

Government of India

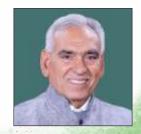
Ministry of Consumer Affairs, Food and Public Distribution

# 4 years of Sustainable Development

**Towards Food Security and Consumer Empowerment** 







Saaf Niyat Sahi Vikas

Department of Food & Public Distribution
Government of India

Department of Consumer Affairs Government of India



Saaf Niyat
Sahi Vikas

### **Department of Food & Public Distribution**

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## **Department of Consumer Affairs**

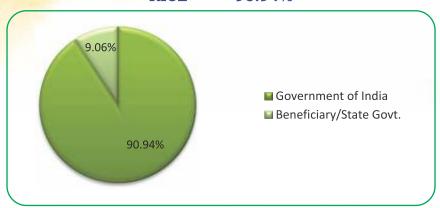
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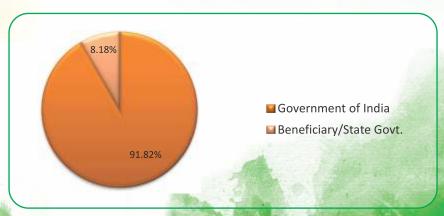
### **Department of Food & Public Distribution**

# CONTRIBUTION OF GOVERNMENT OF INDIA IN FOOD SUBSIDY

RICE - 90.94%



Wheat - 91.82%





Hon'ble Minister for CA, F&PD at the launching of the "Electronic Negotiable Warehouse Receipt (eNWR) System" and "WDRA Portal



Conference on PDS Reforms and Cashless Environment



Hon'ble Minister for CA, F&PD reviewing status of implementation of NFSA in States



Hon'ble Minister for CA, F&PD releasing booklet on achievements of the Department



#### **DEPARTMENT OF FOOD & PUBLIC DISTIBUTION**

Ministry of Consumer Affairs, Food & Public Distribution Government of India

The primary policy objective of the Department of Food & Public Distribution is to ensure food security for the country through timely and efficient procurement and distribution of food grains. This involves procurement of various food grains from the farmers, building up storage and maintenance of food stocks, movement and delivery to the State agencies for delivery through Public Distribution System and monitoring of production, stock levels and prices of food grains.

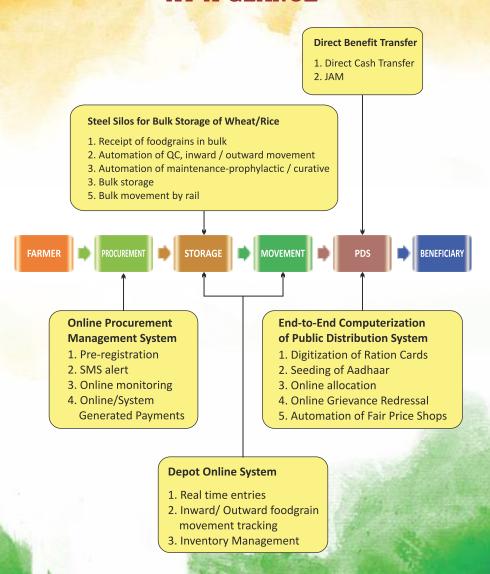
The focus is on incentivizing farmers by remunerating them with fair value for their produce by way of Minimum Support Price mechanism, distribution of food grains to Priority House Hold (PHH) families and covering poor households at the risk-of-hunger under Antyodaya Anna Yojana (AAY).

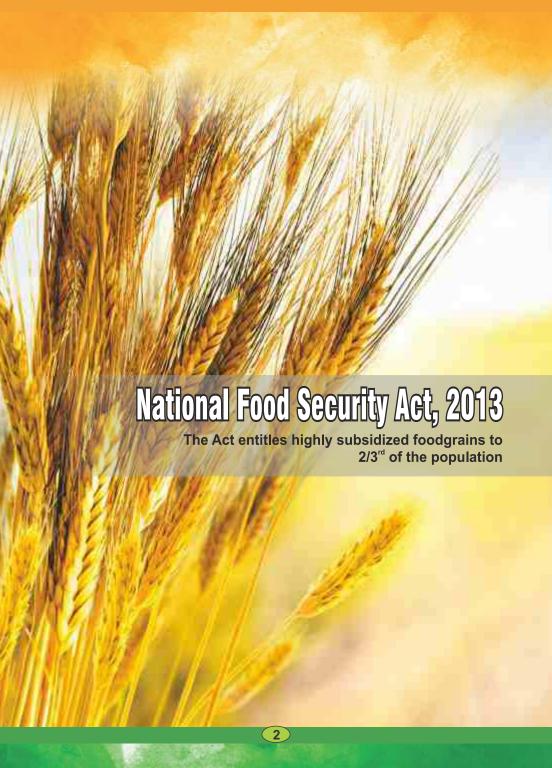
The Department is also responsible for formulation of national policies concerning the sugar sector such as fixing of Fair and Remunerative Price (FRP) of sugarcane payable by Sugar factories, development and regulation of sugar industry, providing training in sugar technology and availability of free sale sugar in the market. The Department also formulates policies on export and import of food grains, sugar and edible oils. It is also responsible for administration of food subsidies relating to rice, wheat, coarse grains and sugar.

### **DEPARTMENT AT A GLANCE**



### INITIATIVES OF DEPARTMENT AT A GLANCE





### **NATIONAL FOOD SECURITY ACT (NFSA), 2013**

Universalisation of implementation of NFSA, 2013 across the country

May, 2014	May, 2018		
11 States/UTs implementing	All 36 States/UTs		
the Act implementing the Act			

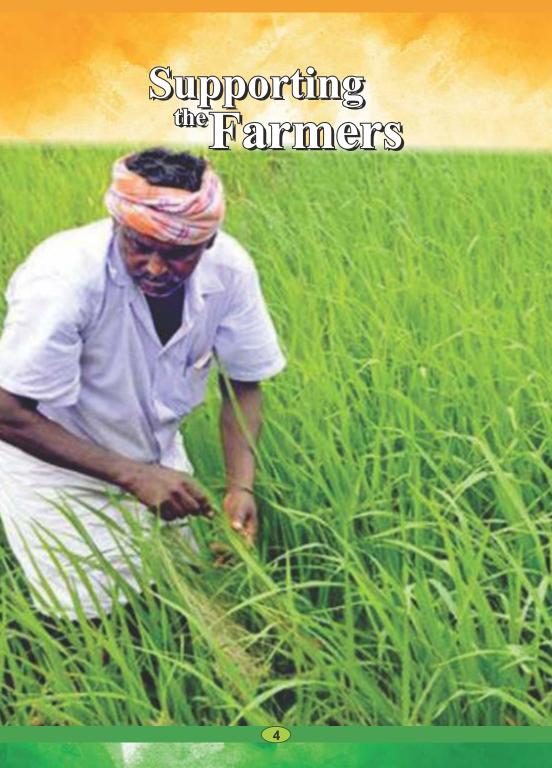
Benefits to about 80.72 crore of India's population, especially the most vulnerable sections of the society.

- Four Rules notified under the Act to facilitate implementation:
  - (i) Provisioning of Funds to State Governments for Short Supply of Foodgrains Rules, 2014
  - (ii) Food Security Allowance Rules, 2015
  - (iii) The Food Security (Assistance to State Governments) Rules, 2015
  - (iv) The Cash Transfer of Food Subsidy Rules, 2015
- In 2016-17, Rs. 2500 crore and in 2017-18, Rs. 4500 crore were released to State Governments as Central assistance to meet the expenditure incurred on intra-State movement of foodgrains and fair price shop dealers' margins.

Earlier Practice	Initiative Taken
required to either meet this	Such an arrangement has been made for the first time, facilitating implementation of NFSA.

• Rates of foodgrains for Integrated Child Development Services (ICDS) and Mid Day Meal (MDM) schemes amended.

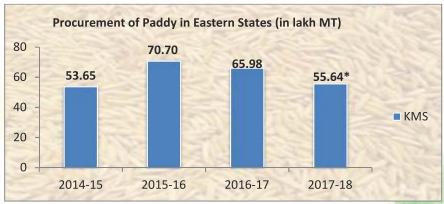
Earlier Practice	Initiative Taken
Rs.4.15 per kg for wheat and	Rs.2 per kg. for wheat and
Rs.5.65 per kg for rice.	Rs.3 per kg for rice, from
	April, 2016.



### SUPPORTING THE FARMERS

### **Enhancing procurement in Eastern India:**

- FCI has initiated special efforts for procurement in the Eastern States of India.
- State-wise 5-year Action Plans has been drawn up by FCI for Uttar Pradesh (with focus on Eastern U.P.), Bihar, Jharkhand, West Bengal & Assam, where concerns exist about distress sale of paddy.
- FCI opened 635 procurement centres in KMS 2015-16, 726 in KMS 2016-17 and 749 (as on 01.05.2018) in KMS 2017-18.
- Besides Government Agencies, in consultation with States, FCI has engaged private parties to expand procurement operations in hitherto poorly covered clusters in Eastern U.P., Jharkhand, West Bengal and efforts are on to engage them in Assam also.



\*As on 01.05.2018

- ➤ **Abolition of Levy System**: As direct purchase of paddy from the Farmers through the purchase centres opened by the Government Agencies is more beneficial to the farmers, the Government of India abolished levy system w.e.f. 01.10.2015 i.e. in KMS 2015-16.
- ➤ Due to untimely rains & hailstorms, wheat crop was badly damaged in RMS 2015-16. The Government relaxed the quality norms for

wheat and reimbursed value cut to extend full benefit of MSP to farmers. 266.26 LMT wheat was procured Under Relaxed Specifications (URS). Such a farmer's centric step was taken for the first time by the Central Government.

The Government also relaxed procurement norms of paddy in unseasonal rainfall affected areas during KMS 2015-16 in Andhra Pradesh, during KMS 2016-17 in Uttar Pradesh, during KMS 2016-17 and KMS 2017-18 in Bihar and KMS 2017-18 in Odisha.

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## **MAJOR REFORMS IN TPDS**



### MAJOR REFORMS IN TPDS

Foodgrains allocated to States/UTs for distribution under Targeted Public Distribution System (TPDS) and other Welfare Schemes during 4 years:

Year	Allocation of Foodgrains ( in lakh MT)
2014-15	614.54
2015-16	611.02
2016-17	628.68
2017-18	608.64

Sustained efforts have resulted in significant reforms in TPDS making it more transparent and leak proof and better targeting of food subsidy. Improvement in main components for this purpose are as follows:-

	May, 2014	May, 2018 (as on 01.05.2018)
Fair Price Shops automated	5,835	3,10,593
Digitization of ration cards	75%	100 %
Aadhaar seeding of ration cards	2%	82.68%
Online allocation of foodgrains started	9 States/UTs	30 States/UTs
Supply chain computerised	4 States/UTs	21 States/UTs
Toll free numbers/ online grievance redressal system implemented	25 States/UTs	36 States/UTs
Direct Cast Transfer in PDS launched	Nil	3 UTs

➤ A National Transparency Portal for TPDS has been developed with the objective of providing all TPDS related data and information of States/UTs in the Public domain. The Transparency Portal may be accessed at http://pdsportal.nic.in. ▶ New central sector scheme 'Integrated Management of PDS' (IM-PDS) has been approved to be implemented during FY 2018-19 and FY 2019-20 for establishing Public Distribution System Network (PDSN) to establish central data repository and central monitoring system of PDS operations and to also enable implementation of national level portability.

# Cash Transfer for foodgrains under Direct Benefit Transfer (DBT) scheme:

Implemented in 3 UTs namely	Beneficiaries covered presently	
1. Chandigarh(w.e.f. Sep, 2016)	2.82 lakh	
2. Puducherry (w.e.f. Sep, 2015)	6.18 lakh	
3. Dadra & Nagar Haveli	0.31 lakh	
(w.e.f. March 2016).		

Total Rs. 12.82 crore (Approx.) is being transferred to beneficiaries on monthly basis. The Department notified the 'Cash Transfer of Food Subsidy Rules, 2015' on 21st August, 2015.

# > Promotion of use of Digital/Cashless/Less-cash Payments mechanisms in PDS:

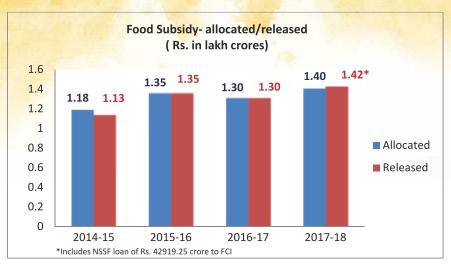
To promote the use of less-cash/digital payment mechanisms, the Department has issued detailed guidelines for use of AePS, UPI, USSD, Debit/Rupay Cards and e-Wallets on 7th December 2016.

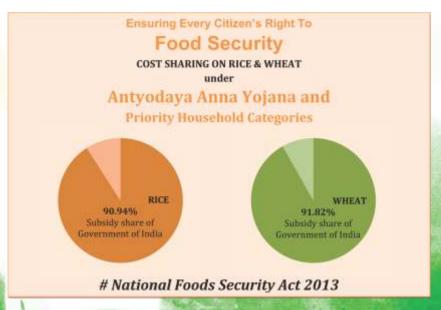
At present in 10 States/UTs, a total of 51,479 FPSs are enabled for digital payments.



### **FOOD SUBSIDY**

The amount of Food subsidy released to FCI, and DCP States for distribution of foodgrains under TPDS, NFSA and OWS during last 4 years:



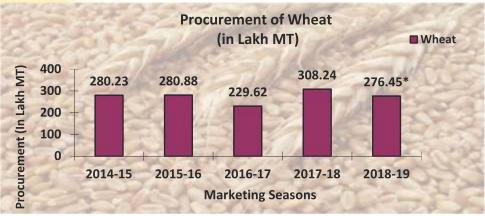


### PROCUREMENT OF FOODGRAINS

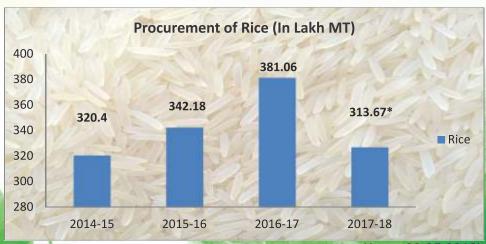


### PROCUREMENT OF FOODGRAINS

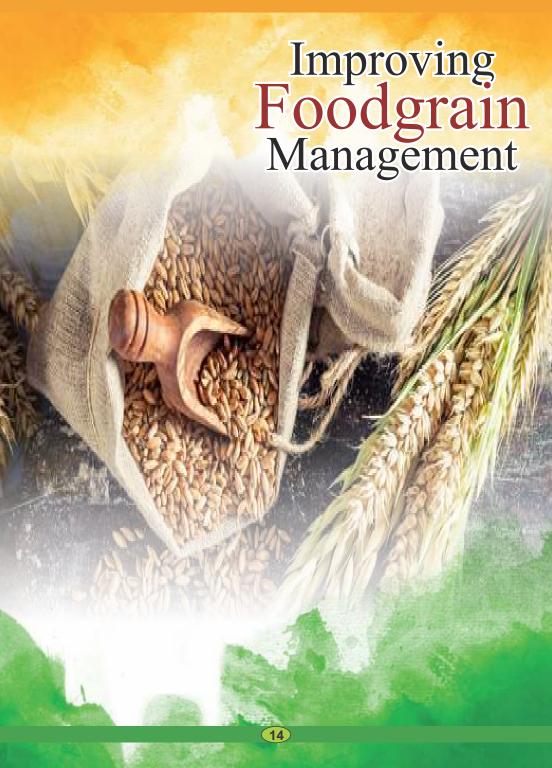
- During Rabi Marketing Season (RMS) 2017-18, a quantity of 308.24
   Lakh MT of wheat was procured which is highest in last five years.
- During Kharif Marketing Season (KMS) 2016-17, a record quantity of 381.06 Lakh MT of paddy (in terms of rice) was procured.
- The details of procurement of wheat and paddy/rice for Central Pool during the last 4 years and current year are as under:



(As on 02.05.2018) \*procurement for RMS 2018-19 is ongoing



(As on 02.05.2018) Procurement for KMS 2017-18 is ongoing\*



### IMPROVING FOODGRAIN MANAGEMENT

- A High Level Expert Committee under the Chairmanship of Shri Shanta Kumar, MP, was constituted on 20th Aug, 2014 to make recommendations on re-structuring of FCI. Based on the recommendations, several measures have been initiated to improve the functioning of FCI and to bring in cost efficiency in its operations.
- To bring all operations of FCI Godowns online and to check leakage and automate operations at the depot level, "Depot Online system" was launched on 17th March, 2016 in 31 Depots on pilot basis across 27 States. So far, this system has been implemented at 530 depots of FCI which are operational at present. The system has also been installed at 156 depots of CWC as well.
- > FCI has developed software for Online Procurement Management System (OPMS) which is being used for procurement in the KMS 2016-17. So far, 17 out of 19 major procuring States have fully implemented OPMS. For remaining 2 States, they have been requested to implement OPMS System.
- To improve the efficiency of foodgrains procurement and distribution operations, 15 States/UTs have adopted Decentralized Procurement (DCP) System. Also, Rajasthan (in 9 Districts) and Jharkhand (in 5 Districts) have partially adopted the DCP System. However, Rajasthan has been included in Centralized Procurement only for RMS 2017-18 and 2018-19.
- > Through Open Market Sales Scheme (OMSS) of the FCI, the Department has been able to offload excessive stocks and also help stabilize prices of wheat in particular. The quantities of foodgrains sold under OMSS(D) during the years 2014-15, 2015-16, 2016-17 and 2017-18 are as under:

Year	Wheat (in LMT)	Rice (in LMT)
2014-15	42.37	Nil*
2015-16	70.77	1.11
2016-17	45.67	1.78
2017-18	14.22	4.90

<sup>\*</sup>Sale of Rice was not undertaken

- On the request of this Department, Ministry of Railways has extended the preference/facility (for providing wagons) under priority 'B' to six States namely, Bihar, Telangana, Madhya Pradesh, Andhra Pradesh, Odisha and Tamil Nadu for Public Distribution System or Other Welfare Scheme sponsored by FCI, State Govt. or their agencies.
- Adequate supply of food grains made using multi-modal transport in North Eastern States despite disruption in rail route due to gauge conversion from Lumding to Badarpur. 80,000 MT foodgrains moved through roads every month. 21,900 MT of foodgrains was inducted into Tripura via Bangladesh through riverine route during August, 2014 to September, 2016.
- > 1,10,531 MTs of rice was moved from Andhra Pradesh to Kerala for the first time through riverine/coastal movement in 2014-15 and 9596 MT in 2015-16. So far 1.43 LMT of rice have been move from Andhra Pradesh to Kerala during 2013-14 to 2016-17.
- Adequate supply of foodgrains ensured during 2016-17 for States/UTs facing natural calamities such as drought, floods and Hud-Hud cyclone (in Andhra Pradesh).
- With a view to encourage bulk movement, FCI conducted a trial of containerized movement of foodgrains through CONCOR from Chhattisgarh (Raipur) to Maharashtra (Turbhe). A rake having 80 containers carrying 2159 MT of rice was moved in Aug, 16 and found to be economical both in handling and transportation. During 2016-17, FCI moved 13 containerized rakes, and total saving was Rs. 44 lakhs. A target of 100 containerized rakes movement was kept for 2017-18, against which 131 containerized

rakes have been moved till 27<sup>th</sup> March, 2018 with approx. savings of Rs. 593 lakhs.

- A quantity of 19,980 MT of par-boiled rice was exported to Egypt on Government to Government basis out of Central Pool Stock during 2016-17. The export was done in the interest of diplomatic gain for India.
- > 500 MT of Rice was supplied to Zimbabwe as humanitarian assistance in 2014-15. 100 MT of Rice was sent to Myanmar in 2015-16 to help the flood affected pocket near Manipur border.
- > 100 MT of Rice to Sri Lanka, 500 MT to Zimbabwe, 500 MT to Lesotho and 1000 MT to Namibia has been supplied as donation/humanitarian assistance from FCI stocks during 2017-18. Also, supply of 1.10 LMT of wheat to Afghanistan as donation/humanitarian assistance from FCI stocks is in progress.

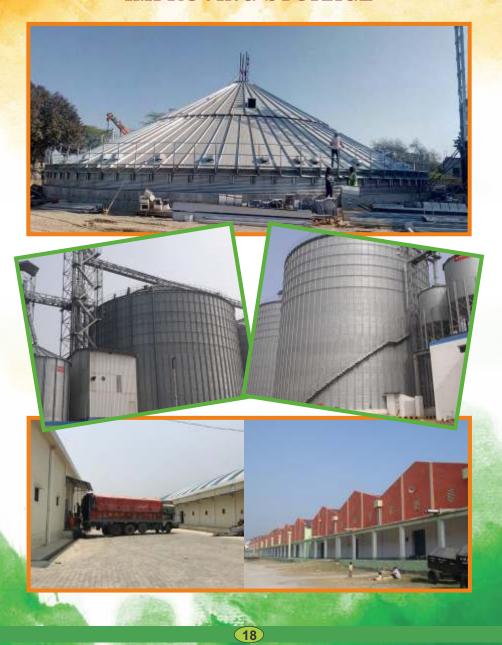
### > Reduction in losses (FCI):

Loss	2015-16		2016-17		<b>2017-18</b> (upto Feb, 2018)	
	MoU Target	Losses Actually occured	MoU Target	Losses Actually occured	MoU Target	Losses Actually occured
Storage loss	0.15%	(-) 0.08 %	0.15%	(-) 0.11%		(-) 0.08%
Transit losses	0.42%	0.30%	0.42%	0.30%	0.38%	0.32%

Note: (-) indicates gain

Sufficient food grains are available in Central Pool Stocks of FCI. Stocks as on 01.04.2018 are 381.04 LMT, comprising 132.31 LMT wheat and 248.73 LMT rice.

## **IMPROVING STORAGE**



### **IMPROVING STORAGE**

- ➤ A total capacity of 1,41,31,735 MT has been completed till 31.03.2018 under Private Entrepreneurs Guarantee (PEG) Scheme out of which godowns of 21,13,829 MT capacity have been completed during May, 2014 to March, 2018.
- Additional capacity created by CWC:

(Fig. in LMT)

S1.	Year	Under PEG	CWC own & for other	Total
No.		Scheme	State Organizations	
1	2014-15	0.94	0.84	1.78
2	2015-16	0.71	0.91	1.62
3	2016-17	0.17	0.78	0.95
4	2017-18	0.10	0.39	0.49
	Total	1.92	2.92	4.84

- ➤ In addition to above, a total of 1,20,200 MT capacity has been created by FCI in the North-Eastern States and a few other States using funds under the Central Sector Scheme during 2014-15 to 2017-18.
- Further, the States Governments of the North Eastern States and J&K have constructed intermediate storage godowns of capacity of 37,075 MT during 01.04.2014 to 31.03.2018 using grant-in-aid under the Central Sector Scheme.
- > Construction of Steel Silos: A road map for creation of 100 Lakh MT storage capacity in the form of Steel Silos by FCI and other agencies including State Governments on PPP mode for wheat and rice has been approved. Construction has been planned in a phased manner. The progress made during the last four years is as under:

_											
Locations finalized 2017-18	No of locations	1			1		100	7			6
Loca final 2017	Capacity (in LMT)	1.00		8	1.00		Shall	4.50			6.50
Tenders floated yet to be finalized 2017-18	Locations	19	1			1			7		20
	Capacity (in LMT)	10.00	0.50								10.50
Achievement 2017-18	No. of locations										
	Completion of Silos (in LMT)										
	No. of locations	2									2
	Selection of Silo operator (in LMT)	1.00									1.00
Achievement 2016-17	No. of locations	1			3	6					13
	Completion of Silos (in LMT)	0.25			1.5	4.5					6.25
	No. of locations	32			31	6	1				72
	Selection of 2016-17 2017-18 Silo operator (in LMT)	16.00	-		17.00	4.50	-				37.50
Target (In LMT)	2017-18	10.00	1.50		7.00	an vale	rail.	2.00	2.00	3.50	29.00
	2016-17	18.00	0.50		12.25	2.00	0.50		100	<b>B</b> .	36.25 29.00
Agency		FCI	CWC	State Govts.	Punjab	Madhya Pradesh	Maharashtra	Haryana	Bihar	Rajasthan	Total



### REFORMS IN SUGAR SECTOR/EDIBLE OILS

The availability of sugar for domestic consumption has been ensured at reasonable prices since 2014. Production of sugar during the last 3 years and estimated production for current sugar season (2017-18) is as under:



- # Estimated for the sugar season 2017-18.
- > Stressed liquidity position of the industry had led to build up of cane price arrears to a peak of Rs. 21837 crore as on 15.04.2015 for sugar season 2014-15. To address the issue following interventions were made:
  - About Rs. 4213 crore of loans has been directly remitted into the account of farmers for payment of cane dues on behalf of the sugar mills by the banks. The Government has released an amount of Rs. 437 crore to the State Bank of India for subvention of interest on the above loan. About 32 lakh farmers have been benefited (2015 & 2016).
  - A comprehensive performance based production subsidy has been extended @ Rs.4.50 per quintal of cane crushed payable to farmers against their cane dues contingent on mills

undertaking export and supplying of ethanol. As on date Rs. 545 crore has been disbursed under the scheme.

- Facilitated supply of ethanol under EBP programme by fixing remunerative price and waiving off excise duty on supply of ethanol during sugar season 2015-16 (up to 10<sup>th</sup> August, 2016).
- Ethanol Blending Programme (EBP) has achieved historical success as supplies of ethanol during the ethanol season 2015-16 have reached record level of more than 110 crore litres which has never been achieved earlier. During 2014-15 and 2013-14 seasons supplies were 68 crore litres and 37 crore litres respectively.
- Due to these measures, 99.82% of cane dues payments of farmers for 2014-15 sugar season and 99.79% (on FRP-basis) for 2015-16 sugar season have been cleared already.
- The cane price arrears of 2014-15, which was Rs. 21,837 crore at peak in April, 2015 has currently come down to Rs. 417 crore. Further, as on 14.04.2018, 99.90% (on FRP basis) cane price arrear for 2016-17 sugar season has been cleared and about 81% of the current 2017-18 arrears on FRP basis has also been cleared.
- > To improve liquidity of mills thereby enabling them to clear cane price dues of farmers, Central Government has taken following initiatives:-
  - Increased customs duty on import of sugar from 50% to 100% to check any import to the country.
  - Imposed stock holding limits on producers of sugar for the months of February and March, 2018 to stabilize domestic sugar prices.
  - Withdrawn Customs Duty on export of sugar to encourage and promote export of sugar.

- Allocated mill-wise Minimum Indicative Export Quotas (MIEQ) of 20 LMT of sugar for export during sugar season 2017-18.
- Re-introduced Duty free Import Authorization (DFIA) Scheme in respect of sugar to facilitate and incentivize export of surplus sugar by sugar mills.
- Extended financial assistance to sugar mills @ Rs. 5.50/qtl. of cane crushed during 2017-18 sugar season to offset the cost of cane.
- During the period from 01.05.2014 to 31.03.2018, 90 cases of Sugar Development Fund (SDF) loans worth Rs. 1638.34 crore were approved and loans of Rs. 1647.38 crore were disbursed to Sugar Mills from the SDF for Modernization, Cogeneration, Ethanol and Cane Development.
- ➤ Under SEFASU 2014 scheme, DFPD released an amount of Rs. 2496.46 crore from 01.05.2014 to 31.03.2018 for subvention of interest on the loans worth 6484.77 crore availed by the Sugar factories from the Banks.

### **Maintaining Prices in edible Oils**

- To prevent any shortage and tendency of pushing up of the price, Government has imposed Stock Holding limits on edible oil upto 30.09.2018.
- ➤ Keeping in mind the interest of the farmer, consumer and the industry, with effect from 01.03.2018, import duty on edible oils was revised as follows:

Oil	Crude	Refined		
Palm Oils	44%	54%		
Soyabean Oil & other Oils	30%	35%		
Sunflower Oil & Rapeseed Oil	25%	35%		

> With effect from 27.03.2017, export of Groundnut oil, Sesame oil, Soyabean oil and Maize oil in bulk has been permitted so the farmers get better remuneration for their crops

# ACHIEVEMENTS OF FCI, CWC, CRWC, WDRA AND NSI



# ACHIEVEMENTS OF FCI, CWC, CRWC, WDRA AND NSI

### Achievements of Food Corporation of India (FCI)

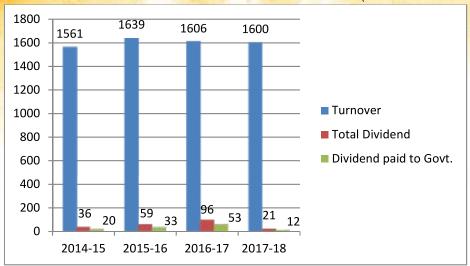
In view of Modernization and Reforms for Improving Organizational Efficiency, during last 4 years, various initiatives have been taken by FCI. Glimpse is as follows:

- Construction of Silos: for use of modern technology in storage of foodgrains
- Introduction of Depot Online System: a system to check leakage and for automation of operations at the depot level.
- Online Procurement Management System: for online procurement of foodgrains
- Pension Scheme & Post Retirement Medical Scheme: There was long pending demand from employees of FCI for introduction of Defined Contribution Pension Scheme. The scheme, which was under various stages of examination since the year 2008 has finally been approved by Union Cabinet in its meeting on 10.08.2016. These schemes have been made effective from 01.12.2008 and 01.04.2016 respectively vide circular dated 30.12.2016.
- Watch & Ward staff in FCI revised strength approved by Govt.: In order to ensure the security and safety of foodgrains kept in godowns of FCI, a long pending proposal since 2010, for revision of strength of Watch & Ward Staff of FCI has been approved by the Government in May, 2016. As a result, revised strength of regular W&W staff in FCI is now 5056. As a follow up of this restructuring, FCI has initiated action for filling up of 3457 vacant posts.

### Achievements of Central Warehousing Corporation (CWC)

Year-wise turnover achieved by CWC:

(Amount in crore)





MD, CWC handling over Dividend Cheque to Secretary (F&PD)

- To promote digitization and cashless transactions, an additional discount of 5% is being given on warehouse charges to the individual farmers for cashless transactions apart from 30% regular discount being given to the farmers.
- CWC has implemented Online Payroll System, CPF information and online Performance Appraisal System (APR) implemented for the benefit of employees, Warehouse Management System (WMS), Enterprise Resource Planning (ERP) TALLY for accounting in order to have transparency on Pan India basis.
- More than 99% of the payments and receipts in CWC are through digital means only. 6946 nos. of employees including merchants / depositors have been educated for using digital means for payments / receipts.
- For ensuring transparency and fairness in the recruitment process, CWC for the first time implemented an end to end recruitment process in online mode in 2016-17.
- Depot Online System has been implemented in 156 warehouses for recording online transaction. CCTV system has been installed in 43 warehouses and tender is awarded for installation at 254 warehouses.
- CWC has organized 40 training programmes for awareness of farmers, traders & dal mill owners regarding Negotiable Warehouse Receipts (NWRs) and trained 2000 farmers during 2017-18. Besides this, CWC also organised 2 days post harvest training for farmers which benefitted 720 farmers during the year 2017-18. Workshop to train the staff about Repository Ecosystem which is an important mandate of WDRA was also organised.

#### > Central Railside Warehouse Company Limited (CRWC)

- CRWC achieved a turnover of Rs. 86.71 crore in the year 2016-17 and paid a dividend of Rs. 6.08 crore in that year.
- During the year 2017-18, CRWC handled 1,25,312 wagons, as against 1,23,664 wagons handled during the FY 2016-17.

- Construction of 13,800 MT RWC at Pahleja Bihar in place of existing terminal at Dehri-on-Sone has been completed. With addition of this terminal, the total installed capacity has gone up to 3,43,267 MT.
- Construction of 3000 MT Railside Warehouse Complex (RWC) at Jogeshwari, Mumbai was taken up during the year and the same was completed and commissioned on 17.05.2017.
- Construction of 20,400 MT transit warehouse at Fatuha, Bihar with temperature controlled storage at an estimated cost of Rs.22 crores has been taken up. This will be a crucial facility catering to trade in Eastern Region.
- CRWC signed a MoU with MSTC, a mini Ratna PSU and e-commerce service provider under Ministry of Steel on 03.03.2017 for providing logistics support for last mile connectivity to buyers on the auction platform. An auction portal named e-Rashtriya Kisan Agri Mandi (e-RAKAM) was launched on the 1st of August, 2017 by CRWC, in association with MSTC, for the benefit of farmers and overall development of Agriculture sector in the country. The portal has attracted sale of Pulses, Ginger, Turmeric and other agri-commodities by various organizations including NAFED, Jeevika, FPOs, etc.
- For enhancing security at the terminals, CRWC has successfully installed and commissioned CCTV surveillance system at 14 locations during the year.

# > Achievements of Warehousing Development and Regulatory Authority (WDRA)

• Details of warehouses registered by WDRA and Negotiable Warehouse Receipts (NWRs) issued by them during 2014-15, 2015-16, 2016-17 and 2017-18 are tabulated below:

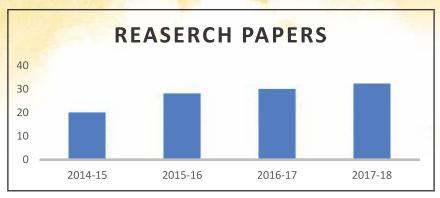
S.No.	Years	No. of Warehouses Registered	No. of NWRs issued by registered warehouses	Value of commodities deposited against NWRs (Rs. in Crore)	Loan against NWRs (Rs. in Crore)
1.	2014-15	234	16993	1160.66	388.42
2.	2015-16	588	15178	845.05	203.47
3.	2016-17	214	19350	719.93	148.40
4.	2017-18	261	12199	501.54	118.31
Cumulative total since inception		1697	86139	5582.78	1663.27

- To simplify the process of registration of warehouses and for their better and effective regulation and supervision, new rules namely, the Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017 have been notified.
- To provide safety, credibility & improve the fiduciary trust of banks in NWR system, WDRA has started online warehouse registration process and issuance of electronic NWRs through repositories. WDRA has engaged two repositories, namely National Electronic Repository Ltd. (NERL, sponsored by NCDEX) and CDSL Commodity Repository Limited (CCRL, sponsored by CDSL) for creation and management of e-NWRs. Both the repositories have started operations for issuing e-NWRs w.e.f. 26.09.2017.

#### > National Sugar Institute (NSI), Kanpur

- New courses on "Quality Control", "Sugarcane Productivity and Maturity Management", "Industrial Instrumentation & Process Automation" and on "Quality Control & Environment Science" have been introduced.
- Customized training programme were conducted for overseas client units from Yemen, Bhutan and Kenya.
- Facilities at the institute have been upgraded by converting conventional classrooms into "SMART" classrooms, establishment of "Auto-CAD Lab", "Instrumentation Lab", "Language Lab",

"Nano-Brewery" and "Ethanol Unit" etc. The Institute campus has been converted into Wi-Fi campus. Analytical Laboratory having NABL accreditation has been established so as to analyse sugar and sugar-house product samples as received from sugar factories, distilleries etc. The publication of research papers and consultancies taken up during the last 4 years is indicated below:



No. of papers published /presented during last four years



No. of Consultancies rendered during last four years

 Research papers on the issues relating to sugar and alcohol industry viz. treatment of waste water, production of ethanol from alternate feed stocks, water & energy conservation and value addition etc. were presented during the 29th Congress of International Society of Sugar Cane Technologists held at Thailand, 23rd IBC Asia held at Jakarta, Indonesia and 8th IAPSIT Conference at Udon Thani, Thailand.

- The Institute also rendered technical consultancy on various issues e.g. Lower sugar recovery, inferior sugar quality, higher steam and power consumption, general check-up, fuel steam balancing and on water management to sugar, ethanol and allied industries.
- The Institute also rendered technical consultancy to overseas clients, namely, M/s Kibos Sugar Refinery & Industries Ltd. Kisumu, Kenya and M/s Tembo Sugar Limited Kilfi County, Kenya.



Hon'ble Minister for CA, F&PD during 48<sup>th</sup> convocation of NSI, Kanpur

#### Hindustan Vegetable Oil Corporation Ltd (HVOC)

HVOC is a sick PSU which is under liquidation in the High Court of Delhi since 2002. All its units were closed, but about 100 employees remained in its strength. Its landed assets in 7 cities were kept out of liquidation, but their disposal was pending. In order to expedite the liquidation of HVOC, the employees were relieved under an attractive VRS package at 2007 pay scales in 2016. All the landed assets of HVOC located at seven cities, have been handed over to Ministry of Housing & Urban Affairs. Subsequently, Department of Economic Affairs, Ministry of Finance has waived all the loans of HVOC and interest accrued thereon. The liquidator has completed disposal of all movable assets, except at Kolkata due to an order of the High Court of Calcutta.

# Achievements



#### **OTHER ACHIEVEMENTS**

#### Policy Changes

- Fortification of Staple Food: To address acute malnutrition in the population, a strategy of Fortification in Food has been adopted. As a consequence of inputs and proactive initiatives taken by the Department of Food & Public Distribution in consultation with all Stakeholders, the Food Safety & Standards Authority of India has operationalized the standards for fortification of five staples – Wheat flour, Rice, Milk, Edible Oil and Double Fortification of Salt. These standards came into force with effect from 16-10-2016. Department on its part advised all States/UTs in December, 2016 and January, 2017 to distribute fortified wheat flour and fortified edible oil as per FSSAI Standards. The use of three staple foods, wheat flour (iron, folic acid and Vitamin B-12), edible oil (Vitamin A & D) and double fortified salt (iodine and iron) have been made mandatory under ICDS with effect from 10-7-2017 and MDM with effect from 2-8-2017 by Ministry of Women & Child Development and Ministry of Human Resource Development respectively.
- Wheat-Rice Policy: Government of India formulated a wheat-rice policy in June, 2016 with an objective that the States, which annually procure more wheat or rice than their present annual entitlement/demand for wheat and rice respectively, will be allocated the preferred foodgrains as per their requirement in the normal NFSA allocation i.e. AAY and Priority category. The allocation in the tide over category will be at the discretion of the Department and subject to availability of foodgrains in the Central Pool and impact on food subsidy.
- **Revamping the policy** The policy regarding "Additional Allocation of foodgrains to States/UTs in connection with festivals, natural calamities and law & order situation" was revamped with effect from 18.08.2017. Now, the States/UTs requesting for additional allocation are required to furnish notification in case of drought and declaration

in case of floods. Allocation upto three months is made at the request of the State Government. However, beyond three months allocation is made subject to recommendation of Ministry of Agriculture & Farmers' Welfare in case of drought; and on the recommendation of Ministry of Home Affairs in case of Law & Order situation and natural calamity other than drought. Under the revamped policy the additional allocation is released only for the non-NFSA beneficiaries, as the NFSA beneficiaries are otherwise getting their foodgrains allocation. The CIP continues to be MSP/MSP derived rates in case of wheat and rice respectively.

- Revamping the policy [Allocation of Foodgrains to Welfare Institutions and SC/ST/OBC Hostels] The policy regarding "Allocation of Foodgrains to Welfare Institutions" and "Allocation of Foodgrains to SC/ST/OBC Hostels" was revamped with effect from 1-9-2017 by clubbing both the schemes into a single scheme "Allocation of Foodgrains to Welfare Institutions and Hostels". In order to bring transparency in allocation and distribution, States/UTs requesting for allocation of foodgrains are required to post the details regarding Institutions/Hostels, total capacity, present strength, etc. on their respective portals. Allocation is made at the rate of 15 kg per inmate per month. States/UTs are allocated foodgrain with an upper limit of 5% of their entitlement under the erstwhile BPL quota. The Central Issue Price continues to be at the BPL rates.
- Foodgrain Stocking Norms (erstwhile called the Buffer Norms) The Foodgrain Stocking Norms have been reviewed and revised with effect from 1-January-2015. The main objective of the Foodgrain Stocking Norms (Buffer Stock policy) is to meet the prescribed minimum stocking norms for food security, to ensure monthly release of foodgrain for supply through the National Food Security Act / Other Welfare Schemes, to meet emergency situations arising out of unexpected crop failure, natural disasters etc. and to use the foodgrain stock in the Central Pool for market intervention to augment supply so as to help moderate the open market prices. The minimum stock of foodgrains in the

Central Pool has been fixed as follows with effect from January, 2015:-

		(in million tons)		
As on	Rice	Wheat	Total	
1 <sup>st</sup> April	13.58	7.46	21.04	
1 <sup>st</sup> July	13.54	27.58	41.12	
1st Oct	10.25	20.52	30.77	
1 <sup>st</sup> Jan	7.61	13.80	21.41	

**Note:** The above norms include a Strategic Reserve of 3 million ton of wheat and 2 million ton of rice.

- During the year 2016-17 and 2017-18 media campaign was launched by publishing advertisements in States/UTs in English, Hindi and regional languages, to generate awareness among beneficiaries about their food security right under the National Food Security Act, 2013.
- A considerable progress has been observed in implementation of various components of e-Office in last four years. The number of e-Files created / opened as a percentage of the total files in the Department is consistently more than 90% since April, 2017. Further, the aggregate percentage of e-files on e-Office portal reached around 86% in April, 2018 which was 13% in March, 2017 due to digitization of physical files and subsequent migration from physical to electronic files on e-Office and closure of inactive physical files. The scanning of the files is going on since January, 2017 and 23,000 files (56,30,019 pages) have been scanned till 30<sup>th</sup> April, 2018 and around 13,500 files were subsequently migrated to e-Office. A Certificate of Appreciation has been conferred by DAR&PG to the Department in recognition of commendable work done in implementation of e-Office.
- A twitter account has been opened for the Department (<a href="https://twitter.com/fooddeptgoi">https://twitter.com/fooddeptgoi</a>). Further, a core team has been constituted in the Department under the charge of a Joint Secretary & consisting of 3 Director level officers to deal with Social Media Activities.

- The Department is a participant of Smart India Hackathon, 2018 (SIH-2018), an initiative of M/o Human Resource Development (M/oHRD). Three problem statements (2 from FCI & 1 from WDRA) were deliberated upon during this software edition Grand Finale of SIH-2018 held on 30-31st March, 2018 at Welingkar Institute of Management Development & Research, Mumbai. Further, two problem statements from CWC have also been selected for Hardware Edition of Smart India Hackathon, 2018, which is likely to be held later this year.
- The website of the Department of was restructured and redesigned in 2015 to make it GIGW compliant and subsequently granted Standardisation Testing and Quality Certification (STQC) which is valid upto 8th May, 2020.
- > The Department of Administrative Reforms & Public Grievances (DAR&PG) has recognized the commendable work done by the Department in implementation of e-Office and a "Certificate of Appreciation" was given by the Hon'ble Minister of State, DAR&PG to the Department in the month of March, 2018.
- > One international training course on "Warehouse management for scientific storage of foodgrains" for SAARC countries was organized and conducted at IGMRI, Hapur, w.e.f. 26.03.2018 to 30.03.2018. 16 candidates from SAARC member countries, such as, Bangladesh, Bhutan, Srilanka, Maldives, Nepal and India were participated in the training programme.



Hon'ble President of India distributing 3rd Prize under Rajbhasha Kriti Purasakar scheme to the then Secretary, F&PD



## **SWACHH BHARAT ABHIYAN**



#### **SWACHH BHARAT ABHIYAN**

- Department of Food & Public Distribution observed several 'Swachhta Pakhwada' as per the period allotted by the Ministry of Drinking Water and Sanitation and Cabinet Secretariat.
- Various activities were carried by Department of Food and Public Distribution and its offices during the 'Swachhta Pakhwadas' to improve cleanliness not only in office premises but also its surrounding area.
- For the first time, FCI, CWC & CRWC have instituted Running Trophies for the cleanest depot/terminal at the national level. FCI Depot, Gwalior, Central Warehouse, Chhindwara and RWC terminal, Pune were selected as the cleanest at the national level. FCI has also instituted Running Trophies at regional level for the cleanest depot in the region.
- In addition to above following activities have also been carried out by its offices during 'Swachh Bharat Abhiyan':
  - **Food Corporation of India (FCI)** has constructed more lavatory blocks for employees in 173 depots and provided safe drinking water in 89 depots and sanitation and water supply facilities in 51 depots have been upgraded/provided. 17 toilets in 2017-18 costing to Rs. 45 lakh approx. have also been constructed.
  - Central Warehousing Corporation (CWC) contributed Rs. 44 lakh in 2014-15, Rs. 200 lakh in 2016-17 and Rs. 180.73 lakh in 2017-18 toward Swachh Bharat Kosh. Rs. 133.25 lakh was contributed towards Namami Ganga by CWC in 2015-16. A toilet block was constructed at ICD- Attari and in a school in U.P. in 2014-15 and 5 more toilet blocks have been constructed in schools in 2017-18 by CWC. Further 50 Rain Water Harvesting Systems were completed at a cost of Rs. 85.60 lakh in 2015-16 and 55 more Rain Water Harvesting Systems have been competed in 2017-18 at a cost of Rs. 91.37 lakh by CWC.

**Central Railside Warehouse Company Limited** (CRWC) contributed Rs. 11.37 lakh in 2016-17 towards 'Swachh Bharat Kosh'. They have also contributed Rs. 11.50 lakh in the said Kosh during 2017-18.

Swachhta Shapath





Drawing Competition

Nukkad Natak



## **DEPARTMENT OF CONSUMER AFFAIRS**

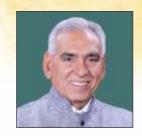




#### **Vision and Mission**





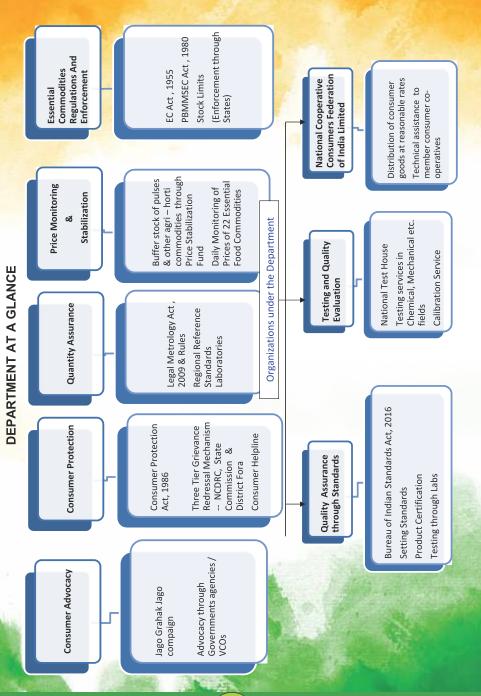


#### Vision

To enable consumers to make informed choices; ensure fair, equitable and consistent outcomes for consumers; and facilitate timely and effective grievance red ressal.

#### Mission

To empower consumers through awareness and education; enhance consumer protection and safety through progressive legislations and prevention of unfair trade practices; enable quality assurance through standards and their conformance; and ensure access to affordable and effective grievance redressal mechanisms.

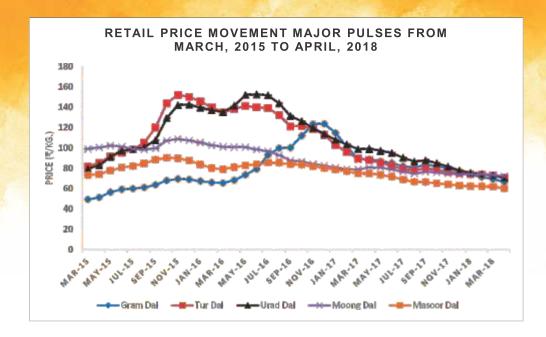


#### PRICE STABILIZATION FUND

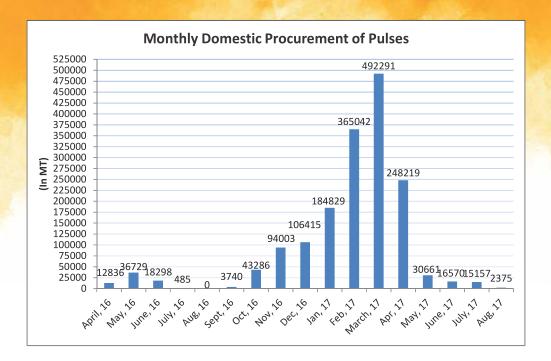
- Government of India set up the "Price Stabilization Fund" (PSF), for the first time in 2014-15, with the objective of protecting consumers from excessive price volatility in agri-horticultural commodities like onion, potatoes and pulses.
- The PSF was set up with an initial corpus of ₹ 500 crore. The PSF has been strengthened through enhanced budgetary allocation and the total budget allocation to this corpus fund now stands at ₹12610 crore.
- The PSF is for procurement of agri-horticultural commodities to enable supply, at reasonable prices, through calibrated release of stock. In so doing, it also seeks to benefit farmers by promoting direct purchase of these commodities at the farm gate and Mandis.
- Interest-free advances is provided from the PSF to Central Agencies and State Governments towards working capital for procurement of pulses and perishable agri-horticultural commodities.

#### Creation of a Dynamic Buffer Stock of Pulses

- For the first time, a buffer stock of upto 20 lakh MT of pulses is created through the Price Stabilization Fund (PSF). The primary objective is to manage price volatility of pulses.
- The buffer was utilized to release pulses at subsidized rate, to states as well as Central Agencies for direct retailing to the consumer. In addition, pulses were also auctioned in the open market to improve availability and moderate prices since 2016-17. These interventions, alongwith higher production of pulses, have helped moderate their retail prices, as depicted below.



- Government has also approved the utilization of these pulses in buffer for meeting the requirement under various Schemes which provides nutrition to targeted beneficiaries as well as to States for meeting their requirement under any such schemes for ensuring optimal utilisation and appropriate management of the buffer.
- As on 29.05.2018, an overall procurement of 20.50 lakh tonnes of pulses was undertaken towards building the buffer have been created (16.71 lakh tonnes of pulses procured from farmers domestically and 3.79 lakh tonnes imported) out of which 8.50 lakh MT of pulses have been released/disposed off to help moderate prices in domestic market.
- Domestic procurement/purchase of almost 16 lakh MT of pulses was undertaken during Kharif Marketing Season 2016-17 and Rabi Marketing Season 2017-18, benefitting around 8.5 lakh farmers.
- Government has also entered into G2G contract with Mozambique to ensure assured supply of pulses.



#### Other activities under PSF

- Domestic procurement of 5131 MT onion took place in 2017-18.
- A buffer stock of around 17760 MT of Onions was created in 2016-17.
- Import of 5000 tonnes of Tur & 2000 tonnes of Onions took place in 2015-16
- Domestic procurement of 6011 tonnes of Onions was undertaken in 2015-16
- Financial assistance provided to West Bengal, Andhra Pradesh, Telangana and Odisha for setting up state level PSF.

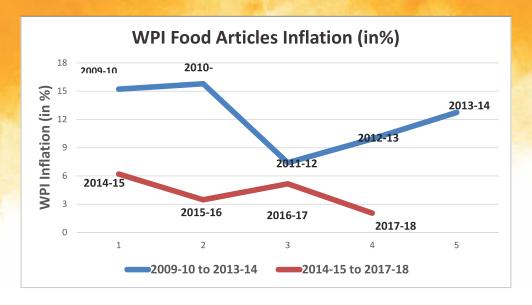


#### **DAILY MONITORING OF PRICES OF ESSENTIAL COMMODITIES**

- In order to enable taking of timely policy decisions as well as appropriate market interventions, the Department monitors wholesale and retail prices of 22 essential commodities on a daily basis, across 102 centres spread throughout the country.
- Over the last 4 years, the number of centres from which price data of these 22 essential commodities is collected have increased from 57 to 102, thereby improving coverage and building a robust system for collection and reporting of prices

List of Commodities Monitored by PMC							
Total No. of Commodities : 22							
Grains & Pulses	Edible Oils (Packed)	Vegetables	Others				
Rice	Groundnut Oil (Packed)	Potato	Sugar				
Wheat	Mustard Oil (Packed)	Onion	Gur				
Atta (Wheat)	Vanaspati (Packed)	Tomato	Milk				
Gram Dal	Soya Oil (Packed)		Tea Loose				
Tur/Arhar Dal	Sunflower Oil (Packed)		Salt Pack (lodised)				
Urad Dal Palm Oil (Packed)							
Moong Dal							

- Prices of these 22 essential commodities are available in public domain and may be seen at the website of the Department at <a href="https://www.consumeraffairs.nic.in">www.consumeraffairs.nic.in</a>.
- For a more broadbased and real time capture of price data of these 22
  essential food itmes, the Department launched a web-portal for crowdsourcing
  of prices enabling citizens and stakeholder to provide information from any
  location across the Country.



 The regular monitoring of prices and appropriate policy interventions have contained prices of food articles during the period 2014-15 to 2017-18 as is reflected both in WPI Food Articles Inflation and CPI Combined Food Price Inflation during the last four years.



#### **CONSUMER PROTECTION**

#### **The Consumer Protection Bill, 2018**

To align the 32 year old Consumer Protection Act, 1986 to the current realities, the Consumer Protection Bill, 2018 was introduced in Parliament on 05.01.2018. The Bill provides for setting up of an executive agency to be called Central Consumer Protection Authority (CCPA), which will look into unfair trade practices, misleading advertisements etc., provision for 'mediation' as an alternate disputes resolution mechanism to facilitate quick disposal of consumer disputes, provision for product liability action arising out of injury to a consumer from a defective product, provisions for preventing unfair trade practices in e-commerce and direct selling and several provisions relating to simplification of the adjudication process in the consumer Commissions.



#### **National Consumer Helpline**

National Consumer Helpline has been set up by the Department of Consumer Affairs to handle consumer grievances through toll free no. 1800-11-4000 and also through a **short code 14404.** 

The numbers of consumer helpline agents were increased from **14 to 60** in 2016 so as to make the consumer helpline efficient and reduce the waiting time for getting connected to agents for lodging the complaints

To ensure speedy disposal of grievances, the National Consumer Helpline has partnered with more than **400 companies** including major e-commerce, product and service companies (as convergence partners) whereby complaints received are forwarded online to them and monitored by the helpline. Efforts are being continuously made to increase the number of convergence partners.

Six zonal consumer helplines with ten help desks each were established at Ahmedabad, Bengaluru, Guwahati, Kolkata, Jaipur & Patna to attend to the consumer grievances in the regional languages.

A web chat facility has also been launched in March, 2017 to enable the consumers to seek guidance with regard to their grievances from the National Consumer Helpline.

#### Calls received in the National Consumer Helpline

> Financial Year	Total Calls/ Dockets	% Growth
2015-16	1,72,558	Base Year
2016-17	2,98,589	73.0%
2017-18	4,54,904	52.4%

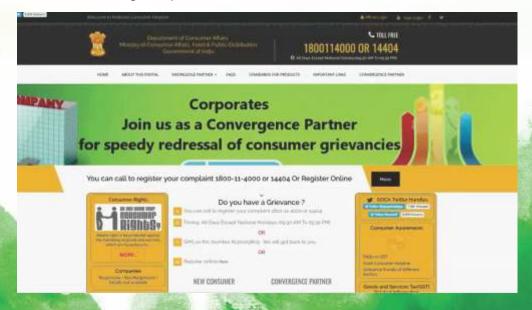
#### **INGRAM**

A new Integrated Grievance Redressal Mechanism portal (INGRAM) was launched during September, 2016 for providing a common IT platform for various stake holders involved in the Consumer Grievance Redressal Mechanism and for disseminating information to consumers.

The portal handles roughly **four lakhs consumer grievances in a year**. Under the convergence programme National Consumer Helpline has **partnered with more than 400 companies**.

Various stakeholders viz. Consumers, Department of Consumer Affairs, Companies and Regulators have been brought on a single platform to enable effective and speedy redressal.

Apart from grievance redressal, information is disseminated to consumers on Products, Services, Company addresses, Ombudsman, Regulators and consumer fora through the portal.



#### **Campaign with Google**

Indian consumers are increasingly going online for financial transactions, e-Commerce, exchanging emails or simply surfing the internet for information. The Department in collaboration with Google ran a one year campaign in 2017-18 to protect the consumers in online environment and for raising awareness amongst them.

#### **GRIEVANCES AGAINST MISLEADING ADVERTISEMENTS (GAMA)**

In order to address the grievances pertaining to misleading advertisements in March, 2015, a portal Grievances Against Misleading Advertisements (GAMA) was launched and can be accessed at <a href="https://gama.gov.in">https://gama.gov.in</a>. Consumers can register complaints against false/misleading advertisements on this portal.

Till date, a total 7636 complaints have been registered on the GAMA Portal. Of these 4113 complaints have been resolved.



#### Other achievements

 Guidelines on fair Trade practices related to service charges from consumers by Hotels/Restaurants were issued by this Department on 21st April, 2017. It

was mentioned that the presented to the customer may clearly that display service charge is voluntary and charge the service column of the bill may be left blank for the customer to fill up before making payment. An aggrieved customer can approach a disputes consumer redressal commission/forum for proper jurisdiction.



 Hon'ble Prime Minister, Shri Narendra Modi inaugurated first ever two days International Conference on Consumer Protection organised by India for East, South and South-East Asian countries on 26-27, October, 2017 with the theme "Empowering Consumer in New Markets" which was attended by 1600 participants that included delegates from 19 countries. Moving forward and institutionalizing regional co-operation was agreed to.



#### CONFONET

#### (Computerisation and Computer Networking of Consumer Forums in Country)

Under the Consumer Protection Act, 1986, a three-tier quasi-judicial mechanism has been established at the district, State and National levels, popularly known as 'Consumer Fora' to provide simple, inexpensive and quick redress of consumer disputes. This includes the National Consumer Disputes Redressal Commission(National Commission) at the apex level, 35 Consumer Disputes Redressal Commissions(State Commissions) and 645 District Consumer Dispute Redressal Fora (District Forum).

A software portal for computerization of Consumer Fora called Computerization and Computer Networking of Consumer Fora (CONFONET) was launched in year 2011. In the last four years, this software has been upgraded and additional features and App based services have been provided.

The software aims to digitize the functioning of the Consumer Fora at all the three tiers throughout the country to enable access of information and quicker disposal of cases. Through this portal, consumers have easy access to information regarding cause lists, judgments, case status etc.

A Mobile Application for Networking of Consumer Fora was launched in December 2017 for complainants to track case status, judgments and retrieve other information



#### OTHER DIGITAL INITIATIVES

- An Online Consumer Mediation Centre (OCMC) for e-commerce complaints was launched in December, 2016.
- A mobile app named "Smart Consumer" was also launched in December, 2016. This app helps the consumer to scan the bar code printed on any packaged commodity and thereby know the details of the product, company etc. and also to register a complaint.
- The Department has tied up with a Social Media Network "Local Circles" to provide an electronic platform for consumers to discuss consumer related issues to generate awareness, get feedback and enable policy interventions where required.

During the aforesaid period, Local Circles hosted online communities, expanded online



communities, conducted polls, moderated the platform, conducted 16 large scale structured discussions on topics planned and approved by the Department, shared most common consumer grievances with the Department etc. It provided an online integrated citizen engagement service(Online Consumer Community) and collective consumer pulse on various issues to the Department. These online communities are a credible source of consumer pulse on any consumer related issue.



 A microsite (https://goo.gl/8Xcyhu) was launched in December, 2016 in collaboration with "Google India" to educate consumers on internet and digital safety. FAQs on Internet Safety, Safe Financial Transactions and e-commerce are available in the microsite.

#### INGRAM V2.0:

During the year 2017, an upgraded version 2.0 of the web portal http://consumerhelpline.gov.in was launched by the Department developed in-house by the NIC cell. The new version provides an effective and efficient multi-layer grievance handling system. This portal integrates various stakeholders of the Consumer Grievance Redressal process and provide a common platform for all to put in place effective and efficient consumer grievance redressal mechanism.

#### ONLINE CONSUMER WELFARE FUND PROPOSALS:

Proposals under the Consumer Welfare Fund Scheme was called online and processes for verification of VCOs have been integrated with NGO Darpan portal.

#### SOCIAL MEDIA:

The Department has initiated various measures to reach the consumers through the social media. The department has uploaded various consumer awareness material in Youtube Channel, Facebook. Two twitter handles viz. @consaff for addressing consumer grievances including those related with e-commerce and @jagograhakjago for creating awareness amongst consumers are available and operational.

#### ONLINE MODEL APPROVAL SYSTEM:

The process of Model Approval of the Legal Metrology Division has been automated to enable online application and approval.

#### • OTHER E-GOVERNANCE INITIATIVES:

Various e-governance projects such as CompDDO, E-granthalaya, RTI (Right To Information) software, e-Samiksha, Parliament Q & A, BAS (Biometric Attendance System), e-visitor, CPGRAMS, VLMS (VVIP Letter Monitoring System), AVMS (Accredited Vacancy Monitoring System), e-Tendering and Procurement, Vacancy Details posting on DOPT site and Sparrow which are centrally deployed by NIC have been implemented successfully in the department. NIC is also extending support during the Pragati Conference of the Hon'ble Prime Minister.

#### **CONSUMER AWARENESS**

- The Department has been carrying out a country wide multi-media awareness campaign, namely "Jago Grahak Jago" on various issues related to consumer rights. "Jago Grahak Jago" campaign today has become a house hold name.
- The Department promoted video spots on various consumer related issues such as the rights of Consumer, Grievance Redress system, MRP, ISI and Hallmark. These are telecast through Doordarshan and various Satellite channels.

#### USE OF NEW MEDIA:

In 2017-18 new media like digital cinema has been utilized for consumer awareness campaign. Three contests were posted on Mygov portal to crowdsource video clips, jingles and mascot designing in respect of "Jago Grahak Jago" campaign with the intent to capture the imagination of young generation and engage them in consumer awareness activities.

 Conferences, exhibitions and melas to showcase the achievements of the Department are being organized with participation of National Test House, Bureau of Indian Standards, National Consumer Helpline, Legal Metrology Division and Voluntary Consumer Organizations.

#### NEW INITIATIVES IN THE FIELD OF CONSUMER AWARENESS

In order to create awareness amongst the people living in rural and backward areas, this Department is taking part in important fairs/festivals across the Country. The Department took part in the



Shravani Mela, Sonepur Mela, Prakashotsav in Bihar, Nagaur Mela in Rajasthan, Ambubachi Mela in Assam.

- This Department has released one short film on the occasion on International Conference on Consumer Protection (26-27<sup>th</sup> October, 2017) where the Hon'ble Prime Minister spoke at length about consumer empowerment.
- An exhibition was set up on occasion of the International Conference to give a digital and design experience to the visitors and also to expose them to the various activities performed by Department of Consumer Affairs.
- Also, an exhibition exhibiting the creativity and imagination of school children in form of paintings was set up in Vigyan Bhawan, New Delhi on the occasion of celebrating National Consumer Day 2017.



#### **EASE OF DOING BUSINESS: GUIDELINES ON DIRECT SELLING**

"Direct Selling" means marketing, distribution and sale of goods or providing
of services directly to consumers otherwise than through a "permanent retail
location". This may be done at their houses, at their workplaces or through
demonstration of such goods and services at a particular place.



- According to a joint study by FICCI & KPMG, the size of direct selling industry was `7,200 crore in 2012-13 and has potential to reach `64,500 crores by 2025. In 2012-13, the industry employed 5.8 million direct sellers which could grow to 18.1 million in 2025. Out of this, 3.4 million were women and this figure is likely to increase to 10.6 million by 2025.
- Business strategies of Direct Selling were at times confused with pyramid schemes and considered under Chit and Money Circulation Schemes Banning Act.
- After detailed deliberations by an Inter-Ministerial Committee, DoCA issued an Advisory to the State / UT Governments in the form of Model Framework on Guidelines for Direct Selling Entities on 9<sup>th</sup> September, 2016 and Gazette Notification on 26<sup>th</sup> October, 2016.
- The Guidelines issued to the State / UT Governments are guiding principles to strengthen the regulatory mechanism on Direct Selling Companies for allowing legitimate business to continue, preventing frauds and protecting the legitimate rights and interests of consumers.
- The guidelines provide transparency and ease to the consumers. Direct Selling entities are mandated to provide detailed information for protection of the interest of the consumers at the time of sale an also for setting up a grievance redressal mechanism for consumers.

- The guidelines mandate every direct selling entity in the country to submit a
  declaration with the Department of Consumer Affairs in a prescribed proforma
  along with an undertaking stating that it is in compliance with these guidelines.
- So far around 500 direct selling entities have submitted declarations. After preliminary scrutiny of the documents, a provisional list of 209 Direct Selling

Entities, whose documents are complete, has been hosted on the website for public comments for checking accuracy and veracity of the information. If any discrepancy vis-a-viz the guidelines is noticed, public may share the information with the State Governments and the Department. The State Governments in which these Direct Selling Entities are registered and where their headquarters are located, have also been asked for checking accuracy and veracity of the declarations made by the Direct Selling Entities.

#### REFORMS IN LEGAL METROLOGY

 A National Consultation meeting of the State Secretaries and Controllers of Legal Metrology for strengthening Legal Metrology was convened by the Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution, Government of India at New Delhi on 18th March 2017.



## Ease of Doing Business : Relaxation from Legal Metrology ( Packaged Commodities) Rules

- In the interest of small weavers, the thread sold in coil to handloom weavers was exempted in December, 2016.
- In respect of mandatory declarations, importers have been allowed to affix a label on imported packages since May,2015.
- To safeguard the interest of readymade garment industry, an advisory has been issued in December, 2016 that loose garments are not covered under the Rules.



#### Safeguards for Consumers:

- The Packaged Commodities Rules were amended in September,2016 to harmonize the provisions of the Legal Metrology (Packaged Commodities) Rules and the Essential Commodities Act for quantity and Retail Sale Price. This was done to ensure that essential commodities for which Government fixes a retail sale price are sold at the same price in their packaged form also.
- Specifications for Automatic instruments for weighing road vehicles in motion and measuring axle loads were added in the Rules in September,2016 to prevent overloading of trucks, to prevent accidents and minimize wear and tear of roads.
- Sustained campaign was carried out against sale of products (a) above MRP,
   (b) less than declared net quantity and (c) for enforcement of mandatory declarations to be made on packaged commodities.



#### Others:

- All the subordinate offices Regional Reference Standards' Laboratories (RRSLs) and Indian Institute of Legal Metrology (IILM), Ranchi) and Legal Metrology Division of the Department have been certified by ISO 9001 during the year 2015-16.
- RRSL Bhubaneswar, Bangalore and Guwahati have been accredited by National Accreditation Board of Laboratories (NABL) during the years 2015-16 and 2016-17.

- To safeguard the interest of consumers and ease of doing business, the Legal Metrology(Packaged Commodities) Rules were amended w.e.f. 1st January, 2018 as follows:-
  - ✓ Goods displayed by the seller on e-commerce platform shall contain declarations required under the Rules.
  - Specific mention is made in the rules that no person shall declare different MRPs (dual MRP) on an identical pre-packaged commodity.
  - Size of letters and numerals for making declaration is increased, so that consumer can easily read the same.
  - ✓ The net quantity checking is made more scientific.
  - ✓ Bar Code/ QR Coding allowed on voluntarily basis.
  - ✓ Provisions regarding declarations on Food Products have been harmonized with regulation under the Food Safety & Standards Act.
  - ✓ Medical devices which are declared as drugs, are brought into the purview of declarations to be made under the rules.

(Use of unexhausted packaging material/wrapper was allowed up to 30th April, 2018 with an additional sticker or stamping or online printing to implement the amended Rules.)



On account of implementation of GST w.e.f. 1st July, 2017, there were instances where the retail sale price of a pre-packaged commodity were required to be changed. In this context, the manufacturers or packers or importers of pre-packaged commodities (which were in market or even with wholesale dealers/manufacturers, etc) were allowed to declare the revised retail sale price (MRP) in addition to the existing retail sale price (MRP), for three months w.e.f. 1st July 2017 to 30th September, 2017. This was later extended upto 31.3.2018. Declaration of the changed retail sale price (MRP) was allowed to be made by way of stamping or putting sticker or online printing, as the case may be.

- When Government reduced the rates of GST on certain specified items, the permission was granted under sub-rule (3) of rule 6 of the Legal Metrology (Packaged Commodities) Rules, 2011, to affix an additional sticker or stamping or online printing for declaring the reduced MRP on the pre-packaged commodity. In this case also, the earlier Labelling/ Sticker of MRP were allowed to continue to be visible. This relaxation was applicable in the case of unsold stocks manufactured/ packed/ imported after 1st July, 2017 where the MRP would reduce due to reduction in the rate of GST post 1st July, 2017. This was allowed upto 31st March, 2018.
- Two new Regional Reference Standards Laboratories have been established at Varanasi, Uttar Pradesh and Nagpur, Maharashtra. The land for both the laboratories has already been purchased from the respective State Governments and the construction work has started.
- Advisories were issues to safeguard the interest of readymade garment industry
  that loose garments are not covered under the Legal Metrology (Packaged
  Commodities) Rules, 2011 and that size of readymade garments (packed or
  loose) may be declared in SI Unit by sticker, etc.
- The Oil Marketing Companies are being persuaded to install magnetic potted pulser on fuel dispensing equipment to stop any fraudulent practice by way of putting a device or chip in the pulser and to do the electronic sealing to stop fraudulent practice. The electronic sealing has started in some States in the country on pilot basis.
- To enable dissemination of Indian Standard Time in the country, budget provision has been made by this Department for the dissemination of the same through the five Regional Reference Standards Laboratories located at Ahmedabad, Bengaluru, Bhubaneswar, Faridabad and Guwahati with the cooperation of NPL.



- New Initiative-
  - (I) On-line registration of exported Weight and Measures.
  - (II) Specification for Domestic Gas Meter and Energy Meter.

#### **BUREAU OF INDIAN STANDARDS**

#### New BIS Act, 2016

A new Bureau of Indian standards (BIS) Act 2016 was notified on 22<sup>nd</sup>



March, 2016, establishing the Bureau of Indian Standards (BIS) as the National Standards Body of India. The new Act has been brought into force with effect from 12th October, 2017.

- The Act contains provisions for including goods, services and systems, besides articles and processes for the purpose of standardization.
- It has enabling provisions to bring under compulsory certification regime any goods or article of any

scheduled industry, process, system or service which is considered necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security.

- Enabling provisions have also been made for making hallmarking of the precious metal articles mandatory.
- The other important features of the Act include:
  - ➢ It allows multiple type of simplified conformity assessment schemes including Self Declaration of Conformity (SDOC) against a standard. This will give simplified options to manufacturers to adhere to the standards and to get certificate of conformity;
  - ➤ It enables the Central Government to appoint other accredited agencies, in addition to the BIS, to verify the conformity of products and services to a standard and issue certificate of conformity;
  - ➤ Provision for repair or recall of the products bearing Standard Mark but not conforming to the relevant Indian Standards has been made.
  - The new Bureau of Indian Standards (BIS) Rules, 2017 have also been notified with effect from 13<sup>th</sup> October, 2017.
  - The "Hallmarking Regulations" under BIS Act, 2016 were finalized and got approved for gazette publication. The regulation contain schemes for grant, operation, renewal and cancellation of - certificate of registration to the

jewelers selling notified precious metal articles, recognition to assaying and hallmarking centres and licence to the manufacturers engaged in refining of precious metal(s).

- The "Conformity Assessment Regulations" under BIS Act, 2016 were finalized and got approved for gazette publication. The new regulations allows multiple type of simplified conformity assessment schemes including self-declaration of conformity against a standard which will give simplified options to manufacturers to adhere to the standards and get licence or certificate of conformity.
- The "Advisory Committees Regulations" under BIS Act, 2016 were finalized and got approved for gazette publication. The new regulations contain composition and functions of various advisory committees such as Finance, Conformity Assessment, Standards, Testing and Calibration and Consumer Affairs for advising BIS on policy matters.
- Guidelines were issued laying down the procedure to be followed by the
  concerned line ministries for making the use of a mark under licence or
  certificate of conformity compulsory, under BIS Act, 2016 to demonstrate that
  goods, article, process, system or service conform to the requirements of a
  standard or the essential requirements. The above stated guidelines also
  covers the procedure for approving and authorizing agencies other than BIS,
  if required, for carrying out conformity assessment activities.
- Keeping in view of increase in number of BIS licensees in the state of Karnataka, it was decided to open a new branch office of BIS at Hubli to better serve geographically. At present there is only one branch office of BIS in Karnataka at Bengaluru.

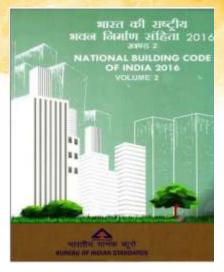
# Highlights of major activities of BIS during last 4 years

Item/Activities (Number)	2014-15	2015-16	2016-17	2017-18
Standards Formulated	746	606	732	742
Product Certification Licenses Granted	3202	3555	4079	4032
Hallmarking Licenses Granted	2171	2883	4692	4641
Assaying and Hallmarking Centres recognized	60	63	156	190

 Special mention may be made of standard number IS 16557 on Solid Waste Management- Segregation, Collection and utilization at household and community levels brought out in April 2016 and IS 16066 on Street Food Vendors brought out in March 2017.

# NATIONAL BUILDING CODE OF INDIA 2016 : ADDRESSING NEW CHALLENGES

- After an extensive and laborious exercise for 2 years involving around 1000 experts under 22 Expert Panels, the Bureau of Indian Standards brought out modern state-of-the-art new version of the Building Code, namely, National Building Code of India 2016, which revises the earlier version of 2005.
- The document covers all aspects relating to building planning, design, construction, operation and maintenance. Substantial improvements have been incorporated for ensuring structurally safe and disaster resistant buildings.
- Due importance has been given to accessibility of buildings and built environment for persons with disabilities and the elderly, fire safety of modern complex and high-rise buildings, use of



- new/innovative building materials and speedier construction through prefab technology, modern plumbing and building services.
- New features such as ICT enabled buildings and management of constructed building assets and facilities have also been introduced.
- The NBC 2016, with its vast coverage on accessibility, low income housing, rural and hill area habitat planning, structural safety of buildings in regions prone to natural disasters like earthquake, environmental sustainability etc. can prove to be of great socio-economic relevance including for Accessible India Campaign of the Government of India.
- The provisions on use of new/innovative materials and technologies and on prefabricated construction techniques can give fillip to speedier construction to meet the objectives of Housing for All by 2022 as envisaged by the Government of India.
- The provisions on information and communication enabled buildings will facilitate implementation of the vision areas of Digital India Campaign.
- The Code also contains administrative aspects prescribing norms for time bound building approval based on integrated approval process from all concerned agencies through single window clearance approach and adopting online process, thereby promoting Ease of Doing Business.

## NATIONAL TEST HOUSE

- The National Test House (NTH) is a premier test and quality evaluation laboratory for industrial, engineering and consumer products under the administrative control of the Government of India since the year 1912. Over the years with its competent and experienced scientists, NTH has been able to widen its scientific services through its regional laboratories at Kolkata, Mumbai, Chennai, Ghaziabad, Jaipur and Guwahati. In the development of indigenous industries to build up a new generation India, National Test House serves as a vital bridge between industrial research and marketable products ensuring conformance to strict quality control.
- The National Test House works in the field of Testing, Evaluation and Quality Control of various engineering materials and finished products and calibration of measuring equipment/instruments and devices. To be precise, the NTH issues test certificates in scientific and engineering fields to certify conformity to national/international specifications or customer standard specifications.

#### **ACHIEVEMENTS OF NTH:**

NTH is lighting the way for the Best Quality Testing for LED based lamps and luminaires in India

While LED based lighting is experiencing tremendous growth in India, under the dream programme "Ujala" of the Hon'ble Prime Minister.

Facility created for Safety Testing of IT Products at Electrical and Electronics Laboratory, at Kolkata and Ghaziabad and duly approved by NABL



AC Main Clock as per IS: 302-2-26



Lamp Control Gear as per IS 15885 (Part2/Sec13): 2012



Self Ballasted

**LED Lamps** 

 Creation of Test facilities for LED Lamps & LED based Luminaires at NTH, Kolkata, by way of installing and commissioning of "Goniometer with Photometer and Sepctro-Radiometer" enabling measurement of Photometric Characteristics, Colour characteristics, Electrical characteristics from a small lamp to a panel light (floodlight).





IT product (Printer) as per: UPS ≤ 5KVA as per IS: 16242(Part 1):2014

IS: 13252: 2010



- Packaged Drinking water test facility has been created at NTH, Kolkata, NTH, Jaipur and NTH, Ghaziabad. NTH, Guwahati will come up in a few months.
- FSSAI awarded a "R&D" project to NTH for determining the "Contamination of food in contact with food packaging materials".
- NTH, Jaipur has been recognised as a food testing laboratory by Food Safety and Standards Authority of India in August 2016.
- Creation of test facilities for Solar panel and solar based appliances at NTH, Jaipur.
- Creation of "Short Circuit" test facility for Transformers at NTH, Ghaziabad.
- Creation of test facilities for Transformers including "Short Circuit" test facility at NTH,Kolkata.
- Creation of Mobile Testing facility at all Regions.



 The following new facilities have been created at Rubber Plastic Paper and Textile Laboratory at Kolkata, Ghaziabad, Chennai and Mumbai

### SWACHHTA ACTION PLAN

Under the Swachhta Mission, this Department has initiated two schemes, namely, (i) Clean Consumer Fora and (ii) Clean Market.

Under the scheme "Clean Consumer Fora" financial assistance @ Rs 25,000/- per toilet is being provided for construction of three toilets – one for men, one for women and one for Disabled- in District Fora. Funds have been released to 23 States/UTs for construction of 971 toilets.



Swachhta Pledge for Swachh Bharat



Nukkad Natak outside Krishi Bhawan

The other scheme is "clean market" under which financial assistance @ Rs 15,000/- per month will be provided to the Voluntary Consumer Organisations (VCOs), which will identify a market place for carrying Swachhta related activities.

The Department observed Swachhta Pakhwada during 16-28 February, 2018. During the Pakhwada, various Swachhta related activities were undertaken such as cleanliness drive in the sections, Nukkad Natak on Swachhta, publicity campaign on Swachhta. The field organisations under the Department- BIS and NTH were asked to adopt schools and bastis for carrying out Swachhta related activities. The Pakhwada commenced on 16th February with administering of Swachhta Pledge by Secretary, Consumer Affairs.



Swachhta Seva Abhiyan



# Consumers... assert your Rights





- 1. The Right to Safety
- 2. The Right to be Informed
- The Right to Choose
- 4. The Right to be Heard
- 5. The Right to seek Redressal
- 6. The Right to Consumer Education

If you feel wronged as a Consumer... seek Justice in Consumer Forums.

Locate the Consumer Forum in your area at www.ncdrc.nic.in





**Online Complaints:** www.consumerhelpline.gov.in

