the new CCPC has been reconstituted on 10.03.2011.

In addition to the above, the following scheme of "Setting of the NTPRA" for improving the functioning of Consumer Fora was under formulation by Consumer Protection Unit. However, the said scheme has been dropped by this Department as per details given below:

6. Setting up of the National Trade Practices Regulatory Authority

The proposal to set up a National Trade Practices Regulatory Authority (NTPRA) in consultation with all stakeholders was under consideration. The Planning Commission and the Ministry of Finance (Department of Expenditure) did not agree to the proposal. However, the Ministry of Law & Justice advised that since the matter of regulation of unfair trade practice involving business to business transaction does not concern the end-consumers, it would be a fit case to amend the Competition Act, 2002 by the Ministry of Corporate Affairs in order to avoid overlapping of jurisdiction of regulatory authorities. In a meeting taken by Secretary (CA) on 27.01.2011 with the Additional Secretary (CA), representatives of Ministry of Corporate Affairs and the Ministry of Law & Justice, it was decided

that since the matter pertains to the Corporate Affairs and not the Consumer Affairs, therefore, the matter may be transferred to Ministry of Corporate Affairs and need not be dealt further in the Department of Consumer Affairs for amending the Competition Act, 2002 or further necessary action as may be deemed fit. Thus, the proposal o set up a National Trade Practices Regulatory Authority (NTPRA) has now been dropped by this Department.

• Year-wise allocation proposed for Plan Schemes during the Eleventh Plan is given in Annexure –I

7. State Consumer Helpline

Consumer helplines at State level have been set up under the Plan scheme of State Consumer Help line on similar lines as National Consumer Help Line. These helplines provide a toll free number for the consumers to call and get guidance to solve their day to day problems. This was initiated as National Helpline was getting calls from mostly urban areas and not getting calls from non Hindi speaking Sates as well as from rural areas. These State Help lines extend service in the regional language of the State and also in Hindi & English. The long term plan is to network the State Helplines with the National Resource Centre set up at the Centre for Consumer Studies(CCS) at IIPA Delhi. These State Helplines are functioning under unified IT platform which enables interoperability possible. CCS, IIPA is undertaking regular training for the counselors and staff of the State Helplines and is also bringing out a comprehensive training manual using of the data base and experience already available.

Under this scheme each State is given a one time non-recurring grant of Rs.16.25 lakhs for setting up the helpline and the recurring grant is given for next five years ranging between Rs.11.41 to 22.71 lakhs depending on the number of districts in the State/UT. From 6th year onward all the recurring expenditure are to be borne by the concerned States/UTs Government. The Scheme has been well received by the States and as per the monthly reports the Helpline has been functioning well with consumers calling for guidance from even remote areas of the State. These helplines, which functions through the new unified IT web based platform are also able to transmit complaints online to the business houses for early settlement of disputes. So far 25 States/UTs (Annexure-II) have been funded for setting up of State Consumer Help line.

(B) PRICE MONITORING AND MARKET INTERVENTION

The Price Monitoring Cell (PMC) in the Department of Consumer Affairs was

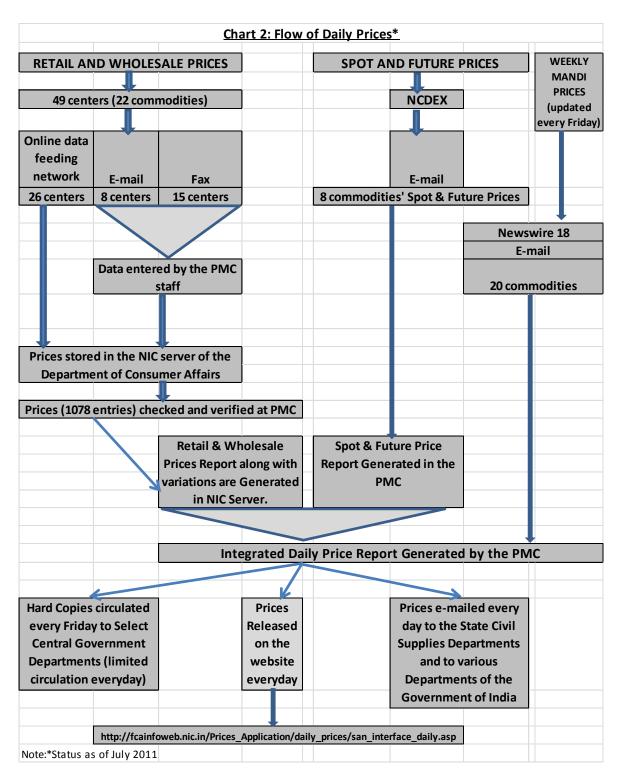
created in 1998, with the task of monitoring prices on 14 essential commodities across 18 centers in the country. It was set up as a secretariat to the Cabinet Secretariat. Over the span of 12 years of its creation, the scope of PMC has widened and deepened.

As of now, PMC is responsible for monitoring prices of selected essential commodities. The activities of the cell includes monitoring retail and wholesale prices on a daily basis and Mandi prices on a weekly basis. Prices are reported daily in the website. PMC analyses the price situation and brings them to the notice of high level committees, such as Committee of Secretaries (COS), Cabinet Committee on Prices (CCP), through agenda notes prepared for their meetings, for appropriate policy interventions.

A gist of the activities of the PMC during the Eleventh Five Year Plan (2007-2012) include the following:

Price Monitoring

PMC is the only government organization in the country collating and disseminating absolute prices (retail and wholesale) of select essential commodities on an almost real time basis every day (Chart 2). Price monitoring is done for 22 essential commodities for 49 markets spread across the country representing North, West, East, South and North-Eastern regions of the country. All the centres are state capitals/prominent cities of different States. The number of centres in a state varies depending on the geographical size of the state (See Annexure-III for details). The varieties of the item for which prices are reported remain same for a given centre though these may vary from one centre to another. Mostly, prices are reported for the Fair Average Quality of the item for a given centre.

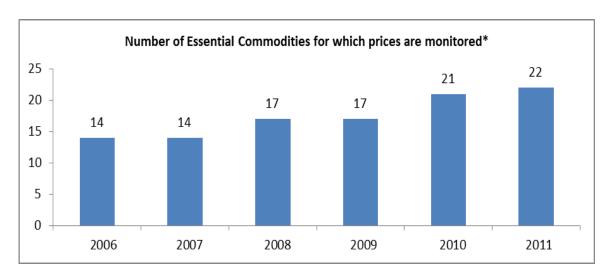


Retail and wholesale prices are received from the State Civil Supplies Departments of the respective state governments either online or by fax. As of now, prices for 26 centers are being received online. 8 centers are sending prices by e-mail and the remaining 15 centers are sending daily prices by fax (Annexure-IV).

Prices are received by 3 to 4 pm daily. PMC compiles this data and releases the Daily Price report the same day by 5 pm. The gap between obtaining price report from the states, feeding them into the system and then releasing the daily report containing 1078 entries is less than two hours.

The number of commodities for which prices are monitored has been progressively increased from 14 (in 2006) to 17 (in 2008) to 21 (in 2010) and further to 22 (in 2011) (as shown in chart 3 below). The commodities currently monitored are Rice, Wheat, Atta, Gram Dal, Tur Dal, Masoor Dal, Moong Dal, Urad Dal, Groundnut Oil, Mustard Oil, Vanaspati, Soya Oil, Sunflower Oil, Palm Oil, Sugar, Tea, Salt, Potato, Onion, Gur, Milk and Tomato.

CHART 3



14 Commodities monitored upto 2007 are: Rice, Wheat, Atta, Gram Dal, Tur Dal, Groundnut Oil, Mustard Oil, Vanaspati, Sugar, Tea, Salt, Potato, Onion, Milk,

3 commodities added in 2008 are: Masoor Dal, Moong Dal, Urad Dal,

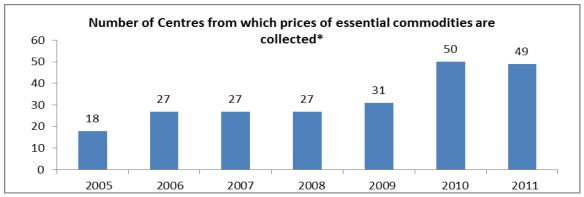
4 commodities added in 2010: Soya Oil, Sunflower Oil, Palm Oil, Gur

1 commodity added in 2011: Tomato

* Status as on July 2011

3.1.1 Simultaneously, the centres from where the prices are obtained have also increased in number; they have almost trebled as shown in chart 4.

CHART 4



^{*} Status as on July 2011

Wholesale prices were hitherto reported for 37 centres on a weekly basis; now they are being reported on a daily basis for 49 centres; these are the same centres for which retail prices are reported.

Prices are collected and reported by the Department of Civil Supplies in the States on daily basis for the retail and wholesale prices. All centres do not necessarily report prices for all commodities (as demand for some commodities is region specific).

Production and Dissemination of Price Reports

- Daily Price Report consists of the following:
- Retail and wholesale prices of the selected 22 essential commodities in Delhi and variations of these prices compared to one week back, one month back, three months back, six months back, one year back, and two years back.
- Daily retail and wholesale prices of the same 22 commodities for all 49 centers.
- Variation in retail prices for each commodity over a period of last two weeks.
- Spot and future prices of selected 8 essential food items/agricultural commodities which are traded in the National Commodity Exchange.
- Comparative Mandi and retail prices of 20 essential commodities and their variations over last one week, one month, three months, six months, and one year as reported by the NEWSWIRE 18.

Price Analysis and Policy Intervention The prevailing price situation, as well as factors which impact on prices, in both domestic and international markets, are studied and brought to the notice of high level committees, such as Committee of Secretaries (COS), Cabinet Committee on Prices (CCP), through agenda notes prepared for their meetings, for appropriate action at the policy level.

The decisions taken at the Cabinet Committee on Prices (CCP)/ Committee of Secretaries (COS) meetings are conveyed to the Ministries /departments concerned to take appropriate action. The decisions taken in these meetings are implemented by the Ministry/Department concerned which is charged with the responsibility of the subject matter of the decision. Department of Consumer Affairs (PMC) monitors the action taken on those decisions by the concerned Ministries/departments and submits the action taken report before the Cabinet/CCP/COS.

Of late, work has been undertaken to analyse commodities price volatilities in India at the instance of G-20 Study Group on Commodities Price Volatilities.

Market Intervention Activities

Regular retail price reviews have been instrumental in deciding on strategies for market intervention to stabilize the market and ensure that shortages do not adversely affect the consumers, particularly the vulnerable section of the population. In this context, market intervention activities undertaken for pulses and certain vegetables like onion deserve special mention.

Market Intervention for Pulses

In the context of rising prices due to the increasing gap between supply and demand for pulses, two schemes were introduced to improve their domestic availability.

- (a) Scheme for market intervention under which reimbursement of losses upto 15% of landed cost and service charge of 1.2% of CIF value is allowed to the designated import agencies (PSUs/Cooperatives) for import of pulses, since 2006-07. This scheme has been discontinued after 31.3.2011.
- (b) Scheme for distribution of imported pulses by designated import agencies (PSUs/Cooperatives) at subsidized rates by State Governments, at the rate of Rs 10 per kg, since 2008-09. Currently, this scheme is being implemented under which five designated agencies (viz., MMTC Ltd., STC Ltd., PEC Ltd., NAFED and NCCF), import pulses and supply to the States/UTs for distribution in the Public

Distribution System. The designated importing agencies have played a dominant role in bridging the gap between demand and supply of pulses in the domestic market.

Market Intervention for Onion

The crop failure of Onion during the kharif and late kharif season in 2010 caused a huge spike in the onion prices across the country, the retail and wholesale prices which were already moving northwards suddenly shot up in the third week of December 2010. In some centres, it went up by more than 100%. The price movement was more or less same in the major mandis of onion producing areas. Along with other trade measures the Government also decided to encourage import of onions to soften the prices in domestic markets. Public Sector undertakings such as PEC, and STC were instructed to import onions for domestic consumption. A scheme evolved under which NAFED and NCCF were instructed by the Government to undertake the retail sale of onion through their respective outlets at the prices below the prevailing market prices.

III CHALLENGES AHEAD FOR PRICE MONITORING CELL

G-20 Agriculture Ministers have committed to share reliable data on agriculture markets in order to increase market information and transparency. The Report of the Working Group headed by Gujarat Chief Minister has recommended that data in this regard may be available at one place. Steps have already been initiated in to achieve that objective. PMC will strive for the following:-

- (i) Improve the representative ness of the sample by progressively increase the number of price reporting centres. At present the States of Sikkim, Goa and Manipur do not have any centre.
- (ii) Enhance robustness of data by increasing the number of reporting centres. The price report of PMC compares favourably with other price measures such as the Wholesale Price Index (WPI), Consumer Price Index (CPI) and Department of Economics and Statistics (Ministry of Agriculture).
- (iii) Ensure adoption of a uniform methodology for collection and reporting of data across the selected centres.
- (iv) Boost efforts to improve the efficiency of data collection and reporting. Obtain authenticated and validated data and ensure maximum compliance of data entry from the selected centres in respect of the listed commodities.
- (v) Engage in appropriate research studies/surveys to improve data/information collection and get feedback on policy interventions.
- (vi) Build and manage a strong data base and generate user friendly price reports.

- (vii) Understand the nature of demand for specific commodities, changes/shifts in demand and their impact on prices.
- (viii) Sponsor research studies to understand the trends in the prices of essential commodities and factors which influence the supply of essential commodities at regional, national and global level.
- (ix) Study the magnitude of gap between the retail and wholesale prices and the causes of such gap along with the direct and indirect measures that could be used as market interventions for reducing the gap between wholesale and retail prices and also the impact of such market interventions.

(C) Consumer Awareness

Thrust

(i) Consumer awareness and protection has been recognized as a major thrust area for the Government of India consequent to a decision taken in the 50th National Development Council (NDC) meeting chaired by Hon'ble Prime Minister held on 21-12- 2002. The 11th Plan has seen a significant ramp up of budgetary support for consumer awareness and protection. In the 11th Five Year Plan the total allocation was significantly revised upwards to Rs.409 crores. The Department responded well by implementing the plan scheme in right earnest and in the first four years of the Plan Scheme, an expenditure of Rs. 282 crores was incurred inspite of the fact that approval for the 11th Plan was received almost at the end of the first year of the Plan Scheme.

In the 11th Five Year Plan media campaign has taken a more structured shape. The campaign has ventured into new areas and in the past 4 years of the 11th Five Year Plan has covered a lot of new issues with a focus on emerging areas where there has been a rapid increase in consumer related issues. Some of the issues covered as part of the Multi Media Publicity Campaign 'Jago Grahak Jago' are; Banking, Insurance, Financial Services, Medicines, Real Estate, Education, Travel Services, Energy Saving, Census, Aadhar Numbers(UID), Financial inclusion, Comparative Testing, PDS ,Consumer Protection Act, Weights & Measures.

(ii) Use of Mass Mediums of Communications.

1. The campaign has used all possible media that may be required to reach out to consumers in a vast country such as India. Doordarshan has a significant terrestrial reaches. Doordarshan has been the biggest vehicle for campaign under Jago Grahak Jago, since it enables the Department to reach out to the focus areas in rural and remote areas of the country.

- 2. All India Radio provides a unique dimension of having access to almost 99% population and on account of easy portability of radio sets, the medium provides an effective platform for reaching out to the migrant population and construction worker as well as labourers and farmers who often carry radio sets with them while they work in the field / construction sites.
- 3. FM has shown a rapid growth in the past decade and as more and more consumers are spending more time on commuting, FM as a medium of publicity has shown tremendous growth. Therefore, FM Stations of AIR as well as private FM Stations have been suitably utilized as part of the publicity campaign under 'Jago Grahak Jago'.
- 4. To reach out to consumers in a vast country like India outdoor publicity has to be an integral part of any Multi Media Publicity Campaign. The mediums available through DAVP such as banners, hoardings, unipoles, metro panels, bus panels, railway tickets, reservation charts, Tirupati Access Cards, LCD Screens in Railway stations and Airports, neon sign boards in Railway Stations and Airports etc. are being suitably utilized for the publicity campaign. Portal network of 1.55 land officer has been used extensively in all format.
- 5. The campaign on consumer awareness has to necessarily focus on the youngsters as a target group. Accordingly, Nukkad Nataks are organized during the India International Trade Fair which attracted a large number of visitors. Posters / painting competitions are also organized in schools and colleges on the topics relating to consumer issues. The Department also participates in exhibitions / Trade Fairs all over the country so that the large number of visitors who came to see these exhibitions / trade fairs could be utilized as a medium of communication. Publicity material in the form of pamphlets is also distributed during these stalls.
- 6. In the 11th Five Year Plan a new initiative has been taken through TV Serial 'Jago Grahak Jago' for reaching out to North-Eastern Region and an interactive Radio Serial 'Jago Grahak Jago' through the vast network of All India Radio. As part of the these serials, listeners are advised to send their queries to the National Consumer Helpline as well as through e-mail specially designed for receiving queries of the listeners. Some of queries are then also included as part of the subsequent episodes in the programme and expert advice are also incorporated in the programmes.

(iii) Participation of State Governments/UTS

Under the Plan scheme of Consumer Awareness funds are being released to State Governments/UTs to facilitate activities to spread consumer awareness in the local languages and using the local mediums. State Governments have been given full freedom in deciding the publicity material as well as the mediums so that issues specific to that State/UT and mediums having reach in the rural/remote areas could be covered through the respective State Government/UT.

(iv) Mid-term corrections on the basis of Evaluation Studies.

The Evaluation studies by Indian Institute of Mass Communication, a Planning Commission empanelled agency, brought out that TV advertising has grown in the past on account of more and more pockets of the population being in a position to afford TV as well as Cable TV Networks. Multi Media Publicity Campaign utilized the platform of C&S Channels empanelled with DAVP for reaching out consumers both in the premium segments as well as to the Tier II and Tier III + downs and cities.

(v) Continuous Monitoring of the 'Jago Grahak Jago' campaign

The mechanism of regular monitoring of the campaign was created by establishing an Empowered Committee chaired by Secretary, Consumer Affairs and Multi Media Committee chaired by Joint Secretary, Department of Consumer Affairs. The Empowered Committee under the chairmanship of Secretary, Department of Consumer Affairs has also representatives from Ministry of I&B. The Multi Media Committee under the chairmanship of Joint Secretary has representatives from DAVP, DD, AIR, NGOs and VCOs associated with consumer activities. The Multi Media Committee has been entrusted with the responsibility of implementation of the Media Plan and creation of content as per the approval of the Empowered Committee. The Empowered Committee monitors the mediumwise allocation under different Heads as well as identification of subjects / themes for publicity.

The targets and achievements during 11th Plan are given at **Annexure V**

Plan outlay and expenditure incurred as on 30.9.2011 is as under

Year	BE	Expenditure(excluding
		Expenditure of NER)
2007-08	67.00	44.34
2008-09	75.00	80.50
2009-10	77.00	70.60
2010-11	84.02	80.60
2011-12	87.23	48.50

Achievement

Starting with modest allocations in the year 2005-06, 'Jago Grahak Jago' has become one of the leading Government awareness campaigns on account of broad basing of the campaign and use of all possible mediums of communications for reaching our to consumers.

The significant achievement of the 11th Plan had been to broad base the publicity campaign. The Department started with the publicity on Core subjects / issues which are within the administration jurisdiction of the Department such as awareness of Consumer Protection Act, Grievances Redressal mechanism, Standardisation (ISI, Hall Mark etc.), Weights & Measures, Comparative Testing etc. The Department had subsequently taken up the issues of consumer interests that pertain to other Government Departments/ Ministries/Regulator authorities such as Telecommunication (TRAI), Banking (RBI and Indian Banks Association), Insurance (Insurance Regulatory Development Authority), Medicines (National Pharmaceutical Product Authority, Department of Pharmaceuticals), Real Estate (Ministry of Housing and Poverty Alleviation), Education (Ministry of HRD), Travel Services(Ministry of Railways, Ministry of Civil Aviation, Ministry of Tourism), Energy Saving (Bureau of Energy Efficiency), Census (Registrar General of India), Aadhar Numbers (UIDAI), and so on. The popularity of the campaign can be gauged from the fact that it has been rated amongst the top ten campaign in the country and the only government campaign.

Campaign has used mass mediums of communication for reaching out to consumers which itself is a gigantic task considering the population of the country as well as the geographical spread of the country. In the 11th Five Year Plan the use of media was radically increased both in the form and nature. All possible means of communication such as print, electronic (including Doordarshan, Cable & Satellite Network, All India Radio and FM Stations), outdoor publicity (panels, hoardings, neon, sign boards, bus panels, railway panels, railway tickets, reservation charts, utility bills, Tirupati access cards, conventional mediums of publicity such as Nukkad Natak, Song & Drama Division etc. have been utilized All the content under the 'Jago Grahak Jago' campaign is also being uploaded on the website of the Department.

The sustained multi media publicity campaign undertaken in both the conventional and non-conventional mediums of publicity has also ensured that targets relating to expenditure for the consumer awareness plan scheme have been suitably met. The approval for the plan scheme was received on 31st January, 2008 and in the period of 36 months available to the Department since then an expenditure of Rs. 282 crores has been achieved which is as per the targets based on the allocations made by the Planning Commission.

As a significant increase in the outlay for consumer awareness in the 11th Plan, there has been a commensurate increase in the awareness about the consumer rights as brought out from various studies conducted from time to time. The study got conducted through Indian Institute of Mass Communication during August-September, 2006 and through M/s Santek Consultants in April to June, 2009 have established that a significantly higher proportion of the citizens are now aware about the consumer rights under the Consumer Protection Act. as a consequence

of information received through the "Jago Grahak Jago" publicity campaign. The survey conducted through IIMC covered 12 States, 36 Districts and 144 villages and the survey through M/s Santek Consultants covered 12 States, 59 Districts and 290 villages. With almost 1200 representatives.

The publicity on National Consumer Helpline has been increased comprehensively through both the print and electronic media. This alone has resulted in a significant increase in the number of calls being handled by the National Consumer Helpline.

New initiatives have been taken under the Plan Scheme of Consumer Awareness in the 11th Plan as below :-

- Broad basing of the campaign
- Joint publicity campaign with other Government Departments/Ministries having consumer interface
- Start of interactive radio serial through AIR
- Start of interactive TV serial through the northeast kendras of DD
- Conducting poster competitions, painting competitions etc. on consumer issues in schools and colleges,
- Conducting Nukkad Natak contest in colleges on consumer awareness etc
- Wide publicity on important consumer days such as National Consumer Day on 24th December every year and World Consumer Rights Day on 15th March every year.
- Use of the huge portal network in a major area, so as to reach every nook and corner of the country.

(D) INTERNAL TRADE AND FUTURES MARKET

Plan scheme "Strengthening of FMC" was launched in 2005-06 under the Xth Plan and was continued in the XIth plan, with the approval of SFC, after in principle approval of the Planning Commission.

The Commodity Futures market has been liberalized with effect from April 2003 and now 113 commodities have been notified under section 15 of the FCRA for regulation. There are 21 Commodity Exchanges organizing futures trading in commodities, of which five are National Exchanges. The volume of trade in commodities has increased exponentially from Rs.5.71 lakh crore in 2004-05 to Rs. 21.34 lakh crore in 2005-06, registering a growth of 274%. It has increased further to Rs.119.49 lakh crore in 2010-11, almost 5 times than in 2005-06.

The Commodity futures trading perform key economic functions namely, price discovery and price risk management. However, due to lack of awareness about futures trading, non-availability of spot and futures price data on real time

basis at taluka level, the benefits of futures trading has not adequately percolated to the farmers. To increase participation of farmers in the commodities market and realization of benefits by farming community it has became essential to increase awareness amongst the farmers about the benefits of futures trading in commodity.

The Parliamentary Standing Committee (PSC) in its Report (December 2006) on the Forward Contracts (Regulation) Amendment Bill, 2006 had made following recommendations:

- Need to launch massive awareness campaign to create awareness about the benefits of futures trading in commodities.
- The stakeholders like stockist, importers/exporters, warehouse entrepreneurs to be educated on the subject.
- The services of print and electronic media to be used for creation of awareness.
- Network/link Agricultural Produce Marketing Committee (APMC) with rural market, haats, Panchayats and commodity exchanges to upgrade the infrastructure including accredited warehouse, chain of cold storage.
- Undertake quality control and assaying of Agricultural Produce.
- Strengthen the Infrastructure of Human Resource and IT for better monitoring and surveillance of commodity exchanges in the light of the major changes that have taken place in the market.

In view of the recommendations of the PSC, the plan scheme 'Strengthening of FMC' was launched during 2005-06 and has been continued during 11th plan with more focus on awareness generation and networking of mandis/ haats with the National Commodity Exchanges.

OBJECTIVES OF THE SCHEME

The objectives of the plan proposal were to strengthen and enhance the capabilities of FMC; the Market Regulator, in terms of expertise, resources and operational flexibility to meet the challenges of rapidly growing commodity derivatives trading, to create awareness about the benefits of commodity futures trading and to network the APMCs and National Commodity Exchanges for price dissemination.

The plan scheme had the following components:

- (i) Up gradation of IT facilities;
- (ii) Capacity building/training/consultancies;
- (iii) Awareness and Development Programme.

- (iv) Connectivity of Commodity Exchanges with APMCs/Post offices/ Rural Bank/Cooperatives/Rural Extension Centres/AGMARK NET and other agricultural marketing networks for dissemination of future prices;
- (v) Up gradation of the office infrastructure.

ACHIEVEMENTS:

The major achievements of the Forward Markets Commission under the aforesaid plan scheme during the 11th plan period are given below:

Developmental initiatives:

The Forward Markets Commission, in addition to regulating the commodity futures market, has also taken proactive steps in the past years to ensure that the commodity futures markets are broad based and its benefits reach all the stakeholders of the Commodity Markets. Three of the important initiatives in this regard are:

- Creation of awareness among stakeholders,
- Capacity building in the commodity sector, and
- Price Dissemination Project
- (i) Increasing the awareness levels of different categories of stakeholders, especially farmers to make them aware of the existence of as well as benefits from the commodity futures markets.

The Forward Markets Commission conducts awareness programmes for all the stakeholders of the commodity derivative market, such as members of the Commodity Exchanges and their clients, prospective participants in the commodity derivative market, physical market stakeholders in the agricultural, metals , bullion and energy sectors, especially farmers, grassroot level functionaries and extension service providers in the agriculture sector, educational institutes, etc. The table below gives the details of the awareness programmes organized by the FMC during the first 4 years of the 11th Plan:

Year	No. of Pro	% of farmer programmes		
	Farmers	Others	Total	1 8
2007-08	75	39	114	65.78
2008-09	107	90	197	54.31

2009-10	423	92	515	82.13
2010-11	486	343	829	58.62
2011-12 (Upto June 2011)	81	58	139	58.27
Total	1172	622	1794	65.33

During the first quarter of 2011-12, 139 awareness programmes have been held out of the target of 900 awareness programmes for the year 2011-12. Out of 139 awareness programmes, 81 programmes were held for the farmers and 58 for other stakeholders.

(ii) Sensitization of policy makers and capacity building in the commodity sector;

The Forward Markets Commission organizes training programmes and Training- of-Trainers (TOT) programmes for market stakeholders.

These programmes are directed at officers of the central and state government engaged in policy making, educational institutions with focus on agricultural universities and management institutes, financial institutions, banks, the cooperative and warehousing sectors to sensitise them about the roles to be played by them for the development of the commodity futures market. The capacity building programmes organized by the FMC in the past four years are given below:

	Year	Number of Programmes
(iii)		Organised
	2007-08	8
	2008-09	18
	2009-10	66
	2010-11	79
	2011-12 (Upto June 2011)	5

Implementation of the Price Dissemination Project through APMCs and other centres to empower the farmers with up-to-date price information on spot and futures markets.

The Price Dissemination Project encompasses the dissemination of spot and futures prices of agricultural commodities in the local language on electronic price ticker boards placed at APMCs in various parts of the country. The Price Dissemination Project has been implemented in 180 APMCs during 2009-10 and in

588 APMCs during 2010-11, taking the total coverage to 768 APMCs by the end of 2010-11, covering 23 States. During the period from April – June 2011, 71 Price Ticker Boards were installed. Total 839 Price Ticker Boards have been installed upto June 2011.

(iv) Exhibitions:

The Commission, in association with the National Exchanges, participated in the Indian Science Congress Expo at SRM University, Chennai during 3-7 January 2011.

The Commission in association with the National Exchanges also participated in AGROVISION 2011, organized at Nagpur during 4-7 March, 2011 by the Vidarbha Economic Development Council (VEDC).

(v). Interactive meetings held with the stakeholders:

The Commission conducted various meetings with different category of stakeholders of the futures market to take feed back from them to improve the functioning of the futures markets. The inputs received during these meetings were utilized while framing the regulatory policies in the Commission. During the last five years, the Commission conducted 36 meetings with the different stakeholders.

During 2011-12, (April-June) 8 meetings were held with the different stakeholders out of the target of 10 meetings.

Year	Number of Meetings organised
2007-08	7
2008-09	8
2009-10	8
2010-11	5
2011-12 (Upto June 2011)	8
Total	36

(vi). Inspection of Books of Accounts:

The Commission has been inspecting the books of accounts of the Members of the Exchanges, particularly of the National Commodity Exchanges on a regular basis since 2006-07. Details of inspections undertaken during the last four years are given below:

Year	Number of members audited	Number of exchanges audited	Special audits	Total
2007-08	100	-	-	100
2008-09	104	3 National Exchanges and NBOT	-	108
2009-10	298	3 National Exchanges and 14 Regional Exchanges	-	315
2010-11	280	3+14 Regional exchanges	1	298
Total	782	38	1	821

Physical Targets and Achievements and the Expenditure incurred under the XIIth Plan period are given in **Annexure VI & VII.**

(E) <u>Bureau of Indian Standards (BIS)</u>

Bureau of Indian Standards (BIS) is implementing the following Central Sponsored Schemes under XI^h Five year Plan (2007-12) on behalf of Ministry of Consumer Affairs, Food and Public Distribution. These are as follows:

Old Scheme (continuing from Xth Plan)

Scheme to set up Gold Assaying & Hallmarking Centres with central assistance

New Schemes

National System of Standardization HRD & Capacity Building in educational institutions Consumer Education & Training, HRD & Capacity Building

(I) <u>SET UP GOLD HALLMARKING/ ASSAYING CENTRES IN</u> INDIA

BIS is operating this scheme since the Xth Plan. The main objective to ensure that Consumers should get pure quality of gold and to protect them from cheating by Jewelers. Under the Government Scheme for Central Assistance for creating infrastructure, 27 Centres, have been setup.

Training for Artisans / Assaying and Hallmarking Personnel

During 11th Five Year Plan 42 training programmes for artisans were organized at different locations all over India to make artisans aware of the

concept of hallmarking, use of correct solders and good manufacturing practices in jewellery making. In addition 8 Assaying and Hallmarking Personnel Training programmes were organized for creating competency of manpower and greater knowledge of procedures & guidelines.

Training of Trainers Programme for BIS officers on Assaying & Hallmarking

The first residential 'Training of Trainers programme for BIS officers' on Assaying and Hallmarking was conducted at Cochin on 14-16 Feb 2011. The programme was aimed at enhancing the auditing skills of auditors.

Physical Performance:

S. No	Component of Scheme	2007-08	2008-09	2009-10	2010-11
1.	Infrastructure Building (no. of Centres Recognized)	11	7	3	4
2.	Capacity Bld. (No. of Programmes organized) (i) Trg. of Artisan (ii) Trg. for personnel of A&H Centre (iii) Trg. of BIS officers	10 2 Nil	7 2 Nil	12 2 Nil	13 2 1

(II) NATIONAL SYSTEM OF STANDARDIZATION

- ➤ The Scheme is being implemented by BIS with the aim to avoid multiplicity of standards and develop society driven standards in areas of economic and social activities. The scheme has the following components:
- ➤ To increase participation of various stakeholders in international and national standardization process by funding their travel expenses.
- > To provide funds for R&D Activities to various technical/ R&D organizations for upgrading existing standards as well as development of new standards in view of latest technological advancements.
- ➤ To pool in information from various organizations developing standards so as to provide a consolidated common database at a single point and to make WTO- TBT Enquiry point web enabled so as to disseminate information from a single point .The following are the achievements during plan period:
- > training programmes for organizations represented in various Technical Committees of BIS for developing standards were organized

- 3 R&D Projects have been initiated.
- 224 delegates were financed for national level participation
- 39 delegates were financed for international participation.

Hardware and Web space purchased. Bandwidth upgraded. Website pertaining to National Standards & Regulatory Database, i.e., www.standardsdata.in is developed. This portal has given reference to 26 websites of standards developing organizations to provide information relating to Standards and Technical Regulations for various products through single window. Two Awareness Programmes on WTO/TBT Organized

Physical Performance

S1.	Component of Scheme	2008-09	2009-10	2010-11
No.				
1.	Development of Organization			
	developing standards/R&D			
	prioritization	Nil	5	2
	Training programmes	Nil	Nil	3
	R & D Projects			
2.	Intensifying participation of			
	stakeholders/scientific	4	17	18
	organizations and members of			
	BIS technical committees in			
	International Standardization			
3.	Intensifying participation at			
	National level of	10	97	117
	representatives of Govt.			
	organizations, Eminent			
	Scientific organizations, IITs,			
	NITs, Govt. Labs, Consumer			
4	organizations and Economists	N T 1	D (1
4.	Development of National standards database and	IN1I	Procurement of Hardware	1
	National regulatory systems		orrandware	purchased & work for
	database systems			development
	Gatabase			of Website is
				under
				process
				Process

S1.	Component of Scheme	2008-09	2009-10	2010-11
No.	_			
			Band width	Server &
	Upgrading WTO-TBT Enquiry		upgraded	Furniture
	Point at BIS		from 2 Mbps	purchased
			to 10 Mbps	2 Awareness
			_	Programmes
				on
				WTO/TBT
				Organized

(III) Consumer Education and Training, HRD & Capacity Building

- 1. The Scheme on 'Consumer Education & Training, HRD and Capacity Building' has an outlay of Rs. 16.98 crores. The basic objective of this scheme is to educate and make Indian consumers aware and trained, through training programmes on Consumer Protection, and on various consumer related subjects pertaining to Govt. Departments providing services to Consumer on Food Safety; Management and Handling of Hospital Waste; Safe Drinking Water, Sanitation and Waste Disposal and Public Service Delivery (for Public service providers). (Since, the Ministry approved the Scheme in November 2008 and released funds in Feb 2009, its implementation started since Mar 2009).
- 2. During the period, 63 Training Programmes were conducted by BIS (NITS/ROs/BOs) on various consumer related subjects such as Food Safety; Management and Handling of Hospital Waste; Safe Drinking Water, Sanitation and Waste Disposal, Public Service Delivery and Structural Safety & Design. Over 1000 personnel were trained during these training programmes.
- 3. 24 State Institutes for Rural Developments (SIRD)s/ Administrative Training Institutes (ATIs) of States were financially assisted for infrastructural development at their Training Institutes and conducting Training Programmes on Consumer Protection and Consumer Awareness. Seven SIRDs (out of total 24 ATIs/SIRDs assisted), conducted over 50 training programmes and made over 1200 trained and aware consumers.
- 4. Under the programme for strengthening NITS, the modernization of the building and infrastructure of NITS to make it a world-class facility has been started by CPWD. During the period, 6 training centres were set up in BIS offices at Kolkata, Mumbai, Bhopal, Jaipur, Chennai and Bangalore.

Physical Performance

S1.	Component	of	2008-09		2009-1	10		2010-11
No	Scheme							
1	Procurement	of	10	Trg.	One	set	of	11 Items

Sl. No	Component of Scheme	2008-09	2009-10	2010-11
110	Training Aids for NITS	Equipments	Audio System	
2	Training Programmes organized by BIS	1	12	50
3	up gradation of infrastructure (Modernization) of NITS	Nil	45 LCD TV for hostel rooms Rs 2 crore given as advance to CPWD	45 E-Safes and 8 Desktop PCs for hostel rooms CPWD Started work in Jan 2011 and Civil work is in progress.
4	Assistance to ATIs/SIRDs/PRI s	16 ATIs/SIRDs first installment released for Purchase of Trg. Equipments		2 nd Installment to 4 SIRDs released for Training Programmes
5	Training infrastructure Development: - Regional offices of BIS at Chennai, Mumbai and Kolkata and Branch offices at Bhopal, Jaipur & Bangalore	2 ROs/BOs Purchased Trg. Equipment	3 ROs/BOs developed infrastructure	1 RO developed infrastructure
6	Advertisement and publicity	One Seminar was organized to create awareness among ATIs/SIRDS/II PA/ROs&BOs of BIS about the Scheme	Ads for 3 Trg. Programmes	Ads for 5 Trg. Prog

(IV) Human Resource Development/ Capacity Building in Educational Institutions under Quality Infrastructure for Consumer Protection

The scheme is a new scheme being operated by BIS with the following components:

- Identification of present level of standardization in the educational institutions
- Development of curriculum through AICTE and UGC etc. to introduce the concept of standardization in Central Universities and Institutions of national repute

Under this project 13 Pilot visits have been conducted at different institutions including IITs & Agricultural Universities in order to get the information regarding requirement so that curricula can be developed for these institutes. During the period five working groups were constituted to cover Agriculture Sector, Technical Sector, Management Sector, IT Sector, and Food and Hotel Management Sector. Working group meetings for development of curriculum in Agriculture Sector, IT Sector and Management Sector took place during the year.

Physical Performance

S1.	Component of Scheme	2008-09	2009-10	2010-11
No	_			
1.	Identification of	9 pilot visit	3 pilot visit	1 pilot visit
	present level of			
	standardization in the			
	educational			
	institutions			
2	Development of		2 Monitoring	Monitoring
	curriculum through		Committee	Committee
	AICTE and UGC etc. to		Meetings	further
	introduce the concept		_	separated the IT
	of standardization in			Sector from
	Central Universities			Management
	and Institutions of		Four working	and five
	national repute		groups in	Working groups
			following	were
			sectors were	constituted.
			constituted	
			based on	3 Working

feedback from	Group Meetings
Pilot visits	and 1 Core
	group Meeting
a) Technical,	held
b)	
Management	
& IT,	
c) Agriculture,	
d) Food &	
Hotel	
Management	

Financial Performance is given in **Annexure - VIII.**

- (E) National Test House and Legal Metrology
- (A) National Test House
- (i) Strengthening of National Test House

The EFC approved 12 projects at the total outlay of Rs. 74.84 crore in favour of National Test House (NTH) for 11th Five Year Plan. **Annexure IX & X** shows year-wise outlay as approved by EFC in different head under Plan Schemes for the 11th Plan of NTH , actual allocation under BE & RE and actual expenditure from the year 2007-08 to 2010-11 and allocation under BE(Plan) for the year 2011-12.

(ii) Achievements:

NTH envisaged the adaptation of advanced testing technology for reduction of testing time and also maintaining high accuracy will definitely give an edge to NTH over its competitors. In conformation with this, NTH has earmarked a substantial amount to the tune of 50% of 11th Plan outlay for procurement of Machinery and Equipment. NTH also mooted to create Center of Excellences on Testing and quality assurance of some major industrial and consumer products

Extent of implementation: In order to strengthen NTH and to comply with the above objective NTH prepared a list of advance machinery and equipments for testing and calibration purpose.

The allocated fund under the head Machinery & Equipment(Plan) (RE) from the year 2007-08 to 2010-11(clubbing the years together) during the 11th Five Year Plan was Rs. 22.40 crore and utilization was Rs. 21.18 crore i. e. up to 2010-11

utilization of allocated fund under RE is nearly 94.6%. The fund allocated during the current year (2011-12) under the head Machinery & Equipment (Plan) is Rs. 6.70 crore and is expected to be utilized fully.

(iii) Increase capacity building and also to increase laboratory space in some of the existing NTH regions and virtue of infrastructural development.

NTH projected following 5 infrastructural development projects to increase and enlarge the test area of the following NTH regions:

- Civil Structure of Three storied Building has already been completed by CPWD or the Phase-II building of NTH (SR), Chennai in the available vacant land. The building is likely to be brought into the service for laboratory activities during the current financial year (2011-12). The expenditure to be incurred Rs. 6.30 crore (approx.). NTH (SR), Chennai has already chalked out to proliferate its existing test and other activities once the new Phase-II Building is come into operation. The fruition of new building from additional revenue generation point of view will definitely be a determining factor during the 12th Plan period of NTH.
- In order to strengthen and modernising the test and quality evaluation activities in NTH(NER), Guwahati, a permanent masonry Laboratory cum Office Building and appurtenance Residential Building by demolishing existing semi-permanent sheds acquired from Govt. of Assam is being undertaken. Four storied appurtenance Residential Building has already been completed in the year 2009-10 at a cost of Rs. 99.73 lakh by CPWD. The construction of Laboratory cum Office Building is going on and owing to shortage of fund the project is likely to be spilled over to the 12th Plan and expected to be completed by the 1st Year of the 12th Five Year Plan subjected to the availability of fund. The final cost estimated by CPWD for completion of this Guwahati project is Rs. 12.06 crore. The fund already authorized to CPWD for the year 2011-12 is amounting to Rs.4.0 crore. The present Laboratory activity of NTH(NER), Guwahati is being operated temporarily from appurtenance Residential Building.
- Construction of one additional floor to expand the laboratory activity of NTH(NR), Ghaziabad was duly completed by CPWD at a cost of Rs.54.0 lakh and already operationalized from the year 2010-11. NTH(NR), Ghaziabad has already been reaping the benefit of added laboratory space and expanding the scope of test activities with the ever increasing demand from clients and consumers.
- Apart from the above infrastructural development, NTH also proposed a full-fledged Training Institute in NTH(ER), Alipore, Kolkata after revamping and renovation old building space available in NTH(ER), Alipore, Kolkata complex. The Training Institute was brought into operation from the year mid 2009-10. The project was completed by CPWD and expenditure incurred was Rs. 71.0 lakh. The Training Institute of NTH(ER), Alipore, Kolkata has already started receiving attraction from the industrial circles(Private and PSU), Govt. departments and

students from engineering colleges. The data available received from NTH(ER), Kolkata shows that during the year 2010-11(the operational year of the training institute), NTH(ER), Kolkata has conducted 14 no. Training Courses on test methodologies and imparted training to 53 no. of trainee. The tangible outcome in terms of receiving training fees was Rs. 7.73 lakh. The enormous intangible value in respect of National Skill development program can be sustained in the forthcoming years through this Training Institute.

(IV) To provide the test and quality evaluation facilities due to be created by NTH to SAARC countries.

NTH has extended its facilities not only to Bangladesh, Nepal, Bhutan and Sri Lanka (the SAARC countries) and also to Kenya.

(v): To maintain a strong interaction with BIS and other noted statutory bodies functioning for consumer protection in the area of test, quality assurance and standardization.

Scientists of NTH are representing most of the Technical Committees either as Chairman or Member constituted by BIS for framing of new Indian Standard or amending the existing Indian Standard. Most of the laboratories of NTH (barring a few) already recognized by BIS for testing of BIS marked products. Frequent meetings are being held by the regional Directors and Scientists of NTH with their counterpart of BIS for exploring the new area of testing for the benefit of the consumers of the country. NTH Scientists act as Technical Assessor of National Accreditation Board for Test and Calibration Laboratories(NABL). All the NTH regional laboratories (except NTH(NER), Guwahati) are accredited by NABL. Central Pollution Control Board by its Gazette Notification(vide no.--Part-II-Section-3, Sub section(i) No.136 dated the 15th March 2011) has approved NTH(NR), Ghaziabad for test of Diesel Generator Set in respect of measurement of Noise Pollution. Earlier it was used to be conducted by National Physical Laboratory(NPL), In addition, time and again NTH Scientists are interacting with Scientists Bureau of Energy Efficiency(BEE), National Physical Laboratory(NPL), STQC etc.

(vi) NTH activity in the area of test, quality evaluation and other related services among the industrial circles, business establishment and consumer forums

All the regions of NTH during the 11th Plan Period have participated in different Industrial Trade Fairs, Consumer Fairs, Scientific Fairs organized by various Chamber of Commerce, Scientific Forums, Indian Science Congress, Department of Consumers of State Governments and Department of Central Governments.

Regions of NTH have set up Stalls within the fair premises displaying the NTH activity with exhibits, placards and other varied mode of presentation. Scientists of NTH manning the NTH stalls have satisfactorily explained to the visitors how NTH serves the consumer of the country. Besides, NTH has published brochure for distributing widely in various forums. NTH has also advertised the activity through newspapers, industrial and consumer magazines for wide publicity. "Akashbani" (Kolkata Circle) broadcast a program on functions and activities of NTH(ER), Kolkata with recorded comments from the Director, NTH(ER), Kolkata. The total allocated fund under the Recurring Head (OE, DTE & FTE) (Plan) from the year 2007-08 to 2010-11 in RE is Rs. 6.60 crore and actual expenditure is Rs. 5.96 crore (% Utilization 90.3). The fund allocated under Recurring Head (Plan) for the year 2011-12 is 2.30 crore.

NTH has also undertaken the following activities during the 11th Plan Period:

- (1) Testing of vigilance samples: 1700(approx.)
- (2) Training conducted and no. of persons trained: 75, No. of Trainee Trained -- 900 no.
- (3) Scientists send for training in noted institutions (including foreign training, scientific trip etc. if any): 150
- (4) Scientists attended seminar/workshop: 50

(vii) Web based MIS Project in all its regions so that customers can avail the NTH services promptly

To introduce computer based management Information System in all the NTH regions phase-wise for providing hassle free customer friendly services through computer, NTH had proposed to introduce MIS system in NTH(SR), Chennai, NTH(NR), Ghaziabad and NTH(WR), Mumbai during the 11th Plan Period. The similar project was already in operation at NTH(ER), Kolkata from the year 2006-07(the end year of 10th Plan). During the 11th Plan Period, the MIS has already been launched in NTH(SR), Chennai during the year 2009-10. The necessary works to introduce in NTH(NR), Ghaziabad and NTH(WR), Mumbai have already taken up and it is expected that MIS will be operationalized in both the regions during the year 2011-12.

Revenue Generations:

A substantial increase of revenue generation from **Rs. 17.61 crore** during the 10th Plan period to **Rs. 54.72 crore** during the 11th Plan period have been possible by rendering pro-active and value added services to the customers by way of modernization through procurement and commissioning of advance machinery

and equipments meant for testing and with same or less number of scientists in comparison to that of 10th Plan.

(B) LEGAL METROLOGY

Consumer protection has always been one of the main thrust areas of policy formulation. Use of proper and accurate standards, weights and measures is very important for effective functioning of any economy, as it plays an indispensable role in promoting welfare of consumers. Through this, consumers are protected from malpractice of underweight or under measure. They get right and exact amount of product for the money spent by them. To safeguard the interest of consumer, the Department of Consumer Affairs, Government of India has formulated two Schemes during XII Plan, namely Strengthening Weights and Measures of States/UTs and Strengthening of Regional Reference Standards Laboratories (RRSLs) and Indian Institute of Legal Metrology (IILM), Ranchi. The total outlay of these schemes are 170 crore and 23.1 crore, respectively.

(i) The aims of the scheme "Strengthening Weights and Measures of States/UTs" are the better implementation of weights and measures laws. The objective is to augment Legal Metrology Dept. infrastructure in holistic way by construction of laboratories buildings, supply of equipments and capacity building of enforcement officials for effective implementation of weights and measures laws.

In the first phase of scheme, 41 units of mobile kit for testing weighbridges and 59 sets of secondary standards balances costing Rs. 25.57 crore had been supplied to various States and UTs during 2007-09. Rs.143.286 crore has been marked for remaining period of 2009-2012. The total expenditure during 2009-10 is Rs.26.01 crore. Grant-in-aid of amount Rs.21.47 crore was issued to 17 States/UTs for the construction of Secondary/Working Standards Laboratories and Rs.4.52 crore was given to India Govt. Mint, Mumbai for supply of secondary/working standard weights to States/UTs.

During 2010-11, the Dept. has given 31 Nos. of smaller mobile kits for testing weighbridge along with 5 tone Standards Weights, 2000 check measures, & 147 sets of working standards weights to States/UTs.

A Grant in Aid of Rs. 16.90 Crore was issued to 10 States/ UTs including NE States. Training program of Legal Metrology Officers of GOI/ States/ UTs was conducted at National Physical Laboratory, New Delhi and Fluid Control Research Institute, Palghat, Kerala.

In the current financial year, i.e. 2011-12, it is proposed to provide more equipments like CNG/LPG testing kits, Digital tape measuring Unit, Proving measures for tank lorry unit, Sphygmanometer testing unit, clinical thermometer testing Unit, computer with printer etc. to States/UTs.

(ii) The objective of scheme "Strengthening of Regional Reference Standards Laboratories (RRSLs) and Indian Institute of Legal Metrology (IILM), Ranchi" is to strengthen RRSL and IILM by complimenting the existing facilities in mass, volume and length measurement. The scheme aims at providing better testing facilities in force, torque and flow measurement for better consumer protection and renovation of the building, laboratories, hostels, residential quarters of the IILM, Ranchi. The mass comparators have been provided to RRSL & IILM, Ranchi. The electrical simulators & G-TEM are being provided to RRSLs costing Rs.6 crore. Rs.5.0 crore has been marked to IILM for this financial year for development of infrastructure.

National Physical Laboratory (NPL), New Delhi has fabricated and installed the new testing facilities of Torque and Force measurement at RRSLs. Another new facility for flow measurement is likely to be supplied by Fluid Control Research Institute to four RRSLs, Ahmedabad, Faridabad, Bangalore and Bhubaneswar.

(iii) Under Capacity building programme, the Department is organizing training programmes for the enforcement officials for effective implementation of weights and measures laws. These programmes have been conducted at FCRI, Palghat and NPL, New Delhi on various subjects like testing of CNG/LPG dispensers, testing of sphygmomanometer (B.P. measuring instrument) and clinical thermometer, mass, length and volume and density calibration.

Besides, the Department is organizing advance training programme for the Legal Metrology Officers of States/UTs at NMO, U.K. and PTB, Germany during 2011-12. Total expenditure during XIth plan up to 19.7.2011 is Rs.114.80 Crores. The outlay for 11th Plan and expenditure is given **in Annexure-XI.**

CHAPTER - 3

STRATEGY FOR TWELFTH PLAN

- 3.1. Vision: To protect the rights and interests of consumers, to spread awareness about consumer rights, duties and responsibilities and to promote consumer welfare by strengthening consumer movement in the country.
- **3.2. Mission:** To achieve effective implementation of various consumer welfare schemes through progressive consumer related legislations, and active participation of State Governments, academic and research institutions, schools and voluntary organizations ultimately to create a vibrant consumer movement in the country.

3.3. Objectives:

- Empowerment of consumers by making them aware about their rights and responsibilities.
- Provision of effective, inexpensive and speedy redressal system /ADR to Consumers.
- Augmentation of IT infrastructure of the Consumer Fora Computerization and Networking
- Enable National Test House (NTH) to become more self sustaining.
- Strengthening the enforcement machinery of Legal Metrology Department of States/UTs and bringing new products within the ambit of Legal Metrology Act, 2009
- Efficient Regulation of Commodity Futures Markets.
- Strengthen Forward Markets & Forward Markets Commission.
- Formulation of Standards & Strengthen Conformity Assessment of Products and Services.
- Ensuring availability of Essential Commodities at affordable prices and effective market intervention.
- Implementation and regulation of Essential Commodities Act.
- Promotion of developing commodity future markets
- Set up a credible data collection of monitoring system of food grains products and price situation strengthening market intervention support measures.

3.4 Consumer Protection and Redressal Mechanism:

With a view to strengthen the existing consumer protection and consumer grievance redressal mechanism, focus will be given to

- (i) Review of laws relating to consumer empowerment and protection, to make it more effective
- (ii) building strong consumer information and ADR system
- (iii) Development of mediation and ADR system
- (iv) strengthening the redressal mechanism

In the light of the experience gained with the working of the consumer adjudicatory bodies important changes in the legal provisions – substantive and procedural will be introduced with a view to make the consumer justice delivery system efficient, effective and economical. An office of Consumer Protection Officer should be created in all the departments and organizations having public interface, with the responsibility to take care of consumer grievances.

- Consumers, even if they are aware of their rights, hesitate to go to consumer forums because of inordinate delay and also procedural technicalities. Hence, institutional mechanism for alternate redressal mechanisms, out of court settlements, may be encouraged.
- Apex Industry associations and representative bodies of organized sector may be approached to motivate their member units to set-up in house complaint redressal mechanisms. They should be encouraged to follow ISO 10001, 10002 and 10003 suites for internal and external complaint redressal systems.
- Regulatory bodies for specific industries like Banking, Electricity and Insurance have set a good example by using their regulatory powers to ensure that company level redressal mechanisms are set up as the first point for resolutions of consumer complaints. They have also set up ombudsmen as intermediary adjudication mechanism, which provide out of court settlement of grievances. There is need to develop and set-up ombudsman in other areas like Cable, Travel and Tourism, Medical Services, Domestic Appliances, Housing and Real Estate among others.
- ❖ State Governments are also not in a position to make enough provisions in their budget for taking initiatives for Consumer Welfare. This deficit will be filled up through adequate financial assistance for strengthening infrastructure.
- The Eleventh Plan Schemes to strengthen infrastructure of consumer fora/ Commissions, like the SCF and Confonet, will be continued into the Twelfth Plan for better gains deepening consumer awareness and redressal.
- DCA has already started projects like CORE and National Consumer Help line to address consumer complaints. These are basically catering to urban areas. Therefore the network of State Consumer helplines could be expanded through linkage with consumer advice cell on direct level.

3.5 Price Monitoring and Market Intervention

The Standing Committee of this Department as well as the Estimates Committee on 'Drought Management, Food grains Production and Price Situation'

recommended that the role of the PMC should be redefined in view of the dynamic nature of the domestic and global markets. The task to set up a 'credible data collection and monitoring system' requires multi-tasking at different levels. There is, therefore, an urgent need to strengthen the Price Monitoring Cell. In this context, a proposal to convert the PMC to a full-fledged division, an Essential Commodities Monitoring Division (ECMD), was sent to Department of Expenditure in 2010 for approval.

Strengthening of PMC requires the following:

Capacity building of the existing manpower - Analyzing the trend of prices and availability of essential commodities requires constant updating of the knowledge base and skills of the officials engaged in this work. Officials of PMC will be deployed to national as well as international training programmes organized on price related subjects and to the specialised trainings related to data analysis and econometrics by national/international organisations/Universities etc. Capacity building in terms of office procedure is also required for the staff.

Additional manpower- To ensure the quality, reliability and regularity of the data, PMC needs to be strengthened by the deployment of additional manpower. Two Joint Director/Director level posts have already been created in the Department by the Indian Economic Service Cadre. One of the two officers has already assumed charge recently. Given the nature of administrative and accounting work, one under Secretary level post and one Section Officer level post is urgently required. Personal Assistants and Assistants cum Data Entry Operators will also be required to achieve this task. Market Intervention Schemes require designated officers and staff for regular monitoring of the domestic availability of pulses and onions; constant liaising with representatives of PSUs/Cooperatives for information on status of imports and supply of imports of pulses to State Governments. In addition, it would be advisable to post an accounts officer at the STS level for checking all records/documentation on receipt of claims for reimbursement of losses for onward submission to the Internal Finance Division (IFD). In the case of the PDS scheme of pulses, the reimbursement claims of PSUs, complete in all respects, have to be settled within one month of submission.

3.6 Strengthening of Price Collection Mechanism and Price Reporting

- An Expert Committee may be constituted to review the existing price collection mechanism and to advise on improvement.
- For improving efficiency of data collection, cent-per-cent online system needs to be put in place. For this appropriate financial assistance will have to be provided to purchase computers and wherewithal to the centers who are lacking in computer facilities.

- Trainings, workshops and follow up meetings are required to be organised with the state civil supplies departments to ensure adoption of a uniform methodology for collection and reporting of data across the selected centres.
- Officials involved with the price monitoring and analysis work will have to make occasional field visits to have interaction with the state level officials involved in the work and to visit the markets to develop better understanding of the market dynamics on the one hand, and to get feedback from consumers, on the other..
- A computerised system will have to be developed to instantly check and validate the reported prices.
- To monitor and analyse the impact of forward trading on market prices, officials associated with PMC will have to be trained on the subject.

3.7 Strengthening of Price Reports Structure

External IT experts will be engaged in improving the presentations of the price reports.

3.8 Strengthening of Price Analysis

Subscribing to the Services of Professional Organisations - To undertake the research work related to availability and trend of prices of essential commodities, subscription to the services of organisations such as Newswire 18, Agriwatch, Indiastat and/or similar services is essential. For instance, Indiastat provides time series data on various parameters of the Indian as well as global economy, while Newswire 18 and Agriwatch provide valuable insights into the national and international commodity markets.

Hiring Professionals (Domain experts) - To handle the challenges of commodity analysis qualified personnel with appropriate knowledge and skills are required. PMC in its present status is not endowed with adequate manpower resources with required skills. Thus, hiring a range of professionals like Agricultural Economists, Statisticians and Econometricians will help in analysis and comprehension of data to provide concrete and precise inputs in policy formulation.

Engaging private organisations for conducting research studies and surveys. There are rough estimations regarding the consumer base in India. But there has not been a data base on the profile of consumers in India. Also absence of a consumer data base has resulted in lack of information relating to the aggregate demand of specific essential commodities. To address this shortcoming surveys need to be planned, designed and executed in a systematic and professional manner. This task may be outsourced to the professional organisations that are well versed in this field.

3.9 Strengthening Market Intervention Support Measures Existing Measures

- As stated under para 3.7, PMC is involved in market intervention activities, whereby central agencies are engaged for carrying out the task, such as in the case of imports and disposal of pulses, and onions etc. The aim of such interventions is to increase availability of essential commodities. The objective of involving Central agencies is to take advantage of their trade operations and incentivise them to procuring and selling essential commodities in the domestic market within their commercial ambit. This is expected to cool market sentiments.
- The role of the Civil Supplies Corporations and Cooperatives in providing essential commodities at reasonable rates is also crucial. A scheme for strengthening capacity of State Civil Supplies Corporations/Consumers Marketing Federations for effective market intervention in essential commodities is operated by Department of Food and Public Distribution (DFPD). Cooperatives such as the National Cooperative Consumers' Federation of India Ltd (NCCF) and National Agricultural Cooperative Marketing Federation of India Ltd (NAFED) can also be strengthened to achieve these objectives.
- State governments, being closer to the market, have also to take proactive measures. In a market driven economy, State Governments can better influence the prices of essential commodities by intervening in the market by making available these essential commodities at specific retail outlets at reasonable prices. This has been done in the past by some state governments, viz., Maharashtra, Goa and Delhi, etc..
- When prices are rising, it is essential that action is swift and efficient. A special fund may be created for meeting emergencies such as when prices of essential commodities spike requiring urgent action at market stabilization. Creation of a Price Stabilisation Fund in line with the recommendation of the Working Group on Consumer Affairs headed by the Chief Minister of Gujarat (Hon. Shri Narendra Modi) to undertake market interventions and to improve domestic supply of essential commodities could be considered.
- Cold storage facilities are inescapable for storage of perishable items. Creation of efficient storage infrastructure would go a long way in purchasing such items from the farmers/producers and releasing them gradually into the market to bridge supply demand mismatches.
- Agencies like NCCF and NAFED will have to be strengthened to achieve the objectives of effective market intervention wherever necessary by providing essential commodities at reasonable rates.
- At the time when price of an essential commodity rises substantially, and due to huge difference between the wholesale/farm gate price and the retail price, it becomes necessary for the Government to intervene in the market. This intervention has been done main through cooperatives like National Consumers' Cooperative Federation (NCCF) and NAFED. These organisation have been asked

to procure and supply pulses, edible oils, onions etc. at different times. Another important area where such agencies are asked by Government to help its efforts in maintaining supplies and price line is procurement of foodgrains. One reason why farmers are not very enthusiastic about pulse cultivation is absence of credible procurement agencies unlike for wheat and rice where FCI has been purchasing these two commodities at MSP. For pulses, NCCF and NAFED have been identified as procurement agencies. However, they can procure only if the State Government come forward to support the effort and make available their infrastructure. It is also necessary to have some minimum infrastructure so that there may not be any occasion to incur losses in procurement operations due to huge difference in farm gate and retail prices. Ideally, the agencies like NCCF and NAFED should develop the whole chain, at least for pulses. In the aftermath of the recent onion crisis, NAFED was provided mobile vans from the Consumer Welfare Fund which were effectively used in supply of onions and also for consumer awareness. This was a small step in helping such organisations.

3.10 Strengthening of Price Monitoring Cell in the States

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

- a. By employing trained manpower in the collection and tabulation of the data at the State Level. A suitable data entry operator (DEO) can be selected by the state governments under Centre's payroll.
- b. By organizing regular workshops at the Regional and National Level to get the feedback from field workers and discuss the practical problems being faced in the collection and reporting of prices.
- c. By providing IT infrastructure such as Computers, Printers, and UPS etc to enable the State PMCs for online reporting of prices.
- d. By increasing the sample size in order to obtain representative sets of price data. With a designated DEO at each Centre, States will be induced to progressively increase the number of centres from 49 (existing) to 100 by the end of Twelfth Five Year Plan. This will enhance the robustness of the data.

3.11 Strengthening National Informatics Centre (NIC) in the Department

- Data center servers and system software would be required to upgrade the
 online system of PMC. It is proposed to engage services of Solution
 architect and Developers for a period of around six months to prepare Data
 Ware Housing and Analysis application and to bring in Business
 Intelligence into the whole system. A data warehouse is planned with the
 huge volume of data presently being generated to facilitate the generation
 of analytical reports.
- To support the day to day operations and to meet additional reports/query requirements, modifications in the software, it is proposed to hire services of at least one Programmer for the full plan period.

3.12. Consumer awareness and education:

Taking into account the prevailing socio-economic scenario in the country and the infancy of the consumer movement, there is a strong need to educate consumers about their rights and responsibilities. Creation of awareness among consumers about their rights in the entire country needs to be given high priority. People living in the remote and rural areas do often become victims of unlawful trade practices being adopted by wrongdoers. To give impetus to the consumers' right of education and awareness an national awareness programme requires to be launched aggressively at the district and block levels with the help of State Government, Educational Institutions, Local VCOs, self help groups, PRIs and Urban Local Bodies (ULBs) with particular emphasis and focus on rural areas and most vulnerable sections of consumers. Consumer awareness and education needs to be pursued with appropriate plan/schemes and activities designed using the entire medium available for the purpose. Plans, schemes, activities and strategies recommended/suggested by the sub-group on this aspect are summarized below:

- **3.13 Publicity Campaign**: This has to be more result oriented so that individual consumers on their own or with the help of consumer groups get complaints resolved without much loss of time, energy, efforts and expenditure. It should feature real life cases with particulars of complainants, opposite parties, issues involved, effective resolution of the complaint and the time within which they have been resolved with all hard facts, names and other details.
- The campaign should be effective and useful by inspiring confidence among the consumers that they are not helpless and they are able to get effective redressal. Campaigns should be appealing, focussed and effective. Slogans having a punch can be used. The campaign so far has been identified by its slogan 'Jago Grahak Jago' with the intention of waking up consumers to their rights. In the Eleventh Plan, the campaign could graduate to a higher level where consumers are exhorted to "ASSERT RIGHTS, PURSUE REMEDIES." The connotation of the

slogan hence would be that the campaign has a dynamic dimension and has progressed beyond the wake up call to consumers.

- Another important aspect is to let the campaign give information to the consumers about leading judgments/orders passed by the National Consumer Disputes Redressal Commission (NCDRC), and the State Consumer Disputes Redressal Commissions (SCDRC), which will inspire confidence among the consumers and complainants that our consumer adjudicatory bodies are effective. This could be done by way of releasing such judgments in T.V. and Radio through dramatized serials.
- ❖ In order to make the multi media campaign more broad based and dynamic a scheme may be worked out to support experienced VCOs in running their own media units on different areas of specialization like print, radio, T.V., folk media, etc. so as to be integrated into the campaign at central and State/UT levels.
- ❖ Consumer Education: What is needed is a holistic policy for consumer education and better re-sourcing of activities geared towards consumer education. There are many opportunities for delivering consumer education and lot of good work has already been done across the country. There is a need to find out how all the present initiatives relate to each other. There is also a need to look at best international practices. Consumer education is still a poorly understood concept. A coordinated approach is needed to get the best from all involved. The main stakeholders − government departments, industry, consumer groups, education and advice providers, interest groups and community agencies − need to work together.

The following are some of the steps that need to be taken:

- Ø To begin with we should target particular groups of the population and prioritize the needs of those with specific gap filling solutions.
- Ø Ensure that consumer education is accessible, appropriate, flexible, adaptable and relevant.
- Ø There is a need for introducing consumer education in the basic curricula of the education system.
- Ø Incorporate certain values in consumer education, like concern for finite resources of the planet and the environment i. e. sustainable consumption.
- Ø Strengthen the consumer club scheme with coverage of 20,000 Colleges and 50,000 High/Senior Secondary Schools by the end of Twelfth Plan.
- Ø Educational programmes need to be flexible and responsive in nature. Consumer education can be made more relevant when linked to different situations such as at school, at home, while in a public place, etc. Locally, peer education can be an effective tool. Parent education programs and family support programs can help parents in good decision making on behalf of their wards.

- Ø An effective consumer education programme should also cover training of teachers belonging to schools, colleges and universities to enhance their exposure to content and ideas relevant for consumer education.
- Ø Consumer education programmes should be flexible in nature able to respond to the needs of specific groups of consumers.
- Ø Key community figures can also provide consumer education, in the form of peer education.
- Ø Effective consumer awareness efforts depend on the participation of individuals and organizations from various walks of life. The media have a strong role to play, as do community organizations, educational institutions, VCOs and religious groups.
- Ø It is further strongly recommended that a system needs to be evolved at the Planning Commission level for the transfer of 20 per-cent of the Publicity budget of the Central Ministries to DCA to facilitate its task of Consumer education and awareness.
- Ø Consumers in rural areas are less aware of their rights than the urban compatriots. Hence a concerted effort may be made to rope in organized groups like Self-Help Groups/ Women associations/ student/teacher community etc. to reach out to people in rural areas.

3.14. Internal Trade and Futures Market

To promote and develop commodity futures markets the twelfth Plan has to focus, *inter alia*, on the following areas:

- (i) Forward Markets Commission should be strengthened and restructured so as to provide for financial and operational autonomy.
- (ii) The various regulations under the Forward Contracts (Regulation) Act, when it is amended, should be finalized.
- (iii) The participation of Mutual Funds, FIIs and Banks in the Commodity Futures Market has to be allowed. Banks, cooperatives and non-banking financial institutions should be allowed to play the role of aggregators on behalf of the small farmers.
- (iv) The remaining States should adopt model APMC Act and remove all trade barriers to facilitate integration of fragmented markets.
- (v) Modern warehousing infrastructure backed by appropriate legal framework for negotiability of warehouse receipts with facility to transfer titles electronically needs to be developed. (vii) Quality certification standards should be prescribed for all the commodities based on international standards. The standards prescribing grades, quality parameters and testing procedures should be finalised /harmonized with the prevailing international standards. BIS and AGMARK may be requested to update and harmonise standards for the list of 31 commodities identified as important from the future trade point of view.

- (vi) Nationwide awareness campaigns to create awareness among various stake holders like farmers, stockists, importers, exporters about the useful role played by Commodity Futures Markets and how they can derive benefits form these markets should be intensified. Consumer cells, self help groups and Panchayati Raj Institutions can be used to generate awareness. Training and capacity building of these institutions would help enhance awareness among all stakeholders.
- (vii) Price Dissemination Project should be extended to all APMC mandis, non APMC mandis and other locations like KVKs and RRBs during the XII Plan to benefit the farmers. The electronic and print media, **SMS and helpline** should also be extensively used for the purpose of price dissemination.
- (vii) The rapid growth of the Commodity Futures Markets would in the short as well as long run require trained manpower. To meet the future man power requirement the subject commodity derivative market need to be introduced in various business schools, agricultural universities and post graduate courses. (viii) Pending Amendment to APMCs Act of the State Governments, a central legislation governing the spot markets across the country be enacted to enable **spot exchanges to function on pan India basis** and streamline trades in all commodities from any part of the country without the requirement of multiple compliances in respect of each State.
- (ix) Options in goods and certain types of derivatives and derivative products like index futures, weather options, etc. be permitted.
- (x) Transactions in the Commodity Derivative Markets need to be considered at par with the Security Market Derivatives for the purpose of Section 43(5) of Income Tax Act and other tax concessions.

Some of the above issues can be addressed by appropriate regulatory interventions; however, creation of market awareness, development of human resource base, price dissemination, strengthening of the Forward Markets Commission would require resources from the Central Government. The total requirement for the XIIth plan has been estimated at Rs. 381.91 crore which include establishment of National Institute for Commodity Markets at an estimated cost of Rs. 90.00 crore. A concept of paper on setting up of National Institute of Commodity Markets is attached as **Annexure-XII**.

3.15 Gold Hall Marking Schemes:

This scheme is in continuation from 10th Plan with the main purpose of creating infrastructure facilities in terms of 'Hallmarking Centres' so that jewellers do not face any difficulty in getting their gold or silver articles tested (regarding purity and then hallmarked) from any of such BIS recognized Hallmarking Centres. Presently 160 Hallmarking Centres have been recognized by BIS on all India basis, of which only 27 Centres have been given financial subsidy from the plan funds. Therefore, majority of the Centres have been set up on their own, primarily due to

the commercial considerations. All efforts have been made by BIS to encourage organizations to take financial subsidy for opening Hallmarking Centres at locations where no Hallmarking Centres exists or in special category states.

One of the reasons for the poor response could be the uncertainly about mandatory hallmarking of Gold articles. After the approval of an Amendment to BIS Act, when hallmarking of gold jewellery article will be made mandatory, it may be possible that applicants may come forward for taking financial assistance for opening hallmarking Centres. Their testing personnel may also require training for testing purity of gold/silver articles as per Indian Standards.

3.16 National System for Standardization

- There is a strong need for strengthening standardization activity, both at national and international level,
- With increasing globalization, international standards are becoming critically important for facilitating trade. WTO/TBT agreement, which has been signed by 153 countries including India, makes it mandatory that a clear understanding is evolved within the country on issues of trade regulations and restrictive practices and the role of standards in impacting them. Now, since more and more Non Tariff Barriers (NTBs) are through technical regulations, (that is, mandatory compliance of standards); their use has increased considerably by many countries. As per TBT Agreement; member nations are free to impose technical regulations on grounds of national security, prevention of deceptive trade practices, health, safety and environment. The technical regulations not only protect consumers from receipt of imported sub-standard products, but also help the domestic industry for their survival. But as per WTO/TBT agreement, these technical regulations shall be based on international standards except in situations when such international standards are ineffective or inappropriate in achieving the objectives of technical regulations.
- It is, thus, imperative that India actively takes part in the meetings of technical committees of International Organization for Standardization (ISO) and International Electro-technical Commission. It is, however, seen that the level of participation from the Indian Industry at such international technical committee meetings is limited. A reason cited often by the industry is lack of resources for such participation.
- The Technical Committees of BIS are not able to recommend large number of Indian experts for participation in international Technical Committee meetings from 11th plan funds. One of the reasons for the same is the restrictive categories of stakeholders who are eligible for financial assistance from plan funds for their participation. For example, at present Technical Committee members representing scientific/technical organizations, government research institutions, testing labs,

academic institutions at centre and state level, PSUs and in personal capacity only can be allowed funding from the plan funds for attending International Technical Committee meetings.

- It has been felt that at times, the members of technical committees from the industry are having more knowledge, expertise and experience on the subjects on which international standards are being formulated, and in the national interest, their participation is necessary. Even, India could propose new subjects for preparation of international standards provided such experts from industry are available and are then made the project leaders. Such international standards could then be used by India for framing technical regulations. But, because of the restrictions presently imposed, it is not possible to send such experts from industry in the International Technical Committee meetings. The private sector, though are able to spare them for this international work, but are not always in a position to pay for their expenses for travel and stay abroad. Further, it is not one time exercise and their repeated and continued participation may also be necessary.
- As such, it is felt that technical committee members of all categories, including those from the private industry, should be allowed funding from Plan funds to represent India in international meetings. The selection criteria should be mainly dependent upon the contribution of the members in the work of the Technical Committees. Similar criteria should be applied for providing financial assistance from plan funds for participation of Technical Committee members in the BIS Technical Committee meetings.
- Further, BIS should actively participate in policy or technical committee meetings of international standardizing bodies like ISO, IEC. In this regard, BIS should organize more and more such meetings in India. Further, the contribution at ISO or IEC meetings would be more effective if BIS actively participates in the various Regional standard bodies meetings, Multilateral or Bilateral meetings with the standardizing bodies of other countries. Sometimes, it would also be necessary to organize visits of officials and experts to different countries for lobbying in favour of India's view points so that India's interests are not adversely affected by formulation of International Standards.
- With the above in view, it is recommended that this existing scheme under 11th Plan may be modified, with a view to having more emphasis on international level participation, into the following two separate schemes:
- Strengthening Standardization at National level
- Strengthening Standardization at International level

3.17 New Plan Schemes

Product Safety

- Consumers till recently had only third-party certification of products as a means to determine that the product meets the requirements of relevant standard. In this process, a licence is granted to a manufacturer only after it has been ascertained that he has the necessary infrastructure to produce and test the product and the product is found conforming to the specified requirements. Most third party certification schemes involve regular intervention of the certification body for reassessment of quality.
- Another form of demonstrating conformity by way of "self-declaration" by manufacturers is also being adopted by some developed countries albeit for products where risks associated with non-compliance are generally low. Under this form of conformity assessment, the manufacturer may himself test the products or contract testing to a third party, evaluate the results so obtained and when all requirements are met, issue a formal self declaration that his product is in conformance to the Specified Requirements of a standard.
- In India, BIS has been given the mandate to act as the third-party certification body. Over a period of time, the BIS Standard Mark (ISI Mark or Hallmark) has come to be respected as the symbol of quality of a product. This has become possible as BIS has established an effective, efficient system for product certification, which is in line with international standard and at the same time caters to the existing situations of India. However, in order to facilitate the growth of emerging technologies, particularly in the areas of information technology, bio-technology, nano-technology, etc., and also to protect consumers from spurious and/or sub-standard imports, the "SDOC Scheme" for self-declaration of conformity has also been introduced in the form of "Registration" by an amendment to BIS Rules, 1987. This will provide an alternate conformity assessment option to the existing provisions through "Certification". The choice of notifying "Registration Scheme" (for self-declaration of conformity) or "Certification" to determine conformity assessment for a product for mandatory compliance rests with the Central Government.
- The Registration scheme of self declaration of conformity is considered an appropriate conformity assessment approach when:
- a) The market demands or allows it
- b) The risks associated with non-compliance are generally low
- c) Penalties for non-compliance are effective deterrents
- d) Options for efficient recourse in the event of non-compliance exist (such as recall of products)
- e) The industry sector to which it applies is highly dynamic
- f) Consumer awareness/knowledge is high
- Realizing the need for product safety towards consumer protection, the Central Government is considering making "Registration (for self-declaration of conformity)" mandatory as a means of conformity assessment for certain products such as Toys, electronic and IT Goods etc. The implementation of these orders of the Government is likely to generate large volume of work and thus it is

imperative that the BIS, which has been given the responsibility of "Registration for self declaration of conformity" is provided with adequate resources.

But, at present there is no provision for charging any fee for grant/renewal of Registration scheme till an Amendment to BIS Act is approved. This proposal of Amendment to BIS Act is under the consideration of the Government. In view of this and the large volume of expected work, it is imperative that the work of collection of applications, their scrutiny and then forwarding them to BIS may be outsourced. In this regard, to begin with, one officer level and one data entry operator level assistant would be required at each of the 34 Branch Offices of BIS and the Central Marks Department (for foreign Registration). They, along with concerned BIS Officers, would also be required to be provided suitable training. Physical resources like laptops, internet connection, furniture, Almirahs, Air-conditioners etc. would also be required so that the applicants get timely service for Registration for self declaration of conformity. However, after approval of Amendment to BIS Act, when BIS would be able to charge fee from the applicants/Registered Holders, such outsourcing could be withdrawn. Thus it is recommended that the expenses towards various items as mentioned above for "Registration Scheme for self declaration of conformity Scheme" may be funded from 12th Plan as a new Scheme.

Creating awareness about advantages of BIS Certified products and about new standards through Publicity

- BIS Conformity Assessment Schemes, which include certification, hallmarking and Registration (for self declaration of conformity) go a long way in ensuring that a consumer gets quality product. It is necessary to create awareness amongst consumers and manufacturers alike about the advantages of BIS Certified products. Additionally, there is a need for creating awareness about the new standards being developed nationally and internationally and how these standards would affect the product quality, consumer safety or even trade.
- The impact of consumer awareness has been witnessed in the case of Hallmarking Scheme of BIS. The consumer is becoming increasingly aware of the fraudulent practices adopted by the jewelers in the past to cheat the customer by selling jewellery of lesser purity than claimed and the benefits of buying Hallmarked jewellery, which ensures that consumers are not duped. There is, however, a large population, which needs to be made aware of the Scheme. Similarly, the benefits of buying BIS certified products also need to be spread amongst a larger population.
- There is a need to launch a massive awareness campaign to sensitize the consumers, manufacturers and organized buyers about the advantages of BIS Standard Marked products. In order to have an impact on the mind of consumers, the effectiveness of the campaign is judged by a concept of AOTS (Average opportunity to see). For any campaign to be termed effective, an AOTS of 60%

and above is considered desirable. Further, as BIS is a national body, the campaign cannot run locally and must cover regions and languages across the nation. Similar organizations, viz, PCRA under the Ministry of Petroleum and Natural Gas and BEE under Ministry of Power are reportedly spending Rs 20-30 crores annually to run effective media campaigns such as 'Save Oil' by PCRA and on 'Star Labelling' by BEE. In order to have an effective campaign and an AOTS of 60%, the proposed amount of publicity on BIS Standard Marked Products should not be less than Rs. 30 crores per annum.

• In view of the above, it is recommended that a new Plan Scheme on 'Creating awareness through Publicity about advantages of BIS Certified products and about new standards' may be financed under 12th Plan.

3.18 National Test House

Vision of National Test House(NTH) during 12th Plan Period and strategies thereof to satisfy the mission and objectives of Department of Consumer Affairs are as under:-

- a) To fill up the gap in the major test areas in respect of high value industrial and consumer products across the country, NTH will create new and unique test and quality evaluation facilities for the following salient products:
- Test facilities for components used for harnessing renewable energy sources viz. Solar Energy in NTH (NWR), Jaipur taking into account the specific emphasize given by Govt. of India. The successful implementation of the project in NTH(NWR), Jaipur during the 12th Plan will pave the way to include the projects in other NTH regions in the successive Plan.
- Creation of Impulse Voltage Test facility for High Voltage Line Products (e.g. Switch Gear, Insulators etc.) in NTH(ER), Kolkata, NTH(SR), Chennai.
- To promote conservation of energy one of the prime objectives of 12th Plan creation of complete test facilities of the Light Emitting Diode(LED) Lamp in the Electrical Discipline of all the four major regions of NTH viz. NTH(ER), Kolkata, NTH(WR), Mumbai, NTH(SR), Chennai and NTH(NR), Ghaziabad
- Test and quality evaluation of electronic products and appliances, Electromagnetic Interference and Electromagnetic Compatibility (EMI/EMC) Test facilities will be created in the Electrical Discipline of NTH(NR), Ghaziabad
- Automobile Tyre and components test facilities to be created at NTH(SR), Chennai
- Full test facilities related to the Civil Engineering structures and products including wood and wood products and evaluation of life of the building will be made available in five NTH regions viz. NTH(ER), Kolkata,

NTH(WR), Mumbai, NTH(SR), Chennai , NTH(NR), Ghaziabad and NTH(NWR), Jaipur. (The facilities will also be extended to NTH(NER), Guwahati as soon as the ongoing construction of permanent Laboratory Building will be completed (likely to be completed during the mid-12th Plan period)

- b) To develop a coherent bond on sharing scientific and technological services between NTH and BIS for providing adequate service in consumer protection
- The actions for bringing all the disciplines of NTH Regional laboratories under the BIS Laboratory Recognition Scheme and to sustain the status of recognition for test and quality evaluation of BIS marked products especially products coming under mandatory marking scheme of BIS.
- NTH will enlarge its scope of testing to cover a majority of IS Standards as per the BIS requirements
- At the instance of BIS, test facilities of Automobile Tyre will be introduced in NTH during the 12th Five Year Plan

c) Strengthening of NTH regional laboratories in order to widen its scope of test activities by procuring advanced technological Machinery & Equipments

• The detail list of machinery and equipments intended to be procured with justification for procurement during the 12th Five Year Plan Period have been listed and furnished in the respective projects / schemes as envisaged by NTH in conformation with the vision for creation of new and major test facilities as elucidated above in point (a) and also for augmentation of existing test facilities in order to cope with updating of Standards

d) To make NTH self-sufficient during the 12th Five Year Plan

- NTH during the 11th Plan Period could achieve **56** % of Self-Sufficiency despite of average **40** % increase of non-Plan expenditure due to 6th CPC recommendation, a substantial amount of **arrear payment and also for MACP implementation**. In comparison during the 10th Plan without any additional burden, NTH achieved only **32**% of Self-Sufficiency. The **outcome** as enumerated by NTH for each project in the detail of the projects reflected, it can be affirmed that in addition to providing effective consumer protection through testing, **self-sufficiency at the end of the 12th Plan period may be achieved**
- NTH would definitely thrive to achieve the desired goal of self-sufficiency at the end of the 12th Plan period provided all the proposed infrastructural facilities are functional & NTH equipped with full strength of scientific manpower . It is noteworthy to mention that the scientists of NTH had to

shoulder much added pain & responsibility to achieve this growth against acute shortage of scientists.

e) To provide improved & rapid service delivery to the customers and clients

- In consonance with the directives from Department of Consumer Affairs, Govt. of India, for providing committed and rapid service delivery to the customers and clients, all the regions of NTH have started issuing Service Request Form to each and every customer submitting samples for Test or Calibration and Test Fee. The Service Request Form contains an unique identity number and also mentions the Probable Date of Completion of Test or Calibration Certificate. Computer based Management Information System(MIS) have already been operationalized in NTH(ER), Kolkata and NTH(SR), Chennai during the current (11th) Plan Period. This system is expected to be operationalized in NTH(NR), Ghaziabad and NTH(WR), Mumbai during the current financial year(2011-12). Customers and clients submitting samples to NTH can access the status of their samples through NTH web-site. Presently, customers are getting this facilities from NTH(ER), Kolkata and NTH(SR), Chennai. NTH has mooted to extend the similar MIS system to NTH(NWR), Jaipur and NTH(NER), Guwahati during the 12th Plan.
- Information and facilitation desk has been opened at all the NTH regions under the supervision of Scientist for providing information and required assistance to customers

3.20 Legal Metrology

The objective of XIIth Five year plan is augmentation of legal metrology infrastructure of States and UTs in holistic manner so that consumer interest may well served through Legal Metrology Department.

Objective:

- i. To develop a scheme for strengthening legal metrology wings of States and Union Territories for providing:
 - a. Working standards
 - b. Secondary standards
 - c. Mobile Kits for testing of weighbridge
 - d. Mobile van for inspection and verification of weights and measures at different market locations.
- ii. To set up new testing facilities for States/UTs
- iii. To provide for building to house the equipment properly for each State.
- iv. Capacity Building

- v. Research and Development
- vi. Consumer Awareness in Legal Metrology

3.21. Quality Infrastructure and Standardisation including Legal Metrology:

The post independence period demanded special emphasis on standardization and quality in order to assist systematic and efficient growth of industry. The erstwhile Indian Standards Institution was set up in 1947 as the National Standards Body of India, with an exclusive mandate to prepare and propagate standards for the industry in line with our national priorities and thereby facilitate consumer protection. The Bureau of Indian Standards (BIS), its successor, was established in 1986. In the same year important consumer related legislations like Consumer Protection Act, 1986, Essential Commodities Act, 1986, the Legal Metrology Act, 2009 and Legal Metrology packaged Commodity Rule, 2011 were enacted to take care of the interest of the consumers. Protection of the interest of consumers therefore, became one of the major concerns of the Government. The Department of Consumer Affairs is the nodal department to promote standards of goods and services, standards in weights & measures, regulation of packaged commodities, maintenance of essential commodities, etc. On the request of the Central Government, some State Governments have created Departments/ Directorates of Consumer Affairs and, wherever it has not been feasible to do this, at least the name of the Departments have been changed to include Consumer Affairs/ Consumer Protection for the awareness of the general public. The sub group in its report has made detailed recommendations concerning areas such as i) Establishment of a National System for Standardization; ii.) Establishment of a National System for Conformity Assessment and Compliance; iii.)Strengthening of Domestic Regulation; iv.) Legal Metrology - Strengthening & Capacity Building and v.) Human Resource Development/ Capacity Building.

3.22 Concurrent Evaluation:

The impact of programmes, schemes and activities adopted and implemented during the XII Plan period will continue to be subjected to concurrent evaluation mechanism. In addition, formal evaluation studies will also be commissioned from time to time as a part of continuous monitoring system established at the DCA with a view to suggest improvements to achieve XII Plan period objectives.

CHAPTER - 4

MAJOR RECOMMENDATIONS AND SUGGESTIONS

Keeping in view of the terms of reference and the existing status of consumer protection, the Working Group recommends the following strategy for the 12th Plan. The basic premise on which the recommendations are made is " Innovation with Continuity". This essentially involves the following which are discussed below.

I CONSUMER PROTECTION AND REDRESSAL, ADR AND CONSUMER COUNSELING

4.1 Consumer Protection and ADR

- (i) Strengthening of the existing redressal mechanism to make it more efficient for delivering speedier justice
- (ii) Supplement the existing redressal system with an active ADR Mechanism.
- (iii) Building a strong consumer information and advisory system.
- (iv) Integrate State Consumer Helplines and Consumer Advice Centre to facilitate mediation
- (v) Review of Consumer Protection Act 1986 and take adequate measures to plug loopholes with a view to reduce delays and enhance its reach to new areas of consumer issues.
- (vi) National Consumer Protection Agency.
- (vii) Information Technology tools for better delivery of service

4.1.1 Strengthen the existing Redressal Mechanism to make it more efficient for delivering speeder justice

It is proposed to continue the existing scheme of "Strengthening of Consumer Fora" in the 12th Plan also to cover the remaining states/UTs.

4.1.2. Supplement the existing redressal system with Alternate Dispute Resolution (ADR) Mechanism

It has been rightly said that: 'Justice delayed is Justice denied". An effective judicial system requires not only that just results be reached but that they are

reached swiftly.' But the currently available infrastructure of courts in India is not adequate to settle the growing litigation within reasonable time. This situation is gradually becoming equally relevant in the case of consumer forums also, albeit to a lesser degree as of now. In this context, there is an imminent need to supplement the current infrastructure of forums by means of Alternative Dispute Resolution (ADR) mechanisms. Efforts towards ADR have met with considerable success and good results elsewhere in the world, especially in the litigation-heavy United States, where professional teams of mediators and conciliators have productively supplemented the dispute resolution and adjudication process.

4.1.3. Relevance of ADR to India

The object of the Legal Services Authority Act, 1987 was to constitute legal services authorities for providing free and competent legal services to the weaker sections of the society; to organise Lok Adalats to ensure that the operations of the legal system promote justice on a basis of equal opportunity. The concept of Lok Adalat is no longer an experiment in India, but it is an effective and efficient, pioneering and palliative alternative mode of dispute settlement which is accepted as a viable, economic, efficient, informal, expeditious form of resolution of disputes. It is a hybrid or admixture of mediation, negotiation, arbitration and participation. The true basis of settlement of disputes by the Lok Adalat is the principle of mutual consent, voluntary acceptance of conciliation with the help of counselors and conciliation. It is a participative, promising and potential ADR mechanism. Out of the methods of ADR, mediation is the most suited method for a country like India, because by and large people in India at least in the rural areas would like to settle their disputes amicably. The extent of Judicial Interference under the Arbitration Act defeated the purpose of speedy justice, although it was a move in the right direction. Mediation to succeed creation of awareness and popularizing the methods is to be done. Department of Consumer Affairs has initiated the process under some of its projects. Training programmes on the ADR mechanism are of vital importance. IIPA or State level judicial academies can assume the role of facilitator or active doer for that purpose. The idea of running Mobile ADR Mediator system under the legal jurisdiction of consumer courts to help the exploited consumers in the market places and deliver instant justice just like Traffic Mobile Magistrate can be pilot tested. It is equally important to raise the consumer's awareness and their opponents -of the values of ADR. This should be done on as much levels as possible: National & State Commissions, District forums as well as government. During 12th Plan mediation Centers should be started in all Districts and State Capitals in a phased manner and infrastructure support may be provided to States/UTs for enabling this process. Mediation centers should be annexed to the District Fora /State Commission or on its premises and adequate publicity need to be provided so that consumers are aware of such facility.

4.1.4. Consumer Advice Centers (CAC) - building a strong consumer information and advisory system

These centres at district level should offer:

- provide information on various matters relating to Consumer Protection
- Advice on whether court procedure is adequate for the complainant
- provide Opportunity for referring the case to ADR techniques
- Advice on adequately written complaints & completion of necessary papers.

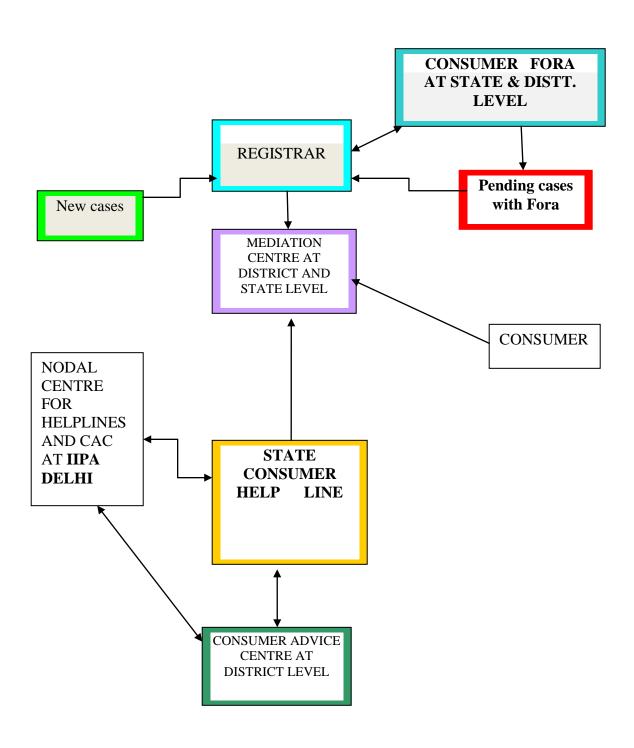
The main aim of Consumer advisory Centres is to provide correct information on all aspects of consumer protection including guidance to take mediation to settle disputes. The Consumer Advisory Centre may be established at District level with linkage to State Helpline and Mediation Centre.

4.1.5. Integrate the information, counseling and mediation mechanism into a structured format:-

The existing scheme of State Helpline of the 11th Plan should be continued in 12th Plan and upgraded with CACs and Mediation. The 12th plan should provide a scheme to fund CACs in each district and SCH in each state. These CACs can be run by NGOs, Voluntary Consumer Organizations known as VCOs, co-operative institutions, citizen service centers or other public spirited bodies who are already doing the work in the field of public welfare and charity after evolving guidelines for benchmarking such organizations. CAC may be located preferably in a market place where consumer will feel comfortable to approach it. There will be Mediation Centres at the district and State level, annexed to the Consumer Fora, which will arrange for settlement of disputes through mediation arising from Distt. Fora, State Commission and SCH and CACs. The mediation Centres need to be funded by the State Government and in turn by the Central Government. Each CAC will have a minimum trained staff. It is proposed that in the 12th Plan the State Helplines, CACs and Mediation centers may be integrated into a composite system of information / Counselling and mediations, providing for a permanent ,efficient and speedy mechanism that will cater to consumers with information, counseling and mediation, thus paving way for a structured and enduring ADR system. Appropriate training modules may be added to this using the capacity already created in IIPA. The centre for Consumer Studies has been set up at IIPA as a Centre for Excellence to impart training to various stakeholders, develop trainers, and conduct workshops, seminars, research and documentation in the area of the Consumer Welfare. The centre is also the Knowledge

Management Portal of State helplines. It is proposed to extend this programme over the XII Plan Period.

INTEGRATION MODEL OF CONSUMER INFORMATION, COUNSELLING AND MEDIATION



4.1.6. Review of Consumer Protection Act 1986 and related Acts

Adequate measures to plug loopholes with a view to reduce delays and enhance its reach to new areas of consumer issues need to be taken. The Consumer Protection Act, 1986 is the umbrella Act that enshrined the consumer rights. Some other important pieces of legislation also have a bearing on consumer protection. The Acts dealing with other services like Pollution Control, Railways, Electricity, Transport, Communications, Insurance, Banking etc have provisions to protect the consumer interests. All these legislations need to be reviewed in consonance with the provisions of the Consumer Protection Act, 1986.

A number of Ministries including those of Consumer Affairs, Food and Public Distribution, Health and Family Welfare, Chemicals and Fertilizers, Agriculture, etc. are involved in various issues related to the protection of the consumers. This makes the implementation of laws complicated. There should be proper coordination between such Ministries which have consumer inter phase through under ministerial advisory committees and all their policy decisions need to be vetted by Department of Consumer Affairs.

4.1.7 National Consumer Protection Agency:

It is proposed to set up a National Consumer Protection Agency to function as a THINK-TANK body dedicated to pursue objective research and policy relevant studies on all aspects of Consumer Protection & Welfare. The Agency will comprise of Members drawn from officials and no officials. The Agency will function as THINK-TANK for the Department and also advise it on.

- Coordinating ADR processes and with Nodal Resource Centre at IIPA
- Initiate PIL/class action cases
- Misleading ads
- Environmental issues affecting Consumers at large
- Product recall
- International relations
- Financial products- protection
- Coordination with other ministries having consumer interface and represent Inter-ministerial committee.
- Advisories to States and UTs
- 1. **Nodal Department:** Department of Consumer Affairs, Food and Civil Supplies should act as the Nodal department to focus exclusively on protecting the rights of consumers with special focus on redressal of consumer grievances, promoting standards of goods and services strengthen the various aspects of right

to information so that laws can be strengthened and administrative arrangements can be streamlined. Projection of the Department of Consumer Affairs as a nodal Department for giving clearance to any policy formulations affecting consumers.

2. Consumer Protection Officer: The Department of Consumer Affairs, Food and Civil Supplies should designate a special officer at State level as State Consumer Protection Officer and similarly at district level. All the Government Departments, Public Sector Undertakings and Private Establishments whose turnover is substantial should appoint Consumer Protection officer. The State Consumer Protection Officer should work in liaison with other departments and take up consumer related matters with other departments in order to protect the interests of consumers.

The Corporate Social Responsibility (CSR) must be brought into centrality to strengthen the protection of consumer rights in India. As many of them knowingly violate, blinded by profit motive, laws and procedures should be evolved to keep these violators in check. All marketers of products and services must have their own Consumer Care and Disputes Redressal system to attend consumer rights violations. Massive dose of education is required to make the business responsible to protect consumer rights as a duty not as burden.

4.1.8. Information Technology tools for better delivery of service

Public service has to improve its use of technology in policy and program delivery to service citizen needs. In implementing and delivering the decisions of Govt., we need to do better at designing policies and programs in ways that take full advantage of modern technology and that are designed with flexibility and creativity, to meet citizens' needs. In other words, we need to become better at listening to citizens, particularly through the use of modern technology, Government needs to empower individuals and communities in ways that allow it and public servants to have effective exchanges with citizens. Information technology can play a crucial role facilitating communication between citizens and governments. Consumer Fora are being computerized and networked to enable dissemination of information leading to quicker disposal of cases. The project for Computerization and Computer Networking of Consumer Fora in the country, (CONFONET) being implemented by the National Informatics Centre (NIC) should cover all areas left out and enable online filing of complaints.

II PRICE MONITORING AND MARKET INTERVENTION

The Standing Committee of this Department as well as the Estimates Committee on 'Drought Management, Food grains Production and Price Situation' recommended that the role of the PMC should be redefined in view of the

dynamic nature of the domestic and global markets. The task to set up a 'credible data collection and monitoring system' requires multi-tasking at different levels. There is, therefore, an urgent need to strengthen the Price Monitoring Cell. In this context, a proposal to convert the PMC to a full-fledged division, an Essential Commodities Monitoring Division (ECMD), was sent to Department of Expenditure in 2010 for approval.

Strengthening of PMC will not only require the building of a strong data base but also the concomitant research and analysis work. Additional functional staff and enhanced technological systems, will lead to increased efficiency, improvement in the quality of data collection and in monitoring the domestic availability of pulses.

Schemes for Strengthening the Price Monitoring Cell

4.2 With the widening and deepening of the scope of PMC, the schematic changes that need to be introduced/ strengthened include:- .

4.2.1 Strengthening of Price Monitoring Cell (at the Centre)

- (i) Converting PMC into Essential Commodities Monitoring Division (ECMD)- To ensure the quality, reliability and regularity of the data, PMC needs to be strengthened by the deployment of additional manpower. One under Secretary level post and one Section Officer level post is urgently required. Personal Assistants and Assistants cum Data Entry Operators will also be required to achieve this task. Two Joint Director/Director level posts have already been created in the Department.
- (ii) Organizing Training Programmes for the Officials of PMC- Analyzing the trend of prices and availability of essential commodities requires constant updating of the knowledge base and skills of the officials engaged in this work. Officials of PMC will be deployed to national as well as international training programmes organized on price related subjects by national/international organisations/Universities etc.
- (iii) Subscribing to the Services of Professional Organisations To undertake the research work related to availability and trend of prices of essential commodities, subscription to the services of organisations such as Newswire 18, Agriwatch, Indiastat and/or similar services is essential. For instance, Indiastat provides time series data on various parameters of the Indian as well as global economy, while Newswire 18 and Agriwatch provide valuable insights into the national and international commodity markets.
- (iv) Hiring Professionals (Domain experts) To handle the challenges of commodity analysis both technology and qualified personnel are required. PMC in its present status is not endowed with the required resources considered adequate.

A range of professionals with Agricultural Economists, Statisticians and Econometricians will help in utilizing the comprehensive data and assist PMC in providing concrete inputs in policy formulation.

(v) Engaging private organisations for conducting research studies and surveys-

There are rough estimations regarding the consumer base in India but strictly no consumer profile on data relating to aggregate demand of specific essential commodities. Studies on the demand side aspects of essential commodities require detailed field surveys, which need to be planned, designed and executed in a systematic and professional manner. This task may be outsourced to the professional organisations that are well versed in this field.

(vi) Market Intervention Schemes require designated officers and staff for regular monitoring of the domestic availability of pulses and onions; constant liaising with representatives of PSUs/Cooperatives for information on status of imports and supply of imports of pulses to State Governments. In addition, it would be advisable to post an accounts officer at the STS level for checking all records/documentation on receipt of claims for reimbursement of losses for onward submission to the Internal Finance Division (IFD). In the case of the PDS scheme of pulses, the reimbursement claims of PSUs, complete in all respects, have to be settled within one month of submission.

4.2.2 Strengthening of Price Monitoring Cells in the States

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

- a. By employing trained manpower in the collection and tabulation of the data at the State Level. A suitable data entry operator (DEO) can be selected by the state governments under Centre's payroll.
- b. By organizing regular workshops at the Regional and National Level to get the feedback from field workers and discuss the practical problems being faced in the collection and reporting of prices.
- c. By providing IT infrastructure such as Computers, Printers, and UPS etc to enable the State PMCs for online reporting of prices.

d. By increasing the sample size in order to obtain representative sets of price data. With a designated DEO at each Centre, States will be induced to progressively increase the number of centres from 49 (existing) to 100 by the end of Twelfth Five Year Plan. This will enhance the robustness of the data.

4.2.3 Strengthening National Informatics Centre (NIC) in the Department

- Data center servers and system software would be required to upgrade the online system of PMC.
- It is proposed to engage services of Solution architect and Developers for a
 period of around six months to prepare Data Ware Housing and Analysis
 application and to bring in Business Intelligence into the whole system. A
 data warehouse is planned with the huge volume of data presently being
 generated to facilitate the generation of analytical reports.
- To support the day to day operations and to meet additional reports/query requirements, modifications in the software, it is proposed to hire services of at least one Programmer for the full plan period.

Market Intervention Support Measures

Existing Measures

As stated under para 3.7, Central agencies are also involved in market intervention methods, such as in the case of imports and disposal of pulses, edible oils, onions etc. The aim of such interventions is to increase availability of essential commodities. The objective of involving Central agencies is to take advantage of their trade operations and incentivise them to procuring and selling essential commodities in the domestic market within their commercial ambit. This is expected to cool market sentiments.

The role of the Civil Supplies Corporations and Cooperatives in providing essential commodities at reasonable rates is also crucial. A scheme for strengthening capacity of State Civil Supplies Corporations/Consumers Marketing Federations for effective market intervention in essential commodities is operated by Department of Food and Public Distribution (DFPD). Cooperatives such as the National Cooperative Consumers' Federation of India Ltd (NCCF) and National Agricultural Cooperative Marketing Federation of India Ltd (NAFED) can also be strengthened to achieve these objectives.

State governments, being closer to the market, have also to take proactive measures. In a market driven economy, State Governments can better influence the prices of essential commodities by intervening in the market by making available these essential commodities at specific retail outlets at reasonable prices below the prevailing market prices. This has been done by some state governments, viz. Maharashtra, Goa, Delhi etc.

Other Interventions

Cold storage facilities are inescapable for storage of perishable items. Creation of efficient storage infrastructure would go a long way in purchasing such items from the farmers/producers and releasing them gradually into the market to bridge supply demand mismatches.

When prices are rising, it is essential that action is swift and efficient. A special fund may be created for meeting emergencies such as when prices of essential commodities spike requiring urgent action at market stabilization. Creation of a Price Stabilisation Fund to undertake market interventions and to improve domestic supply of essential commodities could be considered.

Strengthen the NCCF and NAFED to achieve the objectives of effective market intervention by providing essential commodities at reasonable rates.

Recommendations of the sub-group:

Given the utility of the price data and the unique position of the PMC, two broad sets of recommendation are made:

- a. To achieve and maintain the quality and robustness of daily price data, the following are suggested:
 - (i) Constitution of an Expert Committee to Review the Price Collection mechanism and to suggest strengthening of the existing system.
 - (ii) Strengthening Price Monitoring Cell at the Centre,
 - (iii) Strengthening Price Monitoring Cells at the States, and Strengthening National Informatics Centre at the Centre.

b. To achieve the objectives of effective market intervention it is necessary to strengthen the NCCF and NAFED through the creation of necessary infrastructure and market stabilisation fund.

III CONSUMER AWARENESS & EDUCATION

Horizontal linkages for National Campaign on Consumer Awareness.

Each Ministry/ Department/ Organization in the Central Government which deals with consumers' interest either directly or indirectly shall

- Educate their consumers who avail their services and have sufficient budgetary provision for the same
- Provide all consumer related information in a multi-dimensional way to the respective consumers on a continuous basis and
- > To formulate and effectively implement their Citizen Charter
- To undertake/ accelerate their publicity programme especially in regional languages. Planning Commission may consider providing assistance to interested organizations to the extent possible.

Department of Consumer Affairs must become the Nodal Ministry for undertaking a campaign on all issues of consumer interests. Different Ministries/Government Departments having a consumer interface should liase with Ministry of Consumer Affairs under the guidance of steering committee.

Deepening and Widening the Campaign in Mass Media

The limitations of the multi-media campaign in the current year are going to be removed by the introduction of new elements detailed in the following section. The campaign is going to be deepened by going beyond impersonal advertising in to a more effective dialogue with consumers through the media using editorial and other creative forms of communication. The campaign is going to be widened by including media like internet and outdoor publicity including mobile vans and supplemented by a major thrust on consumer education in schools and colleges. The ambitious multimedia campaign requires more flexibility in managing it so that administrative and financial systems are efficient, transparent and are able to deliver according to deadlines. The campaign should also have substantial regional bias to reach regional consumers hence the involvement of States / UT Governments, PRIs and ULBs should be strengthened.

Radio: With advent of FM Radio the listener ship of Radio is going up particularly in urban areas. The FM Radios are heavily commercialized and have to depend on advertising. They are wary of carrying consumer news and stories, which may not be liked by advertisers. Therefore a fillip is required to create radio programs that can be broadcast by Radio.

- Create **Radio Programs** on a wide variety of consumer interest issues and stories, which may be offered to AIR as well as Private Radio channels for broadcast.
- TV: The reach of Jago Grahak Jago in Doordarshan has been limited to ad spots and some slots for consumer issue based programs on Doordarshan needs to

be created. Programs in Different Formats covering consumer issues and stories, which are normally not produced in media, should be carried by DD in specified slots. These may include programs based on results of comparative testing of consumer goods or services under govt approved programs; programs tracking developments on products and prices in retail markets; Guidance to consumers on issues of interest to them etc.

Create ads on topical issues of consumer interest and make them available for broadcast as part of the Multi media campaign by Government.

- Internet: The internet literate population of consumers is rising and the campaign should be extended to using internet based promotional methods for spreading awareness. This would entail the use of Banners and frequent emails delivering usable content to the internet users. This activity needs to be on an ongoing basis as new users keep on adding to the list and new portals with advanced technology can be used. Besides, this will also give more room to give better education and content. Subsequently the awareness can be taken to international levels as well as the overseas Indians from all over the world.
- 4.2 Creating Interest among Journalists: Basically, journalists give less priority in "Consumer Affairs" because of the perception that, it is not as interesting or glamorous as writing on politics or economics or even films the case.

4.3 suggestions:

However, it may therefore be a good idea to introduce consumer protection/rights as a subject of specialization in journalism schools. Similarly, an award for journalists who do exceedingly well consumers affairs journalism might also encourage some of them to take up the subject.

- The campaign can be deepened by inducting VCOs working in rural areas and professional institutions, such as FTII, IIMC etc. in to the campaign a as it is presently based almost entirely on advertising agencies who have limited experience in this area.
- Involvement of State Governments and PRI: Efforts will be made to increase the involvement of State Governments as well as Panchayti Raj Institutions (PRIs) in the multi-media campaign. They will also be involved in capacity building as well as advocacy.
- All Government departments having consumer interface need to have an
 inbuilt redress mechanism essentially, the existence of which should be
 widely publicized. The publicity material used should be such that it
 reaches the rural mass. As suggested, the Ombudsman mechanism of
 redressal should be available to all service sectors.
- Family Ration cards that are issued to the public should read the rights and responsibilities of the consumer and provide the contact details in regional language and the consumer help line numbers.

- Relevant consumer information should be displayed at all government offices and other public places in district and taluk levels. – paintings, posters, bill boards, etc.
- The front desk of all government offices should be well equipped to guide consumers in the right direction. Orientation programmes, sector wise, would be advisable.
- It is important that support be made available to consumer organizations region wise, instead of it being concentrated repeatedly on a few organizations, as there are many groups who do great work in the region. Ministry should make a list of all the genuine, registered consumer organizations from all states, which should be made available on the website.
- The Department of Consumer Affairs should also propose to bring other categories of citizens into the scope of such awards like "Most Customer Friendly Retailer of the year", Similarly there could be awards for companies with effective complaint management systems. Trust Mark could be introduced for Organizations with high level of customer satisfaction (it could be product manufacturers or even service providers); the consumer clubs initiated in schools should also be recognized through such awards, apart from media persons writing columns regularly on consumer related issues which are of high education value to the consumers.
- Every year, the Department of Consumer Affairs should hold a high profile National Award Night to felicitate such categories and also telecast the same similar to the one being done for several other award nights in our country on various activities like movies, artists and business personalities. There is a need to recognize and reward persons and organizations who are contributing towards building the Indian Consumer movement and also Quality and Standards of products and services to meet the customer expectation.
- **4.4 Awards to Consumer Forums/Commissions:** Last but not least, recognition should go to district forums and State Commissions who have performed well against agreed benchmarks developed by the NCDRC. A system be worked out in consultation with NCDRC for instituting such awards.

4.5 Universities and College Education

The Universities and Colleges have a critical role in educating the younger generation to become awakened consumers. Consumer Affairs is not a traditional subject, which is taught in universities. Some elements of consumer affairs are taught in Home Science Courses but by and large most universities do not have such courses on their syllabi. During the Plan period efforts should be made to introduce new papers in existing degree courses in major universities.

The BA Degree: This is one of the most popular courses in a university. Recently the University of Delhi has introduced an option application course on "Consumer Affairs" in their restructured BA program. Efforts can be made with the intervention of the UGC to have similar papers introduced in other universities.

The B.Com (Hons) degree: This is the most prestigious and popular course for Commerce stream in Universities. Recently the University of Delhi has introduced an optional paper in its restructured B.Com (Hons) program.

Science Courses: Universities need to be encouraged to develop new syllabi or include topics on scientific aspects of consumer issues in the relevant papers. The domain of standardisation, national and international standards, certification and conformity assessment, accreditation of labs, quality systems are some of the topics, which may be relevant for such courses. The UGC may be asked to set up a working Group of academics to suggest ways and means to include topics of consumer interest in the syllabi of undergraduate science courses.

Ph. D. programmes on Consumer Protection and Allied areas in IIMs, National Law Schools and IIPA.

Chairs of Excellence: The Ministry has initiated the setting up of Chairs of Excellence at Universities and other national level institutions. Over the Plan period this should be widened and the UGC should b involved in the identification and evaluation of Universities who would like to set up such chairs.

4.6 Consumer Education in Schools

1. It is very important to educate the consumers at a young age, when they are still at school. They are a target of many a marketers who exploit their innocence to create pressures on the parents to purchase certain goods and services. Government at Centre and States should spearhead a campaign to cover all schools in the country with a focus on children belonging to both government and private schools. The activities regarding consumer awareness must involve all the students in a school and as such presentations, lectures and demonstrations must be addressed to all the children in a school. Each school should be encouraged to take up at least one project each for the primary, middle and high school students to observe, or file complaints or identify areas where they as consumers feel a harassed lot. Selected VCOs and institutions be identified as Lead institutions to

build capacity to be able produce materials, which can be used by schools in consumer education activity.

- 2. Consumer Clubs in School / Colleges: Efforts be made to ensure that by the end of the Plan period there should be new consumer clubs in 50,000 colleges in the country. In the same way there is NCC and NSS in educational institutions, there should be a Consumer Club to lead the extra curricular activities of students in the domain of consumer affairs. There should be involvement of the Central and State Governments. The goal is to add 50,00 new colleges to existing consumer clubs by end of XIIth plan shortly by 10000 colleges in the first year and adding 1000colleges each year the goal of 50,000 new consumer clubs can be reached. The estimated cost of running a consumer club in a college is Rs 20000 pa with 10% of the grant to a college earmarked as honorarium for the teacher-in-charge of the activities of the consumer club. The possibility of integrating ECO clubs and Consumer Clubs may explored to bring in synergy.
- 3. **Contests and Quiz's** to be organised among students of colleges Different Service providers may also be involved if possible at various levels to increase and enhance awareness levels. This activity should be professionally managed along the lines of Bournvita Quiz Contest wherein not only students but also different groups of stakeholders including officials, RWA's and Housewives etc may also be involved. The Resource Centers created for serving consumer clubs in colleges would also be expected to organise such events.
- 4. The procedures for drafting and filing of complaints in the Forums and Commissions are complex and many people are either not aware or find it to be a tedious process. This is also one of the various reasons for consumers refraining from approaching the Forums. Therefore, it is important that college students are educated on drafting a complaint and, turn wise, students from the local colleges could be involved, may be two hours a day, to help draft complaints for complainants in District Forums and Commissions.
- 5. Organise competitions at the school level from District to Zonal and State levels. National level competitions on essay writing, poems, plays, skits, and causes supported by the respective schools may be graded and awards given.
- 6. TV programs produced for Children. Short documentaries or films depicting the market realities, price comparisons, value of free gifts etc may be produced for telecast on children's' channels.
- 7. Documentaries showing how consumer products are manufactured or in case of food products cooked in reality may help students identify products that are unhealthy. Consequences of the consumption of such products that are not graded

or standardised, disposal of wrappings and packages and the problems created by them may be shown in the video mode because the video audio combination has a lot of impact.

8. Teacher training workshops with a focus on dissemination and awareness amongst the student community, on consumer issues.

9. Development of resource material, aimed at both teachers and students such as:

- a. For teachers: training manuals,
- b. CDs of materials they can use in classrooms and clubs.
- c. KITS: containing useful material for different age groups in the classrooms for use in classroom situations.
- d. FOR STUDENTS: Newsletters where student feedback can be solicited, frequently raising currently relevant issues.
- e. A magazine specifically for Youth on consumer and environmental issues .
- 10. Events on specific dates to involve schools and the public: This could be on occasions of school annual days, or other celebrations held in schools and important consumer days such as National Consumer Day and World Consumer Rights Day.
- 11. The Department should support bringing out of a monthly magazine on consumer issues titled 'Jago Grahak Jago' / 'Upbhokta Jagaran Manch'. The Department has already successfully implemented this initiative in the 10th Plan but due to administrative reason the same was discontinued. There is a need to restart the magazine and it can be done in association with other departments having a consumer inter face.

4.7 Concurrent Evaluation:

Formal evaluation studies are commissioned from time to time. However, the formal evaluation would need to be done more regularly, preferably on an annual basis, to guide the campaign and policy as we go through the learning curve. The Centre for Consumer Studies has been carrying out evaluation of consumer education and awareness programmes funded by the DCA, GoI.

4.8 CONSUMER AWARENESS INDEX

A Consumer Awareness index should be developed and survey conducted periodically so as to bring out the relative change in Consumer Awareness over a

period of time in various parts of the country and among various categories of consumers. This data will become an important indicator of the efficiency of the programmes of Department of Consumer Affairs and should enable the Department to carry out mid course corrections. Consumer Protection Agency may be empowered to undertake this job. An annual report of the impact of the awareness campaigns and other programmes could be prepared by the ministry and made available on the web-site.

IV INTERNAL TRADE AND FUTURE MARKETS

The amendments to the FCRA Act have to be passed expeditiously by the Parliament to ensure the following:

- a) Forward Markets Commission should be strengthened and restructured so as to provide for its financial and operational autonomy. This will inspire confidence among market participants, such as institutional and retail investors.
- b) The various regulations under the Forward Contracts (Regulation) Act, when it is amended, should be finalized on top priority
- c) It will enable the participation of Mutual Funds, FIIs and Banks in the commodity futures market and thereby facilitate greater participation of corporates. This will inject more liquidity and depth to the market leading to more efficient and robust price discovery and attract genuine hedgers.
- d) Options in goods and certain types of derivatives and derivative products like index futures, weather options, etc. will be permitted to provide wider choice of risk management products for the stakeholders.

Intensify nationwide awareness campaigns to create awareness among various stake holders like farmers, stockists, importers, exporters etc. about the useful role played by the commodity futures markets and how they can derive benefits form these markets. The consumer cells, self help groups and Panchayatiraj institutions can be used to generate awareness. Training and capacity building of these institutions would help create awareness among all stakeholders.

Price Dissemination Project should be extended to all APMC mandis, non-APMC mandis and need based additional locations, such as KVKs, RRBS. To avoid disruption in price dissemination due to poor computer connectivity, GPRS enabled ticker boards should be implemented during the 12th Five Year Plan. Other methods of price dissemination such as the SMS, helpline, media may also be adopted.

To meet the future manpower requirements of this sector, the subject of commodity derivative trading needs to be introduced in various business schools, agricultural universities and post graduate courses. FMC could consider setting

up of a National Institute of Commodity Markets (NICM) upon becoming autonomous on the lines of National Institute of Securities Market (NISM).

National Spot Exchanges have been set up under Section 27 of FCRA subject to certain conditions specified in the notification issued in June 2007. These Exchanges have now sought permission for delivery based forward contracts, which will imply that these will not be Spot Exchanges only in the strict sense of the term. Globally, it is preferred that forward contracts such as OTC contracts are traded on the Exchange platform, since it provides transparency, transaction trail and better risk management, even though it involves a cost. If Spot Exchanges begin trading in forward contracts (even if strictly delivery based), then notification will have to be amended and FMC would need to take up regulation of these Exchanges.

At present, pan India electronic Spot Exchanges are dependent upon the State APMC Laws to commence operation in a State. Many states have not given them licence as yet. Besides there is no agency to permit or regulate inter-state spot trades. Since inter-state trade and commerce is a central subject and the Internal Trade is allotted to the Department of Consumer Affairs and at present there is no central law regulating the same, a suitable legislation entrusting the regulation of inter-state trade and commerce to the FMC which will enable spot exchanges to function on pan India basis, at least in case of inter-state sales comprehensively and intra-state trade to the extent of electronic negotiable warehouse receipts. This will also bring in, to a large extent, synergy and alignment between the spot and futures markets.

Banks, cooperatives and non-banking financial institutions (NBFCS) should be allowed to play the role of aggregators on behalf of the small farmers.

All the remaining States should also adopt model APMC Act and remove all trade barriers to facilitate integration of the fragmented commodity markets. After the APMC Act amendments, private players should be encouraged to set up spot markets to provide alternate avenues to the farmers and create healthy competition in the market, thereby helping the farmers to realize a better price for their produce.

Transactions in the Commodity Derivative Markets need to be considered at par with the Security Market Derivatives for the purpose of <u>Section 43(5)</u> of Income Tax Act and other tax benefits.

The Warehousing Development Regulatory Authority (WDRA) need to play its developmental role proactively so as to develop additional nationwide scientific warehousing infrastructure which is very critical for the growth of both spot and futures market and their alignment. The regulatory role of WDRA involves registration of warehouses, outlining and providing for scientific processes and procedures for warehousing setting up, uniform national quality standards and issuance and regulation of trading in warehousing receipts. The creditability of a warehouse receipt as a negotiable instrument needs to be established through vigorous promotion and enforcement of quality standards and assaying and grading. Only Reputed agencies should be considered for quality check on warehouses and standard common practices have to be enforced across all the warehouses.

Introduction of GST: Goods and Services tax subsuming all commodity and service based taxes at the national, state and local levels and levied on the principles of value added tax (VAT) is absolutely essential for the creaton of a truly integarated national market. To avoid distortions in the market due to any potential tax arbitrage, GST must subsume all other commodity based taxes, such as octroi, municipal cess, stamp duty etc. This will facilitate the seamless movement of goods between states and will lead to an efficient and integrated spot market which will facilitate beter price discovery and price risk management in the futures market.

Central Government should formulate a model central law to regulate the retail trade after due consultation with the State Governments and concerned stake holders.

V GOLD HALL MARKING SCHEMES:

It is proposed **to continue** this scheme under the 12th Plan after the approval of an Amendment to BIS Act, when hallmarking of gold jewellery articles will be made mandatory.

National System for Standardization

It is recommended that this existing scheme under 11th Plan may be modified, with a view to having more emphasis on international level participation, into the following two separate schemes:

- a) Strengthening Standardization at National level
- b) Strengthening Standardization at International level
- 2. New Plan Schemes
- (I) Product Safety

In India, BIS has been given the mandate to act as the third-party certification body. Over a period of time, the BIS Standard Mark (ISI Mark or Hallmark) has come to be respected as the symbol of quality of a product. In order to facilitate the growth of emerging technologies, particularly in the areas of information technology, bio-technology, nano-technology, etc., and also to protect consumers from spurious and/or sub-standard imports, the "SDOC Scheme" for self-declaration of conformity has also been introduced in the form of "Registration" by an amendment to BIS Rules, 1987. This will provide an alternate conformity assessment option to the existing provisions through "Certification". The choice of notifying "Registration Scheme" (for self-declaration of conformity) or "Certification" to determine conformity assessment for a product for mandatory compliance rests with the Central Government.

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

In view of this and the large volume of expected work, it is imperative that the work of collection of applications, their scrutiny and then forwarding them to BIS may be outsourced. In this regard, to begin with, one officer level and one data entry operator level assistant would be required at each of the 34 Branch Offices of BIS and the Central Marks Department (for foreign Registration). They, along with concerned BIS Officers, would also be required to be provided suitable training. Physical resources such as laptop, internet connection, furniture, etc. would also be required so that the applicants get timely service for Registration for self declaration of conformity. After approval of Amendment to BIS Act, when BIS would be able to charge fee from the applicants/Registered Holders, such outsourcing could be withdrawn. Thus it is recommended that the expenses towards various items as mentioned above for "Registration Scheme for self declaration of conformity Scheme" may be funded from 12th Plan as a new Scheme.

(II) Creating awareness about advantages of BIS Certified products and about new standards through Publicity

BIS Conformity Assessment Schemes, which include certification, hallmarking and Registration (for self declaration of conformity) go a long way in ensuring that a consumer gets quality product. It is necessary to create awareness amongst consumers and manufacturers alike about the advantages of BIS Certified products.

Thus there is a need to launch a massive awareness campaign to sensitize the consumers, manufacturers and organized buyers about the advantages of BIS Standard Marked products. Further, as BIS is a national body, the campaign cannot run locally and must cover regions and languages across the nation. Similar organizations, viz, PCRA under the Ministry of Petroleum and Natural Gas and BEE under Ministry of Power are reportedly spending Rs 20-30 crores annually to run effective media campaigns such as 'Save Oil' by PCRA and on 'Star Labelling' by BEE. In order to have an effective campaign and an AOTS of 60%, the proposed amount of publicity on BIS Standard Marked Products should not be less than Rs. 30 crores per annum.

VI TESTING FACILITIES AND LEGAL METROLOGY

(A) National Test House:

In view of the vision of National Test House (NTH) during 12th Plan Period and strategy thereof, to satisfy the mission and objectives of Department of Consumer Affairs as enshrined for the benefit of the nation- the creation of following test facilities and infrastructural development are recommended –

- a) To fill up the gap in the major test areas in respect of high value industrial and consumer products, NTH will create new and unique test and quality evaluation facilitie (as per relevant IS standards) for the following salient products:
 - Test facilities for components used for Solar Energy at NTH (NWR), Jaipur;
 - Impulse Voltage Test facility for High Voltage Line Products (e.g. Switch Gear, Insulators etc). in NTH(ER), Kolkata, NTH(SR), Chennai and NTH(WR), Mumbai;
 - Creation of complete test facilities of the Light Emitting Diode(LED)
 Lamp in Kolkata, NTH(WR), Mumbai, NTH(SR), Chennai and NTH(NR), Ghaziabad;
 - Electromagnetic Interference and Electromagnetic Compatibility (EMI/EMC) Test facilities at NTH(NR), Ghaziabad;
 - Automobile Tyre and components test facilities at NTH (SR), Chennai and NTH (NR), Ghaziabad.
 - Full test facilities related to the Civil Engineering structures and products at NTH(ER), Kolkata, NTH(WR), Mumbai, NTH(SR), Chennai, NTH(NR), Ghaziabad and NTH(NWR), Jaipur;

- b) To enlarge the existing laboratory space of different NTH Regions, the following Infrastructural development by construction of new / additional building/additional floor are recommended-
 - Construction of Ground + 4 storied second phase building at NTH (WR), Mumbai;
 - Construction of single storey vibration proof building for establishing Automobile Tyre Testing Facility at NTH(SR), Chennai and NTH(NR), Ghaziabad;
 - Construction of single storey building for establishing Impulse Voltage Test facility at NTH(SR), Chennai and NTH(WR), Mumbai;
 - Vertical extension of the existing building of NTH (NWR), Jaipur by raising a floor.
 - Ongoing Construction of NTH (NER) building (Rs 7 Crore in 12th plan approx.).
- c) During the Eleventh Five Year Plan, NTH was allocated Rs. 74.84 Crore for implementation of the project by the planning Commission. Like the previous plan, in this plan too NTH need financial support from the Planning Commission through nodal administrative ministry of Rs. 163.03 crore under different heads.
 - During the 11th Five Year Plan three projects were undertaken viz. i) Construction of one additional floor in NTH(NR), Ghaziabad and ii) two new buildings one at NTH(SR), Chennai and another at NTH(NER), Guwahati. While construction of one additional floor in NTH(NR), Ghaziabad has been completed and brought into functioning for laboratory activities in August'2010, the new building of NTH(SR), is likely to be brought into the operation during the current financial year (2011-12). As regards to NTH(NER), a part of the project has been completed. The full project will be completed during the 12th Plan Period.
 - NTH has envisaged similar projects in order to create additional space in NTH(WR), Mumbai, NTH(NWR), Jaipur and for some specific test projects due to be undertaken, further infrastructure development in NTH(NR), Ghaziabad, and NTH(SR), Chennai has been contemplated by NTH during the 12th Plan period. The details has been furnished in the proposal of projects (Region-wise) to be undertaken by NTH.

(B) Legal Metrology:

The objective of XIIth Five year plan is augmentation of legal metrology infrastructure of States and UTs in holistic manner so that consumer interest may well served through Legal Metrology Department.

Objective:

- i. Develop a scheme for strengthening legal metrology wings of States and Union Territories for providing:
 - a. Working standards
 - b. Secondary standards
 - c. Mobile Kits for testing of weighbridge
 - d. Mobile van for inspection and verification of weights and measures at different market locations.
- ii. To set up new testing facilities for States/UTs
- iii. To provide for building to house the equipment properly for each State.
- iv. Capacity Building
- v. Research and Development
- vi. Consumer Awareness in Legal Metrology Laboratories at Varanasi and Nagpur on the Demand of States for their development.

Action Plan:

Action plan include construction of Controller Office, Secondary/ Working Standards Laboratories building, purchase of equipments and capacity building program in India and abroad. The proposal is made to cater the requirement of the States/ UTs for their development.

The enforcement of the Legal Metrology is the responsibility of the States Governments and they are less equipped with the Standards and other modern infrastructure for the verification of the weights and measures and other commodities. The consumers are protected by the verification of the weightsa and measures and commodities for the short weighment and measurement of the goods. The States are not verifying many weights and measures like CNG/ LPG dispensers, Sphygmomanometer, clinical thermometer, water meters etc. due to lack of facility. The Central Government is providing all these facilities to the States to safeguard the interest of the consumer. The total proposal for the States/ UTs is of Rs. 474.38 Crores.

During the XIIth Five Year Plan two new Regional Reference Standards Laboratories are being proposed at Nagpur, Maharashtra and Varanasi, Uttar Pradesh on the request of the States for their development. Under the Scheme of RRSLs and IILM, there is a provision for the modernization of the existing RRSLs

and IILM, Ranchi. The new testing facilities will be set up at RRSLs and IILM, Ranchi. The total proposal for the RRSLs and IILM, Ranchi is Rs. 33.0 Crores.

Annexure - I

Year-wise allocation proposed for Plan Schemes during the Eleventh Plan

Total Outlay approved by the Planning Commission - Rs. 159.47 crores

[Amount in Crores of Rupees]

Sl.	Name of Scheme	Total XII	Expendi-	Expendi-	Expendi-	Expendi-
No.		Plan	ture	ture	ture	ture
		Approved	incurred	incurred	incurred	incurred
			during	during	during	during
			(2007-08)	(2008-09)	(2009-10)	(2010-11)*
1.	Integrated Project on	33.50	33.4975	Nil	Nil	Nil
	Consumer					
	Protection (IPCP)					
2.	Computerization	34.22	7.19	Nil	7.10	8.89
	and Computer					
	Networking of					
	Consumer Fora in					
	the country					
	(CONFONET)					
3.	Construction of	16.00		10.00	9.90	
	NCDRC Building					
4.	Strengthening					
	infrastructure of					
	NCDRC Building					
5.	Setting up of	20.00	Nil	Nil	Nil	Nil
	National Trade					
	Practices Regulation					
	Authority (NTPRA)					
6.	Strengthening	54.50		13.20	7.0050	10.5756
	Consumer For a					
7.	Consumer	01.25	0.0030	0.12	0.2726	0.0027
	Protection Cell					
8	State Consumer	25.00	1.33	2.17	1.37	0.36
	Helpline					
	Total Total	159.47	40.6905	<mark>23.32</mark>	24.2776	19.5772

^{*} incurred as on 31.8.2011

Annexure-II

Statement showing the grant released under the Consumer Helpline Scheme

I. States:

S.No	Name of the State	Amount	Date of	Amount released	2 nd	
		released	sanctioned	balance 50 % of Ist year	Installment/	
		(in Rs.)		recurring (in Rs.)/date	date	
10	Kerala	24,10,000	17.06.2008	7,86,616 (12.02.2010)		
7	Mizoram	21,95,000	15.7.2008	5,71,616 (22.02.2010)	11,41,616	
					(04.07.2011)	
6	Sikkam	21,95,000	29.7.2008	5,70,000 (12.11.2009)	11,41,616	
					(11.10.2010)	
3.	Gujarat	27, 25,000	08.01.2008	5,49,148 (25.11.2010)		
9	Tamilnadu	27,60,000	15.7.2008	11.36.616 (27.01.2010)	22,71,616	
					(7.03.2011)	
1.	Andhra Pradesh	27,25,000	31.12.2007			
2.	Madhya Pradesh	27, 25,000	31.12.2007			
4	Orissa	27, 25,000	21.01.2008			
5	Chattisgarh	24,25,000	24.01.2007			
8	Karnataka	27,60,000	09.7.2008			
11	West Bengal	16,25,000/	29.12.2008/			
		7,85,000	11.02.2009			
12	Arunachal	23,96,616	16.01.2009			
	Pradesh					
13	<u>Assam</u>	24, 10,000	25.02.2009			
14	Punjab	27,60,000	28.05. 2009			
15	Bihar	27.60,000	13.08.2009			
16	Nagaland	21.95,000	10.9.2009			

17	Manipur	21,95,000	1.11.2009	
18	Maharashtra	27,60,000	19.02.2010	
19	Rajasthan	27,60,000	15.10.2010	
20	Uttarakhand	24,10,000	9.03.2011	
21	Uttar Pradesh	27,60,000	20.06.2011	
22	Jharkhand	26,80,000	30.08.2011	

II. Union Territories:

S.	Name of the State	Amount	Date of	Amount released	2 nd
No		released(in	sanctioned	balance 50 % of 1st year	Installment/
		Rs.)		recurring (in Rs.)/ date	date
1	Lakashadweep	21,95,000	30.09.2008		
2	Puducherry	21,95,920	23.02.2011		
3	Dadra Nagar	21,95,000	30.03.2011		
	Haveli				

YEAR-WISE CENTERS*

S. No.	Centers from which prices	S. No.	Centers added in	S. No.			Center deleted in 2011
	were collected in 2005		2006				2011
	111 2000		NORTI	I ZONI	<u>i </u>		
1	Delhi	1	Chandigar	1	Hisar		
			h				
2	Shimla	2	Shrinagar	2	Karnal		
3	Lucknow	3	Jammu	3	Mandi		
		4	Amritsar	4	Bhatinda		
		5	Ludhiana	5	Kanpur		
		6	Dehradun	6	Varanasi		
				7	Agra		
				ZONE			
4	Ahmedabad	7	Raipur	8	Jodhpur		
5	Bhopal			9	Kota		
6	Mumbai			10	Nagpur		
7	Jaipur			11	Indore		
				12	Rajkot		
				ZONE			
8	Patna	8	Ranchi	13	Bhagalpur		
9	Bhubaneshwar			14	Cuttack		
10	Kolkata			15	Sambalpur		
				16	Siliguri		
			NORTH-E		ONE		
11	Guwahati	9	KOHIMA	17	Itanagar	1	Kohima
12	Shillong			18	Dimapur		
13	Aizwal						
14	Agartala						
			SOUTI		1		
15	J			19	Vijaywada		
16	Banglore			20	Dharwad		
17	T.Puram			21	Ernakulam		
18	Chennai			22	Dindigul		
				23 Thiruchirapalli			
	18 Centers	27	Centers		50 Centers	49	Centers

^{*} Status as on July2011

CENTRE-WISE DATA REPORTING SYSTEM *

	Online Data	3	Reported		Reported				
S.No.	Feeding	S.No.	by e-Mail	S.No.	by Fax				
		ORTH	ZONE	ı.					
1	Delhi	1	Chandigarh	1	Hisar				
2	Shimla	2	Shrinagar	2	Karnal				
3	Mandi			3	Jammu				
4	Lucknow			4	Amritsar				
5	Kanpur			5	Ludhiana				
6	Varanasi			6	Bhatinda				
7	Agra			7	Dehradun				
		WEST Z	ZONE						
8	Raipur	3	Jaipur	8	Jodhpur				
9	Ahmedabad			9	Kota				
10	Rajkot								
11	Bhopal								
12	Indore								
13	Mumbai								
14	Nagpur								
		EAST Z	ONE						
15	Patna			10	Ranchi				
16	Bhagalpur			11	Kolkata				
17	Bhubaneshwar			12	Siliguri				
18	Cuttack								
19	Sambalpur								
	NOR	TH-EA	ST ZONE	1					
		4	Guwahati	13	Itanagar				
		5	Shillong	14	Aizwal				
		6	Agartala	15	Deemapur				
	SOUTH ZONE								
20	Hyderabad	7	Banglore						
21	Vijaywada	8	Dharwad						
22	Thiruvanthapuram								
23	Chennai								
24	Dindigul								
25	Thiruchirapalli								
26	Ernakulam								

^{*} Status as on July 2011

Annexure V

PHYSICAL TARGETS/OUTCOMES

S.No.	Quantifiable Deliverables	Physical Targets	Physical Achievements		
1.	Release of TV spots through DD	Around 80,000	90000 video spots of 30 seconds each have		
	Network, including regional channels of	video spots of 30	already been telecast in the $3^{1/2}$ years of the		
	DD	seconds each	campaign and the targets are overachieved.		
2.	Release of TV spots through private	70,000 video spots of	60,000 video spots. Since around 7 months		
	C&S channels through DAVP	30 seconds each	are still left for the plan period, targets		
			would be achieved.		
3.	Release of audio spots through AIR and	40,000 audio	45000 audio spots of 40 seconds each have		
	private FM channels on issues of	spots of 40 seconds	already been telecast in the $3^{1/2}$ years of the		
	consumer interest	each	campaign and the targets are overachieved.		
4.	Print advertisements through national		In around $3^{1/2}$ years since receipt of the		
	and regional newspapers as per DAVP	insertions on about	approval of the plan scheme on Consumer		
	policy	15 themes/issues	awareness around 70,000 insertions have		
		every year.	been placed in newspapers and more than 60		
			subjects/themes have been covered so far.		
5.	Interactive radio serial 'Jago Grahak	104 episodes of 15	39 episodes		
	Jago' through AIR	minutes each			
6.	TV serial 'Jago Grahak Jago' through	52 episodes of 25	7 episodes		
	northeast kendras of DD	minutes each			
7.	Grant-in-aid to State Governments/UTs	Rs. 20 crores	Rs. 15 crores.		
	for consumer awareness activities				
8.	Outdoor publicity through channels,	_	11 crores expenditure committed till now		
	hoardings, bus panels, rail panels, LCD	around Rs. 16 crores			
	screens etc.				
9.	Utility bills/electricity bills/Tirupati	Rs.2 crores	1.40 crore		
	Access cards				

Annexure -VI

	Physical Targets and Achievements												
Sr. No.	Name of the Scheme	Unit	11th Plan Target	20	07-08	200	2008-09		2009-10		0-11		
				Target	Achievement	Target	Achievement	Target	Achievements	Target	Achievements		
1	2	3	4	5	6	7	8	9	10	11	10		
1	Strengthening of FMC	1. Upgradation of IT facilities	Purchase of equipments and development of software for market monitoring and surveillance and other softwares, improving connectivity (intranet and internet), Subscribing to Real Time News services (CRISIL, Bloomberg, Reuters, etc.) to ensure better monitoring and surveillance. Connectivity with Exchanges Developing the IT capacity of Regional exchanges. Outsourcing of IT related activities	quantifiable		Target not quantifiable	Upgradation of RAM in all PC's Purchase of 40 MS Office Licenses Purchase of 3 UPS KVA for Server Implementation of Internet lease line AMC for Hardware			quantifiable	Devlopment of software for automation of Member Registration system Inviation of EOI and presentation held by the bidders for procurement of Market Monitoriing Surveillance System Software. Renewal of Subscription of News Feed Services - News Wire 18" and Reuters for the use of officers at FMC		

2. Capacity	Capacity building	•	Capacity buildin	σ	- 10 programme:	8 capacity	• Ca	pacity	• 18 Capacity	Capacity	Capacity	• Capacity	. Capacity
	programmes for	•	Consultancy			building			Building				
_	FMC, Exchanges	•]	Performance audit - 10		8	programmes	program		Programmes	programmes	programmes	programmes	programmes -
consultancies	and Market					held through	1 0		held through		•	•	79
and	constituents - 166					reputed	Consulta	ncy	institutions like		Consultancy	Consultancy	Programmes
performance	Programmes					institutions like	assignme	ent - 1	IIM,	assignment - 5	assignment - 1	assignment - 5	held
audit.	 Consultancies on 					IIM , NCDC,	•		VAMNICOM,	•	•	•	Consultancies -
	areas pertaining to					VAMNICOM,	Performa	ance	IGIDR,	Performance	Performance	Performance	2
	the commodity					MANAGE etc	audit -	100	TOPIC, NIBM.	audit - 100	audit - 298	audit - 250	Consultancies
	futures market and					• One			1		members of	members of	Assigned
	regulation thereof					consultancy	National		•	National	National	National	(Mitcon and
	- 10 consultancies					-	_		assignment by	_	Exchanges	Exchanges	NABCONS)
	 Audit of 					IIMB			IIMB	and Regional		and Regional	
	exchanges and					 Assigning of 				Exchanges	Exchanges	Exchanges	.• Audits -280
	members - 900					Performance			100 audits of				new audits of
	• Legal services, if					Audit of 100	Exchang	e	members of				members of the
	any, required					National			National				National
						Exchange			Commodity				Commodity
						Members			Exchanges, 3				Exchange audit
									National				of 3 National
									Exchanges and				Exchanges, 14
									NBOT .				Regional
													Exchanges and
													1 special audit
													were assigned

3. Awareness and development	• Conducting		• 114	• Awareness	• 197	• Awareness	Awareness	• Awareness	• Awareness
programmes		• Meetings - 8	Awareness	Programme -	Awareness	Programme -	Programme -	Programme -	programme -
	awareness		Programmes	240.	Programmes	250.	515.	300.	829
	programmes,		conducted, 75	• Meetings -	held, of which	 Meetings - 	• Meetings -	• Meetings -	 Meetings/
	seminars,		of which were	10	107 were for	10	8	10	conferences/
	exhibitions and		for farmers	•	Farmers.	•	•	•	seminars -5
	fairs etc. for		• 7 meetings	Advertisement	8 meetings /	Advertisement	Advertisement	Advertisement	Meetings, 2
	various		organised with	in 79 dailies +	conferences	in 47 dailies +	in 47 dailies +	in 47 dailies +	Exibitions,
	constituents of the		different	42 dailies in	organised for	38 dailies in	38 dailies in		80%
	market - 1150		stakeholder	North East	various	North East	North East	North East	
	programmes.		groups		stakeholder				
	• Bringing out		•		groups.				
	publications,								
	awareness								
	literature, publicity								
	material etc								
	around 6-7								
	publications								
	 Advertisements 								
	and awareness								
	material in print								
	and electronic								
	media - to cover								
	500 editions of								
	National and								
	Regional								
	Newspapers.								
	 Conferences, 								
	Seminars and								
	workshops on								
	Commodity								
	Futures Markets								
	and different								
	aspects of its								
	functioning - 50								
	meetings.								

	• Coordination with International Regulatory bodies and membership of international bodies for better cross border regulation and increased adoption of international best practices in the Indian Markets - 8 MOUs + membership in International regulatory fora	MOU's with CSRC, CFTC, initiated MOU process with other Regulators.	• MOUs - 3	Nil	• MOUs - 3	• MOUs - 1	• MoUs - 2	
4. Connectivity of Commodity Exchange with APMC's for dissemination of future prices	Connectivity with APMCs, Post Offices, Agricultural Extension offices etc. for price dissemination - 3500 nodes. Consultancy charges, if any, for this purpose Recurring maintenance expenditure Training programmes for various constituents to familiarize them with the concepts of price	Dissemination Project prepared for implementation in 1000 Mandis	of phase-I of the project in 180 Mandis. • Pilot	installation of Price Ticker Board in 180 Mandis	of phase-I of the project in	project launched. Ticker Boards	Installation of	• 588 (Total) Connectivity with APMCs -

	dissemination and reading of price ticker boards								
5. Upgradation of office infrastructure	Payment of rent for hired premises, municipal rates, taxes, etc. (Hiring of office premises) Purchase/lease of land for office premises All contingent expenses for running an office, such as furniture, postage, purchase and maintenance of office machines and equipments, etc.	Target not quantifiable (new premises to be identified)	Purchase / maintenance of Office furniture and fixtures Process of Identification of new office premises continued.	new premises to be identified)	Purchase / maintenance of Office furniture and fixtures Process of Identification of new office premises continued.	(new premises to be	maintenance	Target not quantifiable (new premises to be identified)	

Annexure VII

(Rs. In Lakhs)

Main Components	Sub-Heads		2007-08			2008-09			2009-10			2010-11		2011-12
3 0333 p 03333308		B.E.	R.E.	A.E.	B.E.	R.E.	A.E.	B.E.	R.E.	A.E.	B.E.	R. E	A. E	B.E.
	OE-IT	140.00	70.00	20.65	175.00	40.00	36.47	160.00	29.90	27.23	135.00	62.00	44.92	130.00
Upgradation of IT	IT Profesional	10.00	5.00	2.25	10.00	1.00	0.00	10.00	0.00	0.00	10.00	2.00	2	10.00
facilities/ Upgradation of	Rent, Rates & Taxes	400.00	200.00	0.00	500.00	1.00	0.00	360.00	1.00	0.00	100.00	1.00	0	10.00
Office	OE	100.00	50.00	46.07	125.00	11.00	9.74	100.00	30.00	25.61	60.00	24.00	23.86	50.00
Infrastructure.	Other Adm. Charges	20.00	10.00	6.35	20.00	1.00	1.49	15.00	0.00	0.00	15.00	1.00	0	10.00
	Total	670.00	335.00	75.32	830.00	54.00	47.70	645.00	60.90	52.84	320.00	90.00	70.78	210.00
Capacity Building/	DTE	75.00	37.50	32.60	95.00	55.00	44.73	85.00	62.00	30.21	65.00	71.00	60.69	110.00
Training/	FTE	100.00	50.00	49.88	125.00	60.00	58.88	100.00	90.00	72.91	100.00	100.00	72.19	100.00
consultancy	Prof. Services	100.00	50.00	25.54	115.00	33.00	27.43	100.00	58.10	47.89	100.00	150.00	127.63	230.00
Awarness	Other Charges	125.00	62.50	56.83	150.00	80.00	70.25	130.00	150.00	148.78	140.00	279.00	278.96	260.00
Development	Adv. & Publicity	45.00	22.50	1.72	85.00	30.00	13.12	80.00	60.00	43.69	40.00	56.00	53.06	125.00
Programme.	IOSCO Cont.	10.00	5.00	0.00	10.00	10.00	7.00	10.00	8.00	7.07	10.00	10.00	9.51	10.00
	Total	455.00	227.50	166.57	580.00	268.00	221.41	505.00	428.10	350.55	455.00	666.00	602.04	835.00
Connectivity of	Grants-In-Aid	875.00	437.50	0.00	890.00	78.00	62.40	650.00	316.00	315.92	799.00	1.00	0	31.00
Commodity Exchanges with APMC for Dissemination of Future prices.	Grants for creation of Capital Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	252.00	249.47	324.00
	Total	875.00	437.50	0.00	890.00	78.00	62.40	650.00	316.00	315.92	800.00	253.00	249.47	355.00
	GRAND TOTAL	2000.00	1000.00	241.89	2300.00	400.00	331.51	1800.00	805.00	719.31	1575.00	1009.00	922.29	1400.00

Financial Performance

Annexure VIII (Rs. in crores)

S.	Name of the Scheme	Plan	2007-0	8		2008-0	9		2009-1	0		2010-		III CIOICS	2011-12
No.		Outlay													
			BE	RE	Actua	BE	RE	Actua	BE	RE	Actua	BE	RE	Actual	BE
					1 Exp.			1 Exp.			1 Exp.			Exp.	
1.	Gold Hallmarking Scheme	10.50	4.00	4.00	1.00	3.00	0.01	Nil	1.00	0.81	0.81	0.75	0.45	0.53	0.66
2	Estt. of a National System for Standardization	22.23	6.00	4.00	Nil	10.26	0.67	0.66	5.93	0.45	0.40	1.50	1.00	1.00	1.65
3.	Human Resource Development/ Capacity Building in Educational Institutions	7.00	2.90	0.50	0.50	1.50	0.01	Nil	1.50	0.22	Nil	0.30	-	Nil	0.10
4.	Estt. Of National System for Conformity Assessment & Compliance	45.10	3.00	3.40	Nil	9.00	0.01	Nil	7.83	-	Nil	0.50	0.05	Nil	0.01
5.	National Quality Campaign	0.10	0.10	-	-	-	-	-	-	-	-	-	-	-	-
5.	Consumer Education & Training, HRF/Capacity Building	16.98	12.00	3.75	Nil	1.24	1.30	1.16	6.74	3.57	3.57	6.50	1.12	1.02	4.59
	Total	101.91	28.00	15.65	1.50	25.00	2.00	1.82	23.00	5.05	4.78	9.55	2.62	2.55	7.01

Table-1 (EFC approved 11th Plan Outlay)

Annexure IX

(Rs. in Crore)

Year	Land & Building (Major Works)	Machinery & Equipments (M&E)	Recurring Expenditure	Information Technology (IT)	Total
2007-08	3.55	3.24	1.38	0.10	8.27
2008-09	5.96	8.95	2.91	0.85	18.67
2009-10	5.67	8.28	3.35	0.40	17.70
2010-11	2.69	8.28	3.80	0.40	15.17
2011-12	2.33	8.23	4.22	0.25	15.03
Total	20.20	36.98	15.66	2.00	74.84

Annexure X

Table-2 (Actual Status of 11th Five Year Plan)

(Rs. in Cr.)

Year	Land &	z Build	ing	Mach	inery	&	Recurrin	ıg	Info	rmati	ion	Total		
	(Majo	r Work	ss)	Equipments (M&E)			Expendi	ture	Tech	nolo	gy(IT)			
	BE RE Actual		BE RE Actual BE RE Actual		Actual	BE RE	Actual	BE	RE	Actual	BE	RE	Actual	
			Expenditure			Expenditure		Expenditure			expenditure			Expenditure
2007-08	20.19	3.55	1.65	3.06	3.24	2.41	1.20 1.38	3 1.23	0.45	0.10	0.097	24.90	8.27	5.39
2008-09	4.64	4.64	3.72	6.00	4.46	4.57	2.51 1.67	1.43	0.85	0.85	0.27	14.00	11.62	9.99
2009-10	5.25	5.25	4.52	7.00	7.00	6.87	2.35 1.80	1.68	0.40	0.40	0.40	15.00	14.45	13.47
2010-11	7.70	7.20	6.29	7.70	7.70	7.33	1.25 1.75	5 1.62	0.52	0.52	0.36	17.17	17.17	15.60
Sub-Total	37.78	20.64	16.18	23.76	22.40	21.18	7.31 6.60	5.96	2.22	1.87	1.13	71.07	51.51	44.45
2011-12	11.52			6.70			2.30		0.70			21.22		

Annexure XI

Sr. No.	Year	Allocations (BE)	Expenditure (in Crore)
1	2007-08	18.00	8.594
2	2008-09	18.00	21.18
3	2009-10	38.00	26.88
4	2010-11	62.50	59.99
5	2011-12*	64.50	7.11
	Total		116.644

^{*} As on 30.9.2011

ANNEXURE-XII

A concept paper on the training institute proposed to be set up by the FMC during the XIIth Plan period

1. Introduction

- 1.1 The commodity futures market in India was liberalized in 2003. This signaled a sea change in the functioning of the market. The lifting of all restrictions on the trading of commodity futures heralded the advent of pan India, multi –commodity electronic exchanges which took futures trading to remote parts of the country. A slew of commodities both agricultural and non –agricultural came to be traded on the futures platform with far reaching impact on the price discovery process in the physical markets. The trading volumes in the commodity exchanges jumped 100 fold in the post-liberalisation period as more and more stakeholders began participating in this market. The liberalization of the commodity derivative market thus marked a sudden transition from fragmented, region specific, open-outcry based futures markets offering a handful of local commodities for trading to a thriving integrated, national commodity futures market, offering a large number of commodities for trading and accessible to all.
- 1.2 The opening of the commodity futures market brought with it the challenge of building capacities within a rapidly expanding industry as more jobs requiring specialized skills were created in the exchanges, brokerage firms, logistics companies, clients and other related sectors. It also focused attention on the need for educating stakeholders for meaningful participation in the market and partaking of the economic benefits that this market had to offer. In India, there was also the additional challenge of correcting wide-spread misconceptions about the market that threatened to slow-down the development of the market. An urgent need was also felt for a research facility with access to and analysis of commodity market related data, especially in the agriculture sector.

1.3 The Forward Markets Commission, seized of the urgency in the matter, embarked on a capacity building programme that focused on educating stakeholders about the economic functions of the commodity futures market and the best way to participate in these markets. It reached out to all sectors (with specific focus on the agricultural sector) - Government, Educational Institutions, Financial sector, cooperatives, rural extension service providers, and agriculture markets through a series of training programmes on commodity futures. However, despite FMC's best efforts, the outreach of these programmes remained limited because the available training infrastructure was grossly inadequate to meet the training requirements of the wide cross section of stakeholders of the commodity futures markets. While embarking on its capacity building endeavours, the Forward Markets Commission had to mainly rely on industry professionals to deliver training inputs to various stakeholders as there were hardly any training institutions offering dedicated training in the area of commodity markets including derivative markets. Trained personnel were also hard to come by making it very difficult to put together training programmes. To circumvent this problem, the FMC started arranging Training of Trainers programmes to develop trained manpower for conducting capacity building programmes on its behalf. This, though not an optimum solution, has to a small extent alleviated the problem. On the physical market side also, there are as worthwhile institutional facilities for such capacity building, let along programs on the interface of the two. There is, therefore, a strong case for finding long term, sustainable alternate solutions to meet this challenge.

2. The Proposal

- 2.1 The capacity building efforts of the Forward markets Commission aim at meeting the following objectives :
 - 1.) Spreading knowledge and awareness about the commodity derivative market to all market stakeholders;
 - 2.) Providing specialized inputs to different sections of stakeholders and commodity sectors to facilitate informed participation in the commodity derivative market;

- 3.) Supporting pilot programs and innovative practices for enhanced and informed participation in the commodity futures market;
- 4.) Creating a centralized data base and knowledge bank with access to and analysis of data relating to all commodity sectors for generating sector / commodity specific reports as policy inputs;
- 5.) Supporting dedicated research on all aspects of the commodity spot and derivative market. Given the twin challenges of low realization to the farmer and high inflation for the consumer, such dedicated research will help gain insight into the underlying issues and develop sound regulatory strategies for regulation of the market.
- 6.) Offering certified courses and academic programmes on the commodity derivative market to meet various job- requirements in the Industry;
- 7.) Organising national and international seminars and conferences on the commodity derivative market, its operation and regulation, so as to serve as an incubator for new ideas and thinking on the commodity derivative market
- 8.) Undertaking any other activities that FMC or the Government may assign it on the felt-need basis.

These objectives can be best met with the setting up of a world class training-cum-research centre catering exclusively to the commodity market and commodity derivative market. Such an institution will be the first of its kind in the country – and possibly in the world – and will be promoted by the Forward Markets Commission in its capacity as the regulator of the Commodity derivative Market.

2.2 Vision and Mission

The vision and mission of the training institution may be stated as under:

Vision

To enhance the effectiveness and economic utility of the commodity derivative market eco- system through concerted educational and research initiatives.

9.) Mission

To ensure that all stakeholders of the commodity derivative market are equipped with necessary knowledge, tools and skills required for the efficient functioning of the market and dissemination of benefits thereof through - (a) specialized training initiatives and professional educational programmes; (b) research activities; (c) building a comprehensive data base and knowledge bank on the commodity markets, and (d) fostering innovations in the field of commodity derivative market and allied sectors.

2.3 Structure of the Training –cum- Research Institute

The Training-cum-Research Institute for Commodity Market could be named National Institute for Commodity Markets (NICM for short) would be an autonomous institution governed by its own Board of Governors. It will have separate schools, each catering to a specific objective for which it has been created. The schools set up under this institution will be as under:

(i) School for Stakeholder Education

This school will run short term courses, seminars and workshops on the commodity derivative market including introductory and refresher courses on the commodity derivative market and sector-specific commodity derivative courses. The school will also run short term courses for the Government, financial sector and also courses aimed specifically for the officers of regulatory / self-regulatory organisations. The school will have both regular programmes and on-location programmes to broaden its outreach. On-location programmes will be multi-lingual and tailor made to suit the requirements of various stakeholders. The school will also provide on-line programmes for the benefit of stakeholders who are not in a position to attend regular programs.

(ii) School for Certification of Intermediaries

This school will run certification programmes for different sets of intermediaries. This certification may be insisted upon for intermediaries intending to participate or participating in the commodity derivative market. These programmes can be offered on-line or in a classroom format.

(iii) School for Commodity Market Education and Research

This school will offer post graduate diploma courses and doctorial study opportunities on financial and commodity markets. The schools will be open to Indian and International students and would become a centre for learning on all matters relating to the commodity and commodity derivative market. This school will also act as the knowledge bank and research centre for the Institute. It will support research in the area of commodity derivative market and allied sectors. It will support pilots and innovations in the commodity derivative sector and host international seminars and conferences for furthering deliberations on various aspects of commodity trading. The school will also provide advice and consultancy support to foreign governments seeking assistance for setting up their own commodity derivative markets.

(iv) Teaching Faculty

The faculty would be drawn from Indian and International academia and industry. Visiting faculty members will support the permanent faculty of the Institute.

(v) Campus

The Institute may be located in the outskirts of Mumbai . Mumbai is a preferred location as it is the hub of commodity derivative trading in India with the regulator of the commodity derivative market and four of the five national commodity exchanges headquartered here. The institute should have it own independent campus with dedicated space for each of its three schools.

(v) Corpus

The Institute would require an initial corpus of around Rs. 130 crore. This would include the cost of land, building, infrastructure, furniture and fixtures, personnel/human resources. The fund would be used for supporting the institute until it becomes

self-sustaining. The actual amount of the fund requirement may vary depending on the location of the Institute and whether the land would be made available by the state government at subsidized rates.

The FMC will solicit contribution to the corpus from the national Commodity Exchanges, Spot Exchanges and logistics companies. The FMC's contribution to the corpus may be around Rs. 90-100 crores, provision for which would have to be made in the allocation for the Ministry for the XIIth Five Year Plan.

ANNEXURE-XIII

BUDGET ESTIMATES

I PROPOSAL FOR CONSUMER PROTECTION & REDRESSAL, ADR AND CONSUMER COUNSELING

(Rs. in crores)

Sl.No.	Name of the Schemes	2012-13	2013-14	2014-15	2015-16	2016-17	Total
1	Strengthening of	25.00	35.00	35.00	35.00	30.00	160.00
	Consumer Fora						
2	CONFONET	6.30	10.47	9.09	4.84	4.59	35.29
3	Consumer counseling	8.40	21.00	33.60	46.20	53.76	162.96
	and Mediation						
4	State Consumer Helpline	5.00	5.33	5.67	5.67	5.67	27.34

II. PRICE MONITORING AND MARKET INTERVENTION

(Rs. in Lakh)

Purpose for which funds are Required	2012-13	2013-14	2014-15	2015-16	2016-17	Period 2012-17
Converting PMC into ECMD	20.40	22.44	24.68	27.15	29.87	124.54
Organizing Training Programmes for the Officials of PMC	25	26.25	28.88	30.32	31.84	142.29
Subscribing to the Services of Professional Organisations	20	22	24	26	28	120
Hiring Professionals (Domain experts)	30	33	36.30	39.93	43.92	183.15
Engaging private organisations for conducting research studies and surveys	50	52.50	55.13	57.89	60.78	276.30
Total	145.4	156.19	168.99	181.29	194.41	846.28

b. Strengthening of NIC

Strengthening National Informatics Centre (NIC)	10	11	12.1	13.31	14.64	61.05
miormanes centre (NIC)						

c. Strengthening of PMCs in States

Employing Trained Manpower at state	120	158	201.60	249.6	302.4	1031.6
Organizing Workshops	10	11	12.1	13.31	14.64	61.05
IT Infrastructure to Centres	20	25	31.25	39.06	48.83	164.14
Total	150	194	244.95	301.97	365.87	1256.79

d. Direct Market Intervention to Distribute Essential Commodities through Consumer Co-operatives

Direct Market Intervention to Distribute Essential	2000	2000	2000	2000	2000	40000
Commodities through	2000					10000
Consumer Co-operatives						
GRAND TOTAL ((a+b+c+d)	2305.4	2361.19	2426.04	2496.57	2574.92	12164.12

III. PROPOSAL FOR CONSUMER AWARENESS AND EDUCATION

(Rs. in Crore)

Year	Amount
I 2012-13	100 Crores
II 2013-14	120 Crores
III 2014-15	135 Crores
IV 2015-16	150 Crores
V 2016-17	160 Crores
G. Total	665 Crores

IV. INTERNAL TRADE AND FUTURES MARKET

Rs. in Lakh

Sl. No.	Activity	2012-13	2013-14	2014-15	2015-16	2016-17	Total
1.	Upgradation of IT facilities	2480	1250	1010	1010	1010	6760
2.	Capacity Building/ Training/	427	481	535	588	642	2673
	Consultancies						
3	Awareness and Development	572	612	656	704	756	3300
	Programme						
4.	Price Dissemination Project	2200	2200	2200	2200	2200	11000
5.	Upgradation of FMC office	75	83	91	100	109	458
	infrastructure						
	Purchase of land or/and	2000	2000	1000	-	-	5000
	Purchase /Construction of						
	Office Building for FMC.						
6.	Establishment of National	100	500	3000	3000	2400	9000
	Institute for Commodity						
	Markets						
	TOTAL	7854	7126	8492	7602	7117	38191

V. Proposal for Standards and Product Safety

SUBGROUP ON STANDARDS AND PRODUCT SAFETY Summary of Proposed Plan Schemes for 12th Five Year Plan Year wise Financial Outlays (Rs in Lakhs) Plan Scheme S. No 2012-13 2014-15 2015-16 2016-17 **TOTAL** 2013-14 60 60 60 60 60 300 Hallmarking 1 Strengthening Standardization at National 2 70 101 109 42 78 400 level Strengthening 3 Standardization 52 165 230 268 335 1050 at International level Registration for Self Declaration of Conformity 4 105 226 173 173 173 850 Scheme Creating awareness through publicity about advantages 5 3000 4000 4000 5000 5000 21000 BIS certified Products and about new standards Total 3259 4521 4541 5602 5677 23600

VI. TESTING FACILITIES AND LEGAL METROLOGY

(A) Year-wise fund allocation required for National Test House(NTH) during the 12th Five Year Plan Period

(Rs. in Crore)

Year	Major Works (Land & Building) (Capital)	Machinery & Recurring Equipments (M&E) (OE,DTE,FTE) (Capital) (Revenue)		Information Technology (IT) (Revenue)	Total
2012-13	12.7	4.70	4.05	0.30	21.75
2013-14	21.3	10.40	4.05	0.40	36.15
2014-15	20.5	27.18	4.50	0.45	52.63
2015-16	8.5	12.50	5.25	0.40	26.65
2016-17	7.5	12.80	5.15	0.40	25.85
Total	70.50	67.58	23.00	1.95	163.03

(B) Distribution of funds in the scheme" Strengthening of Legal Metrology infrastructure of States and UTs" during 2012-17 (Figures in Crores)

Year	Civil	Instruments	Capacity Building	Consumer Awareness	Total
2012-13	50.00	21.63	1.00	0.50	73.13
2013-14	50.00	50.00	1.00	0.50	101.50
2014-15	50.00	50.00	1.00	0.50	101.50
2015-16	50.00	50.00	1.00	0.50	101.50
2016-17	45.25	50.00	1.00	0.50	96.75
Total	245.25	221.63	5.00	2.50	474.38

(B1) Distribution of funds in the scheme" Strengthening of RRSLs and IILM, Ranchi" during 2012-17 (Figures in Crore)

Year	Civil	Instruments	Capacity Building	others	Total
2012-13	0.80	4.60	0.50	-	5.90
2013-14	0.80	5.00	0.50	0.30	6.60
2014-15	0.50	5.00	0.50	0.40	6.40
2015-16	0.20	5.00	0.50	0.40	6.10
2016-17	0.20	5.00	0.50	0.40	6.10
Total	2.50	24.60	2.50	1.50	31.10

TOTAL PROPOSALS FOR THE XII FIVE YEAR PLAN AT A GLANCE (Rs. in Crore)

Sl.	Name of the Schemes	2012-13	2013-14	2014-15	2015-16	2016-17	Total
No.							
1	Consumer Protection and Redressal, ADR and	44.70	71.80	83.36	91.71	94.02	385.59
	Redressal, ADR and Consumer Counselling						
2	Price Monitoring and Market Intervention	23.054	23.62	24.26	24.97	25.75	121.654
3	Consumer Awareness and Education	100.00	120.00	135.00	150.00	160.00	665.00
4	Standards and Product Safety	32.59	45.21	45.41	56.02	56.77	236.00
5	Internal Trade and Futures Market	78.54	71.26	84.92	76.02	71.17	381.91
6	Testing Facilities and Legal Metrology	100.78	144.25	160.53	134.25	128.70	668.51
	Grand Total	379.664	476.14	533.48	532.97	536.41	2458.664