

16

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मानक : पथप्रदर्शकः

GOVERNMENT OF INDIA
MINISTRY OF FOOD & CONSUMER AFFAIRS
DEPARTMENT OF CONSUMER AFFAIRS
NEW DELHI

CONTENTS

Sl.No.		Page No.
1. CHAPTER I	Highlights	1-3
2. CHAPTER II	Functions and Organisational set up	4
3. CHAPTER III	Price Management and Regulation	5-7
4. CHAPTER IV	Essential Commodities - Availability and Supply Management	8-10
5. CHAPTER V	Administration of Essential Commodities Act	11
6. CHAPTER VI	Consumer Protection	12-17
7. CHAPTER VII	Consumer Cooperatives	18-29
8. CHAPTER VIII	Forward Markets Commission	30-33
9. CHAPTER IX	Bureau of Indian Standards	34-55
10. CHAPTER X	Regulation of Weights & Measures	57
11. CHAPTER XI	Reservations for Scheduled Castes and Scheduled Tribes	58
12. CHAPTER XII	Progressive use of Hindi	59

CHAPTER I

HIGHLIGHTS

1. Price Trend and availability of Essential Commodities

1.1 During the first 9 months (April-December, 97) of the current financial year 1997-98, the annual rate of inflation based on Wholesale Price Index (WPI) numbers, has recorded a modest increase of 4.1% as against the rise of 6.9% in the corresponding period of the last year. The lower rate of inflation during the current year can be attributed mainly to improved agricultural output, effective supply management, liberalised imports of items in short supply and renewed emphasis on Public Distribution System (PDS). Among the three major groups, the WPI of manufactured products rose comparatively at a lower rate of 3.1% during the first nine months of the current financial year as compared to an increase of 4.0% during the corresponding period of last year. The WPI of primary articles also exhibited a lower increase of 3.9% as against 9.9%. Though the price indices of fuel, power, light and lubricants rose at a higher rate of 9.7% as compared to the other two major groups, it was mainly due to the increase in the administered prices of petroleum products.

1.2 The wholesale prices of most of the commodities during the current financial year exhibited a mixed trend. While, the prices of few essential commodities such as onions, milk, fish, tea, gur, salt etc. were higher during April-December 97 than during the corresponding period of the last year, those of rice, gram, mutton, sugar, and cotton cloth(mills) were lower. A significant declining trend was noted in the WPI of wheat, jowar, bajra, arhar, moong, masur, urad, potatoes, chillies, atta, mustard oil and coconut oil during the period under review.

1.3 As in the past years, the major thrust of the Government policy has been to enhance the indigenous production of the essential commodities and to ensure their easy availability to the common man at reasonable prices throughout the year. Essential commodities such as pulses, edible oil were allowed to be imported under OGL in order to augment their availability in the open market. The availability and prices of most of the essential commodities such as foodgrains, sugar, edible oils, vegetables etc. remained generally satisfactory during the period of reporting.

2. Consumer Protection Programme

2.1 The Department continued with the monitoring of functioning of the consumer courts set up under the Consumer Protection Act, 1986 and took remedial measures to remove the problems faced by them. A meeting was

convened with the Secretaries in charge of Consumer Affairs in States/UTs to review the working of the consumer courts and other related issues. The scheme of giving one-time assistance to the States/UTs to strengthen the infrastructure of consumer courts was continued during 1996-97. A provision of Rs.10 crores has been made during the current year for this purpose.

2.2 The Central Consumer Protection Council was reconstituted and its 18th meeting was held on 31.5.1997. A permanent Standing Working Group has been set up under the aegis of the Council which would meet frequently to consider consumer-related issues. Its first meeting was held on 24.10.97.

2.3 The Department continued with the release of grants to non-governmental organisations from the Consumer Welfare Fund. The main objective of the Fund is to provide financial assistance to promote the welfare of consumers. During 1997-98, 85 proposals have been cleared involving financial assistance of Rs. 39 lakhs.

2.4 The Department is also considering setting up of Consumer Information Centres in various parts of the country. These Centres will be manned by reputed NGOs. They will be initially financed from the Consumer Welfare Fund.

2.5 On an initiative taken by the Department, Doordarshan has agreed to commission 12 programmes on Consumer Protection for the telecast.

2.6 The AIR programme "Apne Adhikar" was revived after a gap of two years and is now being broadcast in regional languages from 30 commercial broadcasting centres of AIR.

3. Consumer Cooperatives

3.1 The consumer cooperatives are playing an important role in providing essential and other commodities to the consumers at reasonable prices. The consumer cooperatives have helped in strengthening the distributive network of essential commodities besides stabilizing the price line. The consumer cooperatives have helped in protecting the interests of the consumers against artificial scarcity, over-charging of prices, supply of sub-standard goods as also unfair trade-practices resorted to by the private trade. The democratically elected management of consumer cooperatives also helped these organisations to gain better acceptance with the consumers. As per the available information, out of the total number of 4,39,951 fair price shops functioning in the country up to November, 1997, 1,25,200 were in the

cooperative sector (roughly about 28.46%). Out of these, number of shops being run by the cooperatives in the rural and urban areas were 98,277 (27.87%) and 26,923 (30.79%) respectively.

3.2 It has been the policy of the Govt. of India to encourage the development of consumer cooperatives so as to protect the interests of the common consumers in the country. During the 9th Five Year Plan also, Govt. of India is contemplating to further strengthen the consumer cooperatives both in the urban and in the rural areas through the re-introduction of Centrally Sponsored Schemes. This will enable these organisations to meet the growing and diversified needs of the consumers in the country through the setting-up of modern department stores/large size retail outlets and further improving the functioning of the existing consumer stores in the country.

4. Forward Trading

4.1 The Department administers the Forward Contracts (Regulation) Act, 1952 which provides for the regulation of matters relating to forward contracts, prohibition of options in goods and matters connected therewith. The Forward Markets Commission is a statutory body established under this Act. Its functions have been listed in the Act, the important ones being to advise the Central Government in respect of recognition or withdrawal of recognition of any association and in respect of matters arising out of the administration of the Act, to keep forward markets under observation and to take appropriate action in relation to them and to make recommendations to improve the organisation and working of forward contracts etc.

4.2 At present, futures trading is regulated through 17 recognized associations in seven commodities viz. castor seed, pepper, turmeric, potatoes, gur, hessian and Jute goods. Besides, Government have permitted futures trading in cotton and jute goods and internationalisation of pepper and castor oil futures. The Government decision on International Pepper Futures at Kochi has been implemented and the Exchange inaugurated on 6.10.1997. The decision to introduce futures trading in ginned & baled Cotton is under implementation. The Government decision to set up an International Futures Exchange in Castor Oil is also under implementation.

5. Bureau of Indian Standards

5.1 The Bureau of Indian Standards, the national standards body of India, has been successfully promoting and nurturing the standardization movement in the country since 1947. In order to facilitate Indian industry to play a major role in global markets, it is providing yeoman service through its various activities. During 1997-98, BIS made all round progress in its various activities through planned and concerted efforts.

5.2 BIS has increased its thrust on harmonization of standards to further promote export to various advanced countries. BIS has till date harmonized 3309 Indian standards with international standards.

5.3 Under the BIS Quality System Certification Scheme, which has been accredited by Raad voor de Accreditatie (RVA) of the Netherlands, a total number of 354 licences are operative as on 31st March, 1998.

5.4 The BIS laboratories are on the path of modernisation. Its Western Regional Laboratory has got accreditation for its laboratories (mechanical, electrical and chemical) from the National Accreditation Board for Testing and Calibration Laboratories (NABL) under the Department of Science and Technology, Government of India. The BIS has extended its calibration facilities to the industry.

5.5 The BIS further strengthened its enforcement activity to stop misuse of the Standard Mark. During the year, BIS organized several raids to check misuse of the ISI Mark.

5.6 The BIS celebrated the year 1997-98 as its "Golden Jubilee Year". A Golden Jubilee Souvenir "BIS - Then and Now" was released by the Prime Minister in a seminar held at New Delhi on 15th September, 1997. The BIS is organizing seminars on "Consumer Welfare and Quality" throughout the country as a part of the Golden Jubilee celebrations.

5.7 The Rajiv Gandhi National Quality Award was instituted in 1991 to inculcate a spirit of competitiveness among the manufacturers. The Awards for the year 1994 were presented to the winners by the Minister of State for Food and Consumer Affairs on 14th October, 1997.

5.8 The 61st General Meeting of the International Electrotechnical Commission (IEC) was held in New Delhi from 13th to 24th October, 1997. It was inaugurated by the Minister of State for Food and Consumer Affairs. India got the opportunity to host this meeting after a gap of 37 years. About 600 delegates from all over the world attended the meetings of the technical committees, sub-committees and other policy making bodies of the IEC during this period.

5.9 In view of the growing awareness of the need for a greener environment, BIS adopted the ISO Standards pertaining to Environment Management Systems i.e. the ISO 14000 series of Standards. Under this scheme, certificates will be given to the industries on the basis of their commitment to environment protection and greener technologies. The detailed regulations under the BIS Act for the Scheme have already been prepared and the certification activities are to start shortly. Officers have been imparted training in this field and a new Department, namely the Environmental Management Systems Department, is now in position.

6. Weights and Measures

6.1 Weights and Measures Laws form the basis of commercial transaction in any civilised society. To ensure accuracy of measurement in such transaction, the Government has enacted two legislations namely, the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Standards of Weights and Measures (Packaged Commodities) Rules, 1977 regulate pre-packed commodities sold in the course of commercial transactions.

6.2 The Department has already set in motion the process of adopting new specifications in the General Rules in alignment with the recommendations made by the International Organization of Legal Metrology (OIML). Towards this end, the Rules have been amended, revising the specifications of "non-automatic weighing instruments" based on OIML International recommendations. Adoption of the new specifications would help the Indian industries compete in the international market.

6.3 The Rules were amended recently making it compulsory for the "importers" to indicate some declarations on imported prepacked commodities which will protect the interest of the consumer.

6.4 The Rules were also amended recently in respect of the following:—

- (a) 15 kg. has been made as the demarcation limit between "retail and whole sale" packages in

respect of grains and pulses'. This step would help the wholesale grain dealers to pack these agricultural farm produce, without violating the provisions of the Rules applicable for retail packages.

- (b) Packing of bread has been permitted in multiples of 100g to provide a wider consumer choice. Earlier this product was permitted in pack sizes of 100g, 200g, 800g and 1200g.

6.5 During the 9th Five Year Plan period, the Ministry has undertaken to implement three new schemes namely, establishing a Regional Reference Standards Laboratory (RRSL) for the northern region of the country, a RRSL for the north eastern region and construction of a laboratory building for the RRSL at Bhubaneswar. The existing laboratories at Ahmedabad and Bangalore are also being modernized to meet the requirements of the industry.

7. Public Grievances Redressal Machinery of the Department

7.1 The Additional Secretary in the Department has been declared the Director of Public Grievances. A computerised monitoring system for redressal of public grievances has been established in the Department. Monthly returns are sent to the Department of Administrative Reforms and Public Grievances through the computer network of the NIC.

CHAPTER II

FUNCTIONS AND ORGANISATIONAL SET UP

2.1 Shri Devendra Prasad Yadav was Minister for Civil Supplies, Consumer Affairs and Public Distribution till 21.04.97.

2.2 Shri Chaturanan Mishra succeeded him as Cabinet Minister for Agriculture, Food, Civil Supplies, Consumer Affairs and Public Distribution from 24.04.97. He was succeeded by Dr. Raghuvansh Prasad Singh as Minister of State (Independent Charge) for Food and Consumer Affairs on 10.06.97. On his relinquishing the charge of the office on 10.1.98, Shri B.S. Ramoowalia, Minister for Welfare held the additional charge till 18.3.98. On constitution of the 12th Lok Sabha, Shri S.S. Barnala, Minister for Chemicals and Fertilizers has been given additional charge w.e.f. 20.3.98. Shri Satya Pal Singh Yadav has taken over charge of the office of Minister of State for Food & Consumer Affairs with effect from 20.3.98.

2.3 Shri N.N. Mookerjee continued as the Secretary, Department of Civil Supplies and Shri A.K. Venkat Subramanian continued as Secretary, Department of Consumer Affairs and Public Distribution till 02.06.97. under the then Ministry of Civil Supplies, Consumer Affairs and Public Distribution. Consequent upon the merger of the Ministry of Civil Supplies, Consumer Affairs and Public Distribution and the Ministry of Food into one Ministry, namely, the Ministry of Food and Consumer Affairs with three Departments on 4.6.1997. Shri N.N. Mookerjee took over the charge of the Department of Consumer Affairs.

2.4 The Secretary is assisted by one Joint Secretary and one Economic Adviser. The post of Joint Secretary in the Department has been upgraded to that of Additional Secretary with effect from 19.9.97 (AN). The number of Gazetted Officers in the Department of Consumer Affairs is 36.

2.5 The Department is entrusted with the following work:—

(i) Internal Trade.

- (ii) Inter State Trade: The Spirituous Preparations (Inter-State Trade and Commerce) Control Act, 1955 (39 of 1955).
- (iii) Control of Futures Trading: the Forward Contracts (Regulation) Act, 1952 (74 of 1952).
- (iv) The Essential Commodities Act, 1955 (10 of 1955) (Supply, Prices and Distribution of Essential Commodities not dealt with specifically by any other Ministry/Department).
- (v) Prevention of Blackmarketing and Maintenance of Supply of Essential Commodities Act, 1980 (7 of 1980). Persons subjected to detention thereunder.
- (vi) Regulation of Packaged Commodities.
- (vii) Training in Legal Metrology.
- (viii) Emblems and Names (Prevention of Improper Use) Act, 1952 (12 of 1952).
- (ix) Standards, of Weights and Measures. The Standards of Weights and Measures Act, 1976 (60 of 1976).
- (x) The Bureau of Indian Standards Act, 1986 (63 of 1986).
- (xi) Consumer Cooperatives.
- (xii) All attached or subordinate offices or other organisations concerned with any of the subject specified in this list including Forward Markets Commission, Mumbai.
- (xiii) Monitoring of Prices and Availability of essential commodities.
- (xiv) The Consumer Protection Act, 1986 (68 of 1986).

CHAPTER III

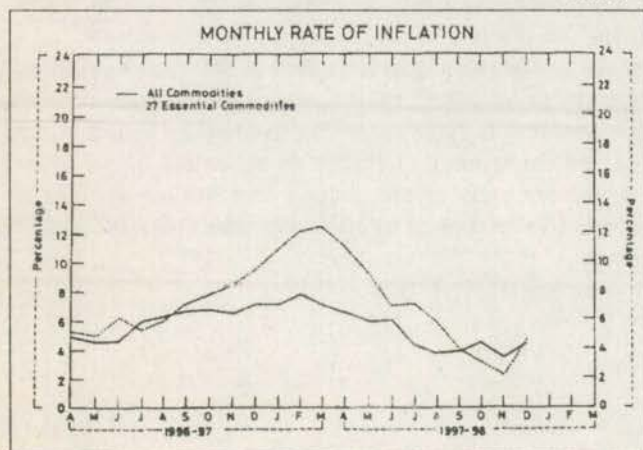
PRICE MANAGEMENT AND REGULATION

General Price Situation

The prices of major essential commodities have remained at modest levels during the current financial year 1997-98, upto December 1997, as compared to the corresponding period a year ago. The overall availability of essential commodities was, by and large, satisfactory except in respect of some manufactured products such as sugar and salt and also vegetables such as potatoes and onions which have recorded relatively large increase in prices largely on account of the gap between the demand and supply of these commodities and seasonal factors.

3.2 Out of the total 447 commodities included in the Wholesale Prices Index Numbers (WPI) (Base 1981-82=100) compiled by the Ministry of Industry, weekly monitoring is being done for 27 essential commodities by the Department of Consumer Affairs and these account for 22.26% of the total weight in the Wholesale Price Index. They include certain primary articles, kerosene, soft coke and also some manufactured consumer articles. In addition to the above, the Department also monitors daily retail prices at selected centres in respect of 12 essential commodities of mass consumption, viz., rice, wheat, gram, arhar, potatoes, onions, tea, sugar, salt, vanaspati, groundnut oil and mustard oil. These 12 essential commodities account for a total weight of 11.18% in the WPI. The behaviour of the monthly rate of inflation in respect of All Commodities and 27 Essential Commodities is illustrated by Graph-I. It is observed that the rate of inflation in respect of essential commodities and all commodities continued to decline from the beginning of the current financial year.

(GRAPH - I)



ECO.DIV.NO. 62/11.97

3.3 During the previous financial year 1996-97, the inflation rate hovered in the range of 4.5% to 7.9%; crawling up from 5.0% in April, 1996 to 7.1% in March, 1997. During the current financial year 1997-98, the reverse has happened so far, the annual rate of inflation declining steadily from 6.4% in April, 1997 to 3.7% in August, 1997, thereby recording the lowest rate in the past decade. However, following the hike in petroleum prices in September, 1997 the annual rate inflation during the month rose to 3.9% and further to 4.4% in October, 1997. However, in the following month, i.e. November, 1997 the inflation rate declined to 3.4% but again moved up to 4.3% in December, 1997.

3.4 A comparative trend in the annual rates of inflation during the last 4 years is given in the Table below and in Graph II:—

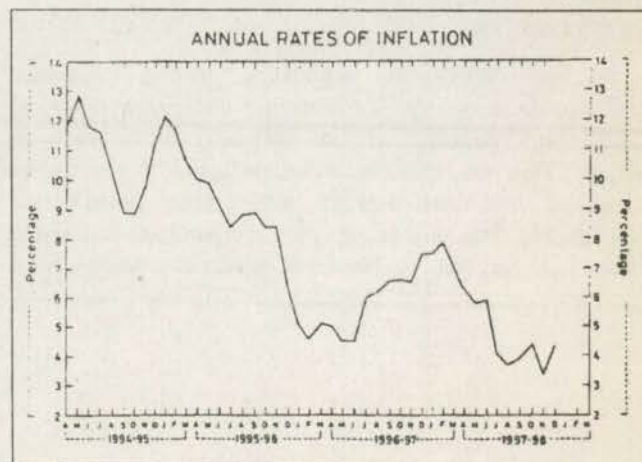
TABLE

ANNUAL RATE OF INFLATION (in percentage)

Months	1994-95	1995-96	1996-97	1997-98
April	11.8	10.0	5.0	6.4
May	12.9	9.9	4.5	5.8
June	11.8	9.1	4.5	5.9
July	11.6	8.4	6.0	4.1
August	10.2	8.8	6.2	3.7
September	8.9	8.9	6.5	3.9
October	8.9	8.4	6.6	4.4
November	9.8	8.4	6.5	3.4*
December	11.2	6.4	7.5	4.3*
January	12.1	5.0	7.5	
February	11.7	4.6	7.9	
March	10.6	5.1	7.1	

*Provisional

(GRAPH - II)



ECO.DIV.NO. 62/11.97

3.5 Trend in the prices of some of the selected essential commodities/sub-groups is explained below:—

CEREALS :

(a) The price index of cereals, as a sub-group, declined by 3.8% during the first 9 months of 1997-98. This was mainly attributed to fall in the WPI of wheat (-11.1%) jowar (-9.9%), bajra (-4.3%) maize (-25.6%), barley(-7.2%) and ragi (-4.7%) despite an increase in the WPI of rice by 2.9%.

PULSES:

(b) In spite of a notable rise in the prices of gram by 28.0%, the sub-group of pulses increased only by a marginal fraction of 0.8% during April—December, 97 on account of the fall in the prices of arhar (-12.1%), moong (-5.5%), masur (-11.0%) and urad (-18.3%).

SUGAR, KHANDSARI & GUR:

(c) The WPI of the sub-group of sweetening agents viz., sugar, khandsari and gur, recorded a rise of 17.2% during the first 9 months of the current financial year. While the prices of sugar and khandsari rose at a lower rate of 6.0% and 4.9% respectively, that of gur rose by a substantial rate of 31.7%. Of late, the prices of gur has shown softening tendency.

EDIBLE OILS :

(d) The prices of edible oils, as a sub-group, exhibited a modest fall of 0.5% during the first 9 months of 1997-98. Except a very low increase of 0.4% in groundnut oil and 0.2% in gingelly oil, all other major edible oil prices declined during this period, in the range of 0.6% (vanaspati) to 4.7% (coconut oil). At present, the availability of edible oils in the country is generally satisfactory. This is attributed mainly to increase in production, increased import of palmolein under OGL and strict enforcement of Storage Control Order.

VEGETABLES

(e) The WPI of vegetables, as a sub-group, rose significantly by 7.6% during the current financial year mainly because of an increase in the prices of onions. However, this rate was significantly lower when compared to the rise of 51.8% in the corresponding period in 1996-97. Seasonal factors play a significant role in the prices of vegetables. However when compared over a

period of one year ending December, 1997 the prices declined by 19.1%.

3.6 The percentage variations in the wholesale price indices of selected essential commodities during the month of December, 1997 over different periods are given in Annexure.

RETAIL PRICES

3.7 The variation in the wholesale prices of various commodities generally gets reflected at the retail level also but with a time lag. This variation and the time lag depend on different factors such as market imperfection, movement constraints, stock position, purchasing power etc. and could differ from commodity to commodity. Therefore, the rate of change in the wholesale prices may differ with that at the retail price levels at any particular point of time, because of which it would be difficult to derive any definite conclusion on their parallel movements. However, during the current year, the retail prices of selected essential commodities in various centres across the country moved, by and large, in narrow and reasonable ranges.

CONSUMER PRICE INDEX

3.8 The Consumer Price Index (CPI) numbers for Industrial Workers, generally reflects the price trend at the retail level. During the first 9 months of 1997-98 (April-December, 1997), the CPI for Industrial Workers rose at a low rate of 6.3% as compared to the increase of 10.4% rise during the corresponding months of 1996-97.

CONCLUSION

In brief, the prices during the current financial year, so far, have remained satisfactory. Better production and imports of items like pulses, edible oils etc. have had a favourable impact on the prices of essential commodities. Streamlining of Public Distribution System with sharper focus on the poorer section of the people is expected to make foodgrains available to them at affordable prices and thereby protect them against any abnormal price increase. Government is fully geared up to maintain constant vigil on the movement of prices of essential commodities in various parts of the country and initiate appropriate corrective measures against any abnormal increase in prices.

Percentage variation in the wholesale price index of selected essential commodities during the month of December, 1997 and in the corresponding period in 1996.

Commodity / Sub-group	Annual Rate of Inflation		Percentage Variation during April-December	
	Dec. 97	Dec. 96	1997-98	1996-97
1	2	3	4	5
ALL COMMODITIES	4.3	7.5	4.1	6.9
PRIMARY ARTICLES	2.3	10.5	3.9	9.9
FOOD ARTICLES	0.7	16.1	3.2	14.1
CEREALS	-2.4	18.5	-3.8	17.6
Rice	1.7	11.7	2.9	12.3
Wheat	-8.3	33.5	-11.1	29.8
Jowar	-1.2	15.2	-9.9	14.5
Bajra	-2.8	5.0	-4.3	3.9
PULSES	-4.1	15.4	0.8	9.5
Gram	31.2	50.4	28.0	36.6
Arhar	-23.1	-0.4	-12.1	2.8
Moong	-4.8	7.2	-5.5	-1.7
Masur	-26.4	14.5	-11.0	20.4
Urad	-18.3	14.5	-13.8	-0.7
VEGETABLES	-19.1	36.8	7.6	51.8
Potatoes	-50.3	55.1	-5.2	66.2
Onions	56.8	-13.9	74.9	20.6
Milk	9.2	2.2	7.2	1.4
Fish	26.1	-9.5	16.8	10.4
Mutton	3.6	19.6	0.3	8.9
Chillies (dry)	-13.4	-13.3	-5.3	4.3
Tea	82.3	-11.6	68.7	3.6
FUEL, POWER LIGHT AND LUBRICANTS	13.0	17.5	9.7	13.2
Coke	Steady	Steady	Steady	Steady
Kerosene	Steady	1.1	Steady	1.1
MANUFACTURED PRODUCTS	3.8	4.0	3.1	4.0
Atta	-16.4	49.9	-17.8	42.7
SUGAR-KHANDSARI & GUR	22.6	2.9	17.2	10.9
Sugar	13.0	8.3	6.0	7.6
Gur	37.3	-3.9	31.7	14.3
Salt	2.5	4.4	10.6	-3.4
EDIBLE OILS	-1.1	-0.4	-0.5	2.4
Vanaspati	-0.6	-2.9	-0.6	0.9
Mustard Oil	-7.2	-7.7	-3.6	-2.1
Coconut Oil	0.6	40.7	-4.7	36.2
Groundnut Oil	-1.5	-2.9	0.4	-0.2
TEXTILES	2.8	1.8	2.3	1.2
Cotton Cloth (mills)	3.6	10.0	2.5	8.2

ESSENTIAL COMMODITIES—AVAILABILITY AND SUPPLY MANAGEMENT

4.1 The supply position of most of the essential commodities remained, by and large, satisfactory and their prices were at reasonable levels during 1997-98. The annual rate of inflation based on the WPI for All Commodities is estimated lower at 5.0% as on 28.3.98 as against 6.9% during the corresponding period of 1997. The prices and availability of selected essential commodities are being monitored by the Ministry regularly on daily and weekly basis and immediate measures are taken to avoid shortages, whenever reported.

4.2 The total foodgrains production during 1996-97 crop year has been estimated at 198.96 million tonnes by the Ministry of Agriculture (as on 18.9.97), which is substantially higher than the level achieved during the previous year.

4.3 At present, there is an estimated gap of about 50 lakh tonnes in the demand and supply of pulses and about 9 to 10 lakh tonnes in the case of edible oils. In order to augment the domestic availability of pulses, imports are allowed under Open General License (OGL) and a ceiling is imposed on export of pulses. As a result, 5.56 lakh tonnes of pulses were imported during first 10 months of 1997-98 (April-January) as against 5.28 lakh tonnes during the corresponding period of last year. Owing to almost stagnant production of pulses in the country, prices of some of the pulses like arhar were higher during the current year as compared to the last year. As regard sugar, notwithstanding the decline in the production of sugar to the tune of about 35.83 lakh tonnes during the sugar year 1996-97 (October-September), the prices of sugar remained at reasonable levels. The Government has been releasing adequate quantities of sugar in the open market ensuring its easy availability.

FOODGRAINS PRODUCTION AND STOCK POSITION

4.4 The total stock of foodgrains in the Central Pool of the Government as on 1.3.98 was 18.74 million tonnes, which was higher than that of 17.43 million tonnes in the corresponding period of the last year. The present foodgrains stocks are about 4.24 million tonnes higher than the total minimum stock of 14.50 million tonnes required to be maintained (as on 1.4.98) by the public agencies under the Buffer Stocking Policy.

The foodgrains stocks during the last three years are given below:—

As on	(million tonnes)			
	Rice	Wheat	Coarse-grains	Total
1.3.98(P)	12.79	5.95	0.00	18.74
1.3.97(P)	13.56	3.87	0.00	17.43
1.3.96(P)	16.18	9.94	Neg.	26.12
1.3.95(P)	18.50	10.17	Neg.	28.67

Neg.: Negligible (below 500 tonnes)

P-Provisional

RICE

4.5 The production of rice during the last four years (1993-94 to 1996-97) has been hovering in the region of around 80-82 million tonnes. For 1996-97, about 81 million tonnes of production of rice has been estimated. The physical stocks of rice in the Central Pool as on 1.3.98 stood at 127.85 lakh tonnes which was higher by 19.85 lakh tonnes than the stocks required to be maintained under Buffer Stocking Policy (as on 1.4.98). During the calendar year 1997, a total quantity of 135.15 lakh tonnes has been allocated for PDS as against 147.16 lakh tonnes during 1996. For the months of January to May, 1998, nearly 49.65 lakh tonnes of rice was allocated. The off-take of rice during 1997 was 102.43 lakh tonnes as against 104.86 lakh tonnes during 1996. During 1997-98, (upto 3-4-1998), 122.49 lakh tonnes of rice was procured in the Central Pool as against 100.40 lakh tonnes during the corresponding period of last year. The availability position of rice in the present situation continued to be comfortable.

WHEAT

4.6 The production of wheat was estimated to be higher at 68.86 million tonnes during 1996-97 as compared to 62.62 million tonnes during 1995-96 and 65.77 million tonnes during 1994-95. The procurement of wheat by FCI in the Central Pool was also higher at 92.98 lakh tonnes during 1997-98 (upto 30-3-1998) as against 81.58 lakh tonnes during the corresponding period of 1996-97. During 1997, about 98.94 lakh tonnes of wheat was allocated for distribution under PDS, as against 105.22 lakh tonnes during 1996. The off-take of wheat during 1997, was 72.20 lakh tonnes as against 74.93 lakh tonnes during of 1996.

4.7 The stock of wheat (in the Central Pool) which was 38.72 lakh tonnes as on 1.3.1997, increased to 59.52 lakh tonnes as on 1.3.1998 which was higher by 22.52 lakh tonnes than the quantity required under the Buffer Stocking Policy as on 1.4.1998.

FOODGRAINS : CEREALS AND PULSES

4.8 According to the estimates of the Ministry of Agriculture, the total production of food grains during 1996-97 was likely to be 198.96 million tonnes which is 7.5% higher than the level achieved during 1995-96. Likewise, the production of cereals during 1996-97 has been estimated at 184.41 million tonnes which is 7.3% higher than that during 1995-96. The production of pulses during 1996-97 has been estimated at 14.55 million tonnes which is 10.3% higher than the level achieved during 1995-96. The gap between demand and supply of pulses in the country is

estimated at around 5 million tonnes. The import of pulses was higher at 5.32 lakh tonnes during 1996-97 as against 4.41 lakh tonnes during 1995-96. During the current financial year (upto January, 1998), the import of pulses was also higher at 5.56 lakh tonnes as against 5.28 lakh tonnes during the corresponding period of 1996-97. The details of production of foodgrains during 1993-94 to 1996-97 are given below:—

Estimates of Foodgrains Production

(million tonnes)

Commodity	Years				%variation
	1993-94	1994-95	1995-96	1996-97	1996-97 1995-96
(a) CEREALS					
Rice	80.30	81.81	79.62	81.20	1.98
Wheat	59.84	65.77	62.62	68.86	29.96
Jowar	11.41	8.97	9.55	10.92	14.35
Bajra	4.97	7.16	5.39	8.18	51.76
Maize	9.60	8.88	9.44	10.50	11.23
Barley	1.31	1.73	1.65	1.43	-13.33
Ragi	2.60	2.34	2.76	2.56	-7.25
Small Millets	0.92	0.80	0.82	0.76	-7.32
Total	170.95	177.46	171.85	184.41	7.31
(b) PULSES					
Gram	4.98	6.44	5.02	5.79	15.34
Tur	2.69	2.14	2.36	2.77	17.37
Other Pulses	5.64	5.46	5.81	5.99	3.10
Total	13.31	14.04	13.19	14.55	10.31
Total					
Foodgrains (a+b)	184.26	191.50	185.04	198.96	7.52

Source : Ministry of Agriculture, Directorate of Economics & Statistics. (As prepared on 18.9.1997).

EDIBLE OILS

4.9 The existing gap between demand and supply of edible oils is of the order of 9-10 lakh tonnes and to bridge this gap, the Government has been importing Palmolein through STC for distribution under PDS. During the current financial year (upto 31.1.1998) 10.34 lakh tonnes of edible oils have been imported under OGL by private traders as against 11.71 lakh tonnes imported during the corresponding period of last year. The Government has authorized the STC to import 1.32 lakh tonnes of edible palmolein for PDS for

festival season i.e. August-November, 1997, out of which about 89,000 MTs had arrived at various ports upto 15th February, 1998. As a result of timely imports, the prices of major edible oils remained under control even during the festival season of the year.

SUGAR

4.10 The prices and supply position of sugar has remained satisfactory, in spite of the decline in the production of sugar which was estimated lower at 128.46 lakh tonnes during Sugar year (October-September) 1996-97 as against the record production of 164.29 lakh tonnes during 1995-96. During current sugar year (upto 7.3.1998), nearly 92.00 lakh tonnes of sugar was produced as against 86.97 lakh tonnes during corresponding period of last year. The closing stock of sugar as on 7.3.1998 was 102.37 lakh tonnes as against 105.91 lakh tonnes during corresponding period of 1997. The Government has raised the Central Issue Price of sugar under PDS from Rs.10.50 to 11.40 per kg. w.e.f. 1st October, 1997. During 1997, nearly, 136.40 lakh tonnes of free sale and levy sugar was released as against 133.25 lakh tonnes during 1996.

VEGETABLES

4.11 The prices and availability of vegetables showed a mixed trend. Particularly, there has been an abnormal increase in the prices of onions during December, 97 and January, 98. During the current financial year as on 28.3.1998 the WPI of onions showed an increase of 34.1%. The sudden spurt in the prices of onions since the third week of November, 1997 can be attributed to a fall in the production of onion in Maharashtra and other parts of the onion producing States due to excess rains and pest infection. In order to contain prices of Onion, Government intervened in the market and supplied Onion at subsidised rates through NAFED in Delhi, Chennai and Hyderabad during Jan. and Feb. 98.

TEA

4.12 The availability position of tea in the open market is satisfactory. However, the prices of tea in the market are showing a rising trend during the financial year. During the year 1997 (January-December), the production of tea was estimated higher at 810.61 million kg. as against 780.03 million kg. during 1996.

4.13 The summary of steps taken by the Government to control the prices and to augment the supply of essential commodities is given at Annexure-I.

Summary of steps taken by the Government to control the prices as well as ensuring the Supply of Essential Commodities at reasonable prices at the retail level

(i) High level committee, namely the Cabinet Committee on Prices (CCP) and Special Action Committee of Secretaries on Monitoring of Prices (SACP) with a view to review the price situation and providing relief to the consumer have been functioning effectively.

(ii) The daily monitoring of absolute retail prices is being done for selected centres by the Ministry of Food & Consumer Affairs in respect of 12 essential commodities of mass consumption viz. rice, wheat, gram, arhar, potatoes, onions, tea, sugar, salt, vanaspati, groundnut oil and mustard oil.

(iii) Commodities such as rice, wheat, sugar, kerosene, edible oils, soft coke etc. are being distributed through the network of Public Distribution System (PDS) at below market prices.

(iv) Action against the hoarders, black marketeers and those indulging in unfair practices have been intensified under the Essential Commodities Act, 1955, by the State Governments. The State Governments have been alerted to take stern action against hoarders, black-marketeters and those indulging in unfair trade practices.

(v) Commodities which are in short supply such as wheat, pulses, edible oils etc., are being imported in the most desired quantities to increase their availability in the market. The Government has put the import of edible oils, pulses and

cotton under Open General License (OGL) in order to augment their availability.

(vi) Government has decided to import upto 2 million tonnes of wheat through State Trading Corporation.

(vii) Roller Flour Mills are allowed to import their requirements under OGL through registration with APEDA to augment supplies of wheat products.

(viii) The stock holding limit for dealers of wheat have been prescribed in order to prevent hoarding and unhealthy trade practices.

(ix) The essential commodities of mass consumption are being supplied to the consumers through the cooperative outlets of Super Bazar, Kendriya Bhandar, retail/mobile outlets of State Civil Supplies Corporation.

(x) The stock holding limits of producers, manufacturers and dealers of oil seeds and vegetable oils were reduced by 50% in order to check the rise in the prices of edible oils.

(xi) In order to control the rise in prices of edible oils, the edible oils have been allowed to be imported under OGL at reduced customs duty.

(xii) Market intervention was done in the case of Onion which were supplied at subsidised rates in Delhi, Chennai and Hyderabad during Jan. and Feb. 98.

(CHAPTER V)

ADMINISTRATION OF ESSENTIAL COMMODITIES ACT

ESSENTIAL COMMODITIES ACT, 1955

5.1 The Essential Commodities Act, 1955 was enacted to ensure easy availability of essential commodities to consumers and to protect them from exploitation by traders. The Act provides for regulation and control of production, distribution and pricing of commodities which are declared as essential under the Act. Presently, there are 31 classes of commodities which are declared essential under the Act. The Act has been amended from time to time to make its provisions more effective. In order to create greater impact on the defaulting traders, the provisions of the Essential Commodities Act, 1955 have been made more stringent making the offences non-bailable and providing for summary trial of such offences by Special Courts through the Essential Commodities (Special Provisions) Act, 1981, the validity of which had been extended upto August, 1997 on the basis of unanimous recommendations of all the State/UT Governments.

5.2 After the lapse of the Essential Commodities (Special Provisions) Act, 1981 on 31.8.1997, an Ordinance was promulgated by the President on 3.10.97 containing many of the provisions of the erstwhile Essential Commodities (Special Provisions) Act, 1981 alongwith some amendments. The Ordinance lapsed on 31.12.1997. Thereafter on 2.1.98, the same Ordinance has been repromulgated.

5.3 The Central Government is regularly monitoring the

action taken by State Governments /UT Administrations to implement the provisions of the Essential Commodities Act, 1955.

The action taken by States/UTs under the Act during the year 1997 (as reported upto 31.12.97) is indicated below:—

(i) No. of raids made	92377
(ii) No. of persons arrested	4445
(iii) No. of persons prosecuted	4268
(iv) No. of persons convicted	5985
(v) Value of goods confiscated	Rs. 1736.59 (in Lakhs)

PREVENTION OF BLACKMARKETING AND MAINTENANCE OF SUPPLIES OF ESSENTIAL COMMODITIES ACT, 1980

5.4 In order to prevent unethical trade practices like hoarding and blackmarketing etc, the Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980 is being enforced by the State Governments/UT Administrations. The Act empowers the Central and State Governments to detain persons whose activities are found to be prejudicial to the maintenance of supplies of commodities essential to the community. The number of persons ordered to be detained under the Act in various States/UTs during the year 1997 was 121.

CHAPTER VI

CONSUMER PROTECTION

CONSUMER PROTECTION

6.1. The consumer movement is a socio - economic movement which seeks to protect the rights of the consumer in relation to the goods purchased and services availed. Government has accorded high priority to the programme of consumer protection. As a nodal Department, it has initiated a number of steps to promote a responsible responsive consumer movement in the country. Such measures include the use of mass media for education and information of consumers, involvement of increasing number of consumer organisations in taking up the cause of the consumers and coordinating the measures taken up by States/UTs and the concerned Ministries/Departments of the Government of India to safeguard the interests of the consumers.

6.2. The main objectives of the consumer protection programme are:—

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

THE CONSUMER PROTECTION ACT, 1986

6.3 The Consumer Protection Act, 1986 (68 of 1986) is a milestone in the history of socio-economic legislation in the country. It is one of the most progressive and comprehensive pieces of legislation enacted for the protection of consumers. It is a unique piece of legislation as it provides a separate three-tier consumer disputes redressal machinery at the national, state and district levels. The Act is intended to provide simple, speedy and inexpensive redressal to consumers' grievances.

6.4 All the provisions of the Consumer Protection Act, 1986 have come into force with effect from 1.7.1987 throughout the country except in the State of Jammu & Kashmir. The State of Jammu & Kashmir has enacted its own legislation in this field. Most of the States & UTs have

constituted State Level Consumer Protection Councils. The Central Government constituted the Central Consumer Protection Council on 1.6.1987 for a period of three years and the same has been reconstituted from time to time. So far, the Council has held 18 meetings. The last meeting was held on 31.5.97.

6.5 At present, the National Commission, 32 State Commissions, one in each State/UT and 526 District Fora are functioning in the country to deal with consumer grievances.

6.6 The Department of Consumer Affairs monitors the cases filed and disposed of by the consumer courts through periodic returns and also reviews the functioning of the consumer courts in consultation with the State Govt./UTs. Based on the data received from the State Governments/UT administrations, the information in respect of District Fora and State Commission have been compiled and are given at Annexures I and II respectively.

MEASURES TAKEN TO STRENGTHEN THE CONSUMER COURTS

6.7 The Department of Consumer Affairs has been taking remedial measures to strengthen the consumer courts and to remove the deficiencies to improve their functioning.

6.8 Inadequacy of proper infrastructure is one of the main reasons for the increasing pendency in these courts. For this purpose the Department, with the approval of Planning Commission, started a scheme to give one-time-grant to the States/UTs for strengthening the infrastructure of the consumer courts during 1995—97. Under the scheme, each State Commission was to be given Rs.50 lakhs and each District Fora Rs.10 lakhs in four equal installments subject to reduction of pendency of cases. The Department released Rs.29.98 crores during 1995-96 and Rs.24.64 crores during 1996-97 under the scheme. The State-wise details are given in Annexure-III.

6.9 The Department is also conducting training programmes for the non-judicial members of the consumer courts to familiarize them with consumer protection measures and expeditious disposal of cases. Further amendments to the Consumer Protection Act are under consideration to make it more effective.

CONSUMER WELFARE FUND

6.10 In 1991, the Central Government amended the Central Excise and Salt Act, 1944 to create the Consumer Welfare Fund. The Fund has been set up by the Department of Revenue and is being operated by the Department of

Consumer Affairs. The money which is not refundable to manufacturers are being credited to the Fund. The main objective of the Fund is to provide financial assistance for promoting and protecting the welfare of consumers, generate consumer awareness and strengthen consumer movement in the country particularly in the rural areas. So far, more than Rs.46 crores have been credited to the Fund. The Standing Committee constituted under the Consumer Welfare Fund Rules has held 18 meetings so far, and approved financial assistance of Rs. 2.70 crores for 325 project proposals.

TRAINING PROGRAMMES

6.11 To educate consumer organisations and other sections of society, the Department is conducting training programmes in the field of consumer protection. These training programmes are being conducted for State Government officials, non judicial members of State Commissions/District Fora and voluntary consumer organisations. So far, 5 training programmes for the State Government officials, 12 training programmes for the non-judicial members and 7 training programmes for consumer organisations have been conducted. During 1997-98, three training courses for non-judicial members of consumer courts were held. These programmes are being conducted with the help of well known training institutions.

NATIONAL AWARDS OF CONSUMER PROTECTION

6.12 To encourage voluntary consumer organisations, particularly women organisations and those functioning in rural, tribal and backward areas, a National Award on Consumer Protection has been instituted. The Award comprises three prizes of Rs.50,000/-, Rs.40,000/- and Rs. 30,000/- respectively alongwith the certificates of merit.

6.13 To involve the youth of this country in promoting a strong consumer movement particularly at the grass root level, the Department has instituted a National Youth Award for Consumer Protection. Youths in the age group of 15—35 years, who have done outstanding work in the field of consumer protection, are eligible for the Award. The Award comprises three prizes of Rs.20,000/-, Rs.15,000/- and Rs. 10,000/- respectively alongwith certificates of merit. Similarly, a National Women Award has been instituted to reward women who have done outstanding work in the field of consumer protection. The Award comprises three prizes of Rs.20,000/- Rs.15,000/- and Rs.10,000/- respectively alongwith certificates of merit.

6.14 The Awards for the year 1994 were distributed on 31st May, 1997. The applications for the year 1995 and 1996 have been received from the State Governments/UT Administrations and are under the consideration of the Department.

PUBLICITY MEASURES

6.15 In order to ensure that the message of consumer protection reaches every citizen of this country, the

Department has taken a number of steps to prepare audio-visual and printed publicity materials. Some of such measures are as follows:—

(a) Audio Visual Publicity Measures

- Two video documentaries entitled 'Mubarak Kadam' and 'Misleading Advertisements' have been prepared which explain the salient features of the Consumer Protection Act and the problems of misleading advertisements respectively. These were telecast on Doordarshan.
- 5 video spots, covering various aspects of consumer protection have also been prepared and were telecast on Doordarshan.
- 30 second audio spots on Consumer Protection was prepared and broadcast on various commercial broadcasting stations of AIR.

In addition, Department has released Rs.30 lakh to Doordarshan to commission a programme of 12 episodes on different aspects of consumer protection for their telecast on Doordarshan. The telecast of these serials is expected to commence on Doordarshan during the March 1998. The Department has also taken a decision to start a weekly programme on consumer protection from various commercial broadcasting stations of AIR in regional languages.

(b) Printed material

In the field of printed publicity material, the Department has brought out the following material which is distributed free of cost.

- Brochures entitled "Salient Features of Consumer Protection Act, 1986" "Rights of Consumer" and "the Consumer Protection Act and You".
- Booklets entitled "Help Prevent Adulteration" "Consumer Protection & Weights & Measures", "Directory of Consumer Organisations" and "Directory of Addresses of Redressal Agencies" have been printed.
- Posters depicting consumer awareness messages.
- Post card size material on consumer protection.
- Seven booklets on various aspects of consumer awareness in Hindi, for their use in Adult Education Programme, keeping in view the need for rural masses and women folks.

In addition, the Department is also bringing out a quarterly journal entitled "Upabhokta Jagaran"(Consumer Awakening) which disseminates useful Information in the field of consumer protection. This journal is distributed to consumer organisations free of cost.

SETTING UP INFORMATION FACILITATION COUNTER

6.16 In furtherance of the objective of the Government of India for promoting effective and responsive citizen friendly administration, the Department of Consumer Affairs has set up an Information Facilitation Counter at Gate No.6, Krishi Bhawan, New Delhi for answering enquiries from visitors and providing the required information through personal inter-face, printed material etc. The Counter is equipped with computers having networking facilities of NIC.

OTHER PROGRAMMES

Seminars/Conferences

6.17 So far, Department has organised one National Convention on Consumer Protection in 1993 which was well

attended by the consumer activists from all over the country. In addition, it has organised a number of seminars/conferences in the field of consumer protection from time to time. The Department has also co-sponsored an International Conference on Consumer Protection, on 22-24 January, 1997 in New Delhi, organised by the Regional Office of Asia and Pacific region of Consumers International (the apex body of consumer organisations in the world) and CUTS (an Indian voluntary consumer organisation)

6.18 The Department has been observing the 15th March as WORLD CONSUMER RIGHTS DAY by organising several functions and undertaking outdoor publicity programmes. On this occasion, the State Governments and voluntary consumer organisations are requested to undertake various activities in the field of consumer protection.

**Disposal of Cases by the District Fora (Statewise) Compilation of report
received from the States/UTs.**

Position updated upto: 2nd September, 1997

Sl. No.	States/UTs	No. of cases filed since inception	No. of cases disposed of since inception	No. of cases pending	Reported upto
1	2	3	4	5	6
1.	Andhra Pradesh	83744	68373	15371	Jun-97
2.	Arunachal Pradesh	149	113	36	Jun-97
3.	Assam	3831	3005	826	Apr-96
4.	Bihar	27254	16587	10667	Jun-97
5.	Goa	2186	1620	566	Dec-96
6.	Gujarat	45030	29244	15786	Jun-97
7.	Haryana	42865	32181	10684	Jun-97
8.	Himachal Pradesh	8827	7506	1321	Jun-97
9.	Jammu & Kashmir	6882	5837	1045	Dec-96
10.	Karnataka	41953	30534	11419	Aug-96
11.	Kerala	76996	71027	5969	Jun-97
12.	Madhya Pradesh	40178	29418	10760	Dec-95
13.	Maharashtra	64789	46359	18430	Apr-97
14.	Manipur	671	647	24	Sep-95
15.	Meghalaya	165	125	40	Mar-97
16.	Mizoram	177	166	11	Jun-97
17.	Nagaland	13	6	7	Sep-94
18.	Orissa	23458	18889	4569	Mar-97
19.	Punjab	18968	16679	2289	Jun-97
20.	Rajasthan	95597	83650	11947	Jun-97
21.	Sikkim	73	69	4	Jun-97
22.	Tamil Nadu	36645	31593	5052	May-97
23.	Tripura	674	532	142	May-97
24.	Uttar Pradesh.	150457	95950	54507	Dec-96
25.	West Bengal	20377	4770	15607	Dec-96
26.	Andaman & Nicobar Islands	119	107	12	May-97
27.	Chandigarh Admn.	10090	5644	4446	Jul-97
28.	D & N Haveli	23	17	6	Jun-97
29.	Daman & Diu	32	16	16	Sep-94
30.	Delhi	38059	27660	10399	Mar-97
31.	Lakshadweep	28	28	0	Jul-97
32.	Pondicherry	1250	1205	45	Jul-97
Total:		841560	629557	212003	

Disposal of Cases by the State Commissioners

Position updated upto: 2nd September, 1997

Sl. No.	States/UTs	No. of cases filed since inception	No. of cases disposed of since inception	No. of cases pending	Reported upto
1	2	3	4	5	6
1.	Andhra Pradesh	8097	6637	1460	Jun-97
2.	Arunachal Pradesh	14	10	4	Jun-97
3.	Assam	657	271	386	Apr-96
4.	Bihar	2534	1869	665	Jun-97
5.	Goa	722	531	191	Jul-97
6.	Gujarat	5294	3903	1391	Jun-97
7.	Haryana	4918	3616	1302	Jun-97
8.	Himachal Pradesh	1623	1423	200	Jun-97
9.	Jammu & Kashmir	51	9	42	Dec-96
10.	Karnataka	4499	3106	1393	Aug-96
11.	Kerala	8827	8233	594	Jun-97
12.	Madhya Pradesh	3143	2254	889	Dec-95
13.	Maharashtra	8937	6805	2132	Apr-97
14.	Manipur	33	18	15	Sep-95
15.	Meghalaya	39	23	16	Mar-97
16.	Mizoram	11	11	0	Jun-97
17.	Nagaland	4	0	4	Sep-94
18.	Orissa	5233	2629	2604	Jul-97
19.	Punjab	2604	1556	1048	Jun-97
20.	Rajasthan	13312	4823	8489	Jun-97
21.	Sikkim	12	12	0	Jun-97
22.	Tamil Nadu	8259	6330	1929	May-97
23.	Tripura	246	146	100	May-97
24.	Uttar Pradesh	15910	2913	12997	Jun-97
25.	West Bengal	3691	1208	2483	Dec-96
26.	Andaman & Nicobar Islands	12	11	1	May-97
27.	Chandigarh Admn.	1360	1205	155	Jul-97
28.	D & N Haveli	0	0	0	Jun-97
29.	Daman & Diu	0	0	0	Sep-94
30.	Delhi	6639	4710	1929	Mar-97
31.	Lakshadweep	7	7	0	Jul-97
32.	Pondicherry	397	314	83	Jul-97
Total		107085	64583	42502	

One-time Grant to the States/UTs

Sl. No.	States/UTs	No. of DFs for which grant given	Grant given during 1995—97 (Rs. in lakhs)	Filed since inception	Disposed of since inception	% Disposal
1	2	3	4	5	6	7
1.	Andhra Pradesh	22	270.0	83744	68373	81.65
2.	Arunachal Pradesh	12	170.0	149	113	75.84
3.	Assam	23	280.0	3831	3005	78.44
4.	Bihar	39	440.0	27254	16587	60.86
5.	Goa	2	70.0	2186	1620	74.11
6.	Gujarat	20	250.0	45030	29244	64.94
7.	Haryana	16	210.0	42865	32181	75.08
8.	Himachal Pradesh	12	170.0	8827	7506	85.03
9.	Jammu & Kashmir	2	52.5	6882	5837	84.82
10.	Karnataka	20	250.0	41953	30534	72.78
11.	Kerala	14	190.0	76996	71027	92.25
12.	Madhya Pradesh	45	250.0	40178	29418	73.22
13.	Maharashtra	31	360.0	64789	46359	71.55
14.	Manipur	8	130.0	671	647	96.42
15.	Meghalaya	7	120.0	165	125	75.76
16.	Mizoram	3	80.0	177	166	93.79
17.	Nagaland	7	120.0	13	6	46.15
18.	Orissa	13	180.0	23458	18889	80.52
19.	Punjab	13	180.0	18968	16679	87.93
20.	Rajasthan	30	350.0	95597	83650	87.50
21.	Sikkim	4	90.0	73	69	94.52
22.	Tamil Nadu	22	270.0	36645	31593	86.21
23.	Tripura	3	80.0	674	532	78.93
24.	Uttar Pradesh	63	340.0	150457	95950	63.77
25.	West Bengal	17	110.0	20377	4770	23.41
26.	Andaman & Nicobar Islands	2	70.0	119	107	89.92
27.	Chandigarh Admn.	1	60.0	10090	5644	55.94
28.	D & N Haveli	1	60.0	23	17	73.91
29.	Daman & Diu	2	70.0	32	16	50.00
30.	Delhi	2	70.0	38059	27660	72.68
31.	Lakshadweep	1	60.0	28	28	100.00
32.	Pondicherry	1	60.0	1250	1205	96.40
Total		458	5462.5	841560	629557	

Third installment to J&K, third & fourth installment to M.P., U.P. & West Bengal not released so far.

CHAPTER VII

CONSUMER COOPERATIVES

7.1 Consumer Cooperatives are playing an important role in providing essential and other commodities to the public at reasonable prices. The presence of consumer cooperatives help in strengthening the distributive network of essential commodities, stabilising the price line, protection against artificial scarcity of goods by private traders, overcharging of prices, supply of substandard goods, etc.

7.2 As a policy, the Government of India have been encouraging the development of consumer cooperatives so as to protect the interests of the common consumers. The consumer cooperatives are managed and controlled by the members through democratically elected bodies.

STRUCTURE OF CONSUMER COOPERATIVES

7.3 The consumer cooperatives have a four-tier structure comprising primary consumer stores with branches functioning at the grass-root level, the wholesale/central consumer stores with their branches at district/taluka level, the State Consumer Cooperative Federations at the State level and the NCCF of India Ltd. at the national level. However, in the States located in the North East and in the smaller States/UTs, composite state level consumer-cum-marketing federations, which deal with consumer articles also, are functioning. In the rural areas, the distribution of consumer goods is handled by the viable large sized Agricultural Multi Purpose Cooperative Societies (LAMPS) and/or Primary Agricultural Credit Societies (PACS) at the retail level.

PERFORMANCE

PRIMARY STORES

7.4 In the urban areas the primary consumer cooperative stores play a vital role in serving the consumers as also their members. Some of the consumer cooperative stores organised by the employees of large undertakings/business houses are well managed ones. The consumer stores organised by the employees of the Railways, Post & Telegraph, Docks and by plantation employees are functioning very successfully. As per the information furnished by the Registrars of Cooperative Societies of the States/UTs, the total number of primary stores in the country is 25,632. Of these, 12,418 were in profit, 7422 in loss, 3509 were either defunct or under liquidation while information regarding 2283 stores is not available. The total paid-up share capital of these primary stores at the end of 1996-97 was Rs.5874.60 lakhs, of which State Govt. contribution was Rs.1668.73 lakhs. The sales turnover of these primary stores was Rs.52046.05 lakhs of which sales worth Rs.1668.68 lakhs was due to controlled items. The total membership of these primary stores was 140.15 lakhs.

The State-wise performance of the primary stores during the year 1996-97 is given at Annexure I.

WHOLESALE/CENTRAL STORES

7.5 The State-wise performance of the district level Central/Wholesale Stores is given at Annexure II. It can be seen from this Annexure that as on 31.3.1997, there were 693 wholesale stores, 214 Department Stores and 6229 other types of branches. The total membership of such stores was 23.07 lakhs, comprising 2.28 lakhs individuals, 20.62 lakhs consumer cooperatives and 0.17 lakh other institutions/Govt. The total paid-up share capital of these Stores as on 31.3.1997 was Rs.5723.04 lakhs, of which Govt. contribution was Rs.3444.30 lakhs. The total sales turnover achieved was Rs.192424.53 lakhs, which included sales of controlled commodities amounting to Rs.103088.30 lakhs. The setting up of big Department stores by consumer cooperatives have, however, not been able to keep pace with the rapid urbanisation and consequently the growing need of the urban population. There is a crying need for setting up of more of such Department Stores.

STATE FEDERATIONS

7.6 The State Cooperative Consumers' Federations/State Cooperative Marketing-cum-Consumer Federations are the State level apex organisations in so far as the consumer cooperative structure in the States are concerned. These State Federations were to provide supply support to the wholesale/central consumer cooperative stores and the primary stores in the States. However, with the passage of time and with the wholesale/central consumer stores not being able to mobilise their functions properly, some of the State Cooperative Consumers Federations have entered into the retail trade and have set up Department Stores. In this connection, the names of Madhya Pradesh State Federation, Assam State Federation, Karnataka State Federation and Goa State Federation can be cited. The details of these State level Federations, the number of Department stores and other retail outlets run by them as on 31.3.1997 are given in the Statement at Annexure III. The statement also indicates the total membership of these federations and their paid-up share capital. During the period, the total sales turnover of these federations was Rs.120106.74 lakhs of which the retail sales was of Rs.16278.28 lakhs.

7.7 The performance of the primary consumer cooperative stores, wholesale stores and the State Federations over a period of five years is, however, given at Annexure IV for a quick comparison of the progress made by these tiers of the consumer cooperatives in the country.

State-wise Performance of Primary Consumer Cooperative Stores During the year 1996-97

(See para 7.4)

(Rs. in Lakhs)

Sl. No.	States/UTs.	No. of Primary Stores	Branch			Membership	Share Capital		Working Capital
			Deptt. Stores	Other Branches	Total		Total	Govt.	
1	2	3	4	5	6	7	8	9	10
1.	Andhra Pradesh***	943	27	380	407	426151	385.71	109.96	736.15
2.	Arunachal Pradesh	29	Nil	54	54	1000	50.22	37.85	1045.71
3.	Assam	431	Nil	73	73	297000	131.21	38.39	504.32
4.	Bihar***	3203	N.A.	N.A.	N.A.	410712	123.75	23.81	270.55
5.	Goa	68	62	83	95	29282	30.70	7.22	315.83
6.	Gujarat	1822	440	439	579	404565	373.23	27.61	3274.80
7.	Haryana	58	—	39	39	21062	14.31	0.22	86.10
8.	Himachal Pradesh	270	Nil	228	228	35609	95.46	55.57	372.42
9.	Jammu & Kashmir*****	90	—	50	50	8651	85.13	70.69	111.85
10.	Karnataka	1672	159	275	434	766396	635.48	100.36	1878.47
11.	Kerala**	4132	Nil	423	423	7521733	353.18	76.06	2733.16
12.	Madhya Pradesh****	766	8	464	472	321435	195.40	83.29	1054.02
13.	Maharashtra*	3642	1	1725	1725	1800894	1476.00	367.00	6780.00
14.	Manipur@	192	36	Nil	36	14510	33.10	13.04	62.00
15.	Meghalaya	48	1	—	1	8498	50.81	40.00	90.20
16.	Mizoram	93	Nil	7	7	3549	386.27	214.89	1579.37
17.	Nagaland***	14	—	—	N.A.	5000	5.00	2.00	46.00
18.	Orissa**	240	29	115	144	206417	159.92	87.73	873.14
19.	Punjab***	188	—	—	—	28555	18.02	0.12	109.98
20.	Rajasthan****	551	—	277	277	163595	49.74	3.39	465.78
21.	Sikkim	Nil	—	—	—	—	—	—	—
22.	Tamil Nadu****	1385	Nil	1432	1432	615812	394.41	55.11	1703.10
23.	Tripura	43	Nil	65	65	3240	10.20	8.55	18.60
24.	Uttar Pradesh*****	1785	—	2176	2176	209378	48.79	14.24	N.A.
25.	West Bengal**	3287	19	604	623	336690	489.32	152.65	1420.70
26.	A & N Islands*	32	—	—	—	6047	—	4.27	2.66
	Chandigarh*****	6	—	—	—	1000	2.80	N.A.	5.00
	D & N Haveli	1	—	—	—	818	0.97	0.49	27.07
	Daman & Diu***	6	1	18	19	9650	8.84	2.17	96.27
	Delhi*****	445	—	107	107	144406	162.62	4.32	196.25
	Lakshadweep	16	Nil	55	55	33762	15.89	10.92	426.12
27.	Pondicherry	74	1	33	34	170216	88.72	57.51	196.03
TOTAL		25632	734	8822	9556	14014543	5874.60	1668.73	26481.68

NOTE : * 1995-96
 ** 1994-95
 *** 1993-94
 **** 1992-93
 ***** 1991-92
 ***** 1990-91

@ Not available

State-wise Performance of Primary Consumer Cooperative Stores During the year 1996-97 (Contd.)

Sl. States/UTs. No.		Profit		Loss		No. Profit	Defunct Societies	(Rs. in Lakhs)		
		No.	Amount	No.	Amount	No Loss		Controlled	Non-contd.	Total
1	2	3	4	5	6	7	8	9	10	11
1.	Andhra Pradesh***	297	66.53	331	93.14	—	315	1706.48	3715.95	5422.43
2.	Arunachal Pradesh	15	11.16	7	9.97	Nil	7	1956.65	838.57	2795.22
3.	Assam	211	45.05	220	31.21	Nil	Nil	1525.21	951.00	2476.21
4.	Bihar***	942	39.57	1029	4152	—	1232	—	1618.22	1618.22
5.	Goa	94	26.85	19	4.53	Nil	5	1211.60	478.94	1670.54
6.	Gujarat	1151	119.61	671	51.77	Nil	Nil	3009.20	3591.02	6600.22
7.	Haryana	13	0.95	15	69.99	30	—	—	612.08	612.08
8.	Himachal Pradesh	192	7.78	64	7.24	Nil	14	5743.30	273.84	1017.14
9.	Jammu & Kashmir*****	51	2.20	8	0.24	8	23	75.60	80.25	155.85
10.	Karnataka	808	122.88	592	209.09	—	272	7866.85	4057.03	11923.88
11.	Kerala**	2368	88.67	1533	136.05	103	128	2475.54	4119.23	6594.77
12.	Madhya Pradesh****	354	34.24	232	7.48	53	127	2481.68	1017.53	3499.26
13.	Maharashtra*	2176	914.00	1002	137.00	Nil	464	34342.00	8503.00	42845.00
14.	Manipur@	NA	NA	NA	NA	192	NA	NA	NA	NA
15.	Meghalaya	26	8.00	13	1.29	1	8	50.61	150.10	200.71
16.	Mizoram	47	95.48	14	6.34	26	6	3.85	87.55	91.40
17.	Nagaland***	23	2.70	14	0.72	—	77	N.A.	N.A.	N.A.
18.	Orissa**	73	2.70	14	0.72	—	77	N.A.	N.A.	N.A.
19.	Punjab***	21	7.31	10	0.21	118	39	169.51	159.51	328.50
20.	Rajasthan****	210	16.82	53	4.57	—	288	1738.98	535.52	2274.50
21.	Sikkim	—	—	—	—	—	—	—	—	—
22.	Tamil Nadu****	749	195.11	374	194.41	188	174	8003.37	8404.34	16407.71
23.	Tripura	8	1.17	10	1.29	Nil	25	175.70	8.35	184.05
24.	Uttar Pradesh*****	416	N.A.	382	N.A.	987	—	75.18	174.36	249.5
25.	West Bengal**	1768	44.75	665	32.95	529	325	12869.50	8357.45	21226.95
26.	A & N Islands*	2	1.20	4	2.30	—	26	N.A.	Nil	—
27.	Chandigarh*****	6	1.72	—	—	—	—	16.00	10.00	26.00
28.	D & N Haveli	1	3.65	—	—	—	—	60.48	Nil	60.48
29.	Daman & Diu***	6	8.99	—	—	—	—	217.87	205.93	423.80
30.	Delhi*****	407	9.36	38	0.73	—	—	—	1059.00	1059.00
31.	Lakshadweep	N.A.	N.A.	N.A.	N.A.	14	2	N.A.	N.A.	N.A.
32.	Pondicherry	33	8.93	40	26.92	Nil	1	537.76	830.13	1367.89
TOTAL		12418	1895.04	7422	5200.05	2091	3509	1668.68	50377.37	52046.65

NOTE : * 1995-96
 ** 1994-95
 *** 1993-94
 **** 1992-93
 ***** 1991-92

@ The Audit of these stores are in progress.

State-wise Performance of Wholesale Consumer Cooperative Stores During the year 1996-97

(See para 7.5)

(Rs. in Lakhs)

Sl. No.	States/UTs.	No. of Store	No. of branch			Membership			Share Capital		
			Deptt. Stores	Other branches	Total	No. of Cons. Coop. Store	Individuals	Other institutions	Total	Govt.	
1	2	3	4	5	6	7	8	9	10	11	12
1.	Andhra Pradesh***	81	19	311	330	245877	1462	861	248200	340.79	217.72
2.	Arunachal Pradesh	—	—	—	—	—	—	—	—	—	—
3.	Assam	36	14	69	83	59628	485	330	60443	261.50	231.81
4.	Bihar***	92	11	65	76	50067	3203	—	53270	252.97	123.63
5.	Goa	—	—	—	—	—	—	—	—	—	—
6.	Gujarat	26	12	32	44	603	134820	384	135807	81.04	6.51
7.	Haryana	33	3	70	73	91294	449	—	91743	306.11	292.55
8.	Himachal Pradesh	—	—	—	—	—	—	—	—	—	—
9.	Jammu & Kashmir*****	12	N.A.	487	487	21495	345	240	22080	113.34	99.33
10.	Karnataka	25	22	128	150	1610	45185	324	47119	26150	20125
11.	Kerala**	1	6	6	12	79	306	1	386	29.70	28.55
12.	Madhya Pradesh****	44	11	245	256	71910	1535	2915	76360	188.87	148.77
13.	Maharashtra*	128	30	499	529	351807	782	2183	354772	844.00	300.00
14.	Manipur@	8	Nil	Nil	—	345	1008	Nil	1353	76.10	27.85
15.	Meghalaya	3	2	13	15	33	248	41	322	71.50	41.99
16.	Mizoram	—	—	—	—	—	—	—	—	—	—
17.	Nagaland***	—	—	—	—	—	—	—	—	—	—
18.	Orissa**	27	11	119	130	28815	1956	80	30851	185.51	161.58
19.	Punjab***	15	—	22	22	114825	13	258	115096	56.89	41.35
20.	Rajasthan****	30	5	230	235	121952	256	2378	124586	290.51	235.87
21.	Sikkim	1	Nil	Nil	—	36	Nil	N.A.	36	1.15	Nil
22.	Tamil Nadu****	28	34	2737	2771	752428	3821	3456	759505	848.11	630.01
23.	Tripura	—	—	—	—	—	—	—	—	—	—
24.	Uttar Pradesh*****	64	Nil	519	519	N.A.	N.A.	N.A.	194615	608.93	N.A.
25.	West Bengal**	29	21	243	264	26345	2401	3303	32049	449.15	327.65
26.	A & N Islands*	4	—	86	86	10882	58	2	10942	99.74	33.74
27.	Chandigarh*****	1	3	60	63	8311	—	—	8311	56.11	55.50
	D & N Haveli	—	—	—	—	—	—	—	—	—	—
	Daman & Diu***	—	—	—	—	—	—	—	—	—	—
	Delhi*****	3	8	274	282	103669	Nil	—	103669	222.71	186.48
31.	Lakshadweep	—	—	—	—	—	—	—	—	—	—
32.	Pondicherry	2	2	14	16	125	30015	2	30142	76.81	52.16
TOTAL		693	214	6229	6443	2062136	228348	16758	2307242	5723.04	3444.30

NOTE : * 1995-96
 ** 1994-95
 *** 1993-94
 **** 1992-93
 ***** 1991-92

@ The Audit of these Stores are in Progress.

State-wise Performance of Wholesale Consumer Cooperative Stores During the year 1996-97 (Contd.)

(Rs. in Lakhs)

Sl. No.	Name of the States/UTs.	Working Capital	Profit		Loss		No Profit/ No Loss	Defunct	Sales		Total	Sale of Controlled commodities
			No.	Amount	No.	Amount			Wholesale	Retail		
1	2	3	4	5	6	7	8	9	10	11	12	13
1.	Andhra Pradesh***	419.86	11	22.68	46	290.00	24	—	1405.14	3210.27	4615.41	1314.71
2.	Arunachal Pradesh	—	—	—	—	—	—	—	—	—	—	—
3.	Assam	931.31	27	17.32	9	25.23	—	—	8132.92	—	—	6932.21
4.	Bihar***	340.18	32	3.42	45	134.00	—	15	—	378.49	378.49	N.A.
5.	Goa	—	—	—	—	—	—	—	—	—	—	—
6.	Gujarat	1139.01	16	28.26	10	48.89	Nil	Nil	3478.38	1787.93	5266.31	3270.56
7.	Haryana	323.18	9	6.17	10	9.67	—	14	439.03	971.23	1410.26	389.65
8.	Himachal Pradesh	—	—	—	—	—	—	—	—	—	—	—
9.	Jammu & Kashmir*****	420.09	5	13.93	5	0.01	—	2	592.61	464.42	1057.03	N.A.
10.	Karnataka	1223.86	17	33.82	9	7.54	—	6	6584.93	2967.48	9551.41	6385.19
11.	Kerala**	95.21	—	—	1	10.32	—	—	472.80	183.56	656.36	431.89
12.	Madhya Pradesh****	738.06	17	11.40	24	68.43	2	1	1281.44	3947.25	5228.69	2613.00
13.	Maharashtra*	5597.00	97	850.00	22	43.00	Nil	9	25300.00	11547.00	36847.00	28512.00
14.	Manipur@	285.00	N.A.	N.A.	N.A.	N.A.	N.A.	2	N.A.	N.A.	N.A.	N.A.
15.	Meghalaya	87.20	N.A.	—	N.A.	—	N.A.	N.A.	60.50	13.00	73.50	8.00
16.	Mizoram	—	—	—	—	—	—	—	—	—	—	—
17.	Nagaland***	—	—	—	—	—	—	—	—	—	—	—
18.	Orissa**	446.08	3	N.A.	18	182.05	Nil	6	177.13	983.28	1160.41	315.51
19.	Punjab***	117.31	3	25.05	9	19.10	—	3	128.56	—	128.36	22.56
20.	Rajasthan****	1085.60	20	26.20	10	14.40	—	—	12270.37	4786.75	17057.12	12808.17
21.	Sikkim	1.45	Nil	—	Nil	1.10	—	—	3.35	Nil	3.35	Nil
22.	Tamil Nadu****	6741.80	19	163.13	9	205.49	—	—	24079.41	35378.57	59457.98	39237.29
23.	Tripura	—	—	—	—	—	—	—	—	—	—	—
24.	Uttar Pradesh*****	N.A.	20	32.32	44	58.18	Nil	Nil	N.A.	N.A.	5000.87	—
25.	West Bengal**	2954.32	5	58.95	14	62.65	—	10	10505.14	4656.75	15161.89	—
26.	A & N Islands*	1294.00	3	9.70	1	42.00	—	—	1161.00	1854.40	3015.49	518.48
27.	Chandigarh*****	—	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	—	686.00	686.00	—
28.	D & N. Haveli	—	—	—	—	—	—	—	—	—	—	—
29.	Daman & Diu***	—	—	—	—	—	—	—	—	—	—	—
30.	Delhi*****	500.28	3	97.55	—	—	—	—	—	16617.01	16617.01	—
31.	Lakshadweep	—	—	—	—	—	—	—	—	—	—	—
32.	Pondicherry	302.96	Nil	—	2	162.14	Nil	Nil	917.76	N.A.	917.76	329.08
TOTAL		25043.76	307	1399.90	289	1461.80	26	68	96990.27	90433.39	192424.53	103088.30

NOTE : * 1995-96
 ** 1994-95
 *** 1993-94
 **** 1992-93
 ***** 1991-92

@ The audit of these stores are in progress

State-wise Performance of State Consumer Cooperative Federations During the year 1996-97

(Para 7.6)

(Rs. in Lakhs)

Sl. No.	States/UTs.	No. of Fed	No. of branch				Membership				Share Capital	
			Deptt. Store	Other Retail Unit	Branch Office	Total	No. of Cons. Coop. Store	Individuals	Other institutions	Total	Govt.	
1	2	3	4	5	6	7	8	9	10	11	12	13
1.	Andhra Pradesh***	1	14	14	9	23	59	1	438	498	6.88	66.64
2.	Arunachal Pradesh	1	1	20	5	26	65	Nil	1	66	45.44	38.55
3.	Assam	1	—	554	42	596	553	Nil	1	554	1858.78	1854.32
4.	Bihar***	1	6	2	—	8	67	—	16	83	236.49	—
5.	Goa	1	8	1	10	19	40	7400	124	7564	18.41	15.93
6.	Gujarat	1	1	1	2	4	60	1	262	323	52.41	10.00
7.	Haryana	1	111	60	17	631	32	Nil	2	34	546.63	541.49
8.	Himachal Pradesh	1	1	16	85	102	639	Nil	1	640	776.77	766.51
9.	Jammu & Kashmir*****	1	—	45	3	48	—	196	894	1090	933.22	133.22
10.	Karnataka	1	19	1	6	26	23	Nil	1	24	63.02	53.97
11.	Kerala**	1	7	9	Nil	9	14	Nil	14	28	926.22	861.04
12.	Madhya Pradesh***	1	8	2	10	20	855	1	Nil	856	398.28	347.95
13.	Maharashtra*	1	9	Nil	8	17	566	Nil	1	567	193.29	139.47
14.	Manipur@	1	Nil	9	9	18	9	15	170	194	687.98	685.91
15.	Meghalaya	1	Nil	1	14	15	21	4	61	86	228.08	41.23
16.	Mizoram	1	—	—	12	12	6	11	83	100	77.43	76.85
17.	Nagaland***	1	3	12	1	16	37	Nil	40	77	205.73	193.14
18.	Orissa**	1	2	5	16	23	195	—	1	96	129.14	123.43
19.	Punjab***	1	2	5	15	3	195	—	1	96	129.14	123.43
20.	Rajasthan****	1	3	71	4	78	28	Nil	52	80	299.23	289.81
21.	Sikkim	1	4	3	4	11	N.A.	N.A.	N.A.	—	67.98	67.00
22.	Tamil Nadu****	1	Nil	Nil	Nil	70	41	Nil	1662	1703	383.74	115.36
23.	Tripura	1	1	5	2	8	40	892	90	1022	671.73	671.03
24.	Uttar Pradesh*****	1	Nil	6	39	45	57	Nil	169	226	6.33	5.46
25.	West Bengal**	1	Nil	1	1	2	31	Nil	1	32	190.93	105.14
26.	A & N Islands*	1	Nil	3	3	6	1	95	27	123	2.44	2.29
27.	Chandigarh*****	—	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	—	686.00	686.00	N.A.
28.	D & N. Haveli	—	—	—	—	—	—	—	—	—	—	—
29.	Daman & Diu***	—	—	—	—	—	—	—	—	—	—	—
30.	Delhi*****	—	—	—	—	—	—	—	—	—	—	—
31.	Lakshadweep	1	Nil	6	30	36	36	Nil	38	74	2.51	1.98
32.	Pondicherry	1	Nil	Nil	2	2	10	58	12	80	21.21	17.89
TOTAL		29	184	1286	336	1806	3884	9014	4163	17061	9256.59	7431.46

Note : * 1995-96

** 1994-95

*** 1993-94

**** 1992-93

***** 1991-92

@ The audit of these Federations are in progress

State-wise Performance of State Consumer Cooperative Federations during the year 1996-97

(Rs. in Lakhs)

Sl. No.	States/UTs.	Working Capital	Profit	Loss	Acc. Loss	Sales			Controlled Commodities out of Total Sales in Col. 9
						Wholesale	Retail	Total	
1	2	3	4	5	6	7	8	9	10
1.	Andhra Pradesh***	110.65	N.A.	9.06	88.54	N.A.	N.A.	1384.10	N.A.
2.	Arunachal Pradesh	261.52	N.A.	Nil	Nil	154.70	99.52	254.22	816.56
3.	Assam	31672.14	—	254.30	2124.40	32673.64	—	32673.64	—
4.	Bihar***	238.16	N.A.	N.A.	97.00	—	88.64	88.64	—
5.	Goa	84.39	Nil	5.51	Nil	1688.70	1154.70	2843.20	1453.21
6.	Gujarat	245.23	234	Nil	2.34	465.39	142.10	607.49	233.25
7.	Haryana	5021.24	1.83	Nil	918.06	1209.29	2974.38	15068.67	14822.23
8.	Himachal Pradesh	2723.01	29.55	Nil	Nil	3268.75	749.96	4018.71	172.44
9.	Jammu & Kashmir*****	N.A.	N.A.	N.A.	N.A.	5520.00	44.00	5564.00	3092.57
10.	Karnataka	346.10	33.94	Nil	Nil	89.7	4567.65	4657.36	386.48
11.	Kerala**	1814.75	N.A.	Nil	25564	873.39	2042.39	2915.76	Nil
12.	Madhya Pradesh****	561.28	Nil	65.07	557.26	831.11	1571.29	2402.40	166.97
13.	Maharashtra*	4182.02	51.01	Nil	Nil	9290.65	670.29	9960.94	365.57
14.	Manipur@	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
15.	Meghalaya	N.A.	N.A.	N.A.	N.A.	797.98	N.A.	797.98	34.97
16.	Mizoram	369.00	4.62	Nil	195.09	1134.38	1386.46	2520.84	504.17
17.	Nagaland***	N.A.	1.73	—	94.71	432.98	135.60	568.58	10.70
18.	Orissa**	401.73	8.62	Nil	161.81	2087.04	310.20	2397.24	1.85
19.	Punjab***	381.75	—	38.32	138.73	403.30	59.90	463.27	68.37
20.	Rajasthan****	2332.07	81.45	Nil	Nil	N.A.	N.A.	22140.09	22140.09
21.	Sikkim	220.36	7.00	Nil	N.A.	N.A.	N.A.	N.A.	N.A.
22.	Tamil Nadu****	414.74	24.57	Nil	451.91	147.21	Nil	147.21	Nil
23.	Tripura	N.A.	N.A.	N.A.	1648.63	233.26	272.78	506.04	65.95
24.	Uttar Pradesh*****	3885.83	—	—	—	5622.16	Nil	5622.76	480.49
25.	West Bengal**	706.56	N.A.	N.A.	N.A.	21.65	N.A.	21.65	Nil
26.	A & N. Islands*	37.62	1.14	Nil	Nil	195.38	8.42	203.80	8.11
27.	Chandigarh*****	—	—	—	—	—	—	—	—
28.	D & N Haveli	—	—	—	—	—	—	—	—
29.	Daman & Diu***	—	—	—	—	—	—	—	—
30.	Delhi*****	—	—	—	—	—	—	—	—
31.	Lakshadweep	422.36	N.A.	N.A.	N.A.	1089.08	Nil	1089.08	N.A.
32.	Pondicherry	245.10	0.47	Nil	199.19	189.74	Nil	189.74	Nil
TOTAL		54677.61	248.27	372.26	5833.31	80304.27	16278.28	120106.74	44833.98

NOTE : * 1995-96

** 1994-95

*** 1993-94

**** 1992-93

***** 1991-92

@ The audit of these Federations are in progress

A. Primary Stores-Progress and Performance during the Last Five Years

	1992-93	1993-94	1994-95	1995-96	1996-97
No. of Stores	23528	25343	25750	25750	25632
No. of Branches	9548	10960	9287	9509	9556
Membership (000 Nos)	12937	13460	13629	1651	14015
Share Capital (Lakhs Rs.)					
(i) Total	6442.75	11886.96	11519.63	6429.83	5874.60
(ii) Govt.	1467.04	2056.84	1696.90	1389.67	1668.73
Working Capital (Lakhs Rs.)	23223.96	27146.25	19792.78	23413.49	26481.68
No. of Stores in					
(i) Profit	9895	11848	11824	—	12418
(ii) Loss	6776	7198	7227	7405	7422
Total Sales (Rs. in Lakhs)	95432.71	92588.21	93303.99	139541.93	52046.05

B. Wholesale Stores-Progress and Performance during the Last Five Years

	1992-93	1993-94	1994-95	1995-96	1996-97
No. of Stores	635	756	666	676	693
No. of Branches	6165	6652	6605	6594	6443
Membership (000 Nos)	2050	2457	2496	2474	2307
Share Capital (Lakhs Rs.)					
(i) Total	4983.93	5328.09	26148.19	5484.70	5723.04
(ii) Govt.	3693.63	3640.15	3736.17	3779.17	3444.30
Working Capital (Lakhs Rs.)	16660.01	22574.62	26176.28	37409.92	25043.76
No. of Stores in					
(i) Profit	238	337	306	328	307
(ii) Loss	293	331	293	273	289
Total Sales (Rs. in Lakhs)	124738.05	155227.00	163149.96	195216.44	192424.53

C. State Federations-Progress and Performance during the Last Five Years

	1992-93	1993-94	1994-95	1995-96	1996-97
No. of Stores	29	29	29	29	29
No. of Branches	1165	1181	1195	1200	1806
Membership (000 Nos)	16.31	15.36	15.56	15.5	17.1
Share Capital (Lakhs Rs.)					
(i) Total	6891.41	7756.08	7998.91	8099.22	9256.59
(ii) Govt.	4857.32	5739.73	5974.97	6069.89	7431.46
Working Capital (Lakhs Rs.)	18428.80	14938.39	20753.04	21730.05	54677.61
No. of Stores in					
(i) Profit	11	15	16	19	13
(ii) Loss	15	12	13	10	16
Total Sales (Rs. in Lakhs)	141665.13	81463.09	87374.94	28244.88	120106.74

**Number of Projects Sanctioned Village Societies Covered and Assistance
Sanctioned and Released as on 31.3.1997 under NCDC Rural Consumers Scheme**

(Rs. in lakhs)

SL. NO.	NAME OF STATES/UTS	Corporation Sponsored Scheme			AMOUNT SANCTIONED	AMOUNT RELEASED
		PROJECTS (NOS.)	VILLAGE (NOS.)	BRANCHES SOCS. (NOS.)		
1.	ANDHRA PRADESH	105	2310	0	224.535	217.995
2.	ASSAM	57	307	0	49.615	49.277
3.	ARUNACHAL PRADESH	0	0	0	0.000	0
4.	BIHAR	169	2531	0	185.760	154.707
5.	GUJARAT	111	1391	24	210.880	199.96
6.	GOA	4	13	25	6.680	5.260
7.	HARYANA	84	1039	0	132.850	85.820
8.	HIMACHAL PRADESH	95	1541	0	180.100	173.503
9.	JAMMU & KASHMIR	35	471	0	33.510	33.510
10.	KARNATAKA	168	3208	0	319.465	304.150
11.	KERALA	91	1280	0	231.121	196.557
12.	MADHYA PRADESH	360	5844	201	934.052	894.853
13.	MAHARASHTRA	219	3751	12	334.905	309.883
14.	MANIPUR	25	140	0	17.515	13.425
15.	MEGHALAYA	11	45	0	19.190	7.190
16.	MIZORAM	7	62	0	11.650	7.600
17.	NAGALAND	8	29	0	9.720	6.390
18.	ORISSA	110	2520	362	241.451	228.128
19.	PUNJAB	330	2666	0	429.680	419.940
20.	RAJASTHAN	205	3956	0	426.180	394.116
21.	SIKKIM	7	55	0	18.682	13.750
22.	TAMIL NADU	201	4526	1948	757.463	750.867
23.	TRIPURA	70	420	16	60.260	55.920
24.	UTTAR PRADESH	434	9080	223	1021.968	1006.098
25.	WEST BENGAL	592	3263	5	434.184	312.900
26.	A&N ISLANDS	0	0	0	33.890	9.595
27.	CHANDIGARH	1	0	0	0.600	0.600
28.	DADRA & NAGAR HAVELI	0	0	0	0.000	0.000
29.	DAMAN & DIU	0	0	0	0.000	0.000
30.	DELHI	0	0	0	0.000	0.000
31.	LAKSHADWEEP	0	0	0	0.000	0.000
32.	PONDICHERRY	1	15	0	1.100	1.100
TOTAL		3501	50463	2816	6318.731	5855.044

NUMBER OF FAIR PRICE SHOPS AS PER NIC REPORTS RECEIVED FROM STATES/UTS

Date : 20-11-1997

State	Co-operative			Others			Total			Reported As on
	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban	Total	
Andhra Pradesh	1288	581	1869	31227	6552	37779	32515	7133	39648	Jun 97
Arunachal Pradesh	215	51	266	625	52	677	840	103	943	May 97
Assam	705	167	872	26299	3133	29432	27004	3300	30304	Mar 96
Bihar	879	410	1289	40447	10092	50539	41326	10502	51828	Mar 96
Goa	166	58	224	260	98	358	426	156	582	May 97
Gujarat	3138	814	3952	6844	2851	9695	9982	3665	13647	Jun 97
Haryana	A313	95	408	4690	2545	7235	5003	2640	7643	Jun 97
Himachal Pradesh	2665	116	2781	751	124	875	3416	240	3656	Jun 97
Jammu & Kashmir	196	0	196	2181	651	2832	2377	651	3028	Mar 97
Karnataka	6705	2451	9156	7644	2846	10490	14346	5297	19646	Apr. 97
Kerala	928	141	1069	1128	1887	13168	12202	2028	14237	May. 97
Madhya Pradesh	20202	3626	23828	0	0	0	20202	3626	23828	May 97
Maharashtra	30961	10479	41440	0	0	0	309961	10479	41440	May 96
Manipur	19	11	30	1723	175	1898	1742	186	1928	Mar 97
Meghalaya	28	21	49	3234	553	3787	3282	574	3836	Mar 97
Mizoram	0	0	0	735	229	964	735	229	964	May 97
Nagaland	1	1	2	77	183	260	78	184	262	Sep 93
Orissa	1580	193	1773	19777	3349	23126	21357	3542	24899	Apr 97
Punjab	1901	85	1986	6779	2987	9766	8680	3072	11752	Mar 97
Rajasthan	5280	736	6016	8395	3720	12115	13675	4456	18131	Feb 97
Sikkim	54	30	84	465	329	794	519	359	878	Oct. 96
Tamilnadu	18058	3869	21927	280	918	1198	18338	4787	23125	Jun 97
Tripura	239	41	280	930	134	1064	1169	175	1344	Mar 97
Uttar Pradesh	2103	2144	4247	63603	9704	73307	65706	11848	77554	Dec 96
West Bengal	358	577	935	15249	4255	19504	15607	4832	20439	Feb 97
Andman & Nikobar	71	12	83	219	102	321	290	114	404	May 97
Chandigarh	8	39	47	43	236	279	51	275	326	Sep 93
Dadra & Nagar H.	53	0	53	25	0	25	78	0	78	Jun 97
Daman & Diu	16	7	23	4	11	15	20	18	38	Dec 94
Delhi	0	0	0	428	2739	3167	428	2739	3167	Dec 96
Lakshdweep	21	14	35	0	0	0	21	14	35	Jun 97
Pondicherry	126	154	280	27	54	81	153	208	361	May 97
Country Total	98277	26923	125200	254242	60509	314751	352519	87432	439951	

CHAPTER VIII

FORWARD MARKETS COMMISSION

I. Forward Markets Commission-Functions.

8.1 The Forward Markets Commission (hereinafter referred to as the 'Commission') is a statutory body set up under the Forward Contracts (Regulation) Act, 1952 (hereinafter referred to as the 'Act'). The Commission functions under the administrative control of the Department of Consumer Affairs, Ministry of Food and Consumer Affairs, Government of India.

8.2 Under the Act, the Commission has the following functions:—

- (i) to advise the Central Government in respect of recognition or withdrawal of recognition of any association and other matters arising out of the administration of the Act;
- (ii) to keep forward markets under observation and take appropriate action in relation to them;
- (iii) to collect and publish information regarding trading conditions in respect of goods to which any of the provisions of the Act is made applicable including information regarding supply, demand and prices and to submit to Central Government periodical reports on the operation of this Act and on the working of the forward markets relating to such goods;
- (iv) to make recommendations to improve the organisation and working of forward markets;
- (v) to undertake inspection of the accounts of recognized associations and/or any members thereof; and
- (vi) to perform other duties prescribed by the Central Government.

8.3 The Commission thus is a statutory authority entrusted with regulatory functions under the Act. The Commission, at present, comprises two members, one of whom is its Chairman. It has its headquarters at Mumbai and a Regional Office at Calcutta. The Commission has three functional wings to carry out various tasks i.e. the Commodity Division, the Enforcement Division and the Administration Division. The sanctioned strength of the office consists of 14 officers and 103 staff members.

II. Regulation of Forward/Futures Trading

8.4 At present, futures trading is regulated through 17 recognized associations in seven commodities viz.,

- (i) Castor seed at Mumbai, Ahmedabad and Rajkot;
- (ii) Pepper at Kochi;

- (iii) Turmeric at Sangli;
- (iv) Potatoes at Hapur, Kanpur, Agra and Delhi;
- (v) Gur at Hapur, Meerut, Muzaffarnagar, Bhatinda, Ludhiana, Amritsar, Gwalior, Agra, Kanpur and Delhi;
- (vi) Hessian at Calcutta, and
- (vii) Jute goods at Calcutta.

8.5 Besides, Government have permitted domestic futures trading in cotton and jute goods and international trading in pepper and castor oil futures. Forward trading in the transferable specific delivery (T.S.D.) contracts and non-transferable specific delivery (N.T.S.D.) contracts in raw jute and jute goods are regulated under the auspices of one recognized Association at Calcutta. Likewise, trading in N.T.S.D. contracts in cotton of different descriptions continues to be regulated under the auspices of eight recognized associations at Mumbai, Ahmedabad, Vadodara, Ujjain, Surat, Indore, Coimbatore and Guntur.

8.6 Government decision to permit International Pepper Futures Exchange at Kochi has been implemented and the Exchange inaugurated by the Minister of State for Food and Consumer Affairs on 6.10.1997. The decision on international futures in castor oil is under implementation.

8.7 Government decision to resume futures trading in ginned and baled cotton is under implementation. Futures trading in jute goods commenced in March, 1998.

III. Recognized Associations

8.8 There are 30 recognized Associations spread over different parts of India. Of these, trading is conducted in 25 Associations and in remaining five associations, no trading is conducted as Government has decided not to permit trading in the commodities for which those associations have been recognised.

IV. Price monitoring

8.9 The Commission assists the Ministry of Food and Consumer Affairs, (Department of Consumer Affairs) in its work by undertaking an analysis of the prices of essential commodities like foodgrains, pulses, edible oilseeds and oils, vanaspati, cotton, sugar and gur in the premier markets in the country. The international price trends in many of the above commodities are also reviewed on a periodic basis. The Commission has been submitting periodic reports to the Ministry containing data on wholesale and retail prices of various commodities.

V. Amendments to Bye-laws and Articles of the recognised

Associations.

8.10 During the period under report extensive amendments to hedge trading bye-laws relating to castorseed, being traded at the Bombay Oilseeds and Oils Exchange Ltd., Mumbai, were carried out.

The amendments mainly related to facilitating the switch over from the weekly clearing system to daily clearing system and immediate reporting of the transactions to the Exchange. The bye laws relating to the potatoes hedge contracts of the Keshav Commodity Exchange Ltd., Delhi, which was recognised by the Ministry for forward contracts in potatoes in September 1997, were examined in depth before they were approved.

VI. International Pepper Futures Contract

8.11 The Memorandum and Articles of Association and bye-laws of the India Pepper and Spice Trade Association (IPSTA), Kochi for trading in domestic and international division were finalised and approved during the period under report. Likewise, the Memorandum and Articles of Association and bye-laws of the First Commodities Clearing Corporation of India Ltd., Kochi, the independent Clearing House set up to clear and guarantee trades executed on IPSTA-ICE, were approved afresh during the period.

8.12 The Spices Board, Forward Markets Commission and the India Pepper and Spice Trade Association organised a workshop at Kochi on July, 7 and 8, 1997 to promote the International Pepper Futures Contracts to be traded at IPSTA-ICE, Kochi and to be cleared by the First Commodities Clearing Corporation of India Ltd., (FCCCI), an independent company set up for clearing the trades.

8.13 The International Commodity Exchange Division of the India Pepper and Spice Trade Association, Kochi (IPSTA-ICE) was inaugurated on the 6th October, 1997 by the Minister of State for Food and Consumer Affairs. The inaugural function was presided over by the Minister of State for Commerce.

8.14 For participants in the IPSTA-ICE, registration with Forward Markets Commission is necessary in terms of the bye-laws issued by Government in November 1996. Till the end of March 1998, the Commission had received 69 applications for registration for participating in the International Pepper Futures Trading at Kochi. Of these, certificates of registration have been given in 66 cases, while one case has been referred to the Reserve Bank of India for clearance. In the remaining two cases clarifications have been sought from the applicants.

VII. Setting up of the International Castor Oil Futures Exchange at the B.O.O.E., Mumbai.

8.15 In pursuance of the Government decision for setting up an International Castor Oil Futures Exchange at the Bombay Oilseeds and Oils Exchange Ltd., Mumbai, a

Steering Committee, under the Chairmanship of the Secretary, Department of Consumer Affairs, and consisting of senior officers of the Department of Consumer Affairs, Ministries of Finance, Commerce, Agriculture, Industry, Law and Justice and the R.B.I. and the Chairman Forward Markets Commission, as its members, has been constituted to co-ordinate the various steps to be taken in this behalf. The Committee had its first meeting on 19.8.1997 the second meeting on 28.10.1997 the third meeting on 9.1.1998 and the fourth meeting on 20.3.1998.

VIII. Inspection of Association

8.16 With a view to assess the performance of the Commodity Exchanges the Commission conducted inspection of twelve Exchanges during the period from 1.4.1997 to 31.3.1998. The shortcomings noticed during the inspections with reference to membership, financial position, administrative set-up, improvement in the trading mechanism have been brought to their notice for rectification and are being pursued.

IX. Forward Markets Bulletin and the Commission's Annual Reports.

8.17 The Commission brings out a four-monthly Bulletin entitled "Forward Markets Bulletin" to present factual data relating to the working of the forward and futures markets in the country and to focus attention on the regulatory and other measures pertaining to these markets. Information regarding renewal/grant of recognition to different associations, details of action against illegal forward/futures trading and options in goods and the training workshops organised by the Commission from time to time are also incorporated in the Bulletin.

8.18 Forward Markets Bulletin, which is the only publication of its kind in the country, is subscribed to by Commodity Exchanges, Chambers of Commerce, Research Institutes and others including the trading community.

8.19 Besides bringing out the "Forward Markets Bulletin", the Commission also brings out its Annual Report containing a review of the different commodity markets in the country, a gist of the regulatory measures prescribed for the forward/futures markets and statistical information pertaining to prices, trading activity and other allied matters relating to forward/futures markets.

X. Enforcement activities of the Commission

8.20 The forward/futures contracts are prohibited or suspended in a number of commodities, including many essential commodities such as foodgrains, pulses, edible oilseeds and oils. Consequently, entering into forward/futures contracts in these commodities is an offence attracting the penal provisions of the Act. Besides, 'options' in goods are totally prohibited under the Act.

8.21 The powers to search, seize, investigate and prosecute in respect of offences under the Act are not vested in the Commission or its Officers. These powers are vested in the police authorities of the concerned States/Union Territories. The Enforcement Division of the Commission, however, performs a crucial role by assisting the police in a number of ways. The functions of this Division include:—

- (i) collection, collation and development of information pertaining to illegal forward/futures trading and options in goods.
- (ii) communication of this information to the police, requesting them to carry out enforcement action, wherever necessary.
- (iii) assistance to the police at the time of raids by accompanying them and helping them in selecting and seizing the incriminating documents.
- (iv) scrutiny of documents seized by the police involving decoding of complicated entries concerning the technicalities of forward trading, which in turn involves translation/transliteration of the documents on the one hand and interpretation and collation on these entries, in the light of the relevant legal provisions, on the other.
- (v) officers of this Division appear as expert witnesses on behalf of the prosecution in different Courts of Law, and
- (vi) examination of court judgment with a view to exploring and suggesting the possibility of appeal to the prosecution.

The police authorities in different parts of the country carried out 30 raids for alleged illegal forward trading in banned commodities and options in goods.

8.22 During the year, 270 documents were scrutinised and 41 scrutiny reports containing the expert opinion of the Commission regarding the nature of evidence found in the documents were sent to the police authorities.

8.23 During the year, no information was received regarding prosecution launched and no convictions were secured during the period. Neither was there any case of acquittal/discharge.

The details of raids reported, scrutiny reports sent and prosecution launched during period under report is given at Annex-I.

8.24 The police officers at the operational level of Inspectors and Sub-Inspectors are trained periodically so as to acquaint them with the nature of offence under the Act, the modus operandi employed by the offenders including the adroit changes made therein from time to time and the basic legal provisions pertaining to the nature of the different forms of forward contracts under the Act. Besides this, Police prosecutors are also familiarised with the technicalities of the subject so as to enable them to perform their duties effectively. In addition, workshops on Forward Trading for senior police officers are organised so as to enable them to appreciate the gravity of offence under the Act, which are basically in the nature of economic offences.

8.25 During the year, 12 training courses for police officers and prosecutors were conducted at Nai Mumbai, Ahmedabad, Hyderabad, Nagpur and Mumbai. A total number of 524 Police Officers and Police Prosecutors were trained during this period.

Statement showing details of raids reported, scrutiny reports sent and prosecution reported during the period from 1.4.1997 to 31.3.1998

Month	No. of raids	No.involved			No.of documents scrutinised	No.of scrutiny reports sent	No.involved			Prosecution		
		Firms	Open space				Firms	Persons	Open space	Firms	Open	Persons
April, 97	5	3	2	30	4	3	7	1	-	-	-	
May, 97	11	9	2	12	3	2	7	1	-	-	-	
June, 97	2	1	1	2	1	1	1	-	-	-	-	
July, 97	3	3	-	6	2	1	5	1	-	-	-	
Aug., 97	9	2	7	16	2	1	8	-	-	-	-	
Sept., 97	-	-	-	66	7	7	7	-	-	-	-	
Oct., 97	-	-	-	59	3	2	4	1	-	-	-	
Nov., 97	11	11	-	21	8	2	17	6	-	-	-	
Dec., 97	1	1	-	16	2	1	7	1	-	-	-	
Jan., 98	4	4	-	1	1	1	1	-	-	-	-	
Feb., 98	2	2	-	10	2	2	2	-	-	-	-	
Mar., 98	Nil	-	-	31	6	6	6	-	-	-	-	
TOTAL	48	36	12	270	41	29	72	11	-	-	-	

CHAPTER IX
BUREAU OF INDIAN STANDARDS

General

9.1 The Bureau of Indian Standards (BIS) became functional as a statutory body under the Bureau of Indian Standards Act, 1986 from the 1st April, 1987 taking over the assets and liabilities of the Indian Standards Institution (ISI) which had been set up on the 6th January, 1947. The BIS has a network of offices with its headquarters at New Delhi and 5 regional and 22 branch offices and inspection offices, which act as effective links between the BIS and the Government and industry. The BIS continued to make all-round progress during 1997-98 in all its activities relating to standardization, certification (both product and quality systems), upgradation of testing facilities, enforcement activity, creation of awareness among consumers etc.

Standards Formulation

9.2 The BIS has been formulating Indian Standards in line with the national priorities as a time bound programme. Formulation of standards has been intensified in areas of technological significance and those affecting the life of the common man. In order to facilitate adoption of international standards by all segments of business and industry, BIS has taken a decision to harmonize national standards with international and regional standards. BIS has till date harmonized 3309 Indian standards with international standards. The progress on activities relating to formulation of Indian Standards is given in Table 1 with Bar charts in Fig. 1 & 2.

Table 1

Progress of Standards Formulation

Sl. No.	Activities	Progress during	
		1996-97	1997-98
1.	New and revised standards formulated	324	298
2.	Draft standards finalised and widely circulated	266	308
3.	Standards in force	16946	17113
4.	Review of standards	3202	3212

Promotional Activities

Golden Jubilee Celebration

9.3 The BIS has completed fifty years of service to the industry and consumers. The year 1997-98 is being celebrated by the BIS as its Golden Jubilee year. The BIS is organising seminars on "Consumer Welfare and Quality" throughout the country as a part of the celebrations.

9.4 A Golden Jubilee Seminar was organized on the 15th Sept., 1997 in Vigyan Bhavan, New Delhi. The Prime Minister inaugurated the Seminar which was presided over by the Minister of State for Food and Consumer Affairs and President of the BIS. A Golden Jubilee Souvenir "BIS - Then and Now" was released by the Prime Minister on this occasion.

9.5 A technical session "Quality and Consumers" followed the inaugural session. The Seminar was attended by more than 300 participants from Government, industry and consumer organisations. The seminar was covered by various newspapers, Doordarshan and All India Radio in their news bulletins.

World Standards Day

9.6 To commemorate the foundation of the International Organisation for Standardisation (ISO), the World Standards Day was celebrated all over the World on the 14th Oct., 1997. The theme for the Day was "World Trade Needs World Wide Standards". To mark the occasion, the BIS organized seminars, talks, lectures and exhibitions throughout the country on the above theme. The seminar at New Delhi was inaugurated by the Minister of State for Food and Consumer Affairs and President, BIS.

Rajiv Gandhi National Quality Award

9.7 The Rajiv Gandhi National Quality Award was instituted by the BIS in 1991 with a view to encourage Indian manufacturing and service organisations to strive for excellence and for according special recognition to those who are considered to be the leaders of the quality movement in India. The Award has been named after the late Prime Minister, Shri Rajiv Gandhi, recognising the new thrust he had given to the quality movement in India.

9.8 The Awards for the year 1994 were presented at a function held on the 14th Oct., 1997 at New Delhi. The Minister of State for Food and Consumer Affairs and President of the Bureau of Indian Standards was the Chief

Guest. He gave away the Awards to winners as indicated below:—

Award	Winners
1. Best of all	ITC Ltd. (ILTD Division), Chirala, Andhra Pradesh.
2. Large Scale	Mathura Refinery of Indian Oil Corpn.
3. Small Scale	Lakshmi Hydraulics Private Ltd. Solapur, Maharashtra.
4. Commendation certificates	(i) M/s Larsen & Toubro Ltd., Award for Cement Works, Chandrapur, Maharashtra. (ii) Narmada Fabricators, Bhopal.

World Consumer Rights Day

9.9 The World Consumer Rights Day was celebrated on the 15th March 1997 all over the country. In New Delhi, a programme on the theme "Consumer Welfare and Environment Protection" was organized. The function was inaugurated by the then Minister for Civil Supplies, Consumer Affairs & Public Distribution. A consumer education brochure on cement titled "Know Your Product Series" was released by the Minister on the occasion.

The World Consumer Rights Day was also celebrated on 17 March 1998 jointly with the Department of Consumer Affairs in New Delhi by organising a seminar on the theme "Justice to Consumer through citizens' character.

State Level Committees on Standardization & Quality Systems

9.10 For strengthening standardisation, quality systems and testing facilities in the States, State Level Committees on Standardization and Quality Systems have been established in 25 States and Union Territories. Through these Committees, the State Governments/UTs play an important role in upgrading the quality of products manufactured by advising the manufacturers to implement standards.

Certification

9.11 Product Certification—The product certification mark scheme continued to make steady progress with the grant of 1504 new licences during April, 97 to March, 1998, increasing the number of operative licences to 13031 as on 31st March, 1998. Fourteen new products were covered under the Certification Marks Scheme. The important products brought under certification during April 97 to March, 1998 are prestressed concrete poles for overhead power traction & telecommunications, glass cleaner liquid, indelible ink, calcium chloride, automobile lamps, oil pressure stoves (off-set burner type), overhead projectors, filter type particulate matter respirators, steam pressure sterilizers etc.

9.12 The progress of certification marks activity is given in Table 2 with Bar Charts in Fig 3 and 4. (attached)

Table 2

Progress of Certification Marks Activities

Sl. Activities No.	Progress during	
	1996-97	1997-98
1. Applications received	2165	2222
2. Licences granted	1567	1504
3. Licences cancelled/expired	1208	1089
4. Preliminary inspections done	2125	1879
5. Periodic inspections done	13900	16961
6. Market samples drawn	10883	10489
7. Samples tested in BIS labs	27863	27712

Quality System Certification

9.13 BIS Quality System Certification Scheme, which is accredited by Raad voor Accreditation (RVA), a body of international repute, also made steady progress with grant of 74 licences during April 97 to March, 1998 bringing the number of licences to 354 as on 31st March, 1998.

9.14 BIS has sent an application to Raad voor Accreditation of Netherlands (RVA) to extend the scope of accreditation from the ten technology sectors presently covered to twenty. The important sectors proposed by BIS for inclusion in the accreditation are food products, beverages and tobacco, pharmaceuticals, hotel industry, financial services and health services.

Environmental Management System Certification

9.15 In view of the growing consensus for greener environment, BIS has adopted the ISO standards pertaining to Environment Management Systems (ISO 14000 series). These standards will enable an organisation to formulate a policy on environmental aspects relating to that organisation after taking into account the legislative requirements and other requisite information about environmental impact. Under this scheme, certificates will be given to the industries on the basis of their commitment to environment protection and greener technologies. The scheme will also have a benchmark for compliance with environmental laws applicable in the country with emphasis on continuous improvement. The detailed regulations under the BIS Act for the Environmental Management System Scheme have already been prepared and the certification activities will be started shortly. A number of officers have been trained in this field and a new Department, namely, the Environmental Management Systems Department, has been set up.

Enforcement

9.16 In its endeavor to sustain the popularity of its standards mark, BIS strengthened its enforcement activities. BIS also organized enforcement-cum-consumer awareness

driyes throughout the country to educate the common consumers about their rights, different forms of misuse of BIS Mark and benefits of purchasing certified goods. BIS also organized raids with the help of State Governments in connection with the misuse of ISI mark. During the period, thirteen such raids were organized.

Laboratories

9.17 BIS has a network of eight laboratories spread all over the country to support the product certification scheme. These laboratories ascertain the conformity of certified products to the relevant Indian standards. The number of samples tested during the year is given in Table 2 below para 9.12.

9.18 Apart from conformity testing, BIS laboratories also undertake work relating to quality evaluation, validation of test methods, development/modification of test equipments and calibration of in-house equipment. It also conducts training programmes on laboratory testing for personnel both from BIS and industry.

9.19 BIS is continuously augmenting and modernising its testing laboratories to upgrade them to international level. This will facilitate the Indian industries to compete effectively in the global markets. The BIS Western Regional Laboratory got accreditation for its laboratories (mechanical, electrical and chemical) from the National Accreditation Board for Testing and Calibration Laboratories (NABL) under the Department of Science and Technology, Government of India. The BIS has extended its calibration facilities to the industry.

Technical Information Service

9.20 Information about standards, technical regulations and quality systems is vital for industry, exporters and other users. BIS provided this information through its technical information services. A number of bibliographies were provided to the users from the database on world standards. Information was provided to interested buyers in India and overseas on the products covered under BIS Certification Marks Scheme and licensees for such products. BIS also brought out information bulletins regularly. Progress in these activities is given in Table 3.

Table 3

Progress on Technical Service

Sl. No.	Activities	Progress during	
		1996-97	1997-98
1.	Technical queries attended	6313	7016
2.	Publications loaned	50170	87634
3.	Publications added	12484	11297
4.	Bibliographies compiled	38	14
5.	Library Membership	1334	1461

Central Enquiry Point Under W.T.O.

9.21 The World Trade Organization (W.T.O.) Agreement on Technical Barriers to Trade, popularly known as WTO Standards Code, was initialled out in 1979 to eliminate technical barriers to international trade. The Government of India is a signatory to this Code. The Ministry of Commerce, Government of India, which is the nodal agency, has nominated the BIS to function as the National Central Enquiry Point. The responsibility of the Enquiry Point is to collect information on national standards, technical regulations and certification systems in India, to answer queries about these from other countries and to issue notifications to the WTO Secretariat (Geneva) on new standards/amendments/revisions etc. through the Ministry of Commerce.

Training Programmes

9.22 The BIS organized training programmes in the field of statistical quality control, product testing and educational utilisation of Indian Standards for industry personnel, students and faculty of colleges as well as schools.

It also organised consumer awareness programmes for recognised consumer organizations. During the year, BIS programmes continued to attract wider and greater participation.

9.23 BIS has taken a decision to further strengthen its training activity by establishing a Training Institute for Standardization and Quality Management. BIS organised training programmes on quality system auditing and documentation for the industry personnel. The details of training programmes organised during 1996-97 and 1997-98 are given in Table 4.

Table 4

Progress of Training

Sl. No.	Activities	Progress during	
		1996-97	1997-98
1.	Programme on statistical quality control and quality systems	28	41
2.	International Training Programme in standardization for developing countries	01	01
3.	Programme on educational utilization of Indian Standards	07	05
4.	Product testing	10	13
5.	Awareness programmes on Standardization and Quality System	—	10

9.24 The Bureau organized training programmes for BIS employees in the field of Environment Management System, Computers, Refresher Course in Certification, Quality System, Standardization, Style Manual, Increasing Efficiency etc. 977 employees received training during the year.

International Activities

9.25 The 61st General Body Meeting of the International Electrotechnical Commission (IEC), held in New Delhi from 13th to 24th October, 1997, was organized by the Bureau of Indian Standards. The meeting was held in India after a gap of 37 years. The IEC was founded in 1906 and comprises 52 National Committees representing all the industrial countries in the World. The IEC has served the electrical, electronics and telecommunication industries by developing international standards to promote quality, safety, performance, reproducibility and environmental compatibility of materials, products and systems. The IEC General Meeting was inaugurated by the Minister of State for Food and Consumer Affairs. About 600 delegates from around the World attended the meetings of the Technical Committees, Sub-Committees and other policy making bodies of the IEC during this period.

9.26 The BIS also continued to actively participate in various policy making Committees of the International Organization for Standardization (ISO).

Revenue Mobilisation

9.27 BIS derives its income mainly from certification and sale of Indian Standards. The income from the internal resources during 1997-98 was Rs. 475.66 million. The progress of income mobilisation is given in Table 5 and Figure 5.(attached)

Table 5
Progress of Revenue Mobilisation

Sl. No.	Activities	Progress during	
		1996-97	1997-98
1.	Sale of Indian Standards	24.20	23.43
2.	Product Certification Fee	400.94	432.84
3.	Quality System Certification Fee	15.36	17.60
4.	Training Fee	—	1.79
	Total	440.50	475.66

Reservation for Scheduled Castes/Scheduled Tribes and Handicapped Persons

9.28 The staff strength of the BIS was 2204 as on the 31st March, 1998. Group-wise representation of SC/ST and physically handicapped persons is indicated below:—

	SC	ST	OBC	Handicapped
Group A	54	9	6	1
Group B	39	1	1	—
Group C	151	18	4	11
Group D	109	19	—	8

Publicity

9.29 BIS continued to publicise its different activities through sustained use of mass media. BIS officials participated in various discussions, interviews and in different fora on matters relating to its activities. The interviews and talks of BIS officials were telecast and broadcast from various stations of the All-India Radio and Doordarshan Kendras.

9.30 BIS brought out regular monthly and quarterly bulletins and news letters such as Standards India, EC Norm Scan, 'IT - Standards' etc. to keep the concerned interests informed on the developments in standardization at the international level in specific fields.

9.31 BIS made concerted efforts to participate in a number of exhibitions and fairs in order to increase awareness among the consumers about the benefits of standardisation. It also organised conferences and seminars all over the country to highlight the work undertaken in the field of standardization and quality systems.

Progressive use of Hindi in BIS work

9.32 Various steps were undertaken for implementation of the provisions of the Official Languages Act in the day-to-day work of the BIS. As a result of this, articles, general orders, office notes and press communiques, and covering letters of draft Indian Standards and amendments were issued in Hindi.

9.33 BIS celebrated 'Hindi Pakhwara' during 15-29 September, 1997. Various competitions in Hindi typing and stenography, telegrams and technical articles were held. Hindi exhibition was also organized during the Pakhwara wherein the BIS personnel participated with great enthusiasm. Hindi Day was also celebrated in different regional and branch offices of BIS.

FIG 1 STANDARDS IN FORCE (See Para 9.2)

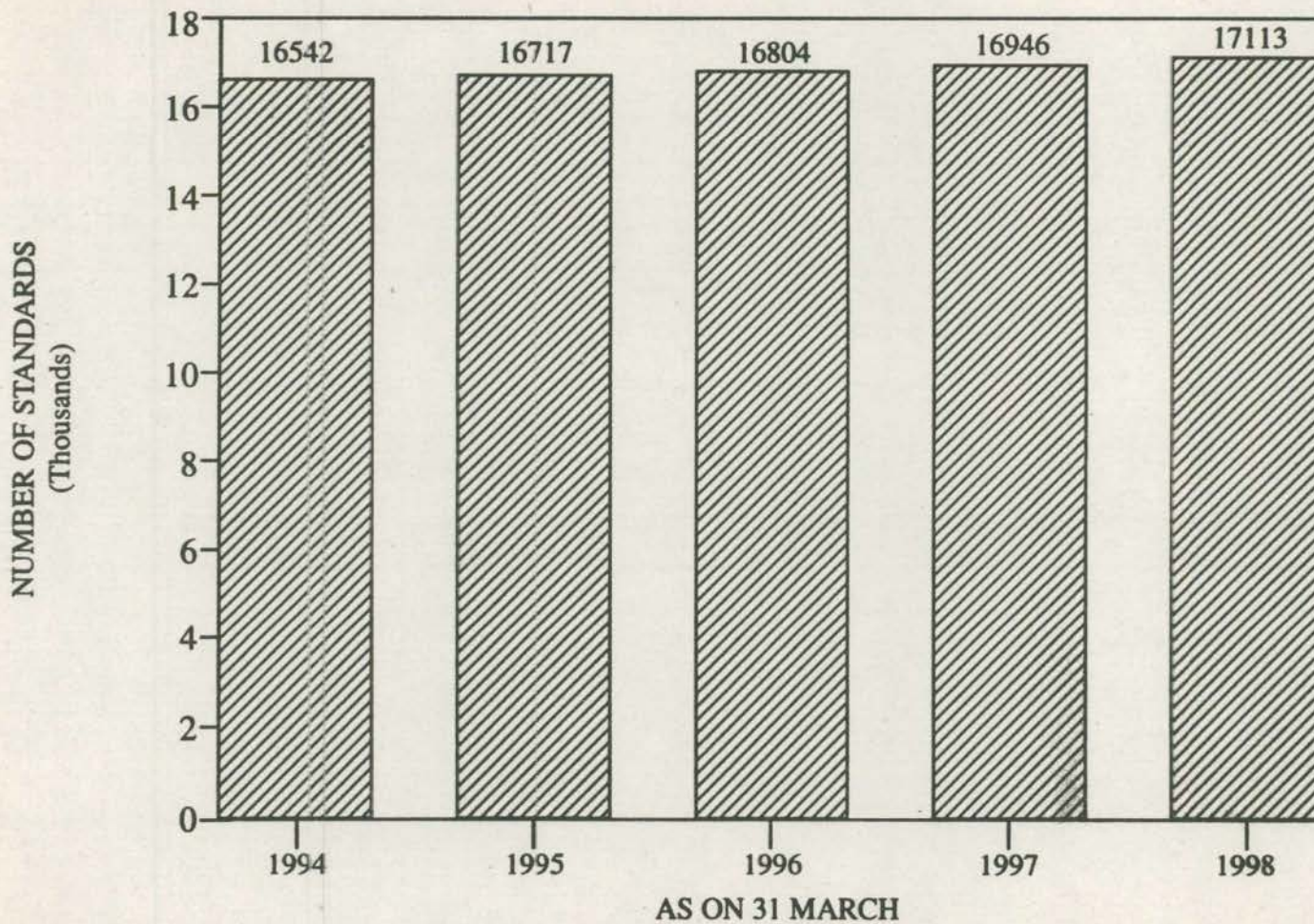


FIG 2 PROGRESS IN STANDARDS FORMULATION (See Para 9.2)

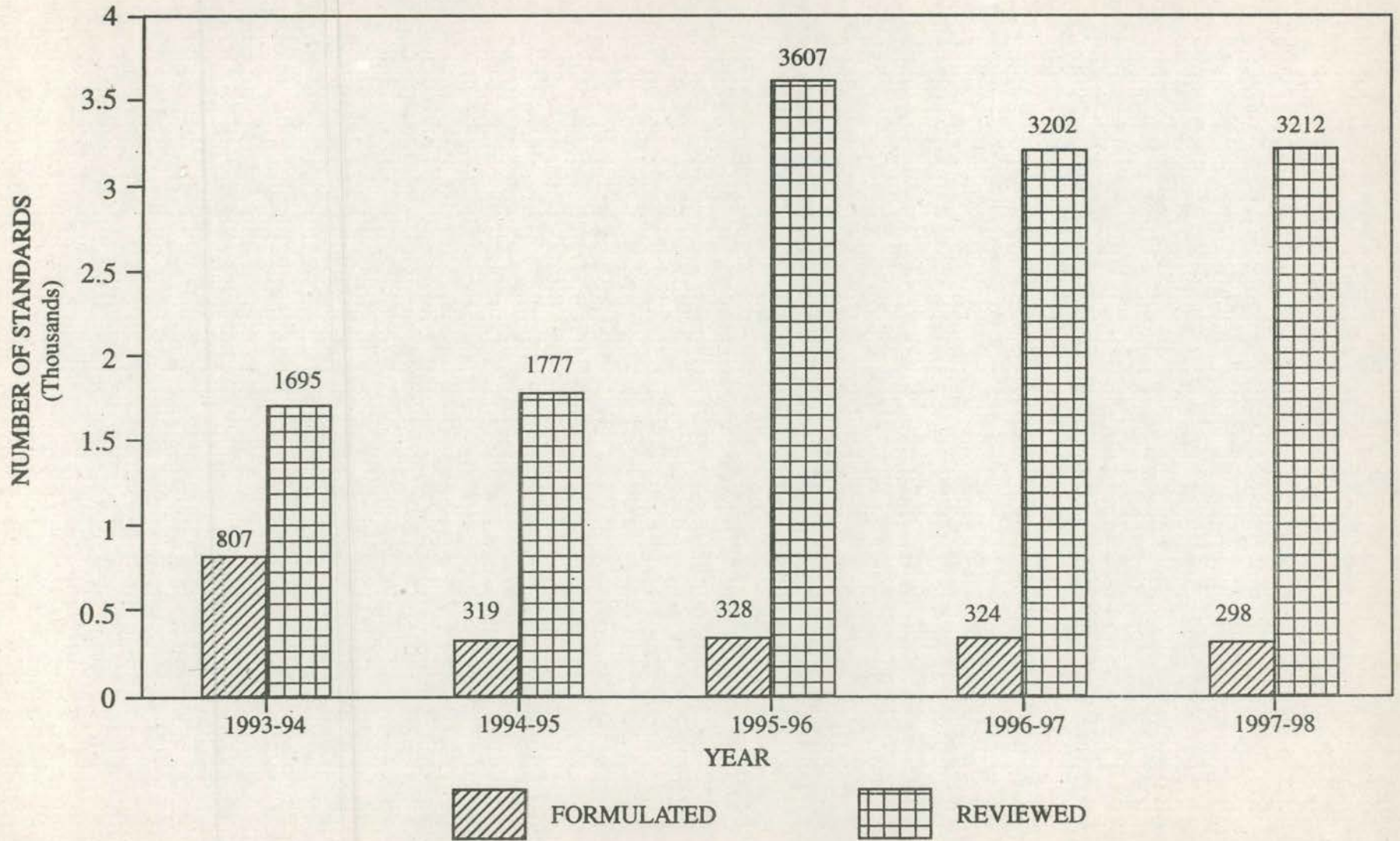
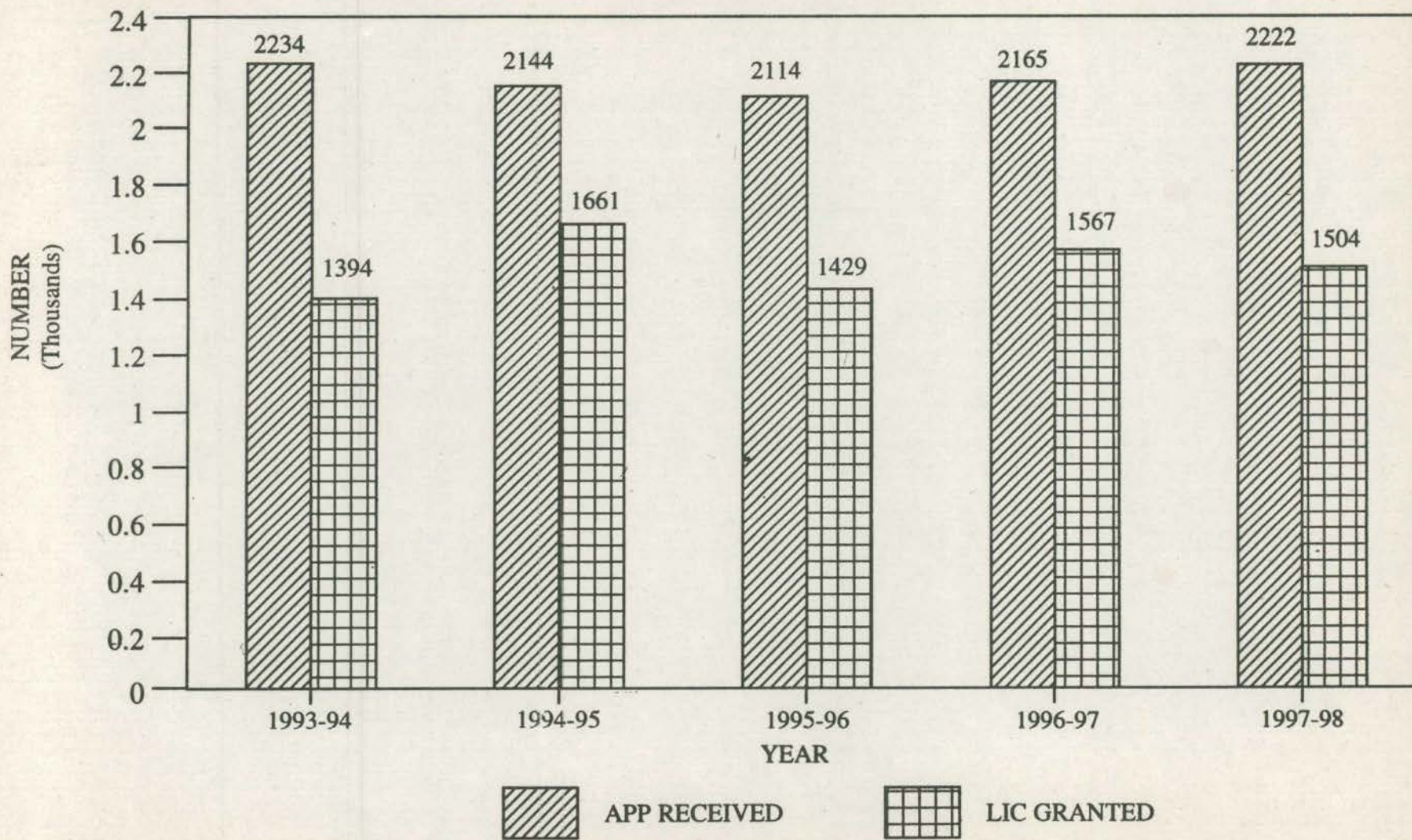
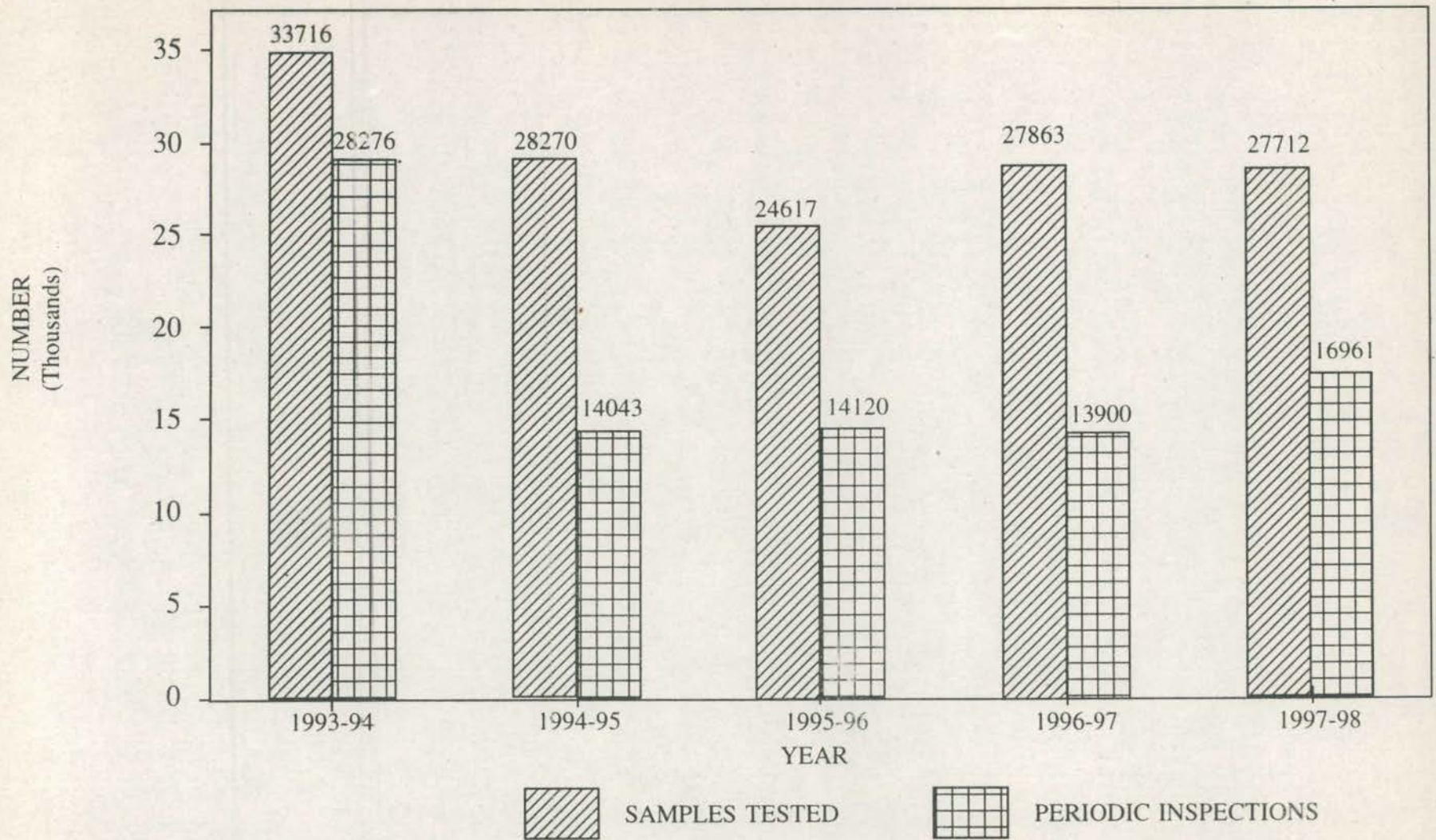


FIG 3 -PROGRESS IN CERTIFICATION MARKS (See Para 9.12)



**FIG 4 -PROGRESS IN CERTIFICATION MARKS (See Para 9.12)
AND TESTING FACILITY**



Dr. Raghubansh Prasad Singh, Minister of State for Food and Consumer Affairs in Fourteenth Meeting of the Bureau of Indian Standards



Dr. Raghubansh Prasad Singh, Minister of State for Food and Consumer Affairs addressing the delegates of 61st General Meeting of International Electrotechnical Commission at its opening ceremony on 15th October, 1997.



Dr. Raghubansh Prasad Singh, Minister of State for Food and Consumer Affairs participating in Rajiv Gandhi National Quality Awards Presentation Function and World Standards Day, 1997 celebrations



Dr. Raghubansh Prasad Singh, Minister of State for Food and Consumer Affairs receiving a bouquet from Secy., Department of Consumer Affairs on the occasion of inauguration of Golden Jubilee Seminar of the Bureau of Indian Standards.



Sh. I.K. Gujral, Prime Minister receiving a bouquet from the Minister of State for Food and Consumer Affairs on the occasion of inauguration of Golden Jubilee Seminar of Bureau of Indian Standards





Dr. Raghubansh Prasad Singh Minister of State for Food and Consumer Affairs alongwith recipient of Rajiv Gandhi National Quality Awards.



Shri I.K. Gujral, Prime Minister inaugurating the Golden Jubilee Seminar of Bureau of Indian Standards.

CHAPTER X

REGULATION OF WEIGHTS AND MEASURES

10.1 The Weights and Measures laws in the country are enforced through the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. Through these legislations, the Government ensures that all weights and measures used in trade transactions, industrial production or protection of human health and safety are accurate and reliable so that users are guaranteed accuracy of their performance. This in turn enables the consumers to get the right quality/quantity of goods for which they are paying. With rapid developments in the field of science and technology coupled with the liberalization policy being pursued by the Government, a number of state-of-the-art weighing and measuring instruments are finding their way into the Indian market. To ensure quality control and uniformity in these new types of weights and measures, their specifications also need to be updated. The Department has already set in motion the process of adopting these new specifications in the General Rules, in alignment with the recommendations made by the International Organization of Legal Metrology. In this direction, the Rules were amended revising the specifications of "non-automatic weighing instruments" in line with the international recommendations. Adoption of the new specifications would help the Indian industries to compete in the international market.

10.2 The weights and measures regulations in India also regulate the sale of commodities in pre-packed form. The Standards of Weights and Measures (Packaged Commodities) Rules, 1977 require mandatory declaration of some basic information on packages to safeguard the interests of consumers. The Rules were amended recently making it compulsory for importers to indicate some mandatory declarations on imported packages in the interest of the consumers. The Rules were also amended recently in respect of the following to provide better protection to the consumers:—

- (i) 15 kg was made as the demarcation limit between "retail and whole sale" packages in respect of grains and pulses'.
- (ii) The use of abbreviated form (MRP) for declaring retail sale price has been permitted on the body of the 'soft drink' bottles.
- (iii) Packing of bread has been permitted in multiples of 100g to provide the consumers a wider choice. Earlier this product was permitted in pack sizes of 100g, 200g, 400g, 800g and 1200g.

- (iv) Edible oil was permitted to be packed both in volume measure as well as in weight measure. When filling by volume was done, the Rules required the packer to declare the equivalent weight on the package and when the filling is done by weight, the equivalent volume was required to be declared. Indication of equivalent volume, when filling is done by weight measure, was creating technical problems to the industry. Further, as such volume declared was only approximate, it created confusion and uncertainty in the minds of consumers as well. To eliminate this difficulty, declaration of equivalent volume, when filling is done by weight measure, has been withdrawn.

Indian Institute of Legal Metrology, Ranchi

10.3 To impart training to the enforcement officials of Weights & Measures, the Institute has been running a four-month basic training course. Besides, the Institute proposes to conduct a six-month integrated training programme for officers from developing countries and courses on consumer protection laws. Programmes have also been drawn up to train licensed repairers of electronic weighing instruments. The Institute, in addition, conducts workshops and seminars of shorter durations on specific topics to update the knowledge of the enforcement officers on the latest developments in the field of legal metrology. On an average, the Institute trains about 200 personnel every year.

Regional Reference Standards Laboratories

10.4 The Central Government has established three Regional Reference Standards Laboratories (RRSL) at Ahmedabad, Bhubaneswar and Bangalore. These RRSLs serve as a link in disseminating the values of national standards of weights and measures down to the commercial level. During the 9th Five Year Plan period, the Ministry has undertaken to implement three new schemes namely, establishing a RRSL for the northern region of the country, a RRSL for the north-eastern region and construction of a laboratory building for RRSL at Bhubaneswar. The existing laboratories at Ahmedabad and Bangalore are also being modernised to meet the requirements of the industry.

10.5 Apart from the statutory obligation of verification of legal standards of the States and conducting model approval tests of weights or measures, these laboratories have been rendering metrological services to industries by undertaking calibration of their weighing and measuring instruments. Each laboratory on an average provides calibration service to about 100 industries in the region.

CHAPTER XI

RESERVATION OF SCHEDULED CASTES AND SCHEDULED TRIBES

11.1 The instructions issued by the Department of Personnel and Training from time to time regarding representation of Scheduled Castes/Scheduled Tribes in direct recruitment and promotion to various grade and services were followed.

11.2 The number of persons belonging to Scheduled Castes, Scheduled Tribes, Other Backward Classes, Physically Handicapped and Ex-servicemen employed in the Department and its offices are indicated below:—

(as on 31.3.1998)

Category	Group A	Group B		Group C	Group D
		Gazetted	Non-Gazetted		
Scheduled Castes	9	3	16	21	32
Scheduled Tribes	2	-	2	10	16
Other Backward Classes	-	-	-	4	14
Physically Handicapped					
VH	-	-	1	1	2
HH	-	-	-	-	-
OH	-	-	2	4	1
Ex-servicemen	1	-	-	1	7
General	35	26	40	102	54
Total:	47	29	61	143	126

VH: Visually Handicapped

HH: Speech & Hearing Handicapped

OH: Orthopaedically Handicapped

CHAPTER XII

PROGRESSIVE USE OF HINDI

12.1 During the year, all necessary actions were taken to ensure effective implementation of the provisions of the Official Languages Act and the Rules framed thereunder.

12.2 The Annual Programme for the year 1997-98 for implementation of the Official Language Policy of the Union, issued by the Department of Official Language, as well as the orders issued by them from time to time in this regard were circulated in the Department as well as to the attached and subordinate offices for compliance. Progress made in this regard was reviewed through quarterly reports.

12.3 Regular meetings were held during the year of the Official Language Implementation Committee which has been set up in the Department to review the progress made in implementation of Official Language Policy in the Department as well as its attached and subordinate offices.

12.4 Employees not trained in Hindi, Hindi Stenography and Hindi typing were nominated for training in their respective fields.

12.5 The attached and subordinate offices under the Department wherein 80% or more of staff (except Group 'D') have a working knowledge in Hindi have been notified in the Gazette of India as required under Rule 10(4) of the Official Languages (Use for Official Purposes of the Union) Rules, 1976. Orders to make all correspondence in Hindi under Rule 8(4) of the said Rules have also been issued by the Department and the offices so notified under Rule 10(4).

12.6 Entries were invited for the block year 1994-96 under the scheme of award for original writing in Hindi. Two books have been awarded 1st & 2nd prize under the scheme.

12.7 The scheme for awarding cash prizes to Central Govt. employees for noting and drafting in Hindi continued to be implemented during the year.

12.8 Special incentive of Rs.40/- per month is being given to two employees of the Department for doing Hindi typing in addition to English typing.

12.9 The quarterly magazine "Upphokta Jagran", meant for creating awareness among the consumers, continued to be brought out in Hindi in addition to English.

12.10 To impart training in noting and drafting in Hindi, workshops were organised in the Department.

12.11 Continuous efforts were made to encourage progressive use of Hindi in official work not only in the Department but also in its attached and subordinate offices. Inspections were conducted to watch the progress in this regard. Hindi books, newspapers, magazines and journals were purchased regularly for the library of the Department.

12.12 The Department organised "HINDI FORTNIGHT" during 1-15 September, 1997. During this period, competitions in Hindi essay-writing, noting/drafting in Hindi, Hindi stenography, Hindi typewriting and the quantum of work done in Hindi were organised and prizes/certificates distributed to the winning staff.

