ANNUAL REPORT 2010-11







Government of India MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION Department of Consumer Affairs, Krishi Bhawan, New Delhi-110114 Websites: www.fcamin.nic.in, www.core.nic.in



National Consumer Helpline Number: 1800-11-4000

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CONTENTS

CHAPTER	SUBJECT	PAGE NOS.
Ι	Functional and Organisational set up	1
II	Executive Summary	7
III	General Price Situation and Availability of Essential Commodities	23
IV	Essential Commodities Regulation and Enforc	ement 37
V	Consumer Protection	41
VI	Publicity Campaign for Creating Consumer Awareness	57
VII	Forward Markets Commission	75
VIII	Bureau of Indian Standards	109
IX	Weights and Measures	137
X	National Test House	155
XI	Number of SC/ST/OBC/PH/Exm Officers	169
XII	Sexual Harassment of Women At Workplace- Constitution of Complaints Committee	171
XIII	Progressive Use of Hindi	173
XIV	Development of North Eastern Region	175
XV	Integrated Finance Division	179
XVI	Schemes for the Benefit of the Persons with Disabilities	185



CHAPTER – I

FUNCTIONAL AND ORGANISATIONAL SET UP

1.1 Prof. K.V. Thomas took charge as Minister of State in the Ministry of Consumer Affairs, Food & Public Distribution with effect from 1st June, 2009 and with effect from 19th January 2011 was given independent charge of the Department.

1.2 Shri Rajiv Agarwal continued as Secretary, Consumer Affairs with effect from 31.7.2009(AN). Secretary (CA) is assisted by one Additional Secretary and one Senior Economic Adviser.

1.3 The Department has been entrusted with the following work:

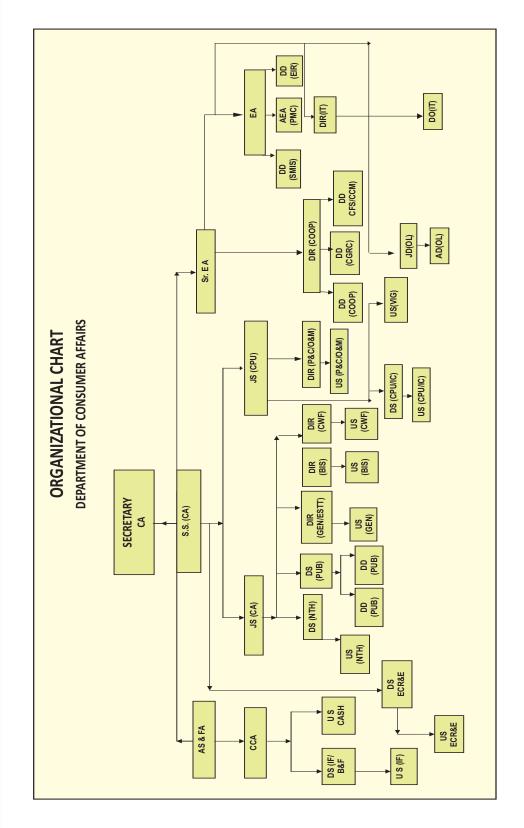
- i) Internal Trade
- ii) Control of Futures Trading: The Forward Contracts (Regulation) Act, 1952 (74 of 1952).
- iii) The Essential Commodities Act, 1955 (10 of 1955) (Supply, Prices and Distribution of Essential Commodities not dealt with specifically by any other Department).
- iv) Prevention of Black Marketing and Maintenance of Supply of Essential Commodities Act, 1980(7 of 1980).

- v) Regulation of Packaged Commodities.
- vi) Training in Legal Metrology.
- vii) The Emblems and Names (Prevention of Improper Use) Act, 1952.
- viii) The standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act, 2009 (1 of 2010) will be implemented from 1st April, 2011 replacing the existing two Acts.
- ix) Bureau of Indian Standards Act, 1986.
- x) Laying down specifications, standards and codes and ensuring quality control of bio-fuels for end uses.
- xi) Forward Markets Commission
- xii) Consumer Cooperatives.
- xiii) Monitoring of prices and availability of essential commodities.
- xiv) National Test House
- xv) Consumer Protection Act, 1986.

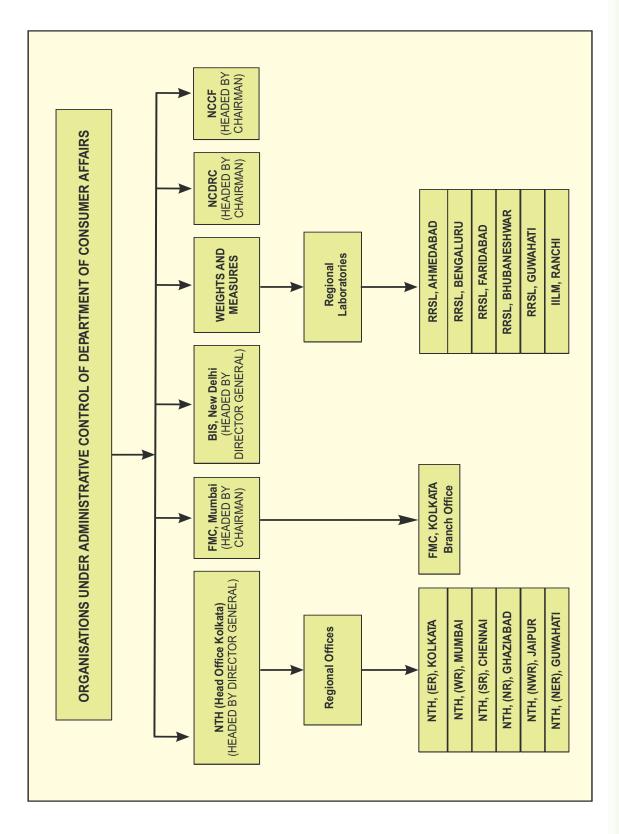


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Citizens' Charter

1.4 Citizens' Charter of the Department of Consumer Affairs, which is the declaration of commitment of Department to achieve excellence in the formulation and implementation of Policies and Procedures of the Department of Consumer Affairs for the benefit of consumers and the public at large, is available at www.fcamin.nic.in.

1.5 The recommendation of the Administrative Reforms Commission (ARC) for making the Sevottam framework mandatory for all organizations having public interface has been accepted for all central government organizations. In the Department of Consumer Affairs As per the guidelines issued by Cabinet Secretariat Sevottam Citizen Charter has been devised and posted on the Department's website www.fcamin.nic. in.

Strategic Plan 2011-15

1.6 Government of India is undertaking Performance Monitoring and Evaluation System (PMES) for all Government Departments. PMES, each Department is required to prepare a Result-Framework Document (RFD). RFD is the instrument to implement strategy and convert Departmental vision into reality. The Strategic Plan exercise will identify clear priorities which will lead to timebound action plans (based on projected capacities, capabilities and resources) with anticipated results and processes for monitoring the progress and conducting evaluation,

1.7 Accordingly, the Department of Consumer Affairs have devised Strategic Plan for 2011-15 in consonance with the targets/success indicators fixed in the Result-framework Document for successful implementation for achieving the targets fixed.

Right to Information Act 2005

1.8 The information required to be made available to the citizens under Section 4 of the Right to Information Act 2005 has been posted on the Departmental website www.fcamin. nic.in. The list of Public Information Officers for various Organisations/ Divisions for providing information to the public under the Act is also available on the Departmental website. All tender notices and other decisions of public importance are being posted on this website regularly.

Vigilance

1.9 In the Department, Additional Secretary has been designated as Chief Vigilance Officer in addition to his other responsibilities.

1.10 This Department also monitors the vigilance work of the Bureau of Indian Standards, National Consumer Cooperative Federation of India Ltd., Indian Institute of Legal Metrology, National Consumer Disputes Redressal Commission, Forward Markets



Commission, Mumbai and National Test House and its Regional Laboratories at Kolkata, Mumbai, Chennai, Ghaziabad, Jaipur and Guwahati.

1.11 With a view to preventing corruption and ensuring transparency and accountability, emphasis is placed on the following aspects:-

- (a) conduct of surprise vigilance inspections, especially in areas which are corruption-prone;
- (b) close monitoring of disposal of vigilance cases in the Department and all the organizations under this Department; and
- (c) rotation of staff in sensitive areas.

1.12 Periodic returns pertaining to Vigilance and Anti-Corruption Measures are being sent regularly to Central Vigilance Commission, Prime Minister's Office, Department of Personnel & Training etc. The vigilance/disciplinary cases pertaining to the Department and also various organizations under the Department are also being reviewed by the CVO of this Department.

1.13 The Department observed Vigilance Awareness period between 25th October to 1st November, 2010 as per the directions of the Central Vigilance Commission. A seminar was held on 26th October, 2010 with active participation from officers of the Department on the theme "Corruption is Harmful".





Executive Summary



CHAPTER-II

EXECUTIVE SUMMARY

1. PRICE TREND AND AVAILABILITY OF ESSENTIAL COMMODITIES

1.1 The prices of essential commodities were closely monitored and various measures were taken that lead to augmenting supplies and bring in price stability of certain essential commodities during the year 2010-11 (April– December 2010). The prices of some of the essential commodities monitored by this department such as wheat, rice, masoor dal, tur dal, moong dal, sugar and tea have shown steady to declining trend during the current year.

1.2 The Price Monitoring Cell (PMC) monitors the prices of 21 essential commodities viz. rice, wheat, atta gram dal, arhar dal, moong dal, urad dal, masoor dal, tea, sugar, salt, potato, onion, vanaspati, groundnut oil, mustard oil, milk, soya oil, palm oil, sunflower oil, gur. The retail prices and wholesale prices on a daily basis are collected from 50 centres based on the information furnished by the State Food and Civil Supplies Departments.

1.3 The Wholesale Price Index (WPI) based monthly rate of inflation for 'all commodities' stood at 8.43% in December, 2010, as compared to 6.92% in December, 2009. 1.4 Foodgrains: To augment the availability of food grains in the Public Distribution System (PDS), Government approved a MSP of \gtrless 1000 per quintal (for common variety of paddy) and wheat at \gtrless 1120 per quintal during the Kharif Marketing Season 2010-11. The Central pool stock of wheat as on 1.12.2010 was 239.14 lakh tonnes and that of rice was 245.27 lakh tonnes respectively.

1.5 The various measures taken by Government to augment availability and contain price rise of essential commodities are enumerated below:-

Fiscal Measures

- (i) Reduced import duties to zero for rice upto 1.10.2011, wheat and onion until further orders, pulses upto 31.3.2012; edible oils (crude) up to 30.09.2011 and to 7.5% for refined & hydrogenated oils & vegetable oils up to 30.09.2011.
- (ii) Duty under Tariff Rate Quota for Skimmed Milk Powder (SMP) reduced from 15% to 5% for import upto an aggregate of 10000 metric tonnes in a financial year.
- (iii) Import of 30000 tonnes of Milk Powder and 15000 tonnes of Milk

National Convenier Div



Fat at zero duty allowed to NDDB during 2010-11.

(iv) Allowed import of raw sugar and white/refined sugar at zero duty under O.G.L up to 31.3.2011.

Administrative Measures

- Removed levy obligation in respect of imported raw sugar and white/ refined sugar.
- (ii) Banned export of non-basmati rice and wheat until further orders, edible oils (except coconut oil and forest based oil) up to **30.09.2011** and pulses (except Kabuli chana and organic pulses up to a maximum of 10000 tonnes per year) up to 31.3.2012.
- (iii) Export of edible oils permitted in branded consumer packs of up to 5 kgs subject to a limit of 10,000 tonnes for one year. The period of ban on export of edible oils has been extended with these relaxation/ exemptions up to 30.09.2011.
- (iv) Effected no change in Tariff Rate Values of edible oils;
- (v) Extended stock limit orders in the case of pulses, paddy and rice for a period up to 30th September, 2011, edible oil, edible oilseeds and sugar upto31st March, 2011.
- (vi) Used Minimum Export Price(MEP) to regulate exports of onion(averaging at \$1200 per tonne for

December 2010) and basmati rice (\$900 PMT);

- (vii) Maintained the Central Issue Price
 (CIP) for rice (at ₹ 5.65 per kg for BPL and ₹ 3 per kg for AAY) and wheat (at ₹ 4.15 per kg for BPL and ₹ 2 per kg for AAY) since 2002.
- (viii) Suspension of Futures trading in Rice, urad and Tur by the Forward Market Commission in the year 2007-08 continues during 2010-11. Futures trading in sugar were suspended wef 27.5.2009 up to 30.9.2010.
- (ix) The Scheme for distribution of subsidized imported edible oils through State Governments/UTs with subsidy of ₹15/- kg for distribution to ration card holders @ 1 litre per ration card per month. The Scheme is in force upto 31.03.2011.
- (x) Permitted the Public Sector Undertakings (namely, STC, MMTC, and PEC) and NAFED to import and sell pulses under a scheme and the losses, if any, up to 15% of the landed costs are reimbursed by the Government.
- (xi) The Scheme for distribution of subsidized imported pulses through State Governments/UTs with subsidy of ₹ 10/- kg for distribution to BPL families @ 1 kg per month. The Scheme is in force upto 31.03.2011.
- (xii) Proportion of sugar production requisitioned as levy sugar was



increased from 10 to 20% for 2009-10 sugar season. However, for 2010-11 sugar season, the levy obligation has been reduced to 10%.

 (xiii) Export of Onion (all varieties) including Bengaluru rose onions and Krishnapuram onions fresh or chilled, frozen, provisionally prepared or dried but excluding onion cut, sliced or broken in powder form is not permitted wef. 22nd December, 2010 and until further orders.

2. CONSUMER PROTECTION PROGRAMME

2.1 Consumer movement is a socioeconomic movement to protect the rights of consumers in relation to the goods purchased and services availed.

2.2 The Consumer Protection Act, 1986 (68 of 1986) was enacted to better protect the interests of consumers by establishing a three-tier quasi-judicial consumer dispute redressal machinery at the National, State and District levels for settlement of consumer disputes. The State of Jammu & Kashmir has enacted its own legislation in this field. Under this Act, a three tier disputes redressal machinery have been established at the District, State and National level, popularly called Consumer Fora.

2.3 The National Commission, at the head of the three tier redressal machinery, is headed by a President, who is a retired Judge of Supreme Court. There are 9 other Members at present. 2 additional posts of Members 1 Judicial & 1 non-judicial have been created for a period of five years for setting up an additional bench to clearing Backlog of pending cases in the National Commission.

3. CONSUMER WELFARE FUND

The Central Excise and Salt Act, 1944 was amended in 1991 to enable the Central Government t o create a Consumer Welfare Fund where the money, which is not refundable to the manufacturers, etc. is being credited. Consumer Welfare Fund was created in 1992 with the objective of providing financial assistance to promote and protect the welfare of the consumer. consumer awareness create and strengthen consumer movement in the country, particularly in rural areas. The Department of Consumer Affairs operates the Fund, setup by the Department of Revenue under the Central Excise and Salt Act. 1944. As on 31.12.2010 a sum of about ₹ 121.99 crores has been credited to the Consumer Welfare Fund and expenditure of ₹ 69.19 crores has been incurred. The allocation for RE for the year 2010-11 is ₹ 13.80 crores out of which ₹ 5.99 crores have been utilized as on 31.12.2010.

4. FORWARD MARKETS COMMISSION

The important developments during the 2010-11 are briefly enumerated below:



FUTURES MARKET OPERATIONS

4.1 Regulation of the market:

The cumulative total value of trade for the financial year 2010-2011 upto the end of December 2010 was ₹ 82.71 lakh crore as against ₹ 55.26 lakh crore in the corresponding period of the last financial year, registering a growth of 49.67 %. During the period, futures trading in Zinc, Lead mini contracts and Gold Petal contracts were introduced. The Forward Markets Commission, as the regulator of the commodity futures market, has taken various regulatory and developmental initiatives which are as under:

4.2 Regulatory initiatives taken by the Forward Markets Commission :

- Following recognition granted by 1 the Government, granted registration to the Ahmedabad Commodity under Exchange. the new nomenclature ACE Derivatives & CommodityExchangeLimited(ACE) as a Nationwide Multi Commodity Exchange, on a permanent basis in respect of forward contracts in all the commodities to which Section 15 of the Forward Contracts (Regulation) Act 1952 is applicable.
- 2. With the prior approval of the Central Government, granted in-principle approval to the Universal Commodity Exchange Limited (UCX), Mumbai, on 25th August 2010 as a Nationwide

Multi Commodity Exchange, subject to the fulfilling of commitments made / undertakings given to the Commission within the stipulated time.

- 3. Amended the guidelines for grant of recognition to new Commodity Exchanges under the Forward Contracts (Regulation) Act, 1952.
- 4. Amended the guidelines on the equity structure of Multi Commodity Exchanges to be adopted after completing five years of their operation.
- 5. Issued directives to the Commodity Derivatives Exchanges on the regulatory framework for market access through authorized persons in the commodity futures market, as a step towards streamlining the regulation of intermediaries in the commodity futures market.
- 6. Issued guidelines for members of the Commodity Exchanges for setting up Joint Ventures/ wholly owned subsidiaries abroad.
- Notified 'Iron Ore' u/s 15 of the Forward Contracts (Regulation) Act, 1952 vide notification dated 29th September, 2010.
- 8. Renewed recognition / registration to the following entities:
 - (a) East India Jute & Hessian
 Exchange Ltd., Kolkata for
 a further period of 1st April,



2010 to 31st March, 2011 in respect of forward contracts (TSD) in Jute Goods (Hessian & sacking) and for the period 7th April, 2010 to 6th April, 2011 in respect of forward contracts (futures) in Raw Jute (including mesta).

- (b) Surendranagar Cotton Oil & Oilseeds Ltd., Surendranagar for a period of three years from 1st April, 2010 to 31st March, 2013 in respect of Kapas (seed Cotton).
- Renewed the recognition (c) of the National Board of Trade, Indore in respect of Rapeseed/Mustard seed for a period of one year from 1st June 2010 to 31st May 2011. The registration of the NBOT, Indore was also renewed further in respect of Soyabean Seed, Refined Soy Oil and Soy Meal for a period of 4 months from 1st July 2010 to 31st October 2010 and again from 1st November 2010 to 28th February, 2011.
- (d) Recommended the renewal of recognition of the Bikaner Commodity Exchange, Bikaner for the period from 20th January 2011 to 31st March 2012 in respect of Guar Seed.
- (e) Recommended the renewal of recognition of the Central

India Commercial Exchange Ltd., Gwalior and the Rajdhani Oils and Oilseeds Exchange, Ltd, Delhi from 1st March 2011 to 31st March 2012 in respect of forward contracts in Rapeseed/Mustardseed.

4.3 Suspension of futures trading in Sugar:

Futures trading in sugar which was suspended from May 2009 till 30th September 2010 was resumed on 27th December 2010 at MCX, Mumbai, NCDEX, Mumbai and ACE Derivatives and Commodities Exchange, Ahmedabad.

4.4 Developmental Activities:

Developmental initiatives undertaken during the year include implementation of the Price Dissemination Project, conducting awareness programmes and interactive meetings to interact with various categories of stakeholders, conducting training programmes, and commissioning studies on various areas of relevance to the commodity futures market.

During the year 2010-11, 324 awareness programmes were held till 31st December 2010 which included 200 programmes for farmers. The officers of the Commission also participated in discussions on the commodity market in various fora and delivered lectures on the subject at various



events across the country. Seven programmes were organized in the North East Region.

- Five meetings were \geq held bv Commission with the various stakeholders. The Commission held a meeting with producer companies on 12th August, 2010 at Kochi to explore the possibility of producer companies serving as aggregators of farmers to facilitate their participation in the commodity futures market. In addition, four meetings of the Commission were held with the arbitrators of the National Exchanges at Mumbai, New Delhi, Kolkota and Chennai on 28th July 2010, 21st August 2010, 26th November 2010 and 17th December 2010 respectively.
- The Commission has tied up with various training institutions for conducting training for various segments of the market and other stakeholders. During 2010-11, till 31st December 2010, 33 Capacity Building Programmes were conducted.
- ➤ The Price Dissemination Scheme is currently being implemented by the Forward Markets Commission in coordination with the AGMARKNET and the National Commodity Exchanges to make available spot as well as futures prices of agricultural commodities to farmers and other stakeholders on price ticker boards placed at APMCs. During 2010-

11, till 31st December 2010, 352 Price Ticker Boards were installed in addition to the total of 183 price ticker boards installed in 2009-10. As of 31st December 2010, a total of 535 price ticker boards were installed across the country.

A consultancy study has been assigned to NABCONS to ascertain the percentage of small and marginal farmers that have benefited from futures trading. Another study has been assigned to MITCON, Pune, to evaluate the performance under the Plan Scheme "Strengthening of FMC".

5. ESSENTIAL COMMODITIES REGULATIONS AND ENFORCEMENT

This Department, *inter alia, is* also administering the following Acts:

- (a) Essential Commodities Act, 1955 (EC Act, 1955)
- (b) Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act, 1980 (PBM Act,1980)

5.1 The Essential Commodities Act, 1955 provides for the control of production, supply, distribution etc. of essential commodities for maintaining or increasing supplies and for securing their equitable distribution and availability at fair prices. Most of the powers under the



Act have been delegated by the Central Government to the State Governments. Exercising powers under the Act, various Ministries/Departments of the Central Government and State Governments/ UT Administrations have issued Control for regulating production, Orders distribution, pricing and other aspects of trading in respect of the commodities declared as essential. To implement the provisions of the Act, States/UTs have been taking action against the violators and sending the action taken reports regularly to the Central Government. As per the reports received from the State Governments/UT Administrations. 187049 raids were conducted, 10754 persons arrested, 4329 persons prosecuted and 148 persons convicted during the year 2010 upto 31.12.2010 (updated as on 27.01.2011).

5.2 In the context of unprecedented rise in prices of some essential commodities, there had been widespread concern from various corners for taking immediate steps to mitigate the rising trend of prices of essential commodities. Representations from the Chief Ministers of several States were received for restoration of powers under the Essential Commodities Act, 1955 for undertaking dehoarding operations in view of the assumption that there was speculative holding back of stocks particularly of wheat and pulses in anticipation of further rise in prices.

5.3 The situation was reviewed by the Govt. and it was decided to keep

in abeyance some provisions in the central order dated 15.02.2002 for a period of six months with respect to wheat and pulses (whole and split), so as to tackle the crisis on availability and prices of these commodities. Accordingly, the Central Govt. issued a Central Order No. 1373(E) dated by virtue of which the 29.08.2006 words or expressions made in respect of purchase, movement, sale, supply, distribution or storage for sale in the "Removal of (Licensing requirements, Stock limits and Movement Restrictions) on Specified Foodstuffs Order, 2002" notified on 15.02.2002 have been kept in abeyance for commodities namely wheat and pulses for a period of six months from the date of issue of the order or further order, which ever is earlier. This order however would not affect the transport, distribution or disposal of wheat and pulses (whole or split) to places outside the State, nor shall it be applicable to import of these commodities. Subsequently vide order dated 07.04.2008, the Central Government had kept in abeyance the operation of Central Order dated 15.02.2002 in respect of commodity edible oils, edible oilseeds and rice for a period of one year. Later vide order dated 27.08.2008, this was extended to the commodity paddy also for a period from 01.09.2008 to 30.04.2009. The validity of all these orders was earlier extended till 30.09.2010. This has subsequently been extended now upto 30.09.2011 in respect of pulses, paddy



& rice and in respect of edible oils and edible oilseeds upto 31.03.2011 vide Central Order No.S.O.2361(E) dated 29.09.2010. Wheat as a commodity has been withdrawn from the ambit of the orders w.e.f. 01.04.2009.

5.4 It was also decided to further relax restrictions and to keep in abevance some provisions of the Central Order dated 15.02.2002 for period of four months from the date of publication of Order with respect to Sugar so as to tackle the availability and prices of this commodity. Accordingly, an Order No.S.O.649 (E) dated 09.03.2009 was published in Gazette of India to this effect. This was subsequently extended upto 30.09.2010 vide Central Order dated 18.12.2009 and upto 31.12.2010 vide Central Order No.S.O.2361(E) dated 29.09.2010. The validity has further been extended upto 31.03.2011 vide Central Order No.S.O.3060(E) dated 30.12.2010.

5.5 In pursuance to the above Orders all State Governments/UTs were requested to implement this order by issuing either a fresh control order or by reviving the old control order for fixing stock limits for various categories of dealers such as millers/producers, wholesalers and retailers in respect of these commodities. States/UTs have also been empowered to take effective action exercising the powers vested with / delegated to them under the Essential Commodities Act, 1955. 5.6 27 State Governments/UTs have either issued stock limits for all the five items or any of the items or have issued only licensing requirements/ stock declaration (of these 27, 23 States/UTs have actually issued stock limit Orders/ are in the process of issuing the overseas. 4 States/UTs have issued licensing requirements/stock declarations).

The 5.7 Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980 empowers the Central Government or a State Government to detain persons whose activities are found to be prejudicial to the maintenance of supplies of commodities essential to the community. As per reports received from the State Governments, detention orders were issued in respect of 205 persons under the Act during the period from 01.01.2010 to 31.12.2010. The Central Government and the State Governments also have the power to modify or revoke the detention orders. The representations made by or on behalf of the persons ordered for detention are considered and decided by the Central 59 such representations Government. were considered and decided by the Central Government during the period from 01.01.2010 to 31.12.2010. Writ petitions are filed by the detenus in the High Courts and Supreme Court against their detention. Counter Affidavits to the same are required to be filed by the Union of India being pleaded as a party in these petitions. 83 such affidavits



were filed in the High Court during the same period.

6. BUREAU OF INDIAN STANDARDS (BIS)

6.1 The Bureau of Indian Standards was set up as a statutory organization under the Bureau of Indian Standards Act, 1986 taking over the assets and liabilities of the Indian Standards Institution (ISI) that came into existence in 1947. The Bureau has its Headquarters in New Delhi. It has a network of five regional offices, 34 branch offices, 5 inspection offices and 8 laboratories which act as effective link between BIS, government, industry and consumers.

6.2 Bureau has made steady progress in various fields of its key activities, namely Standards formulation and product & system certification.

(A) STANDARD FORMULATION, REVIEW AND UPDATING

6.3 BIS is formulating need-based Indian standards in line with national priorities in a time-bound manner. It also harmonizes national standards with international standards in order to facilitate adoption of international standards by all segments of industry and business. During the period Apr-Dec 2010, 219 new and revised standards were formulated and 48 Indian Standards were harmonized with International Standards. A total of 4780 Indian standards have so far been harmonized with International Standards, which is about 84% of International Standards where corresponding ISO/IEC Standards exist.

6.4 Standards are reviewed once in five years or as and when found necessary. During Apr-Dec 2010, 2059 Standards were reviewed.

(B) PRODUCT AND SYSTEM CERTIFICATION

(I) Product Certification

BIS operates a Product Certification 6.5 Scheme under the Bureau of Indian Standards Act, 1986 and the Rules and Regulations framed there-under. Presence of Standard Mark (popularly known as ISI mark) on a product indicates its conformity to the relevant Indian Standard. Before granting license to any manufacturer, BIS ensures availability of the required infrastructure and capability of the manufacturer to produce and test the product conforming to the relevant Indian Standard on a continuous basis. Samples drawn from the production line as well as from market are tested in BIS laboratories/ recognized independent laboratories to ensure conformance of the product to the relevant Indian Standard. The Certification Scheme is basically voluntary in nature except for 81 standards which have been made mandatory by the Government on consideration of health and safety of the consumer.

(a) Certification of Imported Products-BIS is operating two schemes from 1999



for certification of imported goods - one for foreign manufacturers and the other for Indian importers. Under these Schemes, foreign manufacturers can seek certification from BIS for marking their product with BIS Standard Mark and Indian importers can seek BIS certification for applying BIS Standard Mark on the product being imported into the country. During 2009-10, 17 licenses were granted under Foreign Manufacturers Certification Scheme. During 2010-11 (up to 31st December 2010), 29 licenses were issued under Foreign Manufacturers Certification Scheme, taking the total number of such licenses to 147 for products such as Cement, Plastic Feeding Bottles, Switchgear, Plug & sockets, Steel products, Seamless Gas Cylinders, Compact Fluorescent Lamps, Milk cereal based weaning food, Gas Volume Meters, Domestic water meters, Watt-hour meter, Wood products, Tyres and tubes in countries like, Pakistan, China, Bangladesh, Thailand, Germany, United Kingdom, Srilanka, Slovakia, USA, UAE, Nepal, Bhutan, Hungary, Indonesia, Philippines, Taiwan, Brazil, Netherland, France, Ireland, Italy, Japan, and Turkey etc.

(b) Hallmarking of Jewellery Articles:

- Hallmarking of Gold Jewellery was started by BIS in April 2000 to provide third party assurance to consumers on the purity of gold jewellery or its fineness. Under the Scheme a jeweller has to obtain Hallmark license from BIS to get his jewellery hallmarked. Assaying & Hallmarking (A&H) Centres where the purity of jewellery articles is assessed are recognized by BIS after ensuring that the Centres have required infrastructure for assaying and hallmarking of gold and silver jewellery articles in addition to security and safety of the same.

(II) Management System Certification

6.6 BIS also provides the following Certification services as per the corresponding standards for Management Systems:

- a) Quality Management System (QMS) Certification Scheme as per IS/ISO 9001:2008;
- Environmental Management System (QMS) Certification Scheme as per IS/ISO 14001:2004;
- c) Hazards Analysis & Critical Control Point (HACCP) Scheme as per IS 15000:1998;
- d) Occupational Health & Safety Management System (OHSMS) Certification Scheme as per IS 1800 1:2007;
- e) Food Safety Management System (FSMS) Certification Scheme as per IS/ISO 22000:2005;
- f) Service Quality Management System (SQMS) Certification Scheme as per IS 15700:2005.

(C) LABORATORY SERVICES

6.7 BIS has established eight laboratories beginning with the establishment of Central Laboratory in 1962. Subsequently, four regional



laboratories were established at Mohali, Kolkata, Mumbai and Chennai and three branch office laboratories at Patna, Bengaluru and Guwahati. The network of eight BIS laboratories spread throughout the country provides testing services and test related activities to undertake conformity testing of BIS certified products against relevant Indian Standards. The purpose of establishing laboratories is to support the BIS activities of BIS product certification marks scheme wherein the samples generated from the licensees/applicants and also from the open market are tested in these BIS laboratories. The BIS laboratories have facilities for testing of products in the field of chemical, food, electrical and mechanical discipline. Inhouse calibration facilities in the field of electrical discipline are available at Central Laboratory, Sahibabad.

6.8 In order to ensure that BIS laboratory services are keeping pace with the developments at the International level, the laboratories at Mumbai, Kolkata, Chennai, Mohali, and Sahibabad have been accredited by the National Accreditation Board for Calibration and Testing Laboratories (NABL) as per the international standard IS/ISO/IEC 17025.

6.9 As the volume of workload for testing of samples generated from product certification scheme is much larger than the available capacity in BIS labs, BIS has established a scheme of recognition

of outside laboratories. The scheme is based on well documented international norms (IS/ISO/IEC 17025:2005) which are inline with the norms adopted by the National Accreditation Board for Calibration and Testing Laboratories (NABL). The recognized labs include the reputed R&D organizations, technical institutions, Govt labs and Private sector labs. The services of such laboratories are also utilized where it is economically not viable to develop test facilities in BIS laboratories, accumulation of large number of samples in BIS labs, equipment temporarily being out of order etc. At present 138 outside laboratories are being utilized by BIS for different products.

D) INTERNATIONAL ACTIVITIES

6.10 The Bureau actively participates in various activities of the International Organization for Standardization (ISO) and International Electro Technical Commission (IEC). It also continued its activities in the field of regional and bilateral cooperation with other countries.

WTO/TBT Enquiry point

BIS strengthened & continued to perform its activities as the WTO / TBT Enquiry Point as designated by the Ministry of Commerce. Close interaction with Ministry of Commerce and Industry on various issues of national interest under WTO/TBT Agreement was maintained. The information with regard to the Notifications issued by various countries



were downloaded, prioritized, segregated and disseminated to a large number of stakeholders in the country. Arrangements were made for providing the full text of the Notification from the National Enquiry Point of the countries, if the same was requested by the stakeholder/technical departments of BIS. The notifications issued by various countries are also being uploaded on BIS website to assist the stake holders.

Notifications relating to the products being brought under mandatory certification of BIS were also notified to WTO. All reasonable queries pertaining to Standards and Conformity Assessment systems, both national and of other countries were replied. BIS participated in the WTO Committee on Technical Barriers to Trade and provided inputs.

BIS organized a Seminar on its WTO-TBT Enquiry Point activities on 23rd Dec. 2010 in Ludhiana for the industry located in Punjab and Haryana. The Seminar received participation from over 70 participants and was aimed at sensitizing the industry in respect of the relevance and importance of keeping abreast with the latest updates on WTO-TBT notifications issued across the world and the role of BIS in disseminating the same to all concerned stake-holders.

WTO-NAMA Negotiations - BIS has been interacting with Ministry of Commerce (MoC) on all issues related to WTO and NAMA helping in formulating India's view points on various documents and consultations being held at WTO. BIS delegations also participated in the WTO and NAMA meetings in the MoC as well as at the WTO Secretariat in Geneva, Switzerland.

All queries pertaining to Standards and Conformity Assessment Systems, both national and of other countries, from concerned interests in India as well as overseas were suitably replied.

Efforts were made for improving the database of the stakeholders. Further, procedure for procurement of hardware and other requirements for strengthening the WTO-TBT Enquiry Point have been initiated.

(E) COMPUTERIZATION OF BIS ACTIVITIES

a) **Enrich IT infrastructure:** - The proposal for replacement of BIS hardware located at NIC-HQ has been initiated. On receipt of information from NIC orders shall be placed for procurement of new servers.

In order to strengthen/enhance the bandwidth BIS-VPN Network, NIC was approached, as the present bandwidth is too low to efficiently cater the requirements. NIC has agreed to provide connectivity through NICNET to various offices of BIS across the country. The modalities for implementation of project are being worked out.

During the period, emphasis was on maintaining the huge hardware and software infrastructure which included



networks, VPN connectivity, software development, web site management, anti virus management, email accounts, etc. Additional 92 computers, 80 UPS have been procured as per requirements of various offices. A new antivirus S/w has been installed in all computers of BIS-HQ.

- Website: The content of website b) has been enriched and redesigned by addition/updation of information based on inputs from concerned departments/ ROs/ BOs etc. BIS homepage modified. Latest POW, composition received from technical departments, BIS map uploaded. Revised proformas of enforcement have been uploaded & list of hallmarking centers, P-drafts, WC- drafts is also being uploaded regularly. WTO-TBT information, Library additions are also uploaded every month in BIS website. Under Right to Information Act 2005, a lot of information has been published on website.
- c) Software Development: Software was developed to create watermarked copy of BIS publications on the fly. These watermarked copies are seen by BIS officers.

Software for managing recognition of assaying & hallmarking centers was also developed.

d) **XIth Plan:** - Web–space of 100 MB is purchased for website www.

standardsdata.in under XIth five year plan. Now the work for website development is under progress.

e) **E-sale of standards:** - New reports included in e-sale portal as per the requirements of finance and sales department of BIS. Improvements effected in e-sale portal as per the requirements of customers. Facility for downloading of Standard after making payment through Demand Draft (for amount >= Rs 50000/-) was provided in the e-sale portal.

> Auto suggests and intelligent search feature were made available on BIS sales portal. Information pertaining to Revision, Withdrawal, amendment etc to standards was sent to the contractor for sale of IS through Sales portal. The facility of International credit card has been enabled on BIS sales portal.

> The contractor of BIS for sale of Standards on DVD could not complete the project as per the requirements of BIS. Hence a termination notice was sent to the contractor. A tender for appointment of contractor for leasing of Indian Standards on DVD was floated. The tender committee and CRC (Central Review Committee) has recommended award of work & finalization of awarding tender is in progress.

> Tender floated for conversion of existing image pdf documents to



full text pdf documents and also for conversion of standards to be published in future to full text pdf documents.

- of workflow f) Development application: - With the help of NIC steps have been initiated for developmentofworkflowapplication for major functional areas of BIS. The project manager of M/s Sify Chennai was deputed by NIC to BIS on 18 Aug 2010 to study the major activities of BIS and prepare a work study report. Subsequently a proposal for creation of user group for major functional areas of BIS prepared by our department and approval of CA has been obtained. User groups have been created for major functional areas of BIS. Performa invoice for appointment of an agency to carry out preliminary study and preparation of SRS is awaited.
- Improvements in **CMMS g**) package:-Based on the inputs/ feedback received from ROs and changes/additions BOs several have been made in the CMMS module. The new features include issue of application fee receipt and acknowledge for temporary application, monitoring of temporary application, incorporation of procedure for grant of licenses in various forms and reports, grant of license procedure, entries of dual numbered standards etc. The process

of taking CMMS backup for any exigency has been simplified and automated. Replications of CMMS data of most of the ROs/ BOs to CMMS server at NIC have been completed. Lab data has also been updated in CMMS module.

h) **Finance/Accounts** related: Provided technical support to Finance Department on various issues including processing of salary for every month and attended to related issues. Regularly followed up with Accts. Dept for refining of salary and pension management databases, such as PAN, personal database. Contribution of Employees and BIS towards NPS Account transferred to their PRAN accounts. Open tender for appointment of new agency for preparation of Salary is floated and hosted on BIS website. Technical bid of tender for appointment of new agency for preparation of Salary is opened. Evaluation of bids is in progress.

7. WEIGHTS AND MEASURES

7.1 Scheme "Strengthening of Legal Metrology wing of the States and Union Territories".

The Legal Metrology Dept. of States/UTs implementing the provisions of the weights and measures acts and rules made there under with the objective to safeguard the consumer interest. For



proper and effective implementation of the Weights and Measures Acts and Rules, the Department of Consumer Affairs, Government of India has formulated Schemes during XI Plan, Strengthening namely of Legal Metrology wing of the States and Union Territories. The objective of the scheme is augmentation of State's Legal Metrology infrastructure in holistic way by construction of laboratory building, supply of equipments and their capacity building of enforcement officials for effective implementation of weights and measures laws.

New Legislation

7.2 The Legal Metrology Act, 2009 (1 of 2010) has been published in the official Gazette of India on 14.1.2010. The new Act will replace the existing two Acts. The new Act makes system more transparent, like outsourcing of verification activities of some of the sophisticated weights and measures and for uniform enforcement across the country. The Department has decided to implement it from 1st April, 2011.

8. NATIONAL TEST HOUSE (NTH)

8.1 The new 1400kV, 140kJ Impulse Generator was inaugurated at NTH(NR), Ghaziabad by the by the Secretary, Department of Consumer Affairs, Govt. of India, on 16th August, 2010. The Joint Secretary, DoCA, the Director General, NTH, and other distinguished dignitaries were also present. The installation of high capacity and advanced Impulse Voltage testing facility in the High Voltage Laboratory at NTH(NR), Ghaziabad is a new generation business feat. Testing of high capacity Power Transformers, insulators, HT Cables, etc. will be carried out with the help of this Impulse Generator. Two scientists from NTH(NR), Ghaziabad, have been imparted training at the manufacturing site in Germany for operational manifestation.



The new 1400kV, 140kJ Impulse Generator was inaugurated at NTH(NR), Ghaziabad by the Hon'ble Secretary, Department of Consumer Affairs, on 16th August, 2010



9. CONSUMER AWARENESS SCHEME

Though the consumer movement is slowly gaining ground in our country, it is still in its infancy as the success of consumer movement mainly depends upon the level of consumer awareness generated in the country by educating the consumers about their rights and responsibilities. Within India the level of consumer awareness varies from State to State depending upon the level of literacy and the social awareness of the people. Educating more than 110 crore people of various categories of population particularly those in rural areas where consumers

are more susceptible to exploitation, on various subject matters on consumers interests which are being dealt by different Ministries / Departments, is a gigantic task that can be undertaken only through a sustained national programme with adequate funds made available for the purpose. For the 11th plan the scheme has been given an allocation of ₹ 409 crores to launch a Multi Media publicity campaign under the slogan of 'Jago Grahak Jago'.

Department has taken up number of activities and schemes in creating consumer awareness in the country as part of this Consumer Awareness Scheme.

General Price Situation and Availability of Essential Commodities



CHAPTER – III

GENERAL PRICE SITUATION AND AVAILABILITY OF ESSENTIAL COMMODITIES

3.1 The prices of essential commodities were closely monitored and various measures were taken that lead to augmenting supplies and bring in price stability of certain essential commodities during the year 2010-11. The prices of some of the essential commodities monitored by this department such as wheat, rice, masoor dal, tur dal, moong dal, sugar and tea have shown steady to declining trend during current year.

PRICE MONITORING CELL

3.2 The Price Monitoring Cell (PMC) monitors the prices of 21 essential commodities viz. rice, wheat, atta, gram dal, arhar dal, moong dal, urad dal, masoor dal, tea, sugar, salt, potato, onion, vanaspati, groundnut oil, mustard oil, milk, soya oil, palmoil, sunflower oil and gur.

3.3 The retail prices and wholesale prices on a daily basis are collected from 50 centres based on the information furnished by the State Food and Civil Supplies Departments.

3.4 Meetings of the Committee of Secretaries (CoS) and of the Cabinet Committee on Prices (CCP) of essential commodities are held to review the prices of essential commodities. Analytical notes on latest price situation and availability of essential commodities were prepared based on the WPI numbers, wholesale/ retail prices, production, procurement and exports/imports of select essential commodities for consideration of the high level meetings. Notes on the measures taken by Government for ensuring adequate supplies and containing the rise in prices of essential commodities were also prepared and given to Press Information Bureau (PIB) and the Chief Economic Adviser, Ministry of Finance on a weekly basis.

TREND IN INFLATION IN TERMS OF WHOLESALE PRICE INDEX (WPI) NUMBERS:

3.5 During 2010-11 (April-December 2010) the WPI based variation (April/ December) in inflation rate for all commodities was lower at 4.19% as compared to 6.66 % during the corresponding period a year ago. The Year-on-Year annual rate of inflation during the month of December, 2010 was higher at 8.43 % as compared to 6.92% in the month of December 2009

ational Consumer Da



CPI IW= Base

(in percentage)

The inflation rate of Food Articles group was lower at 10.72% during the April-December 2010 as compared to 17.49% during the corresponding period last year.

3.6 The Department of Industrial Policy and Promotion adopted a New Series with 2004-05 as the base, which has 676 items in the commodity basket. The table showing the annual Inflation rate of select essential commodities in December 2010 and December 2009 and the comparative variation in WPI of April to December of both years are given in **Annexure-I**.

Inflation rate Based on Consumer Price Index Numbers (CPI) for Industrial Workers and WPI.

3.7 A statement showing the trend in the rate of inflation in CPI (IW) visà-vis WPI during 2010-11 is given below:

2001=100 Rate of Inflation-based on CPI (IW) and WPI during April to September 2010 WPI Base =2004-05

Index	Apr, 2010	May, 2010	June, 2010	July, 2010	Aug, 2010	Sep, 2010	Oct, 2010	Nov, 2010	Dec,	Avg.(Apr Dec, 2010)
CPI	13.33	13.91	13.73	11.25	9.88	9.82	9.70	8.33	NA	11.24*
WPI	9.59	10.16	10.55	9.97	8.51	8.62	8.58	7.48	8.43	9.10

Note : * April- December,2010 NA=Not Available. Source: Labour Bureau ; DIPP

3.8 The CPI (IW) based inflation rate at 13.91 percent in May 2010 was the highest recorded up to December 2010. The CPIbased inflation rate remained higher than WPI-based inflation rate between April 2010 to December 2010.

COMMODITY-WISE TREND IN AVAILABILITY & PRICE OF ESSENTIAL COMMODITIES

3.9 The availability of most of the essential commodities remained

comfortable during the period under review. In the case of pulses and edible oils, imports are resorted to meet the demand supply mismatch. Steps taken by Government to augment the domestic availability are at para 1.5 of Chapter II. Month-end retail prices of 21 essential commodities at major metropolitan cities from April 2010 to December 2010 are shown in **Annexure II**. Commoditywise position on prices, production and availability of essential commodities



are briefly analyzed in the following paragraphs.

RICE

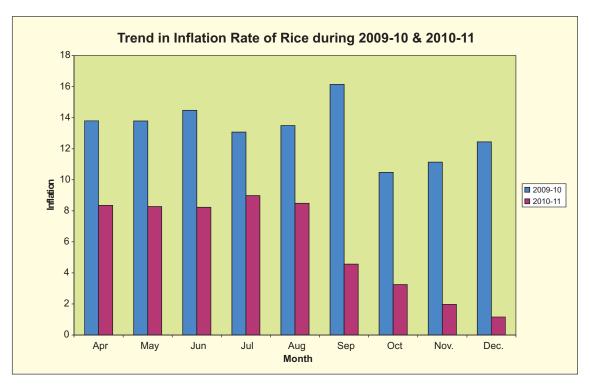
3.10 During the current financial year (up to December 2010), the retail prices of rice have shown a steady to declining trend at most of the reporting centers. The retail prices of rice across centres were in the range of ₹14 to ₹ 28.33 per Kg during April- December 2010 as compared to ₹ 12- ₹ 36 per Kg during April- December 2009.

3.11 During 2010-11, the production of rice, as per the 1st Advance Estimates of Production of the Department of Agriculture and Cooperation, was estimated at 80.41 million tonnes, which is higher than the first advance estimate of last year of 69.45

million tonnes. Production of rice during 2009-10 was 75.91 million tonnes.

3.12 The stocks of rice in the Central Pool available with Food Corporation of India and State agencies as on 1.12.2010 was 24.53 million tonnes as compared to 15.35 million tonnes as on 1.10.2009. The procurement of rice during KMS 2010-11 was 13.57 million tonnes which is lower by 1.46 million tonnes as compared to the procurement in the corresponding period during 2008-09.

3.13 The trend in inflation rate of rice during 2009-10 and 2010-11 (till December 2010) is graphically depicted below:-



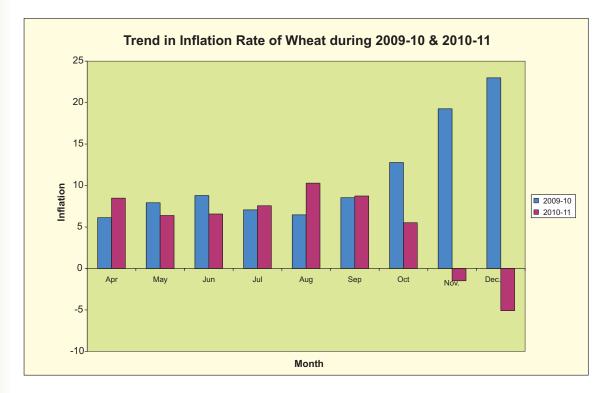


WHEAT

3.14 The retail prices of wheat across centres in the range of ₹11 to ₹ 24 per Kg during April- December 2010 as compared to ₹ 10.5 to ₹ 25 per Kg during April-December 2009

3.15 The production of wheat during the year 2010-11 is targeted at 82.00 million tonnes (First Advance Estimates of Department of Agriculture and Cooperation) as against production of 80.71 million tonnes during the year 2009-10. The opening stock of wheat in the Central Pool as on 1.12.2010 was 23.91 million tonnes of wheat (against buffer norm of 14.0 million tonnes as on 1.10.2010). Procurement of wheat during marketing season RMS 2010-11 was 22.53 million tonnes as compared to 25.38 million tonnes in RMS 2009-10.

3.16 The comparative trends in inflation rate of Wheat during 2009-10 and 2010-11 (till December 2010) is graphically depicted below:-



PULSES

3.17 The retail prices of pulses (except for Urad dal and Moong dal) viz., Gram dal, Tur dal, Masoor dal have shown an decreasing trend across centres during 2010-11 (April-December). The table showing the price range of pulses during April-December 2010 and April-December 2009 is given below:



Pulses	Price Range (April-Dec 2010) (Rs/kg)	Price Range (April-Dec 2009) (Rs/kg)
Gram dal	26- 61.67	26 - 68
Masoor dal	36- 75	. 44 –74
Tur dal	47-86	34 – 95
Urad dal	46- 88	36 - 85
Moong dal	45-97	40 - 91

3.18 The area sown reportedfor Rabi pulses have increased to 17.90 million hectares as against 12.99 million hectares last year, according to Crops & TMOP Division of DAC (as on 31.12.2010). Areas under gram, moong and urad have increased by 9.02%, 2.81% and 7.49% respectively over that of last year.

3.19 Production of pulses have been stagnant(around 14–14.8 million tonnes) for the last three years. As per the FirstAdvance estimates for 2010-11, a higher kharif pulses production is estimated vis-à-vis last year, at 6.00 million tonnes as against 4.42 million tonnes. Production of majorkharif pulses for 2010-11 is estimated at (figures in brackets indicate last year's figures): Tur 3.27 million tonnes (2.47 m.t), Moong 0.88 m.t (0.52 m.t), Urad 1.08 m.t (0.88 m.t).

3.20 Demand for pulses has been increasing steadily mainly due to increase in population and enhanced protein requirements in food. The gap between demand and supply is met through imports. Import of pulses during 2009-10 was 3.66 million tonnes as compared to 2.59 million tonnes in 2008-09. As per the DGCIS data, (prov.) about 17.27 lakh tonnes of pulses have been importedduring April-November 2010.

SUGAR

3.21 Retail prices of sugar have remained stable during the current financial year (up to December 2010). Prices of sugar across centres were in the range of ₹ 27 per kg to ₹ 45.00 per kg during April-December 2010 as compared to prices in the range of ₹18.00 per kg to ₹ 40.50 per kg during April- December 2009.

3.22 Sugarcane production for 2009-10 was 277.75 million tonnes. The First Advance Estimates released by Ministry of Agriculture for 2010-11 puts sugarcane production at 324.91 million tonnes, higher than last year at 249.48 million tonnes .

EDIBLE OILS

3.23 According to the First Advance Estimates for the year 2010-11 released



by Ministry of Agriculture, on 23.9.10 kharifoilseed production is estimated to be higher than the first estimates of last year at 17.27 million tonnes.

3.24 During the current year (April-December 2010), the edible oil prices have shown an upward trend as compared to last year across centres. Retail prices of Mustard Oil were quoted in the range of ₹ 51.00-97 per kg during April- December 2010 as compared to prices in the range of ₹ 50.00 per kg to ₹ 105.00 per kg during April- December 2009. Retail prices of Vanaspati were quoted in the range ₹40.00-80.00 per kg during Aprilof December 2010 as compared to prices in the range of ₹ 38.00 per kg to ₹ 80.00 per kg during April- December 2009.Retail prices of Groundnut oil were quoted in the range of ₹ 60.00-153.00 per kg during April- December 2010 as compared to prices in the range of ₹ 52.00 per kg to ₹ 112.00 per kg during April- December 2009.

3.25 Around 50% of the domestic requirement of edible oils is met by imports out of which CPO constitutes about 74% and soya bean oil constitutes about 19% of the total Imports. During the current year (Oil year November-October), the total import of edible oils is reported at 88.23 lakh tonnes (Upto October 2010), as compared to 81.83 lakh tonnes during 2008-09 (Upto October 2009); an increase of 7.8%.

VEGETABLES

3.26 Vegetable prices fluctuate depending on the availability and seasonal factors. Government has kept a close watch on the prices and availability of vegetables especially onion and potato.

(i) ONION (Source: NHRDF Report as on 31.12.2010)

3.27 The National Horticultural Research & Development Foundation (NHRDF) estimates onion production for 2010-11 at 130 lakh tonnes, 6.6% higher than last year.

3.28 During the months of April 2010 to December 2010, prices have shown upward trend. Retail prices of onion across centres were in the range of ₹ 3.00-70.00 per kg during April- December 2010 as compared to ₹ 6.00-37.00 per kg during April- December 2009.

3.29 Keeping in view the spurt in domestic onion prices, the average MEP of onion was progressively increased from \$250 PMT for April 2010 to \$ 1200 PMT for December 2010.

3.30 Onion is mainly exported to Bangladesh, Malaysia, Dubai, Sri Lanka, Bahrain, Nepal, Singapore, Muscat, Kuwait, Doha/Qatar, Mauritius etc.Onion exportduring2009-10 was 18.73 lakh tonnes, as compared to 17.83 lakh tonnes last year. During 2010-11, 11.70 lakh tonnes of onion has been exported up to 20.12.2010 as compared to 14.82 lakh tonnes last year.There is ban on export of



Onion wef. 22nd December, 2010 and until further orders.

(ii) **POTATO** (Source: NHRDF Report as on 31/12/2010)

3.31 Potato area and production during the year 2009-10 is expected to be 18.84 lakh hectares and 327.34 lakh MT respectively as compared to previous years area of 18.10 lakh hectares and production of 311.27 lakh MT. However, as the share of kharif potato production to total production is only around 5-8%, this is not expected to have major impact on total production figures.

3.32 The sowing of rabi potato in Uttar Pradesh, Punjab, Haryana, Bihar, West Bengal, Maharashtra, Gujarat and Madhya Pradesh has been completed. The area under rabi potato in most of the states is expected to be the same as compared to last year. In Karnataka harvesting of kharif potato is continuing and more than 85% crop has been harvested. In some of the areas in Karnataka, the crop has been damaged by late blight disease. In Gujarat about 10-15% potato crop has been damaged due to the recent unseasonal rains.

3.33 Retail prices of potato across centres were in the range of ₹ 5.00-28.17 per kg during April- December 2010 as compared to ₹ 4.00-31.00 per kg during April-December 2009.

TEA

3.34 The retail prices of tea showed an downward trend as compared to last

year. Retail prices of tea across centres were in the range of ₹ 75.00-320.00 per kg during April- December 2010 as compared to ₹ 90.00-340.00 per kg during April- December 2009. Exports of tea 2010-11 (April-June.) were 34.20 million kg. as against 29.43 million kg. in the corresponding period a year ago. (Source: DGCI&S).

MILK

3.35 Retail prices of milk across centres were in the range of ₹16.00-33.00 per kg centres during April- December 2010 as compared to ₹14.00-31.00 per kg during April- December 2009.

SALT

3.36 Retail prices of salt were in the range of ₹5.00-15.00 per kg across centres during April- December 2010 as compared to ₹5.00-13.00 per kg during April-December 2009.

Working Group on Consumer Affairs

3.37 A Conference of Chief Ministers was organized to discuss the issues related to Prices of essential commodities on 6th February, 2010. The conference recommended the constitution of a Standing Core group of State Chief Ministers and concerned Central Ministers. The Core Group was constituted on 15.03.2010 by Cabinet Secretariat. The first meeting of the Core Group took place on 8th April 2010 under the chairmanship of the Prime Minister. It was decided that the following three Working Groups willbe constituted:



a. Group on Agriculture Production

Chief Minister, Haryana Chief Minister, Punjab Chief Minister, West Chair Bengal Chief Minister, Bihar

b. Group on Consumer Affairs

Chief Minister, Gujarat Chief Minister, Andhra Pradesh Chief Minister, Chair Maharashtra Chief Minister, Tamil Nadu

c. Group on Food and Public Distribution

Deputy Chairman, Planning Commission

Chief Minister,

Minister

Chhatisgarh Chief Minister, Assam

Chair

Chairman, Economic Advisory Council to Prime 3.38 The Terms of Reference of the Working Group on Consumer Affairs are:

Reducing the gap between farm gate and retail prices and better implementation and amendment to Essential Commodities Actincluding suggestion of strategies / plan of action*inter alia* for:

- (i) Increasing efficiency of distribution channels fromfarmto consumers
- (ii) Reducing intermediation costsand reducing gapbetweenfarmgate and retail prices
- (iii) State interventions for retailing essential commodities at reasonable prices
- (iv) Enforcement of statutory provisions to improve availability of essential commodities at reasonable prices.

3.39 The report of the Working Group is under preparation.



Annexure I

Variation in the Wholesale Price Index numbers of Selected Essential Commodities During the Month of December 2010 and December 2009

Commodity/Sub-group		Annual Rate of Inflation		Variation of WPI of April/ December, 2010 and April / December. 2009		
	Weight	December, 2010	December, 2009	April/ December, 2010	April/ December, 2009	
ALL COMMODITIES	100.00	8.43	6.92	4.19	6.66	
PRIMARY ARITCLES	20.12	16.46	17.96	10.47	15.20	
FOOD ARTICLES	14.34	13.55	20.76	10.72	17.49	
CEREALS	3.37	-0.41	14.49	2.42	11.12	
Rice	1.79	1.16	12.75	1.77	9.01	
Wheat	1.12	-5.09	23.58	1.60	16.12	
Jowar	0.10	5.22	17.21	5.22	13.43	
Bajra	0.12	-2.25	20.77	0.87	10.02	
PULSES	0.72	-10.89	32.07	-6.67	29.96	
Gram	0.33	-0.96	0.64	7.64	3.85	
Arhar	0.14	-23.16	59.16	-19.08	43.24	
Moong	0.08	-9.64	86.07	-16.36	81.11	
Masur	0.06	-29.24	15.37	-19.33	20.76	
Urad	0.10	-6.94	66.30	-2.56	53.27	
VEGETABLES	1.74	24.94	17.04	56.29	35.14	
Potatoes	0.20	-26.57	127.37	-84.02	67.32	
Onion	0.18	45.82	17.68	164.26	63.04	
Milk	3.24	18.21	21.87	4.69	13.28	
Fish-Marine	0.72	32.33	11.33	6.18	11.40	
Mutton	0.35	-6.60	39.00	1.83	39.00	
Chillies(dry)	0.16	2.50	17.02	-3.55	-0.15	
Теа	0.11	-5.49	5.00	12.65	-8.60	
MANUFACTURED	64.97	11.19	4.57	6.38	8.70	
PRODUCTS						
Atta	0.39	0.00	0.00	0.00	0.00	
Sugar, Khandsari& Gur	2.01	35.44	0.00	35.44	0.00	
Sugar	1.74	4.46	3.61	1.18	3.09	
Gur	0.08	3.86	13.19	1.21	9.30	
Salt	0.05	-9.44	64.98	0.12	36.64	
EDIBLE OILS	3.04	-9.91	68.97	1.15	39.83	
Vanaspati	0.71	-7.36	57.99	-89.93	27.17	
Mustard Oil	0.45	-7.86	-5.51	-4.38	13.13	
Coconut Oil	0.10	5.26	-3.26	6.74	1.49	
Groundnut Oil	0.30	11.46	1.51	8.53	1.90	
Source: DIPP						



Annexure-II

Month-end retail prices of 21 essential commodities at major metropolitan cities from April 2010 to December 2010

Centres	Apr- 10	May- 10	Jun- 10	Jul- 10	Aug- 10	Sep- 10	Oct- 10	Nov- 10	Dec- 10
RICE			10	10	10	10		10	10
DELHI	23	22	22	22	23	22.5	22.5	23	23
MUMBAI	19	20	19	20	20	21	21	20	20
KOLKATA	18	18	19	20	20	20	20	20	20
CHENNAI	20	20	20	20	21	21	22	22	22
WHEAT									
DELHI	13	13	14	14	14	14	14	14	14
MUMBAI	18	19	18	19	19	21	21	20	20
BHUBANESHWAR	NR	NR	NR	15	14	14	14	14	15
CHENNAI	21	21	21	22	22	22	23	23	24
ATTA									
DELHI	16	15	16	16	16	16	16	16	16
MUMBAI	18	17	18	19	21	25	24	20	24
KOLKATA	14	15	16	16	16	15	16	17	17
CHENNAI	22	22	22	23	23.50	23	24	24	24
GRAM DAL									
DELHI	33	34	34	34.5	35	35	35	35	35
MUMBAI	33	32	34	34	34	38	38	38	38
KOLKATA	32	32	32	32	32	32	32	35	38
CHENNAI	32	32	32	34	34	34	35	38	38
TUR DAL									
DELHI	75	71	72	71	70	70	68.5	68.5	69
MUMBAI	66	67	66	65	65	70	70	71	68
KOLKATA	65	65	63	62	58	58	56	55	56
CHENNAI	72	72	72	68	66.5	65	65	60	60
MOONG DAL									
DELHI	88	86	88	83.5	80	74	73	72	69
MUMBAI	90	89	91	84	79	86	80	78	76
KOLKATA	88	88	90	85	80	75	70	70	75
CHENNAI	90	94	90	78	77	72	65	65	68
MASUR DAL									



Centres	Apr- 10	May- 10	Jun- 10	Jul- 10	Aug- 10	Sep- 10	Oct- 10	Nov- 10	Dec- 10	
DELHI	58	58	57	55	54	54	54	54	54	
MUMBAI	52	51	52	51	51	58	57	57	56	
KOLKATA	50	50	48	48	48	48	48	48	48	
CHENNAI	50	52	50	48	45	46	48	46	46	
URAD DAL										
DELHI	68	68	73	74	72	72.5	72.5	73.5	69	
MUMBAI	68	71	78	76	73	81	80	78	75	
KOLKATA	60	62	68	68	68	72	65	62	58	
CHENNAI	70	78	80	78	78	78	72	72	70	
SUGAR										
DELHI	33	33	31	31	31	31	31	33	33	
MUMBAI	31	32	30	31	29	30	30	32	33	
KOLKATA	32	32	31	31	30	30	31	32	33	
CHENNAI	31	30	29	29	28	28	28	32	32	
Source: State Civil Supplie GROUNDNUT OIL	Source: State Civil Supplies Departments GROUNDNUT OIL									
DELHI	110	110	111	114	121	122	122	124	131	
MUMBAI	72	69	74	77	86	80	80	78	83	
KOLKATA	80	80	105	100	110	110	110	110	110	
CHENNAI	73	79	80	88	90	90	90	88	82	
MUSTARD OIL										
DELHI	66	66	66	68	71	71	68	70	75	
MUMBAI	65	60	66	68	72	80	80	73	82	
KOLKATA	60	60	58	60	65	65	66	66	69	
CHENNAI	68	67	66	68	72	71	73	74	74	
VANASPATI										
DELHI	55	55	55	57	63	60	62	67	71.5	
MUMBAI	53	54	54	55	57	65	65	68	68	
KOLKATA	40	42	47	49	53	54	55	58	60	
CHENNAI	55	58	58	58	61	60	64	66	70	
SOYA OII										
DELHI	60	58	58	64	66	66	66	75	77	
MUMBAI	NR	NR	NR	NR	NR	NR	NR	NR	NR	
KOLKATA	50	50	49	50	55	54	54	62	64	
CHENNAI	NR	NR	NR	NR	NR	NR	NR	NR	NR	



Centres	Apr- 10	May- 10	Jun- 10	Jul- 10	Aug- 10	Sep- 10	Oct- 10	Nov- 10	Dec- 10
SUNFLOWER OIL									
DELHI	75	70	70	77	79	79	79	97	108
MUMBAI	NR	NR	NR	NR	NR	NR	NR	NR	NR
KOLKATA	58	58	58	58	65	62	70	80	85
CHENNAI	56	57	56	59	64	66	69	72	75
PALM OIL									
DELHI	NR	NR	NR	NR	NR	NR	NR	NR	NR
MUMBAI	NR	NR	NR	NR	NR	NR	NR	NR	NR
KOLKATA	43	43	45	47	51	51	51	58	61
CHENNAI	41	43	43	45	49	48	52	55	60
TEA LOOSE									
DELHI	156	149	149	148	147	148	148	148	149
MUMBAI	153	154	153	153	155	180	180	183	179
KOLKATA	100	100	100	100	100	100	100	100	100
CHENNAI	240	240	240	240	240	240	240	240	260
РОТАТО									
DELHI	9	9.5	14	11	11	16	16	15	9
MUMBAI	11	12	11	12	11	16	17	19	21
KOLKATA	5	6	6	6	7	10	9	9	8
CHENNAI	12	14	14	14	13	13	13	15	19
ONION									
DELHI	14	11	12	14	17.5	25	25	33	52
MUMBAI	12	11	11	12	13	23	23	40	52
KOLKATA	8	11	11	13	16	24	24	34	40
CHENNAI	10	12	12	12	15	20	20	29	50
Source: State Civil Supplies	Source: State Civil Supplies Departments								
SALT (Pack)									
DELHI	12	12	12	12	12	12	12	12	13
MUMBAI	12	12	12	12	12	12	12	12	12



Centres	Apr- 10	May- 10	Jun- 10	Jul- 10	Aug- 10	Sep- 10	Oct- 10	Nov- 10	Dec- 10
KOLKATA	8	8	8	8	8	8	8	8	8
CHENNAI	12	12	12	12	12	12	12	12	14
MILK									
DELHI	23	23	23	24	24	24	24	24	25
MUMBAI	26	25	26	26	26	28	28	27	28
KOLKATA	21	21	21	21	21	21	21	21	21
CHENNAI	20.5	20.5	20.5	20.5	20.5	20.5	20.5	20.5	20.5

Source: State Civil Supplies Departments







CHAPTER-IV

ESSENTIAL COMMODITIES REGULATION AND ENFORCEMENT

4.1 The Essential Commodities Act, 1955 was enacted to ensure the easy availability of essential commodities to consumers and to protect them from exploitation by unscrupulous traders. The Act provides for the regulation and control of production, distribution and pricing of commodities which are declared as essential for maintaining or increasing supplies or for securing their equitable distribution and availability at fair prices. Exercising powers under the Act. various Ministries/Departments of the Central Government and under the delegated powers, the State Governments/ UT Administrations have issued Control Orders for regulating production, distribution, pricing and other aspects of trading in respect of the commodities declared as essential. The enforcement/ implementation of the provisions of the Essential Commodities Act, 1955 lies with the State Governments and UT Administrations.

4.2 The commodities declared as 'essential' under the Essential Commodities Act, 1955 are reviewed from time to time in the light of changes in the economic situation and particularly with regard to their production and supply in consultation with the concerned Ministries/Departments administering these commodities as well as State Governments/ UT Administrations . The Number of such commodities are now 8 at present.

4.3 The State Governments and UT Administrations being the enforcement agencies under the Act, are regularly taking recourse to the Act for implementation of the provisions of

i)	No. of raids conducted	-	187049
ii)	No. of persons arrested	-	10754
iii)	No. of persons prosecuted	-	4329
iv)	No. of persons convicted	-	148
v)	Value of goods confiscated	-	₹ 10455.1 lakhs.

the Act by taking action against the violators. The results of enforcement of the Essential Commodities Act, 1955 in the States/UTs during the year 2010 up to 31.12.2010 (updated as on 27.01.2011) are as under: \neg



ational Consumer

Day 2010



ACTION TAKEN TO CHECK RISE IN PRICE OF ESSENTIAL COMMODITIES

4.4 In the context of unprecedented rise in prices of some essential commodities, there had been wide spread concern from various corners for taking immediate steps to mitigate the rising trend of prices of essential Representations from commodities. the Chief Ministers of Punjab and Delhi and also from the Govt. of Andhra Pradesh, Rajasthan and Maharashtra were received for restoration of powers under the Essential Commodities Act, 1955 for undertaking dehoarding operations in view of the assumption that there is speculative holding back of stocks particularly of wheat and pulses in anticipation of further rise in prices.

4.5 The situation was reviewed by the Govt. and it was decided with the approval of the Cabinet to keep in abeyance some provisions in the central order dated 15.02.2002 for a period of six months with respect to wheat and pulses (whole and split), so as to tackle the crisis on availability and prices of these commodities. Accordingly, the Central Govt. issued a Central Order No. 1373(E) dated 29.08.2006 by virtue of which the words or expressions made in respect of purchase, movement, sale, supply, distribution or storage for sale in the "Removal of (Licensing requirements, Stock limits and Movement Restrictions) on Specified Foodstuffs Order, 2002" notified on 15.02.2002 have been kept in abeyance for commodities namely wheat and pulses for a period of six months from the date of issue of the order or further order, which ever is earlier. This order however would not affect the transport, distribution or disposal of wheat and pulses (whole or split) to places outside the State, nor shall it be applicable to import of these commodities. Subsequently vide order dated 07.04.2008, the Central Government had kept in abeyance the operation of Central Order dated 15.02.2002 in respect of commodity edible oils, edible oilseeds and rice for a period of one year. Later vide order dated 27.08.2008, this was extended to the commodity paddy also for a period from 01.09.2008 to 30.04.2009. The validity of all these orders was earlier extended till 30.09.2010. This has subsequently been extended now upto 30.09.2011 in respect of pulses, paddy & rice and in respect of edible oils and edible oilseeds upto 31.03.2011 vide Central Order No.S.O.2361(E) dated 29.09.2010. Wheat as a commodity has been withdrawn from the ambit of the orders w.e.f. 01.04.2009.



4.6 It was also decided with the approval of the Cabinet to further relax restrictions and to keep in abeyance some provisions of the Central Order dated 15.02.2002 for a period of four months from the date of publication of Order with respect to Sugar so as to tackle the availability and prices of this commodity. Accordingly, an Order No.S.O.649 (E) dated 09.03.2009 was published in Gazette of India to this effect. This was subsequently extended upto 30.09.2010 vide Central Order dated 18.12.2009 and upto 31.12.2010 vide Central Order No.S.O.2361(E) dated 29.09.2010. The validity has been further extended upto 31.03.2011 vide Central Order No.S.O.3060(E) dated 30.12.2010.

In pursuance to the above Orders 4.7 all State Governments/UTs were requested to implement this order by issuing either a fresh control order or by reviving the old control order for fixing stock limits for various categories of dealers such as millers/ producers, wholesalers and retailers in respect of these commodities. States/ UTs have also been empowered to take effective action exercising the powers vested with / delegated to them under the Essential Commodities Act, 1955.

4.8 27 State Governments/UTs have either issued stock limits for all the five

items or any of the items or have issued only licensing requirements/ stock declaration (of these 27, 23 States/UTs have actually issued stock limit Orders/ are in the process of issuing such orders. 4 States/UTs have issued licensing requirements/stock declarations).

4.9 In pursuance to the above Orders all State Governments/UTs were requested to implement this order by issuing either a fresh control order or by reviving the old control order for fixing stock limits for various categories of dealers such as millers/ producers, wholesalers and retailers in respect of wheat and pulses. States/ UTs have also been empowered to take effective action exercising the powers vested with / delegated to them under the Essential Commodities Act, 1955 to bring out hoarded stock of these items in the open market to ensure their availability to the common people at reasonable prices.

THEPREVENTIONOFBLACKMARKETINGANDMAINTENENCEOFSUPPLIESOFESSENTIALCOMMODITIESACT, 1980

4.10 The Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980 is being implemented by the State



Governments/UT Administrations for the prevention of unethical trade practices like hoarding and blackmarketing etc. 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. Detentions are made by the States/UTs in selective cases to prevent hoarding and black-marketing of the essential commodities. Detention orders were made in 205 cases by the State Governments during the period from 01.01.2010 to 31.12.2010.

4.11 The Central Government and the State Governments also have the power to modify or revoke the detention orders. The representations made by or on behalf of the persons ordered for detention are considered and decided by the Central Government. 59 such representations were considered and decided by the Central Government during the period from 01.01.2010 to 31.12.2010.





CONSUMER PROTECTION

5.1 Consumer movement is a socioeconomic movement which seeks to protect the rights of consumers in relation to the goods purchased and services availed. Government has been according high priority to better protect the consumer interests. The Department of Consumer Affairs, has initiated a number of steps to promote a responsible and responsive consumer movement in the country. Such measures include the use of multimedia publicity campaign for promoting consumer awareness and encouraging consumers' involvement through efforts of Government and Non-Governmental Organizations and others.

5.2 The main objectives of the consumer protection programme are:-

- To create suitable administrative (i) and legal mechanisms which would be within the easy reach of consumers and to interact with both. Government and non-Governmental Organizations to promote and protect the welfare of the consumers.
- To involve and motivate various (ii) sections of society including consumer organizations, women and youth to participate in the programme.

(iii) То generate awareness among consumers about their rights and responsibilities, motivate them to assert their rights so to not compromise on the quality and standards of goods and services and to seek redressal of their disputes in consumer fora, if required.

The Consumer Protection Act, 1986

5.3 One of the important most milestones in the area of consumer protection/consumer movement in the country has been the enactment of Consumer Protection Act. 1986. This Act was enacted to better protect the interests of Consumer by creating an alternative disputes resolution mechanism exclusively for consumers. It is one of the most progressive and comprehensive legislations creating piece of an three-tier exclusive quasi judicial consumer dispute redressal machinery at the national, state and district levels. As on date, 627 District Fora, 35 State Commissions and the National Commission have been established in the country.

Salient features of the Act are as under:

The Act enshrines six rights of a) consumers namely, Right to Safety;









Right to be informed; Right to choose; Right to be heard; Right to seek redressal & Right to consumer education.

- b) The provisions of the Act are in addition to and not in derogation of the provisions of any other law for the time being in force.
- c) It is an umbrella legislation covering goods & services, but excluding transactions not involving consumers from the purview of the Act.
- A consumer can seek redressal against any manufacturer, trader of goods and service provider, so long as the goods purchased or service availed of was for a consideration.
- e) The Act provides for simple, inexpensive and timely redressal of consumer complaints.
- f) The provisions of the Act are not only compensatory in nature but also preventive and punitive in character.

- g) The Act provides for establishing a three-tier consumer dispute redressal machinery at the national, state and district levels commonly known as National Commission, State Commission and District Forum respectively.
- h) The Act also provides for setting up of Consumer Protection Councils at the Central, State and District level, which are advisory bodies to promote and protect the rights of the consumers.

5.4 As per the latest reports made available by the National Commission the average percentage disposal of cases in all three levels of Consumers Fora in the country is an impressive 89%. The total number of cases filed and disposed of in the National Commission, State Commissions and District Fora, as on 30.12.2010, since inception, are given below:-

Sl. No.	Name of Agency	Cases filed Since inception	Cases disposed of since inception	Cases Pending	% of total Disposal
1.	National Commission	67413	58836	8577	87.28
2.	State Commissions	524986	420392	104594	80.08
3.	District Fora	2916749	2667674	249075	91.46
	Total	3509148	3146902	362246	89.68



Thirteen cities across India have been notified by the Central Govt. where the National Commission can hold its Circuit Bench sittings in addition to New Delhi where it ordinarily functions. In pursuance of these provision in the law, the National Commission has been holding Circuit Bench sitting every year since 2005. During the last Circuit Bench sitting held in Kolkata in January, February 2010, 84 cases have been disposed off by the National Commission.

5.5 The number of members in NCDRC has been increased from five to nine. This has enabled the National Commission to establish five benches of the Commission. Further 2 additional posts of members (1 Judicial & 1 non-judicial) have been created for period of five years for setting up an additional bench to clear backlog of cases in the NCDRC.

5.6 Though, the responsibility of establishing consumer fora at the District and State levels are that of the States/UTs, the Central Government has been implementing the following plan schemes for improving the functioning of consumer fora:

'CONFONET' SCHEME:

5.7 The scheme of 'Computerization and Computer Networking of Consumer Fora in the country, (**CONFONET**)' was launched during the 10^{th} Plan period in March, 2005 at a cost of ₹ 48.64 crores. Under the project, the Consumer Fora at all the three tiers throughout the country were to be fully computerized to enable access of information and quicker disposal of cases. The project is being implemented by the National Informatics Centre (NIC) on a turnkey basis. The scheme has been extended to 11^{th} Plan period with a total outlay of ₹ 25.69 crores. During the year 2010-11 an amount of ₹ 8.89 crores has been released to NIC for the activities to be undertaken under "CONFONET" Project in the XIth Plan.

5.8 During 2010-11 an allocation of \mathbf{E} 1 crore has been kept for **North-Eastern Region** (Major Head 2525) under the CONFONET scheme in BE-2010-11 as well as RE-2010-11 (Proposed). Similarly, in the Scheme Strengthening Consumer Fora an allocation of \mathbf{E} 1.77 crores has been kept for North-Eastern Region both in BE & RE-2010-11.

Strengthening the Infrastructure of Consumer Fora:

5.9 The Central Government has been extending financial assistance to States/ UTs for strengthening the infrastructure of consumer fora so that minimum level of facilities are made available at each consumer forum, which are required for their effective functioning. Infrastructural Facilities being provided under the scheme, include construction of new building of the consumer fora, carrying out addition/alteration/renovation of existing buildings and grant for acquiring



non-building assets such as furniture, office equipment etc. Under the Scheme for Strengthening of Consumer Fora, an amount of ₹ 57.55 lakh has been released to Govt. of Punjab on 13.4.2010, ₹ 46.20 lakhs to Govt. of Tripura on 30.09.2010, ₹ 204.00 lakhs to the Govt. of Nagaland on 5.10.2010, ₹18.93 lakhs to Govt. of Kerala on 9.11.2010, ₹ 20.50 lakhs to the Govt. of Sikkim on 19.11.2010 and ₹ 455.50 lakhs to the Govt. of Gujarat on 19.11.2010.

5.10 NCDRC Building: To provide adequate space to enable the National Commission to function more effectively, a new building for the Commission is being constructed as part of the Integrated Office Complex at INA, New Delhi at on overall cost of $\overline{\xi}$ 19.19 crores. This Department has also released an amount of $\overline{\xi}$ 2.39 crores to C.P.W.D. for provision of infrastructure for the new Building of NCDRC during 2010-11.

5.11 Statement of Cases filed/disposed of/pending in District Fora is at **Annexure-I.** Statement of Cases Filed/ Disposed of/ Pending in the National Commission and State Commissions is at **Annexure-II.**



Annexure-I

Statement of Cases filed/disposed of/pending in District Fora

(on 30.12.2010)

Sl. No.	Name of State	Cases filed since	Cases disposed of since	Cases Pending	% of Disposal	As On
		inception	inception			
1	Andhra Pradesh	182042	177281	4761	97.38	31.10.2010
2	A & N Islands	330	301	29	91.21	31.03.2006
3	Arunachal Pradesh	310	270	40	87.10	31.10.2010
4	Assam	13704	11976	1728	87.39	31.08.2010
5	Bihar	78400	67714	10686	86.37	30.09.2010
6	Chandigarh	42033	40707	1326	96.85	30.11.2010
7	Chattisgarh	31514	29066	2448	92.23	30.09.2010
8	Daman & Diu and DNH	153	129	24	84.31	30.06.2010
9	Delhi	214314	202712	11602	94.59	30.09.2010
10	Goa	6031	5449	582	90.35	30.11.2010
11	Gujarat	158169	139250	18919	88.04	30.11.2010
12	Haryana	198958	180898	18060	90.92	30.11.2010
13	Himachal Pradesh	52390	49318	3072	94.14	30.11.2010
14	Jammu & Kashmir	20792	18855	1937	90.68	31.12.2007
15	Jharkhand	31986	29571	2415	92.45	30.09.2010
16	Karnataka	137296	132101	5195	96.22	30.11.2010
17	Kerala	168204	160795	7409	95.60	30.11.2010
18	Lakshadweep	64	58	6	90.63	30.11.2010
19	Madhya Pradesh	155236	142553	12683	91.83	31.07.2010
20	Maharashtra	228984	210961	18023	92.13	31.03.2010
21	Manipur	1037	1012	25	97.59	30.09.2008
22	Meghalaya	322	308	14	95.65	31.03.2007
23	Mizoram	2065	2011	54	97.38	31.12.2006
24	Nagaland	246	205	41	83.33	30.06.2006
25	Orissa	83530	78137	5393	93.54	30.09.2010
26	Puducherry	2766	2527	239	91.36	30.11.2010
27	Punjab	135519	130913	4606	96.60	30.11.2010
28	Rajasthan	253945	230657	23288	90.83	30.11.2010
29	Sikkim	252	240	12	95.24	31.01.2010
30	Tamil Nadu	95576	89489	6087	93.63	31.10.2010
31	Tripura	2015	1807	208	89.68	30.09.2008
32	Uttar Pradesh	508695	426862	81833	83.91	30.09.2010
33	Uttarakhand	32241	30599	1642	94.91	30.11.2010
34	West Bengal	77630	72942	4688	93.96	30.09.2010
	TOTAL	2916749	2667674	249075	91.46	



Annexure-II

Statement of Cases Filed / Disposed of / Pending in the National Commission and State Commissions

(on 30.12.2010)

			~		(0)	1 50.12.2010)
SI. No.	Name of State	Cases filed since inception	Cases disposed of since inception	Cases Pending	% of Disposal	As On
	National Commission	67413	58836	8577	87.28	30.11.2010
1	Andhra Pradesh	26026	23179	2847	89.06	31.10.2010
2	A & N Islands	42	38	4	90.48	31.01.2008
3	Arunachal Pradesh	56	49	7	87.50	30.09.2010
4	Assam	2354	1475	879	62.66	30.11.2010
5	Bihar	13915	10007	3908	71.92	30.09.2010
6	Chandigarh	11046	10632	414	96.25	30.11.2010
7	Chattisgarh	6608	6238	370	94.40	30.09.2010
8	Daman & Diu and DNH	23	16	7	69.57	30.06.2010
9	Delhi	31469	30148	1321	95.80	30.11.2010
10	Goa	2176	2074	102	95.31	30.11.2010
11	Gujarat	35079	30577	4502	87.17	30.11.2010
12	Haryana	39219	28853	10366	73.57	30.11.2010
13	Himachal Pradesh	6995	6384	611	91.27	30.11.2010
14	Jammu & Kashmir	5884	5175	709	87.95	31.03.2010
15	Jharkhand	4547	3657	890	80.43	30.09.2010
16	Karnataka	37079	33918	3161	91.47	30.11.2010
17	Kerala	23274	21952	1322	94.32	30.11.2010
18	Lakshadweep	16	15	1	93.75	30.11.2010
19	Madhya Pradesh	36159	31953	4206	88.37	31.07.2010
20	Maharashtra	50103	32399	17704	64.66	31.03.2010
21	Manipur	139	96	43	69.06	30.09.2008
22	Meghalaya	238	152	86	63.87	30.06.2009
23	Mizoram	177	169	8	95.48	31.10.2010
24	Nagaland	94	64	30	68.09	31.12.2006
25	Orissa	19820	13417	6403	67.69	30.09.2010
26	Puducherry	899	851	48	94.66	30.11.2010
27	Punjab	25449	19449	6000	76.42	30.11.2010
28	Rajasthan	45309	41829	3480	92.32	30.11.2010
29	Sikkim	35	32	3	91.43	28.02.2010
30	Tamil Nadu	21762	19028	2734	87.44	31.10.2010
31	Tripura	1233	1220	13	98.95	30.11.2010
32	Uttar Pradesh	59297	28448	30849	47.98	30.09.2010
33	Uttarakhand	4088	3285	803	80.36	30.11.2010
34	West Bengal	14376	13613	763	94.69	31.10.2010
	TOTAL	524986	420392	104594	80.08	



CONSUMER WELFARE FUND

5.11 The Central Excise and Salt Act. 1944 was amended in 1991 to enable the Central Government t o create a Consumer Welfare Fund where the money, which is not refundable to the manufacturers, etc. is being credited. Consumer Welfare Fund was created in 1992 with the objective of providing financial assistance to promote and protect the welfare of the consumer, create consumer awareness and strengthen consumer movement in the country. particularly in rural areas. The Department of Consumer Affairs operates the Fund, set up by the Department of Revenue under the Central Excise and Salt Act. 1944.As on 31.12.2010 a sum of about ₹ 121.99 crores has been credited to the Consumer Welfare Fund and expenditure of ₹ 69.19 crores has been incurred. The allocation for RE for the year 2010-11 is ₹13.80 crores out of which ₹ 5.99 crores have been incurred as on 31.12.2010

<u>Schemes currently funded from</u> <u>Consumer Welfare Fund</u>

Setting up of Consumer Clubs in Schools and Colleges

5.12 This scheme was launched in 2002, according to which a consumer club can be set up in each Middle/High/Higher secondary School/College affiliated to a Government recognized Board/University. A grant of ₹ 10, 000/- per consumer club is admissible under this scheme. This scheme has been decentralized and transferred to the Government of States/UTs with

effect from 1.04.2004. Proposals can be submitted to the Nodal Officer in the Food, PD & Consumer Affairs Department of the respective States/UTs by eligible organizations/VCOs. Funds are transferred to the Nodal officer in the State on receipt of the list of schools from the State. So far, 7249 consumer clubs have been sanctioned in 23 States/UTs.

Scheme on Promoting involvement of research institutions/universities / colleges in consumer protection and consumer welfare:-

5.13 This scheme has been launched in 2004 with a view to sponsor research and evaluation studies in the field of consumer welfare to provide solution to the practical problems being faced by the consumers, to sponsor seminars/workshops conferences on the consumer and to have necessary inputs for formulation of policy/ programme/ scheme for the protection and welfare of consumers.

5.14 The Indian Institute of Public Administration New Delhi has been identified as the nodal organisation to administer the scheme. A total grant of \mathbb{R} 3.91 crores was sanctioned to IIPA during the phase I of the project. The second phase of the project has been sanctioned for three years at a cost of \mathbb{R} 2.08 crores and Rs 94 lakhs has been released as first year grant.

Creation of Consumer Welfare Funds in States and Union Territories

5.15 In order to strengthen consumer movement throughout the country, the



State Governments and Union Territory Administration have been impressed upon to create their own Consumer Welfare Fund. For strengthening financial support, funds are provided in the form of seed money to the States/UTs at the ratio of 50:50 (Centre: State). This ratio has been further enhanced to 90:10 in the case of 13 special category States. So far, the State Consumer Welfare Fund have been created in the States of AndhraPradesh Chattisgarh, Goa, Gujarat, Haryana Karnataka, Maharashtra, Orissa, Punjab, Tamilnadu, UttarPradesh, Rajasthan. West Bengal, Arunachal Pradesh. Uttarkhand, J&K, Mizoram, Sikkim and Tripura, Kerala & Himachal Pradesh.

5.16 In order to further strengthen the Consumer movement in the country with the active involvement of States/UTs.a new scheme namely "States Corpus Fund" of ₹ 10 crores has been implemented with the support of Central Government by contributing 75% of that amount as central share from the Consumer Welfare Fund and remaining 25% share will be contributed by the respective States/UTs. The interest generated from the Corpus Fund will be utilized for financing State/ local level programmes. State of Madhya Pradesh is the first state that have forwarded their proposal after contribution of their State's share of 2.5 crores, which is under active consideration for sanction of the project. Moreover, some more States have conveyed their willingness to set up State Corpus Fund in their States.

National Consumer Helpline (NCH)

5.17 National Consumer Helpline was launched on 15^{th} March 2005 on World Consumer Day in coordination with Delhi University. Consumers from all over the country can access the toll-free number 1800-11-4000 and seek telephonic counseling to sort out their consumer related issues. The total cost of the project in phase-I was ₹ 3.13 crores. The project has been extended for further period of three years in Phase-II at a cost of ₹ 3.78 crores from 2010.

CORE Centre Project

5.18 The Department have sanctioned a project namely Consumer Online Research and Empowerment (CORE) Centre to Consumer Coordination Council (CCC) for providing the most scientific and effective system of collection and dissemination of consumer related information to generate consumer awareness and empowerment of all sections of the society with a total cost of ₹ 3.50 crores.

Comparative Products Testing

Project of VOICE Society

5.19 VOICE Society New Delhi has been sanctioned a project for Comparative Testing of products and testing with the objectives of protecting the interests of consumers. Under the project, 1st phase 2005-2007, 20 products and 4 services were published and in the interim grant period 2009-10, 6 products and 1 service were published. In the second phase of the project, ₹ 90 lakhs have been released.



Project of M/s. CONCERT

5.20 Project from M/s CONCERT Chennai for setting up of Consumer Products & Services Testing and Evaluation Centre at Chennai for two years has been approved. Total cost of the project is ₹ 3.33 crores and an amount of ₹ 1.29 crores have been released in the first year of the project.

Project of CERC, Ahmedabad

5.21 A project from M/s. Consumer Education and Research Centre(CERC), Ahmadabad for up gradation of its, testing laboratory at a cost of ₹ 1.82 Crores has been sanctioned in the year 2010 with the objective of competitive testing dry cell batteries, storage water heater/geysers and certain food and pharmaceutical products.

M/s Federation of Consumer Associations, W. Bengal (FCAWB) :-

5.22 Aproject for up gradation of Food and Water Testing organizing Laboratory with NABL Accreditation at a cost of \gtrless 2.08 Crore, has been sanctioned specifically towards purchase of equipments for upgrading the laboratory.

Council for Fair Business Practice, Mumbai, (CFBP)

5.23 As part of new initiatives to enhance the levels and reach of consumer protection and welfare activities, the Department has considered and approved a project to Council for Fair Business Practice, Mumbai, Maharashtra (CFBP) This project is for upgrading existing Ramakrishana Bajaj testing lab in SNDT Women's University Mumbai. The department is partially financing the upgradation of lab at a cost of ₹ 50 lakhs

Creation of Chair/Centers of excellence in Institutions/ Universities

5.24 a) National Law School of India University (NLSIU), Bengaluru

A Chair on Consumer Law and Practice was sanctioned in 2007-08 to National Law School of India University (NLSIU), Bengaluru at a cost of ₹ 1.5 crores. The primary objectives of the Chair is to act as a "Think Tank" for the Research and Policy related issues on Consumer Law and Practice and also develop Consumer Affairs as a distinct subject of study both at Under Graduate and Post Graduate levels.

b) National Law Institute University, Bhopal

National Law Institute University , Bhopal has been sanctioned a project for establishing Chair in Consumer Protection & Consumer Welfare at a cost of ₹ 94.45 lakhs, with an objective of focusing on unfair trade practices.

c) Centre of Consumer Studies in IIPA: -

A Centre of Consumer Studies was sanctioned in 2007-08 to Indian Institute of Public Administration, New Delhi at an estimated cost of ₹850.77 lakhs spread over a period of



five years for in-depth action research in the areas of consumer protection, training of personnel engaged in administration and adjudication of consumer justice in the country and the elected representatives of the local bodies etc.

Information, Education and Communication programmes for consumer awareness

Society for Advancement of Villages Empowerment and Rehabilitation of All (SAVERA):-

5.25 The project proposal for organizing Information and Education and Communication (IEC) programme in Katihar and Kishangarh District of Bihar for strengthening Consumer Movement at grassroots level and to set up a Consumer counseling committees at Village and Block level has been sanctioned at a cost of \gtrless 52.02 lakhs.

M/s I. Land Informatics Limited, 58/114, Prince Anwar Shah Road, Lake Garden, Kolkatta

5.26 A project by M/s I. Land Informatics Limited, 58/114, Prince Anwar Shah Road, Lake Garden, Kolkatta- for promoting Consumer awareness in Rural areas in West Bengal had been sanctioned for ₹ 27 Lakh in 2008-09 and ₹ 30 lakh in 2009-10 for conducting an IEC progarmme in six blocks in each of the six districts of Coochbehar, Malda, Purulia, jalpaiguri, Bankura and Birbhum in first phase and in six blocks in each of the North 24 Parganas, South 24 Parganas, Nadia, Murshidabad, Paschim Medinapur and Dakhshin Dinajpur. of West Bengal in second phase for strengthening consumer movement at grassroots. .The third phase of the project for another 6 districts of West Bengal is under consideration.

M/s Vinod Kumar Memorial Trust, B-2/4, Model Town-II, N.Delhi-

5.27 A project has been sanctioned to M/S Vinod Kumar Memorial Trust, B-2/4, Model Town-II, and New Delhi to upgrade and maintain the website Midguideindia.Com at the cost of ₹ 20 lakh for strengthening consumer information on drugs and allied sectors. The primary objectives of the project is to take steps to enhance consumer information on Drugs and Allied services and total grant of ₹ 20 lakh has been released in two installments.

M/s Mounda Dhumpur Kalyan Samiti Uttarkashi

5.28 A project has been sanctioned for an amount of ₹45 lakhs for spreading consumer awareness in 2 districts of Hilly areas of Uttarakhand State in the year 2010.

M/s. Consumer Unity & Trust Society (CUTS), Jaipur

5.29 A project from M/s. Consumer Unity & Trust Society (CUTS), Jaipur for grassroots reach out and networking in India through consumer action in 12 districts of Rajasthan at a cost of \gtrless 62.32 lakh for three years has been sanctioned.



Mediation Advisory Centre- A joint initiative of FICCI and GTZ with the Support of Department of Consumer Affairs

5.30 A joint initiative of FICCI and GTZ with the support of Department of Consumer Affairs for setting up a Mediation Advisory Centre (MAC) under PPP Model has been approved at the total cost of ₹ 105.26 lakh, out of which DCA's share is ₹ 58.30 lakh and contribution of FICCI and GTZ will be ₹ 29.20 lakhs and ₹ 17.76 lakh respectively.

Project from Govt, of Kerala

5.31 Government of Kerala has been sanctioned an amount of ₹ 25,44,000 as assistance for upgrading its Gold Purity

Testing Laboratory at Ernakulam into a Referral Assay lab for Gold in 2010

Federation of Indian Chamber of Commerce and Industry (FICCI), New Delhi

5.32 A project has been sanctioned for a grant of 3.10 crores for establishment of FICCI Alliance for Consumer Care (FACC) for setting up of a mechanism and providing platform for facilitating prompt redressal of Consumer complaint through voluntary self-regulation and Consumer education. An amount of ₹ 1.38 Crore has been released so far. Under the project FICCI will be introducing a voluntary code of conduct for business groups and member companies will be persuaded to adopt the voluntary code of conduct in their activities.



Shri Rajiv Agarwal, Secretary, Department of Consumer Affairs addressing FICCI Alliance for Consumer Care (FACC)



TRAINING PROGRAMMES

(a) State Govt of Tamilnadu-

The following two projects were sanctioned for training programmes:

i) <u>Project for conducting training</u> <u>programmes in the field of consumer</u> protection for the benefits of Self Help Groups and Consumers in 31 district of Tamil Nadu at the total cost of ₹69,90,600/- had been sanctioned in 2006-07. The second phase of the project at the cost of ₹ 65.50 lakh has also been sanctioned in 2010

ii.) <u>Proposal for orientation-cum-</u> <u>training programme for State Govt.</u> officials and other stakeholders who have consumer rights interface at the total cost of \gtrless 21.84 lakhs .The second phase of the project is under consideration.

b) Α project proposal for organizing Workshop-cum-Training programme for housewives for on the spot test to detect common adulterants in foods in eight districts of Chennai in Tamilnadu at а ₹ 29,74,000/cost of was sanctioned to CONCERT. On the recommendation of the evaluation report of the pilot project carried out by Tamilnadu Government, a second phase of the project for another 11 districts VIZ, Madurai,

Vellore, Villupuram, Cuddalore, Tuticorin. Tanjore Karur, Tiruvallur, Salem, Perambalur and Tiruvannamalai in Phase-II, of ₹ 33,77, 664/- has also been sanctioned. Third phase of the project is under consideration.

Consumer Association of India, Chennai

5.33 A grant of Rs 3.50 lakhs was sanctioned to Consumer Association of India, Chennai for conducting a seminar on Responsibilities and Rights of Consumers, Traders, Manufactures etc. in respect of the Legal Metrology Act, 2009. The seminar was conducted on 22nd November 2010.

CUTS Jaipur

5.34 A Grant of Rs 1.50 lakhs was sanctioned to CUTS to organize a National Conference on Competition-Regime-Benefiting the Consumers "in association with Competition Commission of India (CCI) and Department of Consumer Affairs which was organized on 20th October 2010

STATE CONSUMER HELPLINE:

5.35 This is a new plan scheme to set up State Consumer Help lines on similar lines as the National Consumer Help Line which will be a partnership effort between State and active VCOs of the States. These Help lines will extend service in the regional language of the State concerned and in Hindi and



English. Under the scheme funds are provided for five years to States/UTs, after which the States/UTs are expected to take over the running of the Helpline project So far 20 States/UTs have been sanctioned funds to set up Consumer Help lines and 3 proposals received from State of Uttarkhand, UT of Dadra Nagar Haveli and Puducherry are under active consideration for sanction within March 2011.

CONSUMER COMPLAINTS

5.36 The Department has been receiving a largenumber of complaints from consumers relating to shortfall in the supplies/ expectations, deficiency in services which covers complaints/grievances regarding supply of defective household (i) appliances including automobiles; (ii) T.V. sets, poor construction materials; (iii) Non-refund of fixed deposit amounts; (iv)non-realization dividend of from companies (v) bank and telecom sector complaints etc. The Department, therefore, decided on 13.02.2002 to set up Consumer Grievance Redressal Cell (CGRC) for providing services for redressal of the complaints of the Consumers.

5.37 The Cell had received a large number of complaints covering on all such aspects from all over the country. All these complaints were forwarded to the Consumer Coordination Council (CCC) for redressal. The Cell itself is attending to the complaints of the important nature with the concerned manufacturers/authorities/Departments etc. for their redressal at the earliest. The Cell and Consumer Coordination Council forward these complaints to the concerned authorities to get their redressal.

5.38 The Consumer Grievances Redressal Cell as well as the Consumer Coordination Council (CCC) has no statutory powers to take action on the complaints of the aggrieved consumers. In order to facilitate the consumers the CGRC and CCC take up the matter with the concerned bank, telecom and other companies, institutions, organizations and manufacturers etc. for their redressal in favour of the consumers. The Consumer also has an option to go to the District Forum, State Commission or the National Consumer Disputes Redressal Commission as the case may be, to get the redressal as per law.

National Cooperative Consumers' Federation of India Ltd. (NCCF)

5.39 The NCCF is the National level Consumer Cooperative organization in the country. The NCCF was set up on 16th October 1965 and is administered under the Multi State Cooperative Societies Act. The affairs of NCCF are managed by a Board of Directors, comprising both elected and nominated members as per the provisions of the Bye-laws of the NCCF. The commercial operations of the NCCF are handled at the headquarter level at New Delhi and its 35 Branches/ sub-branches located in the State Capitals and other important centers in the country. The NCCF runs three Industrial Units at Bhiwani (Haryana), Mohali, (Punjab) and Noida (U.P).



5.40 The total paid up share capital of the NCCF as on 31.03.2010 is ₹ 13.79 crores. This amount has been contributed by the members, out of which the contribution of the Government of India is ₹10.74 crores only. The Govt. of India now holds about 78% of the total paid up share capital in the NCCF.

5.41 The NCCF provides linkage between the producers/manufacturers and the wholesalers/retailers and the consumers. It is primarily engaged in the wholesale distributive trade. The NCCF is involved in procurement and marketing of various consumer goods like pulses of different varieties, food grains, textiles, tea and other manufactured items in bulk. It has also made arrangements for supply of items like different varieties of pulses, iodized salt, tea in consumer packs, toilet soap, detergent powder etc. all over the country.

(₹ In crores)

Category	2007-08 (Audited)	2008-09 (Audited)	2009-10 (Audited)
Sales	551.08	855.28	1322.39
Gross Margin	11.15	14.62	24.18
Other Receipts	2.43	3.89	6.55
Net Profit/(Loss)	(2.39)	1.58	8.33

5.42. The details of the turnover of the NCCF as also the profitability during the last three years are as under:

5.43 The sales turnover achieved by the NCCF during the year 2009-10 was ₹1322.39 crores as against ₹ 855.28 crores achieved during the year 2008-09. The bulk of the sales related to supply of grocery, general merchandise items and import/export (including outright & through Associate Shippers). The NCCF has earned a net profit of ₹ 8.33 crores during the year under review.

5.44 The Federation during the year expanded its services to more areas and attempted diversification in new lines of business such as Sale

of Medicines and Renovation & designing work of Hospitals etc., Supply of Agri.-inputs like Seeds, Pesticides, Bio-fertilizers and Bio-pesticides.

SUPER BAZAR – DELHI

5.45 The Cooperative Store Ltd., popularly known as Super Bazar, was registered under the Multi-State Cooperative Societies (MSCS) Act 1984 with its area of operation being The Super Bazar the entire country. had a membership of 40020. The total paid up share capital, as on 31.03.2008 was ₹ 159.03 lakhs of which Govt. of India's contribution was ₹116.49 lakhs i.e. 70%. The Super Bazar had been redeeming the share capital contribution



of the Government of India and repaying the installments of loan as per the agreed term till 1995-96.

5.46 Super Bazar, started incurring losses from 1996-97 onward and in subsequent years loss continued to mount with reducing turnover. The Central Registrar of Cooperative Societies issued order for the winding up of Super Bazar on 5th July, 2002 and the Liquidator was appointed on 25.7.2002. The Employees Union filed a number of writ petitions in Delhi High Court challenging the winding up of Super Bazar. These petitions were dismissed on 19.03.2004.

5.47 The Super Bazar Dalit Karamchari Sangh filed Special Leave Petition No.8398/2005 in the Supreme Court. On 26.02.2009 the Supreme Court disposed off the said SLP and directed the Official Liquidator/Central Registrar to take steps for revival of Super Bazar in terms of the order passed by the court from time to time. The liquidation order will remain under suspension till the implementation of the revival scheme.

5.48 The Court also directed that the sum of ₹ 20.00 Crores will be disbursed by the Official Liquidator and the nominee of the Central Registrar of Cooperative Societies in the presence of the one union representative to the workmen of Super Bazar within four weeks so far as the balance amount is concerned, the highest bidder is to file an affidavit containing an undertaking that within a period of eight weeks, from the date of constitution of the Board of Directors after the election. the balance amount will be disbursed to the workers as arrears of wages upto 31.12.2007. The subject premises of Super Bazar will not be encumbered and no third party rights will be created in respect of till further order of the Supreme Court. The Super Bazar has disbursed the arrears of wages of the workmen for the period upto 31.12.2007. The Super Bazar has redeemed Government Share capital amounting to ₹ 1.16 crores in the Government account and disbursed ₹ 20 crores to its workmen as per direction of the Hon'ble Supreme Court.







CHAPTER – VI

PUBLICITY CAMPAIGN FOR CREATING CONSUMER AWARENESS

6.1 An enlightened consumer is an empowered consumer. An aware consumer not only protects himself from exploitation but induces efficiency, transparency and accountability in the entire manufacturing and services sector. Realising the importance of consumer awareness, Government has accorded top priority to 'Consumer Education, Consumer Protection and Consumer Awareness.

CONSUMERAWARENESSSCHEME IN THE XI PLAN

6.2 The slogan 'Jago Grahak Jago' has now become a household name as a result of publicity campaign undertaken in the last 3 years. Through the increased thrust on consumer awareness in the XI Five Year Plan, the Government has endeavoured to inform the common man of his rights as a consumer. As part of the consumer awareness scheme, the rural and remote areas have been given top priority. In a big country like India, given the scenario of economic disparity and level of education and ignorance, educating the consumers remains a gigantic task. Government has taken up number of activities and schemes in creating consumer awareness in the country as part of this Consumer Awareness Scheme.

FINDINGS OF IMPACT STUDY ON PUBLICITY CAMPAIGN

6.3 Planning Commission has time and again stressed on the need to undertake evaluation and monitoring studies on the publicity campaign undertaken by the Department. To ensure meeting this objective various steps have been taken as underlined.

- (a) Monitoring by the Multi-Media Committee – Regular meetings of the Multi-Media Committee are organised, which analysis the various proposals relating to consumer awareness. The Committee has representation of Ministry of Information and Broadcasting, DAVP, Doordarshan, All India Radio and VCOs to suggest the various mechanisms for undertaking publicity campaign for consumer awareness.
- (b) **Feedback from NCH** Suitable note is kept of the feed-back that is received through National Consumer Helpline and suitable adjustments are made in the publicity plan keeping in view the same.
- (c) **Findings of IIMC Survey** A comprehensive IIMC survey was undertaken that covered 12 States

Day 2010

SPONSIBL



and 144 districts in the country. The survey has come out with an encouraging picture regarding the impact of the publicity campaign carried out by Department of The survey Consumer Affairs. brought out the fact that electronic media emerged as a preferred source of information by respondents both in the urban and rural areas. The survey has brought out that about 62.56% respondents from both rural and urban areas were found to be aware of the publicity campaign run by the Department. Findings of the IIMC survey have been duly considered and incorporated while finalising the Media Plan for undertaking consumer awareness activities.

Concurrent Evaluation of the Plan (d) **Scheme** - To assess the effectiveness of the campaign, a concurrent evaluation has also been undertaken. Under this evaluation questionnaires were sent to more than 12,000 persons on various aspects of the 'Jago Grahak Jago' campaign. The survey had brought out that more than 73% respondents had confirmed the efficacy and effectiveness of 'Jago Grahak Jago' campaign. More than half the respondents confirmed that they had started checking in various provisions relating to Weights & Measures, MRP, receipts for purchase etc on account of the message received through this campaign.

ONGOING PUBLICITY ACTIVITIES

PUBLICITY THOUGH PRINT MEDIA USING NEWSPAPER ADVERTISEMENTS:

6.4 Advertisements have been released through DAVP in national dailies as well as regional newspapers in local languages in accordance with the new advertisement policy of the DAVP. Each advertisement has been released through a network of more than 400 newspapers throughout the length and breadth of the country.

The publicity campaign focused the issues that are directly relevant to the role of the Department such as ISI, Hallmark, labelling, MRP, weights and measures etc. Simultaneously, a major initiative has been taken wherein issues that have come into focus on account of new emerging areas such as telecom, real estate. credit cards, financial pharmaceuticals. Insurance. products. travel services, medicines etc. have been taken through the print advertisement either through joint campaigns with these departments or after joint consultations with these departments.

PUBLICITY THROUGH ELECTRONIC MEDIUM BY TELECAST OF VIDEO SPOTS:

6.5 The Department has got produced video spots of 30 seconds duration on various consumer related issues such as Short Measurement of petrol, Grievance Redressal system, MRP,



ISI and Hall-Mark, Financial Literacy, Medicines, Travel Services, Education, Consumer Protection Act, Agmark, Food Adulteration, Food Safety etc., which are being telecast through Doordarshan and Satellite channels such as Sony, Star Plus, Zee News, Star News, Doordarshan National Network, Kalyani programme of DD-I, Krishi Darshan, regional channels, sun network, ETV Network, ZEE TV network, Discovery, Entertainment and other private popular satellite channels. Special programmes have been telecast on Lok Sabha TV also to highlight the issues relating to consumer awareness. Issues pertaining to rural and remote areas have been given prominence in the various advertisement spots.

MEGHDOOT POSTCARDS:

6.6 The Department in consultation with Department of Post has disseminated consumer awareness messages through Meghdoot Post cards to reach far-flung rural areas including North East States.

The Department has entered into a tie with Department of Post under which posters carrying messages pertaining to consumer awareness have been displayed in 1.55 lakh Post Offices in the country. The Department also used the vast network of Post Offices in the country through display of posters carrying messages on consumer awareness through the network of more than 25,000 urban post offices.

PRINTED LITERATURE:

6.7 The Department has printed a folder entitled 'Jago Grahak Jago' containing the salient features of Consumer Protection Act 1986, provisions of Weights and Measures Act, information about standardisation such as ISI, Hallmarking, Education Services etc. for distribution during various events such as IITF, Nukkad Nataks and also through the State Governments at grass root level. The publicity material relating to consumer awareness has also been translated in regional languages and is being disseminated to various State Governments.

NUKKAD NATAK CONTEST ON CONSUMER ISSUES

6.8 A Nukkad Natak competition for consumer awareness was organised in



The Nukkad Natak Contest organised during the India-International Trade Fair in Pragati Maidan, New Delhi on 27th November, 2010. Sixteen teams from the colleges under University of Delhi and some colleges from the National Capital Region (NCR) participated





Award of ₹ 25,000/- being given to the winner of the Nukkad Natak Youth Festival – 2010 All participating teams were given gift hampers

Delhi, in which colleges under University of Delhi and some colleges from the National Capital Region (NCR) participated. The Nukkad Natak Contest was organised during the India-International Trade Fair in Pragati Maidan, New Delhi on 27th November, 2010 and 16 teams were shortlisted for the finals. The three winning teams were awarded cash prizes, whereas all the participating teams were given gift hampers. The event evoked tremendous students interest and there was active participation of the students.

POSTER COMPETITION AMONGST STUDENTS

6.9 The Poster Competition on Consumer issues was orgainsed through the schools and colleges in Delhi and NCR. The competition for college students was organised in the Miranda



The Poster Competition on Consumer issues was orgainsed through the schools and colleges in Delhi





The Competition amongst students was organised in the Sanskriti School in the National Capital. The top 3 winners were given prizes and all the participants were given certificates to encourage students to take active interest in the Consumer issues



Winners of the Poster Competition organised by Dr. Sheetal Kapoor, Convenor, Consumer Club, Kamla Nehru College, New Delhi



House College of Delhi University. and Kamla Nehru College. The Competition amongst students was organised in the Sanskriti School in the National Capital. The top 3 winners were given prizes and all the participants were given certificates to encourage students to take active interest in the Consumer issues.

NATIONAL CONSUMER HELPLINE :

6.10 The Department has launched National Help Line and the Toll Free Number 1800-11-4000 which is being operated by Delhi University for counselling the Consumers to redress their grievances. The timing of toll free number facility is available to consumers from 9-30 A.M. to 5-30 P.M. on all the working (Monday—Saturday) days and 011-27662955-58 (Normal Call Charges apply). Through the various advertisements pertaining to Department Consumer Awareness of adequate publicity has been given to National Helpline so that the affected consumers could seek guidelines/counselling through the national helpline.

CORE CENTRE:

6.11 The Department has launched on 15-3-2005 "Consumer on Line Resources and Empowerment (CORE) Centre" web site www.core.nic.in for consumer advocacy and online redressal of consumer grievances. Through the various advertisements relating to consumer awareness, adequate publicity is being given to the activities of CORE and its website so that interested consumers could take the help of online counselling/guidance being provided through the CORE Centre.

PARTICIPATION IN INDIA INTERNATIONAL TRADE-FAIR-2010

6.12 Exhibitions, Health Melas and Trade Fairs provide a good opportunity for showcasing the consumer awareness initiatives of the Department. The Department participated in the India-International Trade Fair organised in New Delhi from 14th to 27th November, 2010. Lakhs of visitors visited the 'Jago Grahak Jago' stall during the Trade Fair.

Publicity brochures containing information about Consumer Fora, National Consumer Helpline, Grievance Redressal Mechanism and sector specific information such as on real estate, telecom, financial products etc. was distributed free of cost to the visitors during the Trade Fair.

The response to our stall was very encouraging and more than 1000 entries were recorded in the visitors register that was kept at the stall. The video advertisement spot as part of the 'Jago Grahak Jago' campaign was also run continuously to spread awareness on consumer issues among the visitors to the stall. Representatives of National Consumer Helpline were also deputed to provide on-the-spot guidance to the visitors during the Trade Fair.



Stall/Exhibition of 'JAGO GRAHAK JAGO' during the India International Trade Fair - 2010



The Department participated in the India-International Trade Fair organised in New Delhi from 14th to 27th November, 2010

JAGO GRAHAK JAGO EXHIBITION IN VELLORE, TAMIL NADU

6.13 On a similar pattern the Department had also tried to reach out to areas in the southern part of the country and as part of this process an exhibition was organized in Voorhees College, Vellore, Tamil Nadu in October, 2010. Publicity material on consumer issues was distributed to the visitors during the exhibition.





Department sponsored a seminar as "Women Empowerment" at Voorhess Collage, Vellore



'JAGO GRAHAK JAGO' Exhibition is Voorhees College, Vellore, Tamil Nadu, October, 2010

USE OF SPORTS EVENTS:

6.14 In order to reach maximum number of consumers, the Department has telecast video spots containing consumer related information during the popular sports events particularly the Cricket Series where the audience interest in maximum.



JOINT PUBLICITY CAMPAIGN:

6.15 In association with other Ministries such as Department of Chemical & Fertilizers, National Pharmaceuticals Product Authority (NPPA), Ministry of Civil Aviation, Food Safety Standards Authority of India, Department of Agriculture & Cooperation, Insurance Development Regulatory Authority (IRDA), Ministry of Urban Development, Ministry of Human Resources Development, Reserve Bank of India etc. Ministry of Health & Family Welfare, Department of Consumer Affairs has various advertisements released on the specific related consumer issues to educate consumers. Advertisements were released through print media as well as electronic media on the new emerging areas of consumer interest such as Real estate, Credit cards, Financial products Pharmaceuticals, Insurance, Food Safety, Agmark, Food Adulteration, Mediation etc.

USE OF INTERNET TO GENERATE CONSUMER AWARENESS

6.16 We are a young country with more than 70% population being under 35 years. The youngsters are using the internet in a big way for various purposes and also happen to be major consumers. Realizing this, a major initiative is being taken to spread consumer awareness through the internet medium. All the print advertisements of the Department are also uploaded on the website of the Ministry i.e. www.fcamin.nic.in. All the Audio Video spots are also being uploaded on the website of the Department.

SPECIAL SCHEME ON ASSISTANCE TO STATE GOVERNMENTS/UTS :

6.17 Considering the fact that active involvement of State Governments in awareness campaign is crucial in taking forward the movement to rural, remote and backward areas, it has been decided to associate the Stare/ UT Governments in expanding the area of consumer awareness. For the 11th Plan scheme of consumer awareness also the involvement of the States has been given prominence in spreading the message of consumer awareness. In fact, the effectiveness of the scheme to a great extent relies upon involvement of States/UTs/PRIs and hence the provision for grant in-aid/support to States/UTs should be a component of the Consumer awareness scheme.

6.18 The Department of Consumer Affairs provided publicity material such as posters, audio, video, folders, calendars, and magazines etc. to the State Governments/ UTs for distribution through panchayats in the rural areas.

6.19 Grant-in-Aid has been given to the States/UTs for carrying out consumer awareness activities in the local media using the local language and emphasis has been made on involving Panchayati Raj institutions in the consumer awareness campaign.



PUBLICITY AROUND NATIONAL CONSUMER DAY

6.20 Every year 24th of December is celebrated as National Consumer Day commemorating the coming into effect of the Consumer Protection Act, 1986. Department of Consumer Affairs is the nodal Central Govt. Department for protection of consumer rights and welfare. The theme for this year's National Consumer day was 'Consumers: Discharge your Responsibilities, Assert your Rights'. The final function to commemorate the National Consumer Day was organised in the national capital wherein Minister of State for Consumer Affairs Professor K.V. Thomas was the Chief Guest. Justice Shri Ashok Bhan, President, NCDRC delivered the key note address on this occasion. The three award winning teams of the Nukkad Natak Contest gave their performances as part of the function.

COLLABORATION WITH DEUTSCHE GESELLSCHAFT FUR TECHNISCHE ZUSAMMENARBEIT (GTZ) GMBH FOR TECHNICAL SUPPORT.

6.21 The Department has collaborated with GTZ for providing technical support



Prof. K.V.Thomas, Hon'ble Minister for Consumer Affairs, Food & Public Distribution, Justice Shri Ashok Bhan, President, NCDRC and Shri Rakesh Kacker, Additional Secretary on Consumer Day 2010 celebrations at Scope Complex, New Delhi.





Prof. K.V.Thomas, Hon'ble Minister for Consumer Affairs, Food & Public Distribution lighting the lamp for inauguration Consumer Day 2010 on 23.12.2010 at Scope Complex, New Delhi.



Prof. K.V.Thomas, Hon'ble Minister for Consumer Affairs, Food & Public Distribution addressing on Consumer Day at Scope Complex, New Delhi on 23.12.2010





Justice Shri Ashok Bhan, President, NCDRC delivering the key note address on Consumer Day at Scope Complex, New Delhi on 23.12.2010



Shri Rajiv Agarwal, Secretary Department of Consumer Affairs addressing on Consumer Day at Scope Complex, New Delhi on 23.12.2010



Prof. K.V.Thomas, Hon'ble Minister for Consumer Affairs, Food & Public Distribution awarding 1st prize to the winner of Nukkad Natak Youth Festival-2010 on the occasion of Consumer Day 2010 on 23.12.2010 at Scope Complex, New Delhi.



Prof. K.V.Thomas, Hon'ble Minister for Consumer Affairs, Food & Public Distribution awarding 2nd prize to the winner of Nukkad Natak Youth Festival-2010 on the occasion of Consumer Day 2010 on 23.12.2010 at Scope Complex, New Delhi.





Prof. K.V.Thomas, Hon'ble Minister for Consumer Affairs, Food & Public Distribution awarding 3rd prize to the winner of Nukkad Natak Youth Festival-2010 on the occasion Consumer Day 2010 on 23.12.2010 at Scope Complex, New Delhi.



Student performing Nukkad Natak on the occasion Consumer Day 2010 on 23.12.2010 at Scope Complex, New Delhi.





Student performing Nukkad Natak on the occasion Consumer Day 2010 on 23.12.2010 Showing helpline number to the audience for consumer awareness



National Consumer Day 2010 celebrated at Scope Complex, CGO, New Delhi on the theme Consumers : "Discharge your responsibilitie, assert your rights"



regarding publicity material to be produced and developed by the Department of Consumer Affairs. Under the GTZ Project advertisement spots pertaining to electronic media on the areas of MRP and consumer awareness regarding unhealthy trade practices were got produced. Leading TV and Cinema personalities such as Reema Lagu and Tinu Anand were used as characters for these TV spots. Under this Indo-German technical cooperation the publicity material published by the Department has also been analysed and suggestions for new publicity materials have been identified. A 'Consumer Diary' has also been brought out under this Project.

'JAGO GRAHAK JAGO' – RADIO SERIAL

6.22 A new initiative has been undertaken this year wherein an interactive Radio Serial titled 'Jago Grahak Jago' is being broadcast through



Ms. Ilse Aigner, Minister, Federal Ministry of Agriculture and Consumer Protection with Hon'ble Minister of State, Prof. K.V. Thomas delivering speech regarding GTZ project providing technical support about publicity material





Ms. Ilse Aigner, Minister, Federal Ministry of Agriculture & Consumer Protection and Dr. Max Lehmer, Member of German Parliament and Hon'ble Minister of State, Prof. K.V. Thomas on the occasion of siging the agreement between GTZ and Department of Consumer Affairs on Indo-Germen Technical Corporations

All India Radio through its network of 187 Vividh Bharti Kendras and more than 22 FM stations. The programme is being broadcast on a bi-weekly basis

and reaches out to all segments of society since the serial is being made in all the scheduled regional languages apart from Hindi and English.

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# Why wait for years? Settle small disputes through MEDIATION

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# **CHAPTER-VII**

### FORWARD MARKETS COMMISSION

7.1 The Forward Markets Commission (FMC) is a statutory body set up under the Forward Contracts (Regulation) Act, 1952. It functions under the administrative control of the Department of Consumer Affairs, Ministry of Consumer Affairs, Food & Public Distribution, Govt. of India.

7.2 The Commission at present comprises of Shri. B. C. Khatua, Chairman, Shri. Ramesh Abhishek, Member and Shri. D. S. Kolamkar, Member. It has its headquarters at Mumbai and one regional office at Kolkata. The Forward Markets Commission is organized into five administrative divisions to carry out various tasks.

7.3 To carry out the activities of the Commission, the Commission has 135 sanctioned staff strength, of which 77 are in position, while 58 posts are lying vacant as on 31<sup>st</sup> December 2010 as given in **Annexure I**. The sanctioned strength of the office comprises of 72 officers and 63 support staff members.

7.4 The financial outlay for plan scheme 2010-11 are given at **Annexures II- a & b.** There is no separate budgetary provision made for the benefit of persons with physical disability.

#### **REGULATION OF COMMODITY FORWARD MARKETS**

7.5 A Futures Contract is an agreement between two parties to buy or sell an asset at a certain time in the future for a certain price. The price of the contract is determined on the basis of the underlying asset (whether a commodity, stock or foreign exchange), e.g., the price of wheat futures contract would be governed by the factors impacting the price of wheat.

7.6 The Commodity Futures Market performs two important economic functions, namely, price discovery and price risk management for future points of time with reference to a given commodity. They are useful to all segments of the economy. They provide a platform to producers, exporters, traders as well as farmers to protect themselves against the adverse movements in the prices of the commodities they are dealing with.

#### System of Regulation of Forward Trading

7.7 In order to ensure that the futures markets perform their assigned economic functions efficiently and transparently, the regulation of forward trading is done by a three-tier regulatory structure,



viz., the Central Government, Forward Markets Commission and the recognized Commodity Exchanges / Associations. A list of recognized Commodity Exchanges/ Associations conducting futures trading as on 31st December 2010 is given at **Annexure-III**.

7.8 The recognized Commodity Exchanges/Associations provide the framework of rules and regulations duly approved by the FMC for conduct of trading, clearing and settlement. In pursuance of these rules and regulations, futures trading in commodities are to be conducted by the participants in the market. A list of commodities notified under Section 15 of the FCR Act, 1952 for conducting futures trading as on 31st December 2010 is given at Annexure-IV.

7.9 The Forward Markets Commission performs the role of a market regulator. After assessing the market situation and taking into account the recommendations made by the Board of Directors of the Commodity Exchange, the Commission approves the rules and regulations of the Exchange in accordance with which trading is to be conducted. It accords permission for commencement of trading in different contracts, monitors market conditions continuously and takes remedial measures wherever necessary by imposing various regulatory measures as follows:

#### **Regulatory Tools**

7.10 Regulation of futures markets is done, inter-alia, by means of the following tools:

- Limit on open position of an individual client/member to prevent over-trading;
- Limit on daily price fluctuation to prevent abrupt upswing or downswing in prices;
- Imposition of margins like initial margins, special margins, concentration margins, etc;
- Daily clearing (Marking to Market of contracts) based on price movements;
- Penal action against an errant member including suspension for the violation of the regulatory provisions;
- Closing out of the contract in emergent situations.

OVERALLPERFORMANCEOFTHEFORWARDMARKETSCOMMISSIONUPTODATEDURING2010-11(UPTODECEMBER2010)IN ACHIEVINGITSOBJECTIVES AND SPECIFIEDTARGETS

7.11 As referred to in the preceding paragraphs, the regulatory activities of the Commission are concerned with the regulation of futures trading in all commodities in which trading takes place. In the enforcement of the Forward Contracts (Regulation) Act, the Commission guides and trains the officers of the State Governments and the Union Territories in effectively enforcing the penal provisions of the Act.

7.12 During 2010-11, the Commission, as a regulator, focused its activities



on the regulation of futures trading in commodities; spreading awareness various stakeholders; amongst the conducting capacity building programmes to enhance the capabilities of the various government officials. co-operatives, banks officers; taking measures for increasing hedgers participation in the futures market and implementation of the Price Dissemination Project at various APMCs. During the year, the Commission regulated futures trading in more than 100 commodities at 21 recognized Commodity Exchanges. The total value of commodities traded during the year 2010-11 (April -December 2010) was ₹82.71 lakh crore as against ₹55.26 lakh crore during the corresponding period in 2009-10.

Regulatory initiatives taken by the Forward Markets Commission

7.13 Grant / Renewal of Recognition/ Registration to the recognized Associations/ Exchanges.

### 7.13.1 Grant of recognition/registration to the ACE Derivatives and Commodity Exchange (ACE), Ahmedabad.

On the recommendations of the Forward Markets Commission, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India, vide Notification dated 10th August 2010, granted recognition to the Ahmedabad Commodity Exchange, now rechristened as ACE Derivatives & Commodity Exchange Limited (ACE) as a Nationwide Multi Commodity Exchange on permanent basis in respect of forward contracts in all the commodities to which Section 15 of the Forward Contracts (Regulation) Act, is applicable. In pursuance of section 14 B of the Forward Contracts (Regulation) Act, 1952 (74 of 1952) Certificate of Registration was also granted to the ACE Derivatives and Commodity Exchange Limited, Ahmedabad,

#### 7.13.2 Grant of in-principle approval for recognition of the Universal Commodity Exchange Limited (UCX), Mumbai as a Nationwide Multi Commodity Exchange:

On the recommendation of the Forward Markets Commission. the Central Government granted in-principle approval for recognition of the Universal Commodity Exchange Limited (UCX), Mumbai, Nationwide Multi-Commodity as a Exchange subject to the fulfillment of the commitments made / undertakings given to the Commission within the stipulated time

# 7.13.3 Renewal of recognition to the National Board of Trade, Indore

On the recommendations of the Forward Markets Commission, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India renewed the recognition of the NBOT, Indore in respect of Rapeseed/ Mustardseed for a period from 1.6.2010 to 31.5.2011 and in respect of Soybean, Refined Soy oil and Soy meal from 1.7.2010 to 31.10.2010



and further upto 28<sup>th</sup> February, 2011, under Section 6 of Forward Contracts (Regulation)Act, 1952.

### 7.13.4 Grant of recognition to Bikaner Commodity Exchange, Bikaner:

The Commission recommended to the Ministry for the renewal of recognition to Bikaner Commodity Exchange, Bikaner for the period from 20<sup>th</sup> January 2011 to 31<sup>st</sup> March 2012 in respect of guarseed to the ministry.

### 7.13.5 Grant of recognition to Central India Commercial Exchange, Gwalior and the Rajdhani Oil and oilseeds Exchange, Delhi.

The Commission recommended to the Ministry for the renewal of recognition to the Central India Commercial Exchange Ltd., Gwalior and the Rajdhani Oils and Oilseeds Exchange, Ltd, Delhi from 1<sup>st</sup> March 2011 to 31<sup>st</sup> March 2012 in respect of forward contracts in Rapeseed / Mustardseed.

# 7.13.6 **Renewal of registration to recognized associations/exchanges:**

The Commission, in exercise of the powers conferred upon it under Section 14(B) of Forward Contracts (Regulation) Act, 1952, extended the period of registration analogous to the period of recognition listed out in the Annexure V-

### 7.14 Grant of Permission for trading in commodities to recognized Associations/ Exchanges:

During the year, till  $31^{st}$  December 2010, the Commission from time to time granted permission to trade in commodity futures contracts to all the recognized exchanges. Details of permissions granted by the Commission during the year are given in **Annexure VI (A) & (B)**.

7.15 Guidelines issued and Amendments to the Guidelines issued by the Forward Markets Commission.

7.15.1 Guidelines dated 21<sup>st</sup> June 2010 for members of the Commodity Exchanges in joint Ventures/ wholly owned subsidiaries.

Guidelines were issued for the members of commodity exchanges willing to set up wholly owned subsidiaries and joint ventures in the overseas markets, specifying the conditions required to be fulfilled for setting up such ventures.

# 7.15.2 Regulatory framework for market access through authorized persons dated 28<sup>th</sup> July 2010.

The Commission issued directives to the commodity exchanges on 28<sup>th</sup> July 2010 to discontinue the system of sub-broker and asking the members of the National Commodity Exchanges to provide access to their clients only through authorized person(s) appointed as per Commission's guidelines. The directives are a very important reform in the area of customer



protection. In the new system, all the responsibility on account of any violation of rules and regulations by the authorized persons will lie with the Member only.

#### 7.15.3 Amendment to the guidelines dated 14.05.2008, for grant of recognition to new commodity exchanges under FC (R) Act, 1952.

The clause 5.3 (i) of the guidelines for grant of recognition to new commodity exchanges under FC (R) Act, 1952, dated 14.05.2008 was amended such that:

- (i) any single Stock Exchange along with the persons acting in concert shall not hold more than 5% of the subscribed & paid up capital of the National Commodity Exchange; and
- (ii) any single commodity exchange along with the persons acting in concert shall not hold more than 15% of the subscribed and paid up equity capital of the said exchange; and
- (iii) the cumulative equity shareholdings of all stock / commodity exchanges along with the persons acting in concert in the relevant National Commodity Exchange shall not be more than 20% at any given point of time.

#### 7.15.4 Amendment to the guidelines dated 29<sup>th</sup> July, 2009 on the Equity Structure of the Nationwide Multi Commodity exchanges after five year of operation.

The clauses 3.3 and 3.4 of the Guidelines dated 29<sup>th</sup> July 2009 on the Equity Structure of the Nationwide Multi

Commodity Exchanges after five years of operation were also amended by the Ministry on 9<sup>th</sup> July 2010.

- The amended Clause 3.3 restricts (1)the share holding of promoter / investors of the National Commodity Exchange such that any individual or the persons acting in concert shall not hold more than 15% of the paid up equity capital of the exchange. Original promoters / investors shall not hold more than 26% of the paid up equity capital of the exchange. In case the shareholding of each of the original promoters /investors including the Anchor-Investor falls below 15%, one of the shareholders, including the new shareholders, may be allowed by FMC to act as Anchor-Investor and to increase its equity shareholding to a maximum of 26%.
- (2) The amended Clause 3.4 restricts the share holding of stock exchange(s) in the National Commodity Exchange as follows:
  - (a) any single Stock Exchange along with the persons acting in concert shall not hold more than 5% of the subscribed & paid up equity capital of the National Commodity Exchange; and
  - (b) any single commodity exchange along with the persons acting in concert shall not hold more than 15% of the subscribed and paid up equity capital of the said exchange; and



(c) the cumulative equity shareholdings of all stock / commodity exchanges along with the persons acting in concert in the relevant National Commodity Exchange shall not be more than 20% at any given point of time.

# 7.16 Approval for Equity Structure of the National Exchanges:

7.16.1 The Commission, granted approval, on  $22^{nd}$  September, 2010 to NCDEX, Mumbai for the transfer of 26,25,000 (twenty-six lakh twenty-five thousand) equity shares at ₹ 145/- per equity share (which constitutes 7% of the total paidup capital of NCDEX) from CRISIL, a foreign entity, to Shree Renuka Sugars Limited, an existing domestic shareholder of the Exchange.

7.16.2 The Government of India, granted approval on 23rd September, 2010 to the proposal of ICEX, New Delhi for induction of Reliance Exchange Next Limited (R-NEXT) as the new Anchor Investor in the Indian Commodity Exchange Ltd. (ICEX), subject to certain conditions, by transferring 26% of the equity shares out of the 40% of the equity shares presently held by the India Bulls Financial Services Ltd (IBFSL). R-Next shall be co-Anchor Investor alongwith MMTC Ltd. which also holds 26% equity shares in the ICEX.

7.16.3 The Commission granted permission on  $22^{nd}$  April, 2010 to the

Multi Commodity Exchange of India Ltd. (MCX), Mumbai for its proposed IPO subject to certain conditions.

#### 7.17 Approval for change in the name of Ahmedabad Commodity Exchange, Ahmedabad.

The Commission, on 27th April, 2010, conveyed its approval for the change in the name of Ahmedabad Commodity Exchange Limited to "ACE Derivatives and Commodity Exchange Limited". Subsequent thereto, the said exchange has been recognized by the Government as a Nationwide Multi Commodity Exchange.

#### 7.18 **Revision in regulatory measures:**

The Commission monitors the trading activities of the Commodity Exchanges and imposes various regulatory measures as may be warranted from time to time. The Commission revised the margins and imposed special margins in various commodities from time to time to maintain the market integrity and contain the leveraging as may be warranted.

# 7.19 **Registration of Members and Intermediaries:**

During the year, till 31<sup>st</sup> December 2010, the cumulative number of Unique Client Codes allotted by the Commission to the members of the exchanges was *5110* and the total number of intermediaries registered with the Commission was *246* including *38* warehousing agencies and *208* others.



#### 7.20 Inspection of Books of Accounts

The Commission has been inspecting the books of accounts of the Exchange-Members, particularly those of the National level Commodity Exchanges, i.e. MCX Mumbai, NCDEX Mumbai, and NMCE Ahmedabad on a regular basis since 2006-07. During the financial year 2010-11, the Commission aims to conduct 320 audits of Exchange Members, National Exchanges and Regional Exchanges. 316 new audits have been assigned during the period from April 2010 to December. 2010.

#### 7.21 Client Complaints/Grievances

The Commission receives complaints from the clients registered with the exchange members, alleging unauthorized trades being executed by the members in their account, contract notes not being received from the members, mis-utilisation of client's money etc. The complaints are forwarded to the respective Exchanges for settling the grievances of the clients expeditiously. In certain cases of serious violations committed by the Member, the Commission issues notices under section 12B of the FC(R)Act 1952 for suspension of membership of the Member concerned and prohibiting the Member from entering into any forward contracts.

During the year, the enquiry and inspection of 2 Exchanges and 3 members was conducted. Five cases of dabba (illegal) trading were reported to the police authorities, in the states of Rajasthan, Punjab, Uttar Pradesh, Madhya Pradesh and Gujarat.

#### 7.22 Court cases and Legal matters:

While discharging the regulatory functions, especially enforcement functions, the Commission has been facing litigations from different parties/ entities. The Commission along with the Union of India has been impleaded as respondent in the six cases filed in the Supreme Court and various High Courts.

#### 7.23 Enforcement Actions:

During the year, the Commission undertook various enforcement activities, including conduct of enquiry, investigation, inspection of books of accounts, surprise check, legal cases etc.

The Commission conducted inquiry and inspection of the books of accounts of nine entities. Investigations were held in three cases. Reports of two cases were referred to the exchanges for further necessary action. In case of client complaints, directions were issued to the Exchanges to make suitable amendments in the relevant Circulars/ Regulations/ Rules requiring the Exchange members to follow appropriate risk management system.

#### 7.24 Developmental Measures

The developmental measures taken by FMC during the year aimed at;

Strengthening regulatory mechanism by regular interaction with various market constituents and entering into international collaborations.



- Increasing the awareness level of different categories of stakeholders, especially farmers to make them aware of the benefits of futures trading.
- Building the capabilities of the futures industry in the country by conducting sensitization programmes for policy makers and capacity building programmes to strengthen the trained manpower base of the commodity market.
- Implementation of Price Dissemination Project at APMCs and other centers with significant farmer foot fall to empower the farmers with price information.

# 7.25 Meetings with the various stakeholders/conferences

The Commission conducted various meetings with different categories of stakeholders of the futures market to obtain feedback from them aimed at improving the functioning of the futures market. The inputs received during these meetings were utilized while framing the regulatory policies in the Commission. Some important meetings held are as under;

A meeting with producer companies was organized on 12<sup>th</sup> August, 2010 at Kochi to explore the possibility of producer companies serving as aggregators of farmers to facilitate their participation in the commodity futures market.

An awareness meet for the benefit of the arbitrators of the National Exchange was

held at (i) Mumbai on 28<sup>th</sup> July, 2010 (ii) at New Delhi on 21st August, 2010 (iii) at Kolkata on 26<sup>th</sup> November 2010 and (iv) at Chennai on 17<sup>th</sup> December 2010.

#### 7.26 Awareness Programmes

During 2010-11, until 31<sup>st</sup> December 2010, 324 awareness programmes were organized for various participants, such as farmers, processors, exporters; banks, warehouse officials, members of the exchanges and their clients. Of these, 200 were exclusively for the farmers.

# 7.27 Training/Capacity Building Programmes

The Commission has tied up with various training institutions for conducting training programmes for various segments of the trade. During the year, upto 31<sup>st</sup> December 2010, 33 training programmes were held as given in Annexure VII:

#### 7.28 Price Dissemination Project

The Price Dissemination Scheme is currently being implemented by the Forward Markets Commission in coordination with the AGMARKNET and the National Commodity Exchanges to make available spot & futures price of agricultural commodities to farmers and other stakeholders on price ticker boards placed at APMCs. During 2010, till 31st December 2010, 352 Price Ticker Boards were installed in addition to 183 price ticker boards installed in 2009-10. Thus, in all 535 ticker boards have been placed in APMCs all over India..



Annexure I

#### STATEMENT SHOWING THE NUMBER OF POSTS SANCTIONED POSTS FILLED AND POSTS LYING VACANT as on 31.12.2010.

#### NAME OF THE OFFICE : FORWARD MARKETS COMMISSION, MUMBAI

| S.  | Name of Post Group                         | Number of Post(s) |                | <b>z(s)</b> |
|-----|--------------------------------------------|-------------------|----------------|-------------|
| No. | (Gazetted/Non-Gazetted)                    | Sanctioned        | In<br>position | Vacant)     |
|     | GROUP 'A'                                  |                   |                |             |
| 1.  | Chairman                                   | 1                 | 1              | -           |
| 2.  | Member                                     | 2                 | 2              | -           |
| 3.  | Economic Adviser, FMC                      | 1                 | 1              | -           |
| 4.  | Director IES,FMC *                         | 1                 | 1              |             |
|     | Director (Ex-cadre)                        | 12                | 6              | 6           |
| 5.  | Secretary                                  |                   |                |             |
| 6.  | A. Deputy Director (Gr.III IES)            | 5                 | 1              | 4           |
|     | B. Deputy Director(Ex-cadre)               | 13                | 7              | 6           |
| 7.  | (A)Assistant Director (Ex cadre)           | 14                | 12             | 2           |
|     | (B) Assistant Director (IES)               | 5                 | 0              | 5           |
|     | (C) Hindi Officer/ Assistant Director (OL) | 1                 | 1              | -           |
|     | Total Group 'A' (I)                        | 55                | 32             | 23          |
|     | GROUP 'B'                                  |                   |                |             |
| 8.  | Assistant Secretary                        | 1                 | -              | 1           |
| 9.  | Senior P.S.                                | 1                 | 1              | 0           |
| 10. | Private Secretary                          | 2                 | 2              | 0           |
| 11. | Economic Officer                           | 13                | 5              | 8           |
|     | Total 'B' Gazzetted                        | 17                | 8              | 9           |
| 12. | GROUP 'B" Non-gazetted (II)                | 1                 | 0              | 1           |
|     | Superintendent                             |                   |                |             |
|     | Total 'B' Non-gazetted (III)               | 1                 | 0              | 1           |
|     | GROUP 'C'                                  |                   |                |             |
| 13. | Deputy Superintendent                      | 1                 | 1              | 0           |
| 14. | Stenographer Grade I                       | 2                 | -              | 2           |



| S.  | · · · · · · · · · · · · · · · · · · · |            | ber of Post    | :(s)    |
|-----|---------------------------------------|------------|----------------|---------|
| No. | (Gazetted/Non-Gazetted)               | Sanctioned | In<br>position | Vacant) |
| 15. | Translator (Mudia)                    | 1          | -              | 1       |
| 16. | Translator (Gujarati)                 | 1          | 1              | -       |
| 17. | Jr.Hindi Translator                   | 2          |                | 2       |
| 18. | Junior Research Assistant             | 12         | 10             | 2       |
| 19. | Stenographer Gr.II                    | 2          | 2              | -       |
| 20. | Assistant                             | 2          | 2              | -       |
| 21. | Stenographer Gr.III                   | 5          | -              | 5       |
| 22. | Upper Division Clerk                  | 7          | 4              | 3       |
| 23. | Lower Division Clerk                  | 6          | 6              |         |
| 24. | Hindi Typist                          | 1          | 1              | -       |
| 25. | Staff Car Driver                      | 1          | -              | 1       |
| 26. | Computor                              | 4          | 1              | 3       |
|     | Total of Group 'C' (IV)               | 47         | 28             | 19      |
| 27. | Gestetner Operator                    | 1          | 1              | -       |
| 28. | Daftary                               | 3          | 3              | -       |
| 29. | Sr. Peon                              | 1          | 1              |         |
| 30. | Peon                                  | 7          | 2              | 5       |
| 31. | Hamal                                 | 1          | -              | 1       |
| 32. | Safaiwala                             | 2          | 2              | -       |
| 33. | Total Group 'D' (V)                   | 15         | 9              | 6       |
|     | GRAND TOTAL (I to V)                  | 135        | 77             | 58      |

\* Two posts transferred to the Ministry.



Annexure II (a)

#### FORWARD MARKETS COMMISSION MUMBAI FINANCIAL OUTLAY FOR THE PLAN SCHEME-STRENGTHENING OF FORWARD MARKETS COMMISSION

(Figures in Rupees)

| Head of Account                                                           | Budget<br>Estimate for<br>2010-11 | Budget<br>Estimate after<br>re-<br>appropriation | Actual<br>Expenditure<br>incurred from<br>1/04/2010 to<br>31/12/2010 |
|---------------------------------------------------------------------------|-----------------------------------|--------------------------------------------------|----------------------------------------------------------------------|
| 1                                                                         | 2                                 | 3                                                | 4                                                                    |
| DTE *                                                                     | 6500000                           | 6500000                                          | 4580809                                                              |
| FTE                                                                       | 1000000                           | 1000000                                          | 6020948                                                              |
| OE                                                                        | 6000000                           | 6000000                                          | 1663671                                                              |
| OE-IT **                                                                  | 13500000                          | 13500000                                         | 3152349                                                              |
| Prof. Services                                                            | 1000000                           | 1000000                                          | 6947935                                                              |
| Rent Rates / Taxes **                                                     | 1000000                           | 4000000                                          | -                                                                    |
| Other Adm. Expenses                                                       | 1500000                           | 1500000                                          | -                                                                    |
| Adv. & Publicity ***                                                      | 4000000                           | 4000000                                          | 5305888                                                              |
| Grants-in-Aid General                                                     | 79900000                          | 100000                                           | -                                                                    |
| Grants for creation of capital Assets                                     | 100000                            | 25200000                                         | -                                                                    |
| Other Charges ****                                                        | 14000000                          | 1400000                                          | 15844811                                                             |
| Contribution for<br>membership of<br>International Bodies<br>(IOSCO) etc. | 1000000                           | 1000000                                          | -                                                                    |
| IT (Professional)                                                         | 1000000                           | 1000000                                          | 138855                                                               |
| TOTAL                                                                     | 157500000                         | 9680000                                          | 43655266                                                             |



# Annexure II (b)

| Head of Account                        | Budget Estimate<br>for 2010-11 | Budget<br>Estimate<br>after re-<br>appropriation | Actual<br>Expenditure<br>incurred from<br>1/04/2010 to<br>31/12/2010 |
|----------------------------------------|--------------------------------|--------------------------------------------------|----------------------------------------------------------------------|
| 1                                      | 2                              | 3                                                | 4                                                                    |
| D.T.E. *                               | 1000000                        | 600000                                           | 31888                                                                |
| Prof. Services                         | 1000000                        | -                                                | -                                                                    |
| Adv. & Publicity ** #                  | 5000000                        | 4900000                                          | 1600000                                                              |
| Grants - in - Aid General              | 7400000                        | -                                                | -                                                                    |
| Grants fror creation of capital Assets | 100000                         | -                                                | -                                                                    |
| Other Charges ***                      | 3000000                        | 3000000                                          | 1900000                                                              |
| TOTAL                                  | 17500000                       | 8500000                                          | 3531888                                                              |

# Strengthening of FMC for NER In Rupees



#### Annexure III

### **RECOGNISED ASSOCIATIONS CONDUCTING FUTURES TRADING**

| S. NO. | Name of the Exchange                                                         |
|--------|------------------------------------------------------------------------------|
| 1      | Multi Commodity Exchange of India Ltd., Mumbai                               |
| 2      | National Commodity & Derivatives Exchange Ltd., Mumbai                       |
| 3      | National Multi Commodity Exchange of India Limited., Ahmedabad               |
| 4      | Indian Commodity Exchange Limited, Gurgaon, Haryana                          |
| 5      | Ace Derivatives and Commodity Exchange Limited, Ahmedabad                    |
| 6      | Bikaner Commodity Exchange Ltd., Bikaner, Rajasthan                          |
| 7      | Bombay Commodity Exchange Ltd., Vashi, Maharashtra                           |
| 8      | Chamber Of Commerce, Hapur, U.P.                                             |
| 9      | Central India Commercial Exchange Ltd., Gwalior, M.P.                        |
| 10     | Cotton Association of India, Mumbai                                          |
| 11     | East India Jute & Hessian Exchange Ltd., Kolkata                             |
| 12     | First Commodity Exchange of India Ltd., Kochi, Kerala                        |
| 13     | Haryana Commodities Ltd., Sirsa, Haryana                                     |
| 14     | India Pepper & Spice Trade Association., Kochi, Kerala                       |
| 15     | Meerut Agro Commodities Exchange Co. Ltd., Meerut, U.P.                      |
| 16     | National Board of Trade, Indore, M.P.                                        |
| 17     | Rajkot Commodity Exchange Ltd., Rajkot, Gujarat                              |
| 18     | Rajdhani Oils and Oilseeds Exchange Ltd., Delhi                              |
| 19     | Surendranagar Cotton oil & Oilseeds Association Ltd., Surendranagar, Gujarat |
| 20     | Spices and Oilseeds Exchange Ltd. Sangli, Maharashtra                        |
| 21     | Vijay Beopar Chamber Ltd., Muzaffarnagar, U.P.                               |



#### Annexure IV

### LIST OF COMMODITIES NOTIFIED UNDER SECTION 15 OF FC(R) ACT AND COMMENCEMENT OF TRADING

| Sl. No. | Commodity                                                                                       | Date of Notification |
|---------|-------------------------------------------------------------------------------------------------|----------------------|
| (I)     | FOOD GRAINS AND PULSES                                                                          |                      |
| 1       | Arhar Chuni                                                                                     | 01.04.2003           |
| 2       | Bajra                                                                                           | 01.04.2003           |
| 3       | Barley                                                                                          | 01.04.2003           |
| 4       | Gram                                                                                            | 01.04.2003           |
| 5       | Gram Dal                                                                                        | 01.04.2003           |
| 6       | Guar                                                                                            | 01.04.2003           |
| 7       | Jowar                                                                                           | 01.04.2003           |
| 8       | Kulthi                                                                                          | 01.04.2003           |
| 9       | Lakh (Khesari)                                                                                  | 01.04.2003           |
| 10      | Maize                                                                                           | 01.04.2003           |
| 11      | Masur                                                                                           | 01.04.2003           |
| 12      | Moth                                                                                            | 01.04.2003           |
| 13      | Mung                                                                                            | 01.04.2003           |
| 14      | Mung Chuni                                                                                      | 01.04.2003           |
| 15      | Mung Dal                                                                                        | 01.04.2003           |
| 16      | Peas                                                                                            | 01.04.2003           |
| 17      | Ragi                                                                                            | 01.04.2003           |
| 18      | Rice or Paddy                                                                                   | 01.04.2003           |
| 19      | Small Millets (Kodan Kulti, Kodra, Korra,<br>Vargu, Sawan, Rala, Kakun, Samai, Vari &<br>Banti) | 01.04.2003           |
| 20      | Tur Dal (Arhar Dal)                                                                             | 01.04.2003           |
| 21      | Tur(Arhar)                                                                                      | 01.04.2003           |
| 22      | Urad (Mash)                                                                                     | 01.04.2003           |
| 23      | Urad dal                                                                                        | 01.04.2003           |



| Sl. No.       | Commodity                             | Date of Notification |  |
|---------------|---------------------------------------|----------------------|--|
| 24            | Wheat                                 | 01.04.2003           |  |
| ( <b>II</b> ) | OILSEEDS AND OILS                     |                      |  |
| 25            | Celeryseed                            | 01.04.2003           |  |
| 26            | Copra Oil/Coconut Oil                 | 12.04.1999           |  |
| 27            | Copra Oilcake / Coconut Oilcake       | 12.04.1999           |  |
| 28            | Copra/Coconut                         | 12.04.1999           |  |
| 29            | Cottonseed                            | 12.04.1999           |  |
| 30            | Cottonseed Oil                        | 12.04.1999           |  |
| 31            | Cottonseed Oilcake                    | 12.04.1999           |  |
| 32            | CPO Refined                           | 07.03.2005           |  |
| 33            | Crude Palm Oil                        | 07.03.2005           |  |
| 34            | Crude Palm Olive                      | 07.03.2005           |  |
| 35            | Groundnut                             | 12.04.1999           |  |
| 36            | Groundnut Oil                         | 12.04.1999           |  |
| 37            | Groundnut Oilcake                     | 12.04.1999           |  |
| 38            | Linseed                               | 01.04.2003           |  |
| 39            | Linseed oil                           | 01.04.2003           |  |
| 40            | Linseed Oilcake                       | 01.04.2003           |  |
| 41            | Rapeseed Oil/Mustard Oil              | 12.04.1999           |  |
| 42            | Rapeseed Oilcake/ Mustardseed Oilcake | 12.04.1999           |  |
| 43            | Rapeseed/Mustardseed                  | 12.04.1999           |  |
| 44            | RBD Palmolein                         | 07.08.2000           |  |
| 45            | Rice Bran                             | 12.04.1999           |  |
| 46            | Rice Bran Oil                         | 12.04.1999           |  |
| 47            | Rice Bran Oilcake                     | 12.04.1999           |  |
| 48            | Safflower                             | 12.04.1999           |  |



| Sl. No.       | Commodity                 | Date of Notification |
|---------------|---------------------------|----------------------|
| 49            | Safflower Oil             | 12.04.1999           |
| 50            | Safflower Oilcake         | 12.04.1999           |
| 51            | Sesamum (Til or Jiljilli) | 12.04.1999           |
| 52            | Sesamum Oil               | 12.04.1999           |
| 53            | Sesamum Oilcake           | 12.04.1999           |
| 54            | Soy meal                  | 01.03.2001           |
| 55            | Soy Oil                   | 01.03.2001           |
| 56            | Soybean                   | 01.03.2001           |
| 57            | Sunflower Oil             | 12.04.1999           |
| 58            | Sunflower Oilcake         | 12.04.1999           |
| 59            | Sunflower Seed            | 12.04.1999           |
| (III)         | SPICES                    |                      |
| 60            | Aniseed                   | 01.04.2003           |
| 61            | Betelnuts                 | 01.04.2003           |
| 62            | Cardamom                  | 01.04.2003           |
| 63            | Chillies                  | 01.04.2003           |
| 64            | Cinnamon                  | 01.04.2003           |
| 65            | Cloves                    | 01.04.2003           |
| 66            | Coriander seed            | 01.04.2003           |
| 67            | Ginger                    | 01.04.2003           |
| 68            | Methi                     | 01.04.2003           |
| 69            | Nutmegs                   | 01.04.2003           |
| 70            | Pepper                    | 11.01.1957           |
| 71            | Turmeric                  | 11.04.1956           |
| ( <b>IV</b> ) | METALS                    |                      |
| 72            | Copper                    | 01.04.2003           |
| 73            | Zinc                      | 01.04.2003           |
| 74            | Lead                      | 01.04.2003           |



| Sl. No. | Commodity                                                                                                                                                                       | Date of Notification |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| 75      | Tin                                                                                                                                                                             | 01.04.2003           |
| 76      | Gold                                                                                                                                                                            | 01.04.2003           |
| 77      | Silver                                                                                                                                                                          | 01.04.2003           |
| 78      | Silver Coins                                                                                                                                                                    | 01.04.2003           |
| (V)     | FIBRES AND MANUFACTURES                                                                                                                                                         |                      |
| 79      | Art Silk Yarn                                                                                                                                                                   | 01.04.2003           |
| 80      | Cotton Cloth                                                                                                                                                                    | 01.04.2003           |
| 81      | Cotton pods                                                                                                                                                                     | 01.04.2003           |
| 82      | Cotton Yarn                                                                                                                                                                     | 01.04.2003           |
| 83      | Indian Cotton (Full pressed, half pressed or loose)                                                                                                                             | 03.07.1954           |
| 84      | Jute goods (Hessian and Sackings and cloth<br>and /or bags, twines and/or yarns mfd by any<br>of the mills and/or any other manufacturers<br>of whatever nature made from jute) | 06.02.2001           |
| 85      | Kapas                                                                                                                                                                           | 08.07.1964           |
| 86      | Raw Jute (including Mesta)                                                                                                                                                      | 01.04.2003           |
| 87      | Staple Fibre Yarn                                                                                                                                                               | 08.07.1964           |
| (VI)    | OTHERS                                                                                                                                                                          |                      |
| 88      | Camphor                                                                                                                                                                         | 01.04.2003           |
| 89      | Castor seed                                                                                                                                                                     | 16.04.1985           |
| 90      | Chara or Berseem (including chara seed or berseem seed)                                                                                                                         | 01.04.2003           |
| 91      | Crude Oil                                                                                                                                                                       | 29.12.2004           |
| 92      | Gram Husk (Gram Chilka)                                                                                                                                                         | 01.04.2003           |
| 93      | Gur                                                                                                                                                                             | 10.08.1970           |
| 94      | Khandsari Sugar                                                                                                                                                                 | 14.05.2001           |
| 95      | Polymer                                                                                                                                                                         | 24.03.2005           |
| 96      | Potato                                                                                                                                                                          | 15.05.1985           |



| Sl. No. | Commodity             | Date of Notification |
|---------|-----------------------|----------------------|
| 97      | Rubber                | 24.03.2005           |
| 98      | Seedlac               | 01.04.2003           |
| 99      | Shellac               | 01.04.2003           |
| 100     | Sugar                 | 14.05.2001           |
| 101     | Furnace Oil           | 30.06.2005           |
| 102     | Ethanol               | 19.07.2005           |
| 103     | Cooking Coal          | 19.07.2005           |
| 104     | Electricity           | 09.01.2006           |
| 105     | Natural Gas           | 09.01.2006           |
| 106     | Onion                 | 13.04.2006           |
| 107     | Corban Credit         | 04.01.2008           |
| 108     | Thermo coal           | 06.12.2007           |
| 109     | Methanol              | 14.09.2009           |
| 110     | Melted Menthol Flakes | 25.11.2009           |
| 111     | Mentha Oil            | 25.11.2009           |
| 112     | Menthol Crystals      | 25.11.2009           |
| 113     | Iron Ore              | 29.09.2010           |



Annexure-V

# Details of permissions granted to the national commodity exchanges during the year 2010.

### MCX, Mumbai

| S.<br>No. | Name of the<br>Exchange                                                         | Commodities<br>permitted                 | Period of<br>registration<br>renewed | Date of<br>Registration                        |
|-----------|---------------------------------------------------------------------------------|------------------------------------------|--------------------------------------|------------------------------------------------|
| 1         | Rajkot Commodity<br>Exchange Ltd.,                                              | Soyabean Oil                             | 15.3.2010 to<br>14.3.2011            | 12.04.2010                                     |
|           | Rajkot                                                                          | Castorseed                               | 01.4.2010 to<br>31.3.2013            | 13.04.2010                                     |
| 2         | The Surendrangar<br>Cotton Oil &<br>Oilseeds Association<br>Ltd., Surendranagar | Kapas                                    | 01.4.2010 to<br>31.3.2013            | 21.04.2010                                     |
| 3         | 3 The East India Jute<br>& Hessian Exchange<br>Ltd., (EIJHE),<br>Kolkata        | Jute goods (TSD),<br>Hessian and Sacking | 01.4.2010 to<br>31.3.2011            | 09.06.2010                                     |
|           |                                                                                 | Raw Jute futures                         | 07.04.2010 to 06.04.2011             |                                                |
| 4         | National Board of<br>Trade, Indore                                              | Soybean, Refined<br>Soy Oil and Soy meal | 01.07.2010 to<br>31.10.2010          | 08.07.2010/<br>and 01.11.2010<br>to 28.02.2011 |
|           |                                                                                 | Rapeseed/<br>Mustardseed                 | 01.6.2010 to 31.05.2011              | 08.07.2010                                     |



Annexure-VI (A)

# Details of permissions granted to the national commodity exchanges during the year 2010.

# MCX, Mumbai

| Sr.<br>No. | Commodity            | Permitted contracts                       | Date of<br>Permission |
|------------|----------------------|-------------------------------------------|-----------------------|
| 1          | Barley               | July 2010 to December 2011                | 6/4/2010              |
| 2          | Kapas                | April 2011                                | 16/04/2010            |
| 3          | Zinc Mini (NEW)      | June 2010 to December 2010                | 17/05/2010            |
| 4          | Lead Mini (NEW)      | June 2010 to December 2010                | 17/05/2010            |
| 5          | Cotton (28.5 mm)     | July 2010 to December 2010                | 24/05/2010            |
| 6          | Brent Crude Oil      | July 2010 to December 2010                | 1/7/2010              |
| 7          | Copper               | Feb,April, June, Aug & Nov. 2011          | 22.04.2010            |
| 8          | Crude Oil            | January to December 2011                  | 22.04.2010            |
| 9          | Gold (1 Kg)          | Feb,April, June, Aug.,<br>Oct.& Dec. 2011 | 22.04.2010            |
| 10         | Silver (30 Kg)       | March, May, July, Sept. & Dec.2011        | 22.04.2010            |
| 11         | Silver Mini (5 Kg)   | March, May, July, Sept. & Dec.2011        | 22.04.2010            |
| 12         | Kapas                | April2011                                 | 16.04.2010            |
| 13         | Aluminium            | January 2011 to December 2011             | 3.08.2010             |
| 14         | Cardamom             | January 2011 to December 2011             | 3.08.2010             |
| 15         | Chana                | January 2011 to December 2011             | 3.08.2010             |
| 16         | CER                  | January 2011 to December 2011             | 3.08.2010             |
| 17         | Cotton               | January 2011 to December 2011             | 3.08.2010             |
| 18         | Crude palm Oil (CPO) | January 2011 to December 2011             | 3.08.2010             |
| 19         | Gasoline             | January 2011 to December 2011             | 3.08.2010             |
| 20         | Gold Guinea          | January 2011 to December 2011             | 3.08.2010             |
| 21         | Gold Mini            | January 2011 to December 2011             | 3.08.2010             |
| 22         | Guar seed            | January 2011 to December 2011             | 3.08.2010             |



| Sr.<br>No. | Commodity                    | Permitted contracts           | Date of<br>Permission |
|------------|------------------------------|-------------------------------|-----------------------|
| 23         | Heating oil                  | January 2011 to December 2011 | 3.08.2010             |
| 24         | Lead                         | January 2011 to December 2011 | 3.08.2010             |
| 25         | Lead Mini                    | January 2011 to December 2011 | 3.08.2010             |
| 26         | Mentha Oil                   | January 2011 to December 2011 | 3.08.2010             |
| 27         | Natural Gas                  | January 2011 to December 2011 | 3.08.2010             |
| 28         | Nickel                       | January 2011 to December 2011 | 3.08.2010             |
| 29         | Platinum                     | January 2011 to December 2011 | 3.08.2010             |
| 30         | Potato (Agra)                | January 2011 to December 2011 | 3.08.2010             |
| 31         | Refined Soy Oil              | January 2011 to December 2011 | 3.08.2010             |
| 32         | Soyabean                     | January 2011 to December 2011 | 3.08.2010             |
| 33         | Wheat                        | January 2011 to December 2011 | 3.08.2010             |
| 34         | Zinc & Zinc Mini             | January 2011 to December 2011 | 3.08.2010             |
| 35         | ATF                          | January 2011 to June 2011     | 3.08.2011             |
| 36         | Barley                       | January 2011 to June 2011     | 3.08.2011             |
| 37         | Coriander                    | January 2011 to June 2011     | 3.08.2011             |
| 38         | Imported Thermal<br>Coal     | January 2011 to June 2011     | 3.08.2011             |
| 39         | Kapasia Khali                | January 2011 to June 2011     | 3.08.2011             |
| 40         | Melted Menthol<br>Flakes     | January 2011 to June 2011     | 3.08.2011             |
| 41         | Mild Steel Ingot/<br>Billets | January 2011 to June 2011     | 3.08.2011             |
| 42         | Rubber                       | January 2011 to June 2011     | 3.08.2011             |
| 43         | Tin                          | January 2011 to June 2011     | 3.08.2011             |
| 44         | Turmeric                     | January 2011 to June 2011     | 3.08.2011             |
| 45         | Maize-Feed /Ind              | January 2011 to June 2011     | 4.10.2010             |
| 46         | Potato (Tarkeshwar)          | March 2011 to November 2011   | 11.10.2010            |



| Sr.<br>No. | Commodity                  | Permitted contracts                                                                | Date of<br>Permission |
|------------|----------------------------|------------------------------------------------------------------------------------|-----------------------|
| 47         | Almond (Non Pariel)        | January, February, April, June,<br>September, October, November &<br>December 2011 | 25.10.2010.           |
| 48         | Brent Crude Oil            | January, February, March, April, May and June 2011                                 | 25.10.2010            |
| 49         | Gold Petal (New commodity) | December and January to June 2011                                                  | 22.11.2010            |
| 50         | Sugar M                    | January 2011 to June 2011                                                          | 24/12/2010            |

# 2. NCDEX, Mumbai

| Sr.<br>No. | Commodity                 | Commodity Permitted contracts  |            |
|------------|---------------------------|--------------------------------|------------|
| 1          | Brent Crude Oil           | July 2010 to December 2010     | 7.04.2010  |
| 2          | Gasoline                  | July 2010 to December 2010     | 7.04.2010  |
| 3          | Heating Oil               | July 2010 to December 2010     | 7.04.2010  |
| 4          | Lead                      | July 2010 to December 2010     | 7.04.2010  |
| 5          | V-797 Kapas               | February, March and April 2011 | 12.04.2010 |
| 6          | Maize-Feed/ Ind.<br>Grade | June 2010 to December 2010     | 6.05.2010  |
| 7          | Aluminum                  | July 2010 to December 2010     | 3.06.2010  |
| 8          | Nickel                    | July 2010 to December 2010     | 3.06.2010  |
| 9          | Zinc                      | July 2010 to December 2010     | 3.06.2010  |
| 10         | Thermal Coal              | July 2010 to December 2010     | 3.06.2010  |
| 11         | Crude Palm Oil            | September 2010 to June 2010    | 1.07.2010  |
| 12         | Almond                    | January 2011 to December 2011  | 3.08.2010  |
| 13         | Castor Seed               | January 2011 to December 2011  | 3.08.2010  |
| 14         | Chana                     | January 2011 to December 2011  | 3.08.2010  |
| 15         | Chilli                    | January 2011 to December 2011  | 3.08.2010  |
| 16         | Copper Cathode            | January 2011 to December 2011  | 3.08.2010  |
| 17         | Cottonseed Oilcake        | January 2011 to December 2011  | 3.08.2010  |
| 18         | Guar Gum                  | January 2011 to December 2011  | 3.08.2010  |
| 19         | Guarseed                  | January 2011 to December 2011  | 3.08.2010  |



| Sr.<br>No. | Commodity                        | Permitted contracts                       | Date of<br>Permission |
|------------|----------------------------------|-------------------------------------------|-----------------------|
| 20         | Gur                              | January 2011 to December 2011             | 3.08.2010             |
| 21         | Jeera                            | January 2011 to December 2011             | 3.08.2010             |
| 22         | Maize(Feed/<br>industrial grade) | Maize(Feed/ January 2011 to December 2011 |                       |
| 23         | Natural gas                      | January 2011 to December 2011             | 3.08.2010             |
| 24         | Pepper                           | January 2011 to December 2011             | 3.08.2010             |
| 25         | Rape/Mustard Seed                | January 2011 to December 2011             | 3.08.2010             |
| 26         | Refined Soy Oil                  | January 2011 to December 2011             | 3.08.2010             |
| 27         | Soyabean                         | January 2011 to December 2011             | 3.08.2010             |
| 28         | Steel Long                       | January 2011 to December 2011             | 3.08.2010             |
| 29         | Turmeric                         | January 2011 to December 2011             | 3.08.2010             |
| 30         | Wheat                            | January 2011 to December 2011             | 3.08.2010             |
| 31         | Barley                           | January 2011 to December 2011             | 3.08.2010             |
| 32         | Coriander                        | January 2011 to December 2011             | 3.08.2010             |
| 33         | Potato                           | January 2011 to December 2011             | 3.08.2010             |
| 34         | Light Sweet Crude<br>Oil         | January 2011 to December 2011             | 3.08.2010             |
| 35         | Silver (30 kg)                   | January 2011 to December 2011             | 3.08.2010             |
| 36         | Silver 5 Kg                      | January 2011 to December 2011             | 3.08.2010             |
| 37         | Gold (1Kg)                       | January 2011 to December 2011             | 3.08.2010             |
| 38         | Gold 100 Gms                     | January 2011 to December 2011             | 3.08.2010             |
| 39         | Brent Crude                      | January 2011 to June 2011                 | 3.08.2010             |
| 40         | Heating Oil                      | January 2011 to June 2011                 | 3.08.2010             |
| 41         | Kacchi Ghani<br>Mustard oil      | January 2011 to June 2011                 | 3.08.2010             |
| 42         | Lead                             | January 2011 to June 2011                 | 3.08.2010             |
| 43         | Mentha Oil                       | January 2011 to June 2011                 | 3.08.2010             |
| 44         | Nickel Cathode                   | January 2011 to June 2011                 | 3.08.2010             |
| 45         | Gasoline                         | January 2011 to June 2011                 | 3.08.2010             |
| 46         | Zinc Ingot                       | January 2011 to June 2011                 | 3.08.2010             |
| 47         | Platinum                         | January 2011 to June 2011                 | 3.08.2010             |
| 48         | Thermal Coal                     | January 2011 to June 2011                 | 3.08.2010             |
| 49         | Sugar S & M                      | January 2011 to June 2011                 | 24/12/2010            |



| 3. NMCE, Ahmedabad |  |
|--------------------|--|
|--------------------|--|

| Sr.<br>No. | Commodity                                 | Commodity Permitted contracts |           |  |
|------------|-------------------------------------------|-------------------------------|-----------|--|
| 1          | Pepper                                    | January 2011 to December 2011 |           |  |
| 2          | Castor Seed January 2011 to December 2011 |                               | 4.08.2010 |  |
| 3          | Copra                                     | January 2011 to December 2011 | 4.08.2010 |  |
| 4          | Chana                                     | January 2011 to December 2011 | 4.08.2010 |  |
| 5          | Coffee Rep Bulk                           | January 2011 to December 2011 | 4.08.2010 |  |
| 6          | Guar Gum                                  | January 2011 to December 2011 | 4.08.2010 |  |
| 7          | Guar Seed                                 | January 2011 to December 2011 | 4.08.2010 |  |
| 8          | Isabgul Seed                              | January 2011 to December 2011 | 4.08.2010 |  |
| 9          | Rape/ Mustard Seed                        | January 2011 to December 2011 | 4.08.2010 |  |
| 10         | Rubber                                    | January 2011 to December 2011 | 4.08.2010 |  |
| 11         | Sacking                                   | January 2011 to December 2011 | 4.08.2010 |  |
| 12         | Soyoil                                    | January 2011 to December 2011 | 4.08.2010 |  |
| 13         | Turmeric                                  | January 2011 to December 2011 | 4.08.2010 |  |
| 14         | Raw Jute                                  | January 2011 to December 2011 | 4.08.2010 |  |
| 15         | Kalyan Kapas                              | January 2011 to December 2011 | 4.08.2010 |  |
| 16         | Aluminium                                 | January 2011 to December 2011 | 4.08.2010 |  |
| 17         | Lead                                      | January 2011 to December 2011 | 4.08.2010 |  |
| 18         | Nickel                                    | January 2011 to December 2011 | 4.08.2010 |  |
| 19         | Zinc                                      | January 2011 to December 2011 | 4.08.2010 |  |
| 20         | Copper                                    | January 2011 to December 2011 | 4.08.2010 |  |
| 21         | Kilo Gold                                 | January 2011 to December 2011 | 4.08.2010 |  |
| 22         | Silver                                    | January 2011 to December 2011 | 4.08.2010 |  |
| 23         | Gold Guinea                               | January 2011 to December 2011 | 4.08.2010 |  |
| 24         | Cardamom                                  | January 2011 to June 2011     | 4.08.2010 |  |
| 25         | Wheat                                     | January 2011 to June 2011     | 4.08.2010 |  |
| 26         | Menthol Crystal                           | January 2011 to June 2011     | 4.08.2010 |  |
| 27         | Gold                                      | January 2011 to June 2011     | 4.08.2010 |  |



### 4. ICEX, New Delhi

| Sr.<br>No. | Commodity       | Permitted contracts                   | Date of<br>Permission |
|------------|-----------------|---------------------------------------|-----------------------|
| 1          | Chana           | July 2010 to December 2010            | 15.06.2010            |
| 2          | Raw Jute        | July 2010 to December 2010            | 15.06.2010            |
| 3          | Mentha oil      | July 2010 to December 2010            | 15.06.2010            |
| 4          | Copper Cathode  | February 2011 to Nov. 2011            | 23.06.2010            |
| 5          | Gold            | February 2011 to Dec. 2011            | 23.06.2010            |
| 6          | Silver          | February 2011 to Dec. 2011            | 23.06.2010            |
| 7          | Silver - 5 Kg   | ver - 5 Kg February 2011 to Dec. 2011 |                       |
| 8          | Gold 100 Gms    | January 2011 to December 2011         | 3.11.2010             |
| 9          | Crude Oil       | January 2011 to December 2011         | 3.11.2010             |
| 10         | Natural Gas     | January 2011 to December 2011         | 3.11.2010             |
| 11         | Lead            | January 2011 to December 2011         | 3.11.2010             |
| 12         | Refined Soy Oil | January 2011 to December 2011         | 3.11.2010             |
| 13         | Raw Jute        | January 2011 to June 2011             | 3.11.2010             |
| 14         | Mentha Oil      | January 2011 to June 2011             | 3.11.2010             |
| 15         | Mustard Seed    | January 2011 to December 2011         | 06/12/2010            |
| 16         | Soy bean        | January 2011 to December 2011         |                       |

#### ACE Commodities and Derivatives Exchange, Ahmedabad.

| S.<br>No. | Commodities                                           | Commodities Months of the contracts |            |
|-----------|-------------------------------------------------------|-------------------------------------|------------|
| 1         | Mustard seed                                          | December 2010 to June 2011          | 26/10/2010 |
| 2         | Refined Soy Oil                                       |                                     |            |
| 3         | Chana                                                 |                                     |            |
| 4         | Soyabean                                              |                                     |            |
| 5         | Castorseed                                            |                                     |            |
| 6         | Copper, Crude Oil,<br>Gold (1 Kg), Silver<br>(30 Kg.) | January 2011 to June 2011           | 07/12/2010 |
| 7         | Sugar M                                               | January 2011 to June 2011           | 24/12/2010 |



#### Annexure VI (B)

| S.<br>No. | Name<br>of the<br>Exchange     | Name of the<br>commodities | Name of the<br>deliveries                   | Total<br>contracts<br>permitted<br>(Apr.'10<br>–December<br>.'10) | Total<br>contracts<br>permitted<br>(Apr.'09<br>–December.' | Date of<br>permission |
|-----------|--------------------------------|----------------------------|---------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------|-----------------------|
| 1.        | ACE Ltd.,<br>Ahmeda<br>-bad @  | Castor seed                | October 2010 and<br>December 2010           | 2                                                                 | 4                                                          | 10.5.10               |
| 2.        | BCE Ltd.,<br>Bikaner           | Guar seed                  | June 2010                                   | 8                                                                 | 4                                                          | 30.4.10               |
|           |                                |                            | 0 Guar seed delivery v<br>Maximum/Minimum p |                                                                   |                                                            | Exchange in i)        |
|           |                                | Guar seed                  | July 2010                                   |                                                                   |                                                            | 19.5.10               |
|           |                                | Guar seed                  | August 2010 and<br>September 2010           |                                                                   |                                                            | 15.6.10               |
|           |                                | Guar seed                  | October 2010                                |                                                                   |                                                            | 19.8.10               |
|           |                                | Guar seed                  | November 2010                               |                                                                   |                                                            | 30.9.10               |
|           |                                | Guarseed                   | January 2011                                |                                                                   |                                                            | 25.10.2010            |
|           |                                | Guarseed                   | March 2011                                  |                                                                   |                                                            | 24.12.10              |
| 3.        | CICE Ltd.,<br>Gwalior          | Mustard seed               | August 2010                                 | 3                                                                 | 2                                                          | 1.4.10                |
|           |                                | Mustard seed               | November 2010                               |                                                                   |                                                            | 3.6.10                |
|           |                                | Mustard Seed               | May 2011                                    |                                                                   |                                                            | 1.10.2010             |
| 4.        | COC,<br>Hapur                  | Gur                        | July 2010 and<br>December 2010              | Gur = 3<br>M.seed =5                                              | Gur = 3<br>M.seed=6                                        | 10.5.10               |
|           | nission permi<br>limit from 10 |                            | r contracts with the cha                    | anges made by                                                     | the Exchange ir                                            | the max./min.         |
|           |                                | Mustard seed               | September 2010 and<br>November 2010         |                                                                   |                                                            | 15.6.10               |
|           |                                | Mustard Seed               | January 2011                                |                                                                   |                                                            | 28.10.10              |
|           |                                | Gur                        | March 2011                                  |                                                                   |                                                            | 9.11.10               |

### Details of permissions granted to the regional based commodities.

Commission permitted the above Mustard seed deliveries with the changes made by the Exchange in i) the limit of maximum/minimum price to the BMP from 20% to 15% and ii) the price limit for special margin slabs from 12% and 16% to 8% and 12% respectively

March & May 2011

Mustard Seed

24.12.10



| 5.  | EIJHE,<br>Kolkata       | TSD – Jute<br>Goods i.e<br>Hessian and<br>Sacking | July – September<br>2010                                           | 12                                                   | 9                                     | 10.5.10  |
|-----|-------------------------|---------------------------------------------------|--------------------------------------------------------------------|------------------------------------------------------|---------------------------------------|----------|
|     |                         | TSD – Jute<br>Goods                               | October - December<br>2010                                         |                                                      |                                       | 5.8.10   |
|     |                         | TSD- Jute<br>Goods                                | January & March<br>2011                                            |                                                      |                                       | 4.10.10  |
|     |                         | TSD – Jute<br>goods                               | April to June 2011                                                 |                                                      |                                       | 9.12.10  |
| 6.  | FCEI Ltd.,<br>Kochi     | Copra and<br>Coconut oil                          | December 2010,<br>January 2011,<br>February 2011 and<br>March 2011 | Copra = 8<br>C.oil = 8                               | Copra = 8<br>C.oil = 8                | 19.7.10  |
|     |                         | Copra and<br>Coconut oil                          | April, May, June &<br>July 2011                                    |                                                      |                                       | 10.12.10 |
| 7.  | HCL, Sirsa              | Mustard seed                                      | July 2010 and<br>September 2010                                    | M.seed =4<br>CSOC = 4                                | M.seed = 6 $CSOC = 6$                 | 19.4.10  |
|     |                         | Cotton seed oil cake                              | July 2010 and<br>September 2010                                    |                                                      |                                       | 19.4.10  |
|     |                         | Mustard seed                                      | November 2010 and January 2011                                     |                                                      |                                       | 26.8.10  |
|     |                         | Cottonseed oil cake                               | November 2010 and January 2011                                     |                                                      |                                       | 26.8.10  |
| 8.  | IPSTA,<br>Kochi         | Pepper MG-1                                       | December 2010,<br>January 2011 and<br>February 2011                | 9                                                    | 15<br>( MG 1-6<br>550 GL-6 )          | 15.6.10  |
|     |                         | Pepper MG-1                                       | March 2011, April<br>2011 and May 2011                             |                                                      |                                       | 8.9.10   |
|     |                         | Pepper MG-1                                       | June, July & August<br>2011                                        |                                                      |                                       | 24.12.10 |
| 9.  | MACE<br>Ltd.,<br>Meerut | Gur                                               | December 2010                                                      | 2                                                    | 2                                     | 3.6.10   |
|     |                         | Gur                                               | March 2011                                                         |                                                      |                                       | 3.12.10  |
| 10. | NBOT,<br>Indore         | Soya oil, Soya<br>bean and Soya<br>meal           | July 2010                                                          | S.oil = 9<br>S.bean = 9<br>S.meal = 9<br>M.seed = 10 | S.oil = 7<br>S.bean = 7<br>M/seed = 3 | 8.4.10   |



|     |                 | Soya oil<br>Soya meal<br>Soya bean      | August 2010<br>August 2010<br>August 2010,<br>September 2010,<br>October 2010 and<br>November 2010 |                       |          | 21.5.10  |
|-----|-----------------|-----------------------------------------|----------------------------------------------------------------------------------------------------|-----------------------|----------|----------|
|     |                 | Soya oil and<br>Soya meal               | September 2010 and<br>October 2010                                                                 |                       |          | 7.7.10   |
|     |                 | Mustard seed                            | September 2010,<br>November 2010,<br>January 2011,<br>February 2011 and<br>May 2011                |                       |          | 14.7.10  |
|     |                 | Soya oil and<br>Soya meal               | November 2010                                                                                      |                       |          | 28.7.10  |
|     |                 | Mustard seed                            | September 2010,<br>November 2010,<br>January 2011,<br>February 2011 and<br>May 2011                |                       |          | 14.7.10  |
|     |                 | Soya oil, Soya<br>meal and Soya<br>bean | December 2010                                                                                      |                       |          | 19.8.10  |
|     |                 | Soya oil and<br>Soya meal               | January & February<br>2011                                                                         |                       |          | 29.10.10 |
|     |                 | Soy bean                                | January, February &<br>March 2011                                                                  |                       |          | 29.10.10 |
|     |                 | Soya oil and<br>Soya meal               | March 2011                                                                                         |                       |          | 9.12.10  |
| 11. | RCEL,<br>Rajkot | Castor seed                             | September 2010 and<br>December 2010                                                                | C.seed=6<br>S.oil = 6 | C.seed=1 | 13.4.10  |
|     |                 | Soyabean oil                            | August 2010,<br>September 2010 and<br>October 2010                                                 |                       |          | 1.7.10   |
|     |                 | Castor Seed                             | March 2011, June<br>2011, September<br>2011 and December<br>2011                                   |                       |          | 11.10.10 |
|     |                 | Soyabean oil                            | December 2010,<br>January 2011 &<br>February 2011                                                  |                       |          | 2.11.10  |



| 12.             | SCOA<br>Ltd.,<br>Surendra<br>-nagar                                                                                                                                                                                                                                                                                           | Kapas        | April 2011                                                                                                                                                                                         | 1                    | 1            | 2.8.10   |  |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|--------------|----------|--|
| contra<br>The a | The above delivery was permitted with the changes in the contract specifications related to i) name of the contract ii) trading time iii) due date and iv) delivery period due to newly amended bye-laws. The amended bye-laws were approved by the Commission vide this office letter No.11/1/2009/ SOCA/MD-1 dated 1.2.10). |              |                                                                                                                                                                                                    |                      |              |          |  |
| 13.             | ROOE,<br>Delhi                                                                                                                                                                                                                                                                                                                | Mustard seed | August 2010                                                                                                                                                                                        | M/seed =3<br>Gur = 1 | M/seed = $2$ | 13.4.10  |  |
|                 |                                                                                                                                                                                                                                                                                                                               | Mustard seed | November 2010                                                                                                                                                                                      |                      |              | 14.7.10  |  |
|                 |                                                                                                                                                                                                                                                                                                                               | Mustard Seed | February 2011                                                                                                                                                                                      |                      |              | 28.10.10 |  |
|                 |                                                                                                                                                                                                                                                                                                                               | Gur          | March 2011                                                                                                                                                                                         | 1                    |              | 24.12.10 |  |
| 14.             | VBC,<br>Muzaffar-<br>nagar                                                                                                                                                                                                                                                                                                    | Gur          | July 2010                                                                                                                                                                                          | 3                    | 2            | 6.4.10   |  |
|                 |                                                                                                                                                                                                                                                                                                                               | Gur          | December 2010                                                                                                                                                                                      |                      |              | 25.5.10  |  |
|                 |                                                                                                                                                                                                                                                                                                                               | Gur          | March 2011                                                                                                                                                                                         |                      |              | 8.11.10  |  |
| 15.             | BCE,<br>Mumbai                                                                                                                                                                                                                                                                                                                | Castor Seed  | March 2011, June<br>2011, September<br>2011, December<br>2011<br>Commission<br>approved the<br>proposal received<br>from BCE Ltd.<br>Mumbai to reduce<br>the number of<br>contracts from 6<br>to 4 | 4                    | 6            | 8.12.10  |  |



## Annexure-VII

| S.<br>No. | Name of the<br>Institute                                     | Dates of the<br>programme<br>conducted              | Name of the programme                                                                       | Category of participants                                                                                                                                                                |
|-----------|--------------------------------------------------------------|-----------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1         | J. N. Krishi<br>Vishwa<br>Vidyalaya,<br>Jabalpur<br>-(M.P.). | 10 <sup>th</sup> and 11 <sup>th</sup><br>June, 2010 | Training program<br>on commodity<br>futures market<br>for Agricultural<br>Universities      | faculty/students of<br>Jabalpur(M.P.),<br>Raipur and Rajmata<br>Vijayarajy Schindiya Krishi<br>Viswa Vidyalaya, Gwalior                                                                 |
| 2         | VAMNICOM,<br>Pune                                            | 24-26 <sup>th</sup> June,<br>2010                   | Futures trading<br>on agricultural<br>commodities                                           | For BODs & MDs of SCBs<br>and DCCBs                                                                                                                                                     |
| 3         | VAMNICOM,<br>Pune                                            | 24-26 <sup>th</sup> June,<br>2010                   | Futures trading<br>on agricultural<br>commodities                                           | For Executives/Managers of SCBs and DCCBs                                                                                                                                               |
| 4         | HAFED,<br>Haryana                                            | 17-18 <sup>th</sup> June,<br>2010                   | Training<br>programme on<br>commodity market                                                | For office bearers and<br>management of Hafed,<br>Haryana                                                                                                                               |
| 5         | MPUAT,<br>Udaipur                                            | 25-26 <sup>th</sup> June<br>2010                    | Training<br>programme<br>on commodity<br>futures market<br>for Agricultural<br>Universities | For faculty members and students of the University                                                                                                                                      |
| 6         | National Bank<br>Staff College,<br>Lucknow                   | 19-20 <sup>th</sup> July,<br>2010                   | Futures trading<br>of agricultural<br>commodities                                           | For MDs, GMs, DGMs and<br>other levels of officers of the<br>cooperative banks across the<br>country                                                                                    |
| 7         | T.N. Agri.<br>University<br>Coimbatore                       | 21-22 <sup>nd</sup> July,<br>2010                   | Faculty<br>Development<br>Programme                                                         | For students of the<br>Commerce/Economics/<br>Management of Bharathiar<br>University, its affiliated<br>Institutions and other<br>colleges and Universities in<br>and around Coimbatore |



| S.<br>No. | Name of the<br>Institute                               | Dates of the<br>programme<br>conducted | Name of the programme                                                  | Category of participants                                                                                                                                                      |
|-----------|--------------------------------------------------------|----------------------------------------|------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8         | Dhananjayrao<br>Gadgil ICM,<br>Nagpur                  | 30-31 <sup>st</sup> July,<br>2010      | Training<br>programme on<br>commodity futures<br>markets               | For cooperatives<br>personnel of Vidharbha<br>and Marathwada regions<br>of Maharashtra, Board of<br>Management, Secretaries,<br>Assistant Secretaries &<br>President of PAMS  |
| 9         | Punjab<br>Agricultural<br>University,<br>Ludhiana      | 5-6 <sup>th</sup> August,<br>2010      | Futures trading<br>of agricultural<br>commodities                      | For faculty of KVKs and other extension scientist                                                                                                                             |
| 10        | Dhananjayrao<br>Gadgil ICM,<br>Nagpur                  | 12-13 <sup>th</sup><br>August, 2010    | Training<br>programme on<br>commodity futures<br>markets               | For cooperatives<br>personnel of Vidharbha<br>and Marathwada regions<br>of Maharashtra, Board of<br>Management, Secretaries,<br>Assistant Secretaries &<br>President of PAMS, |
| 11        | TOPIC<br>Gurgaon                                       | 26-27 <sup>th</sup><br>Aug.2010        | Futures trading<br>of agricultural<br>commodities                      | For Development officers of<br>Cooperative Departments/<br>DCCBs                                                                                                              |
| 12        | University of<br>Agricultural<br>Sciences,<br>Banglore | 26-27 <sup>th</sup><br>August, 2010    | Commodity<br>Futures Market<br>for Agricultural<br>Universities        | for KVK staff, your<br>Department personnel,<br>University staff and first<br>year MBA(ABM) students                                                                          |
| 13        | VAMNICOM,<br>Pune                                      | 20-22 <sup>nd</sup><br>Sept.2010       | Programme on<br>creating excellence<br>through strategy<br>and culture | For Cooperatives<br>(personnel)                                                                                                                                               |
| 14        | Navsari<br>Agricultural<br>University,<br>Navsari      | 21-22 <sup>nd</sup> Sept.<br>2010      | Commodity<br>Futures Market<br>for Agricultural<br>Universities.       | For students of MBA<br>(Agribusiness)                                                                                                                                         |



| S.<br>No. | Name of the<br>Institute                                    | Dates of the<br>programme<br>conducted             | Name of the programme                                                                          | Category of participants                                                                                                                                                          |
|-----------|-------------------------------------------------------------|----------------------------------------------------|------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 15        | Pondicherry<br>University                                   | 25-26 <sup>th</sup> Sept.<br>2010                  | Faculty<br>Development<br>Programme<br>on commodity<br>derivatives                             | For commerce, Economics,<br>Management & Sciences of<br>Pondicherry University &<br>colleges in University &<br>T .N.                                                             |
| 16        | Institute of<br>Cooperative<br>Management,<br>Jaipur        | 30 <sup>th</sup> Sept 1 <sup>st</sup><br>Oct. 2010 | Futures trading<br>of Agricultural<br>Commodity                                                | For Board of Directors of<br>PACs/ PAMGs                                                                                                                                          |
| 17        | NITIE,<br>Mumbai                                            | 7-8 <sup>th</sup> October,<br>2010                 | National Seminar<br>on Commodity<br>Markets Ecosystem<br>Recent Trends and<br>Prospects ahead. | For the persons associated<br>with Commodity Trade                                                                                                                                |
| 18        | Dr. Panjabrao<br>Deshmukh<br>Krishi<br>Vidyapeeth,<br>Akola | 13-15 <sup>th</sup> Oct.<br>2010                   | Commodity<br>Futures Market<br>for Agricultural<br>Universities                                | For faculty and students of<br>the University                                                                                                                                     |
| 19        | Uday-<br>bhansinghji<br>RICM,<br>Gandhinagar<br>(Gujarat)   | 19-20 <sup>th</sup><br>Oct.2010                    | On Commodity<br>Futures Market.                                                                | Senior level cooperative<br>personnel (MDs and CEOs<br>of the Co-operative Banks<br>and Co-operative marketing<br>Federations) and Mandi<br>officials of the State of<br>Gujarat. |
| 20        | Uday-<br>bhansinghji<br>RICM,<br>Gandhinagar<br>(Gujarat)   | 22-23 <sup>rd</sup><br>Oct.2010                    | On Commodity<br>Futures Market.                                                                | Senior level cooperative<br>personnel (MDs and CEOs<br>of the Co-operative Banks<br>and Co-operative marketing<br>Federations) and Mandi<br>officials of the State of<br>Gujarat  |



| S.<br>No. | Name of the<br>Institute                                                    | Dates of the<br>programme<br>conducted | Name of the programme                                           | Category of participants                                                                                                                                             |
|-----------|-----------------------------------------------------------------------------|----------------------------------------|-----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 21        | VAMNICOM,<br>Pune                                                           | 25-27 <sup>th</sup><br>Oct.2010        | Programme<br>on commodity<br>futures market for<br>cooperatives | For Co-operative Personnel                                                                                                                                           |
| 22        | LBSNAA,<br>Mussorie                                                         | 11 <sup>th</sup> Nov.<br>2010          | IAS Phase IV Mid<br>Career Programme                            | For IAS Phase IV                                                                                                                                                     |
| 23        | IRMA, Anand                                                                 | 11-12 <sup>th</sup> Nov.<br>2010       | On Commodity<br>Futures Market                                  | For Co-operative Marketing<br>societies and Marketing<br>Federations.                                                                                                |
| 24        | Institute of<br>Cooperative<br>Management,<br>Jaipur                        | 15-16 <sup>th</sup> Nov.<br>2010       | Futures trading<br>of Agricultural<br>Commodity                 | For Board of Directors<br>DCCBs                                                                                                                                      |
| 25        | Mahatama<br>Phule Krishi<br>Vidyapeeth,<br>Rahuri,<br>Ahmedanagar           | 21 <sup>st</sup> Nov.2010              | Commodity<br>exchanges and<br>forward/futures<br>markets        | For Students and faculty                                                                                                                                             |
| 26        | Govt.of<br>Kerala,<br>Thiruvanan-<br>thapuram                               | 25 <sup>th</sup> Nov.<br>2010          | Commodity Futures<br>Markets                                    | For Commercial Tax<br>officials                                                                                                                                      |
| 27        | Central<br>Agricultural<br>University,<br>Pasighat,<br>Arunachal<br>Pradesh | 25-26 <sup>th</sup><br>Nov.2010        | On commodity<br>futures markets                                 | For the officers of the<br>University, Krishi Vigyan<br>Kendras, State Department<br>of Agriculture and State<br>Department of Horticulture<br>of Arunachal Pradesh. |
| 28        | TOPIC<br>Gurgaon                                                            | 1-2 <sup>nd</sup> Dec.<br>2010         | Futures trading<br>of agricultural<br>commodities               | For Co-operatives for JRCS/<br>DRCS/ARCS/Managers of<br>the DCCBs.                                                                                                   |
| 29        | Institute of<br>Cooperative<br>Management,<br>Jaipur                        | 6-7 <sup>th</sup> Dec.<br>2010         | Futures trading<br>of Agricultural<br>Commodity                 | For Members of PACS/<br>PAMGs.                                                                                                                                       |



| S.<br>No. | Name of the<br>Institute                             | Dates of the<br>programme<br>conducted | Name of the programme                                                                | Category of participants                    |
|-----------|------------------------------------------------------|----------------------------------------|--------------------------------------------------------------------------------------|---------------------------------------------|
| 30        | Bharathidasan<br>University,<br>Tamil Nadu           | 11-12 <sup>th</sup><br>Dec.2010        | Seminar on<br>"Recent Trends in<br>Derivatives and<br>Risk Management"               | For students, companies and other entities. |
| 31        | CCS Haryana<br>Agricultural<br>University,<br>Hissar | 14-15 <sup>th</sup><br>Dec. 2010       | Commodity<br>Futures Market<br>for Agricultural<br>Universities (CB)                 | For teachers and students of the university |
| 32        | CCS Haryana<br>Agricultural<br>University,<br>Hissar | 16.12.2010                             | Commodity<br>Futures Market<br>for Agricultural<br>Universities<br>(awareness prog.) | For officials of KVKs.                      |
| 33        | BIRD,<br>Lucknow                                     | 8-10 <sup>th</sup><br>Dec. 2010        | Futures Trading<br>of Agricultural<br>Commodities                                    | For Bank officers.                          |

@ Permission granted to the Ahmedabad Commodity Exchange Ahmedabad.

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**Bureau of Indian Standards** 



# **CHAPTER-VIII**

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

#### GENERAL

8.1 The Bureau of Indian Standards, the National Standards Body of India became functional as a statutory body under the Bureau of Indian Standards Act, 1986 with effect from 1 April 1987 taking over staff, assets and liabilities of Indian Standards Institution established in 1947. The Bureau is successfully promoting and nurturing the standardization movement in the country. During 2010-11, BIS has made all-round progress in its key activities relating to standardization and certification (Product and Management Systems Certification).

#### STANDARDS FORMULATION

8.2 BIS is formulating need-based Indian Standards in line with the national priorities as a time bound programme. The Bureau has taken a decision to harmonize national standards with regional and international standards in order to facilitate adoption of international standards by all segments of business and industry, wherever feasible. The progress on activities relating to formulation of Indian Standards is as under :-

## RAJIV GANDHI NATIONAL QUALITY AWARDS FOR YEAR 2008

8.3 A record number of applications (135) were received for Rajiv Gandhi National Quality Awards for the year 2009. The preliminary screening of the applications received was carried out by a group of 14 trained BIS officers. The first Joint meeting of Regional Evaluation Committees was organized on 20 & 21 April 2010. During this meeting applications were shortlisted for fact-finding and evaluation visits, which were carried out during April-August 2010. The meeting of National Awards Committee was held on 27 September 2010 in which Award winners and recipient of commendation Certificates were finalized based on the recommendations of the Second Joint Meeting of Regional Evaluation Committees. "The winners of awards and commendation certificates for the sixteenth Rajiv Gandhi National Quality Awards for the year 2009 have been announced on 1 December 2010."

| S. No. | Activities                           | Performance |                |
|--------|--------------------------------------|-------------|----------------|
|        |                                      | 2009-10     | April-Dec 2010 |
| 1.     | New and revised standards formulated | 322         | 219            |
| 2.     | Standards in force*                  | 18623       | 18592          |
| 3.     | Standards Reviewed                   | 2895        | 2059           |

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Prof. K.V.Thomas, Hon'ble Minister, Consumer Affairs, Food & Public Distribution addressing at Rajiv Gandhi National Quality Awards presentation ceremony on 12<sup>th</sup> January, 2011.







Shri Sharad Gupta, DG(BIS) welcoming Prof. K.V.Thomas, Hon'ble Minister, Consumer Affairs, Food & Public Distribution addressing at Rajiv Gandhi National Quality Awards presentation ceremony on 12<sup>th</sup> January, 2011.



Rajiv Gandhi National Quality Awards for the year 2009 were given on the recommendations of the Second Joint Meeting of Regional Evaluation Committees on 12<sup>th</sup> January, 2011



#### **PRODUCT CERTIFICATION**

8.4 **BIS** operates a Product Certification Scheme under the Bureau of Indian Standards Act, 1986 and the Rules and Regulations framed there-under. Presence of Standard Mark (Popularly known as ISI mark) on a product indicates its conformity to the relevant Indian Standard. Before granting license to any manufacturer. BIS ascertains the availability of required infrastructure and capability of the manufacturer to produce and test the product conforming to the relevant Indian Standard on a continuous basis. Samples drawn from the production line as well as from market are tested in BIS laboratories/ recognized independent laboratories to ensure conformance of the product to the relevant Indian Standard. BIS also conducts surveillance visits to ensure conformance of licensees' products to the relevant Indian Standard. The Certification Scheme is basically voluntary in nature except for 81 product standards which have been made mandatory by the Government on consideration of health and safety of the consumer.

8.5 The Product Certification Schemes being operated by BIS are as under:

(a) Certification of Imported Products- BIS is operating two schemes from 1999 for certification of imported goods - one for foreign manufacturers and the other for Indian importers. Under these Schemes, foreign manufacturers can seek certification from BIS

for marking their product with BIS Standard Mark and Indian importers can seek BIS certification for applying BIS Standard Mark on the product being imported into the country. During 2009-10, 17 licenses were granted under Foreign Manufacturers Certification Scheme. During 2010-11 (up to 31st December 2010), 29 licenses were issued under Foreign Manufacturers Certification Scheme, taking the total number of such licenses to 147 for products such as Cement, Plastic Feeding Bottles, Switchgear, Plug & sockets, Steel products, Seamless Gas Cylinders, Compact Fluorescent Lamps, Milk cereal based weaning food, Gas Volume Meters, Domestic water meters, Watt-hour meter, Wood products, Tyres and tubes in countries like, Pakistan, China, Bangladesh, Thailand, Srilanka, Germany, United Kingdom, Slovakia, USA, UAE, Nepal, Bhutan, Hungary, Indonesia, Philippines, Taiwan, Brazil, Netherland, France, Ireland, Italy, Japan, and Turkey etc.

- (b) Hallmarking of Jewellery Articles:
- (i) Hallmarking of Gold Jewellery was started by BIS in April 2000 to provide third party assurance to consumers on the purity of gold jewellery or its fineness. Under the Scheme a jeweler has to obtain Hallmark license from BIS to get



his jewellery hallmarked. Assaying & Hallmarking (A&H) Centres where the purity of jewellery articles is assessed are recognized by BIS after ensuring that the Centres have required infrastructure for assaying and hallmarking of gold and silver jewellery articles in addition to security and safety of the same.

A Scheme for setting up of Assaying (ii) Centres Hallmarking with & central assistance was introduced with a view to create adequate infrastructure facilities across country, particularly in remote and backward areas. Under the scheme, entrepreneurs would be given one time financial assistance the rates of which have since been revised by Government of India w.e.f. 9 December 2010 and are given below:

| Area      | Earlier | <b>Revised Rate</b> |     |
|-----------|---------|---------------------|-----|
|           |         | Private             | PSU |
| Normal    | 15%     | 30%                 | 50% |
| NE/SCS/RA | 30%     | 50%                 | 75% |

NE – North East States, SCS - Special Category States, RA – Rural Areas

> (Municipal Acts concerned will be the basis for definition and identification of rural areas). Subject to availability of applicants, priority is given for setting up of the Centres in locations where such Centres do

not exist. Assistance under the Scheme is released directly to the beneficiaries. Two centres have been set up and recognized by BIS during April-Dec 2010, making the total number of Centres under the Central assistance to 25. An evaluation study has been undertaken to assess the effectiveness or otherwise of the Scheme, the reasons for lack of interest of entrepreneurs to avail the assistance and suggest measures for its more effective implementation. Based on the findings of the study, suitable modifications in the Scheme may be considered at a later stage.

(iii) Hallmarking Scheme has made significant progress since its inception. The number of licenses for Hallmarking of gold jewellery has grown from 7393 as on 31st March 2010 to 7990 as on 31st December 2010. An average of 66 licenses per month was granted during the period 1st April to 31st Dec. 2010. The number of gold jewellery/artifacts hallmarked has been increased from 777 lakhs as on 31st March 2010 to 941.09 lakhs articles have been hallmarked as on 30th November 2010. The number of BIS recognized assaying and hallmarking centres has increased from 149 as on 31st March 2010 and 159 as on 31st December 2010.



The number of operative licences for silver of hallmarked Jewellery/ artifacts was 501 on 31st March 2010 and it was 459 as on 31st December 2010.

(iv) To promote hallmarking in the country and spread awareness among the consumers / jewellers about the benefits of hallmarking of jewellery articles, awareness programmes are organized by BIS through various Regional and Branch offices and 50 such awareness programmes have been planned for 2010-2011. Nine such programmes at various locations across the country have been organized so far (1st April to 30th Nov. 2010).

One hundred and one advertisements have been released in various newspapers across the country for spreading awareness among the consumers / jewellers about the benefits of hallmarking on Gold Jewellery during the period from 1st April to 30 Nov. 2010.

The progress of Product Certification Scheme is as under:

#### 8.6 QUALITY MANAGEMENT SYSTEMS CERTIFICATION SCHEME

BIS continued to provide the following Certification services as per the corresponding standards for management systems:

a) Quality Management System (QMS) Certification Scheme as per IS/ISO 9001:2008

> The Scheme launched in September 1991 is being operated under the provisions of the Bureau of Indian Standards Act, 1986. The Scheme is being operated in accordance with ISO/IEC 17021 Conformity assessment–Requirements for bodies providing audit and certification of management systems

> During 2009-10 and 2010-11 (April-December 2010) 67 and 56 new licenses were granted under the Scheme making a total of operative licenses to 872 as on 31 December 2010 covering industrial sectors

| S.No | Activities                                             | Progress during |                   |
|------|--------------------------------------------------------|-----------------|-------------------|
|      |                                                        | 2009-10         | April-Dec<br>2010 |
| 1.   | Licences granted                                       | 2898*           | 2334              |
| 2.   | Total Licences in operation (excluding Hallmarking)    | 22526           | 23739             |
| 3.   | Hallmarking Licences for gold jewellery in operation   | 7393            | 7990              |
| 4.   | Hallmarking Licences for silver jewellery in operation | 501             | 459               |

\* 14 products covered for the first time



such as chemicals, textiles, plastic, cement, electricity generation, pharmaceuticals, banking, telecommunications, health sector, construction, education, wood, insurance, dairy plants, engineering services etc.

The standard for Quality Management Systems has been revised to IS/ISO 9001:2008 and all new certificates and revision of existing certificates are being done as per IS/ISO 9001:2008 only. For the existing licence, the date of implementation of revised Quality Management Systems Standard IS/ ISO 9001:2008 has been extended up to 15 Feb 2011. BIS has also trained its auditors and subcontractors for the revised standard.

(b) Environmental Management System (QMS) Certification Scheme as per IS/ISO 14001:2004;

> The Scheme launched as per IS/ ISO 14001, continues to be popular. It is operated as per International criteria laid down in ISO/IEC 17021. During 2009-10 and 2010-11 (April-December 2010), 10 and 4 new licenses respectively have been granted making a total of operative licenses to 144 as on 31 December These 2010. licenses cover technology areas like integrated steel plants, thermal power plants, aeronautical industries. atomic power stations, textiles, plastic, cement, construction, electrical and

telecommunication cables, petroleum refinery, insecticides, paper, industrial and explosive chemicals, railway wagon workshops, mining etc.

(c) Occupational Health & Safety Management System (OHSMS) Certification Scheme as per IS 18001:2007

> The Scheme launched as per IS 18001 in January 2003 essentially enables an organization to define, plan and manage a policy and objectives, taking into account legislative requirements and information about significant hazards and risks, which the organization can control and over which it can be expected to have an influence, to protect its employees and others, whose health and safety may be affected by the activities of the organization. During 2009-10 and 2010-11 (April-December 2010) 7 and 4 new licenses respectively has been granted making a total of operative licenses to 48 as on 31 December 2010. The licenses cover technology areas like thermal power plants, ceramic industry, cycle industry, gas power station, health services and employee development centre.

#### (d) Hazards Analysis & Critical Control Point (HACCP) Scheme as per IS 15000:1998;

Hazard Analysis and Critical Control Point (HACCP) is a process control system designed to identify



and prevent microbial and other hazards in food production. HACCP can be applied throughout the food chain from primary producer to final consumer. The Scheme is technically equivalent to the Codex Alimentarious Commission Standard ALINORM  $- \frac{97}{13A}$ , the International Standard on the subject. Under the Scheme 53 licenses were in operation as on 31 December 2010. The scheme helps exporters in the field of food and food products, especially for export to Europe and countries like USA.

BIS also operate a stand alone HACCP Certification Scheme as per IS 15000 and 2 licenses were in operation as on 31 December 2010.

#### (e) Food Safety Management System (FSMS) Certification Scheme as per IS/ISO 22000:2005;

This system is designed to allow all types of organizations within the food chain to implement a food safety management system. As on 31 December 2010, 4 FSMS licenses were in operation.

#### (f) Service Quality Management System (SQMS) Certification Scheme as per IS 15700:2005;

The Scheme launched during April 2007 is based on IS 15700:2005 Quality Management Systems – Requirements for services delivery by public service organizations. This standard focuses mainly on the following 3 key elements:

Formulation of a realistic Citizen's Charter through a consultative process,

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- Identification of services rendered, Service delivery processes, their control and delivery requirements,
- An effective process for complaints handling

As on 31 December 2010, 4 licenses were in operation.

# Accreditation of QMS and EMS by RvA

BIS Quality Management Systems Certification has been accredited by Raad voor Accreditatie (RvA), Netherlands for 26 major economic activities. The scheme is regularly audited by RvA to confirm compliance to the laid down requirements. The current accreditation is valid upto October 2013. Surveillance audit was carried out by RvA in May During this Surveillance audit 2010. RvA had also carried out witness audit and office audit to consider extension of accreditation to EMS also for four scope sectors namely Textiles, chemicals, Cement and Electricity supply. RvA has now confirmed our accreditation of EMS for the above 4 scope sectors.

#### **BIS Auditors**

During 2009-10 and 2010-11 (April-December 2010) 42 and 46 auditing personnel (BIS auditors, sub-contractors and experts) respectively have been registered and 63 and 56 auditing personnel



have been upgraded respectively under various Management Systems Certification Schemes. The number of auditors and subcontractor auditors for different Management Systems Certification Schemes as on 31 December 2010 were 528 and 120 respectively.

### 8.7 LABORATORY ACTIVITIES OF BIS

- (i) The network of eight BIS laboratories spread throughout the country, continued to provide testing services and test related activities to undertake conformity testing of BIS certified products against relevant Indian Standards. For the period from 01 April 2010 to 31 Dec 2010, BIS laboratories have issued 13939 test reports covering wide range of products against annual target of 19800 test reports, despite constant depletion of testing personnel. The strength of testing personnel involved in the testing is now 105 against the sanctioned strength of 180. Out of this, some testing personnel are involved in non-testing activities like purchase, building maintenance and lab recognition scheme etc.
- (ii) Gold Referral Assaying Laboratory has been set up at Southern Regional Office Laboratory, Chennai and it has already started testing of Gold Jewellery samples since Dec 2010. It has also participated in Inter Laboratory Comparison programme

for testing of samples of Gold Jewellery.

- (iii) On directions of Executive Committee, the Standing Committee for modernization of Labs was constituted with following terms of reference
  - Completion of partial testing facilities
- Up-gradation of existing testing facilities
- Creation of new testing facilities
- Infrastructure

In its two meetings held after interactions with various Marks Departments, a total of 403 test equipments were recommended Standing the Committee. by Adequate funds were approved by the Competent Authority. The Modernization Programme also involves the requirements of additional manpower i.e., Scientific/ Technical Officers, Testing Personnel along with supporting staff. Wherever possible, it was proposed for some of the services to be outsourced.

In this process equipment of around ₹ 4.40 crore have already been procured by various BIS labs and infrastructure developed for their installation. Further orders for additional equipment worth more than 1.21 crores have been placed.

(iv) All reports of samples tested by BIS labs are scanned and sent through



Internet to all Branch Offices instead of hard copies for quicker transmission. This has led to major saving of time, money and probable misuse of hard copies.

#### (v) Training Programme on Product Testing

- a) As and when requested by BIS ROs/BOs, BIS laboratories organize training programmes on product testing for technical personnel of BIS product certification licensees/ applicants in line with latest Indian Standards.
- b) Many students from various Universities and colleges were given training in the Laboratory as part of their Summer Training Programs for duration of 6-8 weeks.
- c) Group of students who visited Central Laboratory (CL) as part of their Consumer Awareness Programs were apprised of the BIS activities including process of Standard Formulation, Certification Scheme, Hallmarking etc. and other quality complaint redressal mechanisms etc.
- d) Foreign delegates from Germany, South Africa and Indonesia visited CL. About thirty trainees (newly recruited Sc.B Scientific Cadre Officers of BIS) from NITS also visited

CL. All were apprised of the BIS activities.

- (vi) Monitoring of Laboratory Quality Management System - For effective monitoring of quality system, the laboratories have updated and implemented the documents based on Standard IS/ISO/IEC 17025:2005. The highlights of the achievements are as below:
  - i) Samples tested under different Quality Assurance testing programme.
  - Participation in Proficiency testing and ILC programmes for various parameters of products like Pressure cooker, Cement, UPVC Pipes, Biscuits, HSD Bars, PVC Insulated Cables etc.
  - iii) Officers/technical personnel attended the following training programme.
    - a) Laboratory Quality Management System as per IS/ISO/IEC/17025
    - b) Inter Lab Comparison & Z-score testing
  - iv) The customer feedbacks are collected and appropriate action taken to the satisfaction of the customers.
  - (vii) **BIS Laboratory Recognition Scheme -** As the existing capacity of the BIS laboratories is not sufficient to test all the



samples generated from our Product Certification Scheme, BIS is recognizing outside laboratories that are technically competent and capable of implementing Laboratory Quality Management System performing (LQMS) and test as per the specified test methods. The recognition is granted and operated as per BIS Laboratory Recognition Scheme 2000. There are 113 outside laboratories which are BIS recognized as on date (Government labs-52, Semilabs-01 Government and Private labs-60). Besides above, facilities of 25 Government laboratories (specialized labs/ other labs) are being utilized by BIS as and when required.

(viii)**International** Training Programme (ITP) was earlier organized by BIS in the field of product testing and Management system. Such training programme is now being organized for Laboratory Quality Management System is being (LQMS). This coordinated by Central Laboratory, Sahibabad.

## 8.8 AWARENESS PROGRAMMES

 (a) For promoting the concept of standardization, certification and quality consciousness among consumer's awareness programmes are organized on a regular basis through various ROs/BOs, sometimes in association with Consumer Organizations. During the period (Apr'2010 – Dec'2010), 29 such programmes were conducted.

- b) To propagate the concept of standardization and to create awareness about Indian Standardsinvariousprofessional institutes and universities through out the country, two programmes on Educational Utilization of Standards was conducted during the period Apr'2010 – Dec'2010.
- (c) То propagate the concept standardization, of product certification. management systems certification and other BIS activities amongst small scale industries two Industry Awareness Programme was conducted during the period Apr'2010 \_ Dec'2010.The programme consisted of lectures and discussions on Standards relating to Steel sector industry.
- (d) Efforts have been made to have close collaboration and interaction with Govt.
   Departments and purchase agencies through State Level Committees to implement and promote Indian Standards. A number of organizations were contacted, based on tender



notices published in newspapers, and requested them to opt for ISI marked products or to refer IS Specification.

- (e) World Standards Day : Every year 14 October is celebrated as World Standards Day. This year the theme of World Standards Day was "Standards make the world accessible for all". BIS HQs, along with all BIS Regional Offices & Branch Offices celebrated World Standards Day. Technical seminars were organized all over the country through its ROs/BOs where a large number of delegates deliberatedovervarioustechnical issues concerning accessibility.
- (f) Information and SSI Facilitation Cell: BIS is operating an Information and SSI Facilitation Cell for the benefit of small and medium scale entrepreneurs. The Cell provides information on various activities of BIS and replies to technical queries.
- (g) Public Grievances: Consumer complaints relating to BIS certified products are reviewed and monitored every month for redressal. 15 complaints were received and 13 complaints were redressed during the period. Efforts are made to redress the grievances within the stipulated time frame of three months.



Seminar on World Standards Day held at New Delhi on 15<sup>th</sup> October, 2010. The theme of World Standards Day was "Standards make the world accessible for all".



- (h) Seminars/Workshops:During April-Dec 2010 BIS organized various Seminars/ Workshops and participated in Conferences with a view to disseminate information about the availability of standards and to get feedback for further improvement / updating as well as to find out fields where standardization is needed by the industry. Important events organized during this period are as under:
- 1. National Seminar on Food Safety Management System was organized on 1st June 2010 at Patna.
- A one day National Workshop on Failure Analysis of Heat Treated Industrial Components was held on 16 June 2010 at Mumbai in association with IIT Bombay.
- 3. A Workshop on Biometrics was organized under the US-India Standards and Conformance Cooperation Programme, jointly by CII, ANSI and BIS on 22 July 2010 at New Delhi. The workshop provided a forum for sharing best practices for development of standards for biometrics.
- 4. National Seminar on 'Construction Project Management' was organized jointly with School of Planning & Architecture on 30 Nov 2010 at New Delhi.

- Seminar on 'Pre-Payment Metres

   An Advancement in Metering' held on 07 Dec 2010 at New Delhi.
- Seminar on 'Standardization activities in the field of Horology' was organized on 15 Dec 2010 at Rajkot.

#### 8.9 INFORMATION SERVICES

#### (i) Library

BIS Technical Library is a national resources centre for information on standards and related matters and meets the needs of industry, trade, government, researchers and consumers alike. It is today the largest library of standards in the South Asian Region, covering a floor area of 1000 square meters. The collection includes about 6 lakh standards from all over the world and 70,000 technical books. The Bureau's library system comprises the Headquarters' Library (New Delhi) and four Regional Office Libraries at Mumbai, Kolkata, Chandigarh and Chennai. Reference services were provided to 2934 visitors by way of preparing (04+03)exhaustive subject bibliographies and making available, the reference materials of their choice. The reference unit fully supported the standards formulating departments by providing the bibliographies. It assisted the Indian Trade and Industry by answering 1378 long and short range queries as received



from them. The Library continued to supply basic information for the updation of mechanized database of World Standards called "Manaksandarbhika" maintainedby Information Technology Services Department. 1316 standards received and codified as input for the database which now comprises above 3 lakh and 52186 records.

#### (ii) Technical Information Service Centre

BIS provides Technical Information Services to Industry, importers, exporters, individuals and government agencies in response to their enquiries.

#### (iii) Sponsorship of Identification Numbers

The following services were provided by BIS:

#### (a) Issuer Identification Number (IIN)

ISO/IEC 7812-1 Identification Cards- Identification of issuers-Part 1: Numbering system specifies a numbering system for the identification of issuers of the identification cards used in international and/ or inter-industry interchange. It identifies the major industry and the card issuer. BIS facilitates issue of IIN as per ISO 7812-1 by sponsoring applications of Banks/Financial Organizations to the American Bankers Association (ABA). Many "Issuer Identification Numbers" were issued during the period.

#### (b) Institution Identification Codes (IIC)

IIC is a unique number assigned to financial institutions participating financial in transaction card originated messages by American Bankers' Association (ABA) under authorization of ISO in accordance with ISO 8583. This international standard specifies a common interface by which financial transaction card originated messages may be interchanged between acquirers and card issuers. It specifies message structure, format and content, data elements and values for data elements.

#### (c) Registered application provider identifier (RID)

RID is a hardware index code used in identification cards integrated circuit cards \_ with contacts. It is allotted in accordance with ISO/IEC 7816-5 Identification Cards-Integrated Circuit Cards- Part 5 Numbering System and Registration Procedure for Application Identifiers. by Registration Authority, the



Copenhagen, Denmark under the authorization of ISO.

#### (d) World Manufacturer Identifier (WMI) NUMBER

In coordination with the Society of Automotive Engineers (SAE), USA, BIS issues WMI Codes as per ISO 3780: 1983 Road Vehicles-World Manufacturer Identifier (Code), to the automobile manufacturers and exporters in India. Many applications were processed for the allotment of WMI Code during the period.

(e) Technical Clarifications on DGFT Notification No. 44 (RE-2000)

> As per DGFT's instructions, BIS certification is mandatory for various products before they enter Indian market. Clarifications on whether a product is covered within the instructions or not, in so far as BIS standards are concerned, would only be issued by BIS and such clarifications shall be binding on all concerned. At present, 81 products fall within the ambit of instructions. BIS issued a number of clarifications during the period on different products.

In this meeting, two agreements on Conformity Assessment

Mechanism within the Region and Development of Regional Standards would also be finalized.

#### 8.10 TRAINING SERVICES/NITS

# (i) Training Programmes for Industry

During the year, NITS organized 13 In-house programmes, 27 Open Programmes including 4 Lead Auditors Courses for the industry and 7 training programmes under XIth Five Year Plan generating revenue of around Rs 52.29 lakhs during April to Dec 2010.

- (ii) International Training Programmes for Developing Countries
- > On Management Systems:

The 7th International Training Programme of four weeks duration on the Management Systems was organized in September 2010 which was attended by 18 participants from 11 developing countries with the financial support from Ministry of External Affairs, Government of India. Valedictory Function was organized at India Habitat Centre, New Delhi. Certificates were distributed by Shri Rajiv Agarwal, Secretary, Department of Consumer Affairs, Ministry



of Consumer Affairs, Food & PublicDistribution,Government of India on 1 Oct 2010.

On Standardization and Quality Assurance:

> The 43rd International Training Programme of eight weeks duration on the above subject was organized during Oct 11-Dec 3, 2010 which was attended by 32 participants from 25 developing countries with the financial support from Ministry of External Affairs, Government of India. Valedictory Function was organized at India Habitat Centre, New Delhi. Certificates were distributed by Shri J. S. Mukul, Jt. Secretary, Ministry of External Affairs, Government of India on 3 Dec 2010.

(iii) XI<sup>th</sup>FiveYearPlanProgramme on Consumer Education and Training, HRD & Capacity Building

> The programme is being executed on behalf of Ministry of Consumer Affairs, Food and Public Distribution. The basic objective of this programme is to strengthen NITS and educate and make Indian consumers aware and trained on various consumer related subjects such as Consumer Protection, Food Safety; Management and

Handling of Hospital Waste; Safe Drinking Water, Sanitation and Waste Disposal and Public Service Delivery (for Public service providers).

During the year 2010-11 (upto Dec. 2010), 24 Training Programmes were conducted by BIS (NITS/ROs/BOs) on various subjects such as Food Safety: Management and Handling of Hospital Waste; Safe Drinking Water, Sanitation and Waste Disposal, Public Service Delivery and Structural Safety & Design. Over 500 personnel were trained during these training programmes.

Four State Institutes for Rural Developments (SIRD)s of States were financially assisted for (2nd instalment) for conducting Training Programmes on Consumer Protection and Consumer Awareness. Five SIRDs (out of total 24 ATIs/ SIRDs assisted), conducted 20 training programmes and made over 500 trained and aware consumers.

#### (iv) Training Programmes for BIS Employees

During the year (April – Dec 2010) 5 programmes were exclusively organized for BIS officials, which included 1



Training Programmes on RTI Act and 1 Workshop on RTI Act, 1 Induction Training Programme "for newly recruited ADTs (Assistant Directors)", 1 Hindi Karyashala and training programme for implementation of IS 15700. Around 227 BIS employees have been trained with notional income of ₹15.86 lakhs.

## 8.11 INTERNATIONAL ACTIVITIES

Since its inception in 1947, the then ISI and now BIS has been an active member of International Organizations namely: International Organization for Standardization (ISO) and International Electrotechnical Commission (IEC). It participates in various policymaking committees of these international standards bodies. BIS also holds secretariat of some of the important ISO/IEC Committees which are of trade interest to India. As member of ISO, BIS also takes active part in the development of International Standards with a view to protect the interests of Indian trade & industry. BIS is a certifying member of the IEC System of Quality Assessment of Electronic Components (IECQ). It is actively involved in Regional and Bilateral **Cooperation Programmes pertaining** standardization, conformity to

assessment & accreditation etc. The Bureau also continued its activities in the field of regional and bilateral cooperation with other countries. The details of some of the activities during Apr-Dec 2010 are highlighted below:

# (i) International Organization for Standardization (ISO)

- (a) BIS participated in various ISO Committees / Subcommittees / Working groups where India is a 'Participating (P) Member' and continued with the designated responsibilities, wherever India holds the secretariat.
- (b) BIS has been successfully utilizing the ISO Global Directory for managing the database with regard to participation in ISO Technical Committees (TCs) / Subcommittee (SCs) / Working Groups (WGs) work.
- (c) BIS, founder member of ISO, also participates in ISO's policy making bodies of such as the Committee Developing on Country Matters (DEVCO), Committee on Conformity (CASCO) and Assessment Committee on Consumer Policy (COPOLCO). BIS is currently represented on 597 Committees of ISO. including 185 Committees Technical and Subcommittees. 412 BIS.



at present, is a 'P-member' on 88 Technical Committees and 195 Sub-committees of ISO and is represented as 'O-member' in the remaining 97 Technical Committees and 217 Subcommittees. BIS is also holding Secretarial responsibilities for 2 Technical Committees and 6 Subcommittees.

- (d) A delegation from India headed by Secretary (CA) participated in the 33rd ISO General Assembly in Oslo, Norway during the second week of Sep 2010. The delegation also took part in the 44th DEVCO Plenary and 49th Meeting of Technical Management Board. Shri Sharad Gupta, DG BIS also attended the meeting of Regional Liaison Officers (RLOs).
- (e) ISO General Assembly Preparations are under progress for the ISO General Assembly 2011, which is being hosted by BIS during 19-24 Sep. 2011 in N. Delhi.

#### (ii) International Electro-technical Commission (IEC)

BIS participated actively in the various activities of IEC. BIS is also member of IECEE, IECQ, IECEx related to certification of electrical and electronic products/components.

Active participation in IEC Committees / Sub-committees where India is P-member was continued. BIS is currently represented as 'P-member' in 41 Technical Committees and 31 Subcommittees and as 'O-member' in 40 Technical Committees and 42 Subcommittees of IEC.

An Indo-German workshop on 'solar energy' was organized by GTZ, Germany in cooperation with BIS & Ministry of Consumer Affairs (MoCA) in Sep 2010 at Hotel Claridges, New Delhi. Issues relating to non-conventional energy, Energy Efficiency, E-mobility, Smart Grid, etc were discussed.

**IEC General Meeting** - An Indian delegation headed by Shri Rajiv Agarwal, Secretary (Consumer Affairs), attended the IEC General Meeting and other associated meetings in Seattle, USA in Oct. 2010.

BIS shall be hosting the IEC General Meeting in October 2013 in New Delhi.

(iii) Bilateral Co-operation Programmes: BIS continued to work towards closer bilateral cooperation with countries such as ANSI (USA), Greece, Singapore, Oman, Israel, Kenya, Thailand Kyrgyzstan, Uzbekistan, Taiwan, Ukraine, Korea, Bangladesh, Russia, Iran and Saudi Arabia in



close association with Ministry of Commerce and Ministry of External Affairs.

(iv) Regional **Co-operation Prog-**BIS participated rammes : in the fields of standards and conformity assessment by taking an active role in the meetings of the SAARC Standards Coordination Board. BIS delegation along-with the representative from Ministry of Commerce visited Singapore in the 1st week of Aug 2010 for discussions on Indo-Singapore CECA. BIS delegation also took part in the WTO-TBT & NAMA Meetings held at Geneva from 22-24 June 2010 & 20-24 Sep 2010.

> BIS participated actively in the meeting of the SAARC Standards Coordination Board (SSCB) in Nepal in November 2010. The meetings emphasized the importance of the role of the standards in the context of strengthening of trade facilitation.

Coordination work with EU and PASC (Pacific Asia Standards Congress) was continued. BIS has been participating in negotiation with EU through Ministry of Commerce for Bilateral trade agreement.

- (v) Visits by Foreign Delegates : During the period, following delegates/ delegations from International Standards Bodies, National Standards Bodies and related organizations visited BIS:
- The Commercial Counselor from the High Commission of

Namibia visited BIS on 03 May 2010 and discussed issues relating to standardization, conformity assessment, training, etc. He also stressed on strengthening bilateral relations between BIS and Namibia Standards Institute (NSI).

- A delegation consisting of 03 officers from Namibia (02 officials from Namibia Standards Institute & the Commercial Counselor) visited BIS on 18 June 2010 and held discussions on standardization, certification, training, etc. They also discussed issues relating on ISO 26000 on Social Responsibility & ISO / CD 14067 (Pt-1 & Pt-2) on Carbon Footprint Labeling of products.
- A delegation of 03 officials from New Zealand (01 officer from Ministry of Economic development, 01 officer from Ministry of Consumer Affairs & 01 officers from New Zealand High Commission) visited BIS on 10 June 2010 and held discussions on India's Central Regulatory Approach & TBT issues.
- A delegation of three officers (two from Ministry of Trade, Indonesia and one from Embassy of Indonesia, New Delhi) visited BIS on 20 Aug 2010 and held discussions on standardization, mandatory certification, etc. They also visited BIS CL to see the lab facilities.
  - A delegation of senior officers of the National Regulator for Compulsory



Specifications (NRCS), South Africa visited BIS from 28th to 30th Sep. 2010 to discuss issues relating to development of technical regulations, inspections, border enforcement, sampling and testing, etc. They also visited BIS Central Laboratory on a study tour.

- A 14-member delegation from USA, comprising mainly of delegates from their cosmetics and beauty products industry visited BIS on 16th Nov. 2010 to discuss issues relating to Indian Standards in the field and development of technical regulations in respect thereof.
- A delegation of officers from KATS, South Korea visited BIS on 24th & 25th Nov. 2010 to discuss issues of mutual interest concerning cooperation in international standardization, training and capacity building, etc. They also visited BIS Central Laboratory on a study tour.
- $\geq$ A delegation of senior officers of Czech Republic, represented by Mr. Viktor Pokorny, Deputy President, Czech Office for Standards. Metrology and Testing (COSMT) and Ms. Katerina Vovkova, First Secretary and Consul, Embassy of the Czech Republic in New Delhi, visited BIS on 30-11-2010 for interaction with BIS management on the proposed MoU between BIS and COSMT.

- A 2-member delegation from Japan visited BIS on 10th Dec. 2010 to discuss issues of mutual concern relating to India's participation in IEC technical committee work.
- A4-member delegation from Ukraine visited BIS on 21st Dec. 2010 to explore possibility of entering into a MRA with BIS for undertaking inspection work on behalf of BIS, India for the steel industry in Ukraine, which was interested in obtaining BIS certification licences under the Foreign Manufacturers' Certification Scheme.

#### 8.12 **REVENUE MOBILISATION**

BIS derives its income mainly from certification, training institute and sale of Indian standards. The income mobilized from these activities is as under:

| <b>S.</b> | Activities                              | <b>Progress during</b> |                    |  |
|-----------|-----------------------------------------|------------------------|--------------------|--|
| No.       |                                         | 2009-10                | April-<br>Dec 2010 |  |
| 1         | Certification<br>(incl.<br>hallmarking) | 186.56                 | 147.78             |  |
| 2         | Training<br>Institute                   | 1.83                   | 0.67               |  |
| 3         | Sale of BIS<br>Publications             | 6.97                   | 5.16               |  |
|           | Total                                   | 195.36                 | 153.62             |  |

#### (Rupees in crores)

<sup>\*</sup> Sale Income- Retrocession from ISO/IEC is awaited.



#### 8.13 **PUBLICATIONS**

The Publication department of BIS handles the projection and promotion of the standardization movement in technical, scientific. industrial and business circles through two monthly journals - Standards India, the erstwhile ISI Bulletin which dates back to 1949, and Standards Monthly Additions, which was started in 1958. Standards India presents a stimulating commentary and review of the standardization effort at home and abroad. Highlighting as it does the very latest progress in the field, spiced with thought provoking critical comments; it has established itself in the field as a magazine of repute. The Standards Monthly Additions is a small but sleek publication recording all amendments, alterations and information regarding standards, new, existing or in the draft stage issued at home or received from abroad during the month.

Publication Department prepares the incremental index file for Indian Standards/other publications from the information provided by the various technical departments on reaffirmation / withdrawal / gazeting of Indian Standards. Soft copy of PDF format for all new/ revised Indian Standards / Publications as well as amendments provided by technical departments is also maintained in the department. This information is utilized for updating the electronic sale of Indian Standards on the website www. standardsbis in

A catalogue containing titles of a) Indian Standards published by BIS updated up to the 31st December, b) International Standards adopted as Indian Standards, c) Indian Standards in Hindi (translation), d) Special publications, reference and calculation aids and e) Index corresponding to all publications listed in the catalogue is published annually by the department.

Publications Department has been made the nodal department for compilation of the database for electronic sale of Indian Standards. Technical Departments forward their information related to reaffirmation as well as withdrawal standards and the same is included along with the information related to publication of the new and revised Indian Standards. This database is utilized for updating the information as well as for printing of BIS Catalogue.

BIS has the copyright of all its publications and requests for reproducing extracts from Indian Standards are forwarded to the department. After technical verification and calculations based on the procedures adopted from ISO: GEN 19:1999 'Guidelines for Granting Copyright Exploitation Rights to Third Parties for ISO Standards in Books', the department grants permission to the applicant on payment of the copyright charges.

Translation services are provided by the department for translation of technical documents, standards and other material from various Indian (other than Hindi)



and foreign languages into English viceversa. Regular requests are received from various technical committees as well as from the industry. The department also facilitates interaction with countries where German or French language is spoken.

#### 8.14 PUBLICITY

To spread awareness of the activities of Bureau of Indian Standards among common consumer and create a strong consciousness for quality, BIS undertook various publicity activities through various media.

- (i) Print Media-An advertisement campaign on Hallmarking of Gold Jewellery was released during Sept, Oct and Nov 2010 on all-India basis. An advertisement captioned "Buy Indian Standards online (E-sale of Indian Standards) was published during Sep and Nov 2010 on all-India basis. Advertisement on Tyre & Tube was published during Oct & Nov 2010. Advertisements on various activities of BIS were also released in different magazines.
- (ii) Radio Spots To popularize Hallmarking and ISI Mark Radio Spots were broadcast through Prasar Bharati Broadcasting Corporation of India on All India Radio (37 Vividh Bharati Stations & 22 FM Stations) during 28 July to 26 Aug 10, 26 Sep to 25 Oct 10 and 25 Nov to 24 Dec 2010.

(iii) Production of Film - A film titled "Welcome to India! Welcome to Delhi" was produced and screened at ISO General Assembly meeting at Oslo, Norway during the month of September 2010 to invite member countries to participate in ISO General Assembly meeting to be held at Delhi during Sept 2011.

Organized 3 interviews of Head (HMD) on Hallmarking which were telecast on Sahara Samay during June, July and August 2010.

Story on Hallmarking was published on 6 June 2010 in Nav Bharat Times. Story on Helmets was published in the Times of India on 8 July 2010.

(iv) Outdoor Publicity campaign - was also undertaken to promote ISI Mark and Hallmarking of Gold Jewellery on all-India basis during Oct to Dec 10 through Animation Display, Bus Back Panels, Hoardings, Public Utilities & Bus shelters. Publicity through Metro Rail (Metro Rail Inside Panel and Metro Rail Display Board) on ISI Mark and Hallmarking was also undertaken during Oct to Dec 10.

# 8.15 PROGRESSIVE USE OF HINDI IN BIS WORK

Bureau of Indian Standards implements the Official Language policy of Govt. Of India as per Official Language Act, 1963, Official Language Rules, 1976 and



instructions received from the Ministry, the Department of Official Language and Committee of Parliament on Official Language. In compliance of these Rules and instructions, BIS executes Hindi implementation, standard translation and general translation works and also publishes a quarterly Hindi magazine. During the period under review, the Bureau continued to progress in these arenas, details of which are as under:

Hindi Implementation: Under this activity, BIS held its both quarterly meetings in time, took necessary decisions regarding Hindi implementation and ensured follow up actions. Both the quarterly reports of Hindi were sent to the Ministry in time. During the period, 12 Hindi workshops were held in which about 350 officers and employees were trained in Hindi noting and drafting. Action on compliance of items of Annual Programme of Hindi was also taken. From 14th September to 28th September 2010, Hindi fortnight was celebrated in which seven competitions regarding Hindi were organized. In these competitions, 43 successful participants were awarded. Bureau also implemented all incentive schemes of GOI such as Cash Incentive Scheme of Hindi Noting and Drafting, Hindi Incentive Allowance Scheme, Rajbhasha Shield Scheme. On 21st September 2010, senior officers of BIS took part in Hindi Advisory Committee meeting of the Ministry held at Madurai and ensured follow

up actions on its decisions. During the period, target of 50% expenditure on Hindi books was also achieved and Hindi books purchased accordingly. Deficiencies found in the Hindi implementation works of regional and branch offices were also communicated to them and got removed. Availability of Hindi fonts in computers was also ensured. Action for filling up vacant Hindi posts was also taken. During the period, Committee of Parliament on Official Language inspected Pune Branch Office of BIS, necessary action regarding which was also taken. Case for the sanction of some more posts of Hindi for formation of a separate Hindi cadre was also sent to the Ministry.

Hindi Magazine: BIS also publishes a technical Hindi magazine every quarter i.e Manakdoot. This magazine is of national importance on standardization and certification through which information regarding standardization. consumers. environment. language official etc activities is disseminated. During the period, two manuscripts of this magazine were prepared and a meeting of Manakdoot Advisory Committee was organized.

**Standards Translation:** In order to accelerate translation works of Indian Standards, BIS took a number of steps which include vetting of translation of trial works of 173 outside translators as also work for including more number of translators in the panel. As a step to implement the decision taken in the



meeting of Hindi Advisory Committee of Ministry BIS took an important decision of publishing all its new standards in bilingual form only. Terms & Conditions for getting standards translation work done from outside translators were prepared, Rates of translation, Hindi typing were also obtained from various Government departments, private agencies and individuals for increasing current rates of translation etc. Letters were also sent to a number of departments engaged in translation work and also to honourable persons. During the period, approximately 630 pages of 50 standards were translated. Besides, 260 titles of standards were also made bilingual. Orders were also issued for printing more copies of the Consolidated Scientific and Technical Terms for providing assistance in Hindi translation of standards.

**General Translation work:** Under this work BIS translated approximately 500 pages of different types of materials such as Proforma, Annual Report, Hallmarking material, World Standards Day material, RGNQA material, Standing Parliamentary Committee material, Gazette Notifications, Training material etc.

#### 8.16 VIGILANCE ACTIVITIES

Vigilance Department of BIS is headed by Chief Vigilance Officer (CVO) and assisted by three Vigilance Officers as well as four Regional Vigilance Officers posted at the Northern, Western, Southern and Central Regions. The CVO is entrusted with the responsibility of managing the vigilance activity in the Bureau. This department functions in close coordination with other agencies such as the Central Commission Vigilance (CVC): the Ministry of Consumer Affairs, Food & Public Distribution; the Central Bureau of Investigations (CBI) and the Department of Personnel and Training (DoPT). The activities of Vigilance Department are organized in accordance with an Annual Action Plan. The key functions of this Department revolve around the preventive, the detective, and the punitive aspects of vigilance. The work undertaken by Vigilance Department is as follows:

- a) Scrutiny/examination of Annual Property Returns and transactions in movable and immovable properties, as and when filed, by the employees of the Bureau.
- b) Granting vigilance clearances for considering promotions, issuance of passport, foreign assignments and forwarding applications of BIS
- (c) Examination of source information and complaints received either directly from the complainant or through the CVC/Ministry and conduct thorough investigations. On the basis of the outcome of the investigation, in case, it is called for, initiate disciplinary proceedings against the delinquent official(s) on the basis of the advice of CVC.
- (d) In order to apprise BIS employees about various provisions of the Conduct Rules, CCS (CCA)



Rules and various other related Rules/Regulations and Manuals in operation; and create greater awareness among the BIS employees, conduct vigilance workshops and programmes on related subjects.

- (e) Conduct vigilance audits of various work activities of the Bureau and Branch/ Regional Offices as part of prevalent preventive vigilance and suggest systemic improvements to plug loop-holes.
- (f) Organize meetings with BIS licensees, consumer organizations and Manufacturers' Associations for receiving direct feed-back relating to instances of corruption, if any, and elicit suggestions for introducing systematic improvements and greater transparency.

During the period Vigilance Department conducted three vigilance audits at Northern Regional laboratory, Jaipur Branch Office, Kanpur Branch office, NRO laboratory, Mohali, of the Bureau. Vigilance investigations were undertaken on a few instances of non-compliance of procedures against various officials. Pending vigilance investigations were pursued and ongoing departmental inquiries were regularly monitored. Fifteen surprise surveillance inspections of BIS licences were also carried out.

As per the directions of the Central Vigilance Commission, Vigilance Awareness Week was observed in BIS from 25th Oct to 1st November 2010. The DG, BIS administered a pledge to all the BIS employees in Head Office on 25th October 2010. Banners/posters/slogans on the theme of anti-corruption were prominently displayed in all BIS offices. Besides, other activities such as lectures, essay competitions, debates, etc., were also organized and prizes distributed to the winners of these competitions at various BIS offices.

#### 8.17 ENFORCEMENT

The BIS Standard Mark (ISI Mark) is a quality mark and also has established its brand image for more than six decades as the consumer is always inclined towards quality products. Therefore, the consumer as well as the organized purchaser prefers ISI Marked products. With the growing demand of ISI marked the instance of misuse of ISI Mark is also on the rise as the unscrupulous manufacturers are trying to cheat the consumers by producing sub-standard products with ISI Mark without obtaining the license from BIS.

During the period 01 April 2010 to 31<sup>st</sup> Dec 2010, BIS has carried out 63 enforcement raids all over the country on firms misusing ISI Mark. During these raids, various spurious products such as Packaged Drinking Water, LPG stoves, Electrical Rubber Mat, HSD Steel Bars, Electric immersion Water Heater etc. were seized. Efforts are also being made for timely processing of the enforcement cases and consequent launching prosecution against the offenders in the Courts.



A number of press releases were issued for giving wide publicity to create awareness among the consumers about unscrupulous manufacturers misusing ISI Mark and also about the judgments of Hon'ble Courts against the offenders.

## 8.18 SEXUAL HARASSMENT OF WORKING WOMEN AT WORKPLACE

Following the guidelines and norms laid by the Hon'ble Supreme Court of India in Vishaka & Others v/s State of Rajasthan & Others, the Sexual Harassment Committee was set up in the Bureau of Indian Standards headed by a woman with more than half the members also women.

The Committee has been re-constituted on 27 April 2009 for tenure of two years and has since conducted ten meetings. A copy of the guidelines of Hon'ble Supreme Court on 'Sexual Harassment' was provided to all the members with the request to go through the guidelines thoroughly so as to be well aware of the sensitivity of the subject. Three meetings were conducted during the period April 2010-December 2010. Representative from the All India Democratic Women's Association (AIDWA) has been coopted as NGO representative for the Committee.

In addition, additional SHCs have been constituted in all the Regional Offices (except at CRO), NITS, Noida and CL, Sahibabad, in accordance with the availability of officers and staff in the region. Representative of NGO has also been co-opted in the Committee wherever possible.

#### 8.19 RESERVATION FOR SCHEDULED CASTE/ SCHEDULED TRIBES/OTHER BACKWARD CLASSES AND PHYSICALLY HANDICAPPED PERSONS

The staff strength of the BIS was 1626 as on 30 September 2010. Group-wise representation of SC/ST/OBC and

| Group | Existing<br>strength | SC   | ST  | OBC | Physically<br>Handicapped |
|-------|----------------------|------|-----|-----|---------------------------|
| А     | 469                  | 75   | 12  | 33  | 2                         |
| В     | 492                  | 97   | 12  | 6   | 5                         |
| С     | 388                  | 78   | 18  | 26  | 7                         |
|       | 262*                 | 100* | 19* | 4*  | 7*                        |
| Total | 1611                 | 350  | 61  | 69  | 21                        |

\* Earlier, they were in Group D. After imparting the prescribed training to them as per the decision of GOI on the recommendation of 6<sup>th</sup> CPC, the status of Group D employees have ceased on their completion of training. Now, they have been treated as Group 'C' employees.

Physically Handicapped persons are indicated below:

As a part of the development of human resource, BIS personnel are imparted

training through in-house training programmes at NITS and also by deputing them to the training programmes being organized by various agencies (within India).

#### TARGETS FOR ANNUAL ACTION PLAN 2010-11 (Jan 2011 – Mar 2011)

| Activity                                                                          | Projection 2010-11 |  |  |  |
|-----------------------------------------------------------------------------------|--------------------|--|--|--|
| A. FINANCIAL TARGETS (Revenue Income-Rs in crores)                                |                    |  |  |  |
|                                                                                   | (Jan- Mar 2011)    |  |  |  |
| Product Certification                                                             | 55                 |  |  |  |
| Hallmarking                                                                       | 3.15               |  |  |  |
| Management System Certification                                                   | 0.73               |  |  |  |
| Training Institute                                                                | 0.40               |  |  |  |
| Sale of BIS Publications                                                          | 2.08               |  |  |  |
| B. PHYSICAL TARGETS                                                               |                    |  |  |  |
| Standardization                                                                   |                    |  |  |  |
| Standards Formulated                                                              | 143                |  |  |  |
| Review of standards                                                               | 1382               |  |  |  |
| Certification                                                                     |                    |  |  |  |
| 1. Product Certification                                                          |                    |  |  |  |
| a) Net increase in operative licenses<br>(excluding Hall marking) vis-vis 2009-10 | 400                |  |  |  |
| 2. Hallmarking                                                                    |                    |  |  |  |
| a) Grant of new licenses                                                          | 450                |  |  |  |
| 3. Management System certification                                                |                    |  |  |  |
| a) Grant of new licenses                                                          | 74                 |  |  |  |
| b) Licensee Review Meetings                                                       |                    |  |  |  |



| Activity                                                     | Projection 2010-11 |
|--------------------------------------------------------------|--------------------|
|                                                              | (Jan- Mar'11)      |
| Laboratory                                                   |                    |
| No. of Test reports by BIS Labs                              | 4950               |
| Enforcement                                                  |                    |
| (a) No. of Raids                                             | 50                 |
| Training Activities/Awareness Programmes                     |                    |
| i) NITS: Training programmes on                              |                    |
| a) Quality Mgmt. System, Documentation and Auditing,         | 25                 |
| TQM, SQC, EMS, FSMS, HACCP, OHSMS, training for              |                    |
| trainers etc.                                                |                    |
| <b>b</b> ) International Training Programmes (ITP)           | 1                  |
| c) Organizational Development                                |                    |
| No. of training programs for BIS employees                   | 3                  |
| ii) SPCAD:                                                   |                    |
| a) Educational Utilization of Standards(EUS)                 | 15                 |
| <b>b</b> ) Industry Awareness Programme on Standardization & | 15                 |
| Quality systems (AW)                                         |                    |
| c) Consumer awareness programmes                             | 176                |
| iii) Hallmarking                                             |                    |
| Awareness programmes for Hallmarking                         | 20                 |

\*\*\*

Weights and Measures



# **CHAPTER IX**

#### WEIGHTS AND MEASURES

9.1 The Standards Weights of and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985 provide for the establishment of Standards of Weights and Measures and enforcement thereof respectively. Through these Acts, consumer protection in respect of weights and measures is ensured so far as weight or measure used in trade and commerce, industrial production or for protection of human health and safety are concerned. The Department lays down specification to regulate weighing and measuring instruments based on the recommendations made by the International Organizations of Legal Metrology (OIML). The Legal Metrology Act, 2009 (1 of 2010) has been published in the official Gazette of India on 14.1.2010. The new Act will replace the existing two Acts. The new Act makes system more transparent, like outsourcing of verification activities of some of the sophisticated weights and measures and for uniform enforcement across the country. The Department has decided to implement it from 1st April, 2011.

9.2 The sale of commodities in "prepacked form" are regulated by the Standards of Weights and Measure (packaged commodities) Rules 1977. The Rules requires mandatory declaration of certain basic information on packages. The Rules have similar provisions for imported packages like indigenous packages.

9.3 The date of implementation of GSR 632 (E) 02.09.2010 was 1st July, 2010. However, on the request of the industries sand their association the date of implementation of said amendment has been deferred two times i.e. first for three months vide GSR 51 (E) dated 21.6.2010 and recently for two months upto 1st December, 2010 vide GSR 793(E) dated 30.9.2010 to exhaust their packaging materials.

9.4 The Department has organized training programme on testing of sphygmomanometer (B. P. measuring instrument) and clinical thermometer for enforcement officials for effective implementation of weights and measurers laws on 11-13 August, 2010 at NPL, New Delhi. The sixty officers of State/ UTs/ Central Government trained at NPL, New Delhi. Department conducted regional conference of Controller of Legal Metrology at Chennai, New Delhi and Kolkata on 21.9.10, 23.9.10 and 24.9.2010 respectively to discuss the implementation of Legal Metrology The Legal Metrology Act, 2009.





Training programme on testing of sphygmomanometer (B. P. measuring instrument) and clinical thermometer for enforcement officials for effective implementation of weights and measures laws on 11-13 August, 2010 at NPL, New Delhi.







Department conducted regional conference of Controller of Legal Metrology at Chennai, New Delhi and Kolkata on 21.9.10, 23.9.10 and 24.9.2010 respectively to discuss the implementation of Legal Metrology Act, 2009





Enforcement Rules, 2011 of States/UTs and Plan related work under the scheme Strengthening of Weights and Measures Infrastructure of States/ UTs.

## Regional Reference Standards Laboratories and Indian Institute of Legal Metrology, Ranchi

9.5 The Government has established five Regional Reference Standards Laboratories (RRSL) at Ahmedabad, Bengaluru, Bhubaneswar, Faridabad and Guwahati. These RRSLs serve as a vital link in dissemination of the value of national standards down to the commercial level.

9.6 Apart from the statutory obligation of verification of legal standards of the States, the RRSLs conduct model

approval test on Weighing and Measuring instruments and calibration of weighing and measuring instruments. More than 2000 no. of industries are availing the services of these laboratories. The RRSL, Faridabad Laboratory has been accredited by NABL in Mass Metrology and Calibration of the balances. The combined revenue of RRSLs during the 2009- 10 is about one crore. RRSLs have issued 6000 certificates during the said period. New testing facility in force, torque and flow measurement are being set up in RRSLs besides complementing the existing facility in Mass, Volume, length etc. The flow measurement facility has been completed at RRSL, Ahmedabad and it is likely to be completed at RRSL, Bhubaneswar shortly. The facility will help oil industries in the calibration of their flow meters.



Primary Torque standard machine installed by NPL at RRSL, Bengaluru





The flow measurement machine at Regional Reference Standards Laboratories Ahmedabad and Bhubaneswar



GTEM Machine installed at RRSLs for Electronic Test of Equipments



During 2010-11, it is proposed to supply EFT, ESD, Voltage dip simulators, G-TEM equipments costing ₹ 6.42 crore to RRSLS. Besides, ₹ 3.5 crore is earmarked for renovation of IILM building.

₹ 2.79 crore has been spent for supply of EFT, ESD, Voltage dip simulator to all RRSLs for testing electronic indicators of weighing and measuring instruments and balance payment for setting of flow up measurement laboratory to RRSL, Ahmedabad. ₹ 3.0 Crore has been given to CPWD, Ranchi for the renovation of IILM, Ranchi. The facility will help oil industries in the calibration of their flow meters.

#### Modernization of enforcement machinery of States / UTs

9.7 The Central Government is committed modernization of to enforcement machinery of States/UTs. During 2006-07, a sum of ₹ 8.1 cores was provided to State/UTs for purchase of working Standards balances. During 2007-09, 59 sets of Secondary Standard Balances and 41 No. of mobile kits for testing of Weighbridges have been supplied to various States/UTs.

A new scheme with an outlay of ₹ 143.286 crore is being implemented during 2009-12 to strengthen the State enforcement machinery in a holistic way. Under this scheme, during 2009-

10, Grant in Aid of amount ₹ 21.47 Crore was given to 17 States/UTs States for the construction of Secondary/ Working Standard Laboratories and ₹ 4.54 Cores were given to Indian Government Mumbai, for supply of Secondary/ Working Standard Weights to Sates/UTs. Indian Government Mint has started the supply of Secondary / Working Standard Weights to States/ UTs during 2010-11. The Government has also given approval to India Government Mint. Mumbai for supplying working standard capacity measures and check measures for testing of dispensing pumps to States/ UTs.

During 2010-11, the Department is providing 31 sets of smaller mobile kits for testing weighbridges to States/ UTs.

The Government has also given approval to India Government Mint, Mumbai for supplying working standard capacity measures and check measures for testing of dispensing pumps to States/ UTs.

₹ 10.21 crore grant in aid has already been given to Govt. of Bihar, Maharastra, U.P., H.P., Kerala and ₹ 1.24 crore to Tripura for the construction of secondary/ working standard laboratory.

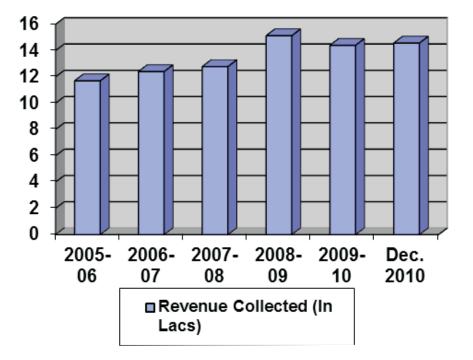
Two pilot laboratories are being set up at Indore and Delhi to upgrade Secondary Standards and Working Standards Laboratories under the bilateral agreement between India



and Germany. While building for the laboratories will be provided by the Indian side the equipments will be provided by the German side. The laboratories are expected to be functional during 2011.

## Performance of Regional Reference Standards Laboratory, Faridabad (Up to December, 2010)

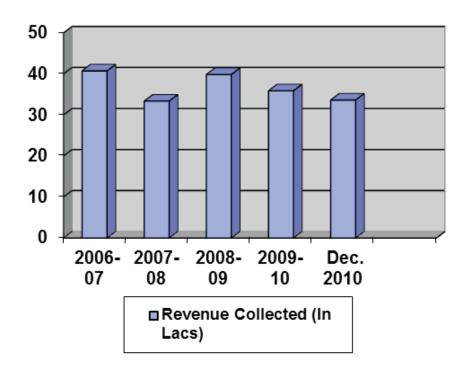
| Description                    | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11<br>(till<br>Dec. 2010) |
|--------------------------------|---------|---------|---------|---------|---------|--------------------------------|
| No. of Standards verified      | 25      | 118     | 150     | 153     | 58      | 125                            |
| No. of industries benefited    | 130     | 155     | 175     | 210     | 202     | 174                            |
| No. of certificates issued     | -       | 93      | 383     | 431     | 343     | 354                            |
| No. of models tested           | 157     | 98      | 93      | 115     | 108     | 115                            |
| No. of seminars conducted      | -       | 1       | 5       | 16      | 11      | 4                              |
| Revenue collected<br>(in Lacs) | 11.7    | 12.4    | 12.78   | 15.13   | 14.40   | 14.57                          |





# Performance of Regional Reference Standards Laboratory, Bengaluru Up to December, 2010

| Description                 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11<br>(till Dec. 2010) |
|-----------------------------|---------|---------|---------|---------|-----------------------------|
| No. of Standards verified   | 285     | 138     | 178     | 15      | 75                          |
| No. of industries benefited | 623     | 574     | 592     | 554     | 449                         |
| No. of certificates issued  | 3949    | 3876    | 4909    | 5139    | 5144                        |
| No. of models tested        | 228     | 194     | 207     | 76      | 93                          |
| No. of seminars conducted   | 12      | 12      | 09      | 03      | 02                          |
| Revenue collected (in lacs) | 40.72   | 33.35   | 39.83   | 35.87   | 33.62                       |

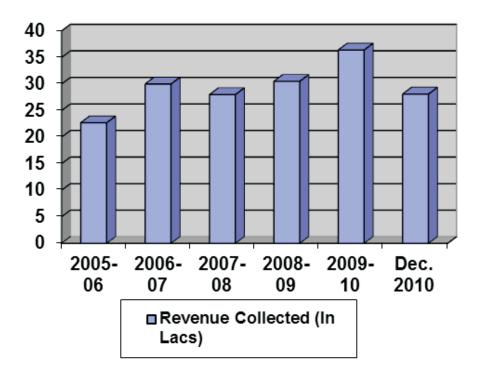




# Performance of Regional Reference Standards Laboratory, Ahmedabad

Up to December, 2010

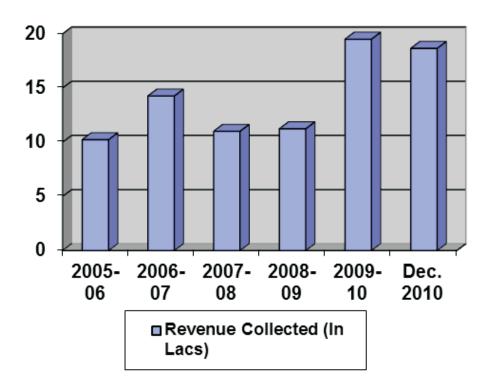
| Description                 | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11<br>(till Dec.<br>2010) |
|-----------------------------|---------|---------|---------|---------|---------|--------------------------------|
| No. of standards verified   | 27      | 25      | 23      | 10      | 42      | 3                              |
| No. of industries benefited | 448     | 581     | 500     | 500     | 538     | 450                            |
| No. of certificates issued  | 1256    | 1500    | 1715    | 1800    | 2300    | 1600                           |
| No. of models tested        | 208     | 187     | 172     | 170     | 165     | 120                            |
| No. of seminars conducted   | 2       | 3       | 3       | 2       | 3       | 1                              |
| Revenue collected (in lacs) | 22.7    | 30.0    | 28.0    | 30.5    | 36.4    | 28.1                           |





# Performance of Regional Reference Standards Laboratory, Bhubaneswar Up to December, 2010

| Description                 | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11<br>(till<br>Dec.<br>2010) |
|-----------------------------|---------|---------|---------|---------|---------|-----------------------------------|
| No. of Standards verified   | 5       | 19      | 15      | 16      | 46      | 30                                |
| No. of industries benefited | 262     | 275     | 294     | 250     | 271     | 191                               |
| No. of certificates issued  | 1258    | 1250    | 1139    | 1135    | 1136    | 1014                              |
| No. of models tested        | 8       | 58      | 25      | 49      | 121     | 125                               |
| No. of seminars conducted   | 2       | 1       | 02      | 03      | 02      | 02                                |
| Revenue collected (In Lacs) | 10.23   | 14.26   | 11.00   | 11.23   | 19.5    | 18.65                             |

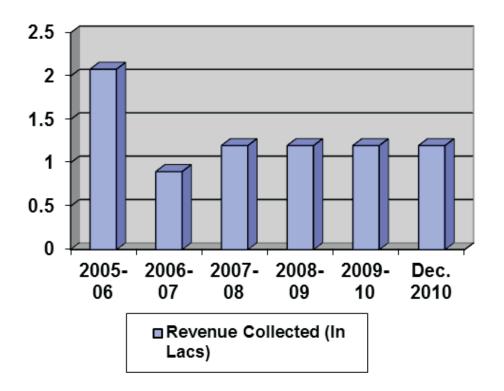




# Performance of Regional Reference Standards Laboratory, Guwahati

Up to Dec., 2010

| Description                 | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11<br>(up to<br>Dec.'10) |
|-----------------------------|---------|---------|---------|---------|---------|-------------------------------|
| No. of Standards verified   | 16      | 7       | 15      | 10      |         | 23                            |
| No. of industries benefited | 5       | 6       | 04      | 07      | 10      | 05                            |
| No. of certificates issued  | 23      | 20      | 10      | 16      | 05      | 37                            |
| No. of models tested        | 6       | 5       | 12      | 08      | 05      | 08                            |
| No. of seminars conducted   | NIL     | 02      | 04      | NIL     | 04      | 05                            |
| Revenue collected (in Lacs) | 2.08    | 0.9     | 1.2     | 1.2     | 1.2     | 1.2                           |





# Indian Institute of Legal Metrology, Ranchi

## For

## The Year 2010-2011

| Name of the Course    | Duration of<br>the course | Total No of<br>participants | Passed | Compartment/<br>Failed | Result<br>in<br>% |
|-----------------------|---------------------------|-----------------------------|--------|------------------------|-------------------|
| Basic Training Course | 01/04/2009<br>30/07/2009  | 24                          | 18     | 06                     | 75                |
| Basic Training Course | 03/08/2009<br>30/11/2009  | 40                          | 38     | 02                     | 95                |
| Basic Training Course | 01/12/2009<br>31/03/2010  | 34                          | 24     | 10                     | 71                |
| Basic Training Course | 01/04/2010<br>30/07/2010  | 49                          | 37     | 12                     | 76                |
| Basic Training Course | 02/08/2010<br>30/11/2010  | 31                          |        | -Appearing             |                   |



# Special Course/Seminars/Workshop/Refresher course

| Sl<br>No. | Name of the course                                                                                            | Duration of the course | No of<br>participants |
|-----------|---------------------------------------------------------------------------------------------------------------|------------------------|-----------------------|
| 1         | Special course on Non Automatic electronic weighing machine                                                   | 11/05/2009-15/05/2009  | 09                    |
| 2         | Special course on In –Motion rail weigh<br>bridge & Static Weigh bridge                                       | 15/06/2009-19/06/2009  | 12                    |
| 3         | Special course in Calibration &<br>Maintenance of Standard Balances                                           | 13/07/2009-17/07/2009  | 04                    |
| 4         | Seminar on Laws Relating to Weights & Measures                                                                | 10/09/2009-11/09/2009  | 48                    |
| 5         | Refresher Course on Legal Metrology                                                                           | 14/09/2009-25/09/2009  | 14                    |
| 6         | Special course on Non Automatic<br>Weighing Machine & Automatic<br>Gravimetric Filling machine                | 05/10/2009-09/10/2009  | 03                    |
| 7         | Special course on Fuel Dispenser of<br>Petroleum Products/ Liquid /CNG                                        | 16/11/2009-20/11/2009  | 39                    |
| 8         | Workshop on Calibration & Verification<br>of Weights & Measures                                               | 08/02/2010-12/02/2010  | 17                    |
| 9         | Special course on pre-packed commodities                                                                      | 12/04/2010-16/04/2010  | 18                    |
| 10        | Capsule Course on Legal Metrology for<br>Foreign officials                                                    | 19/04/2010-30/04/2010  | 06                    |
| 11        | Special course on Non-automatic electronic weighing machine                                                   | 10/05/2010-14/05/2010  | 06                    |
| 12        | Special course on In –Motion rail weigh<br>bridge & Static Weigh bridge                                       | 14/06/2010-18/06/2010  | 21                    |
| 13        | Special course in Calibration &<br>Maintenance of Standard Balances                                           | 02/08/2010-06/08/2010  | 25                    |
| 14        | Special course on Legal Metrology<br>Act, 2009 & The Model Draft Legal<br>Metrology (Enforcement) Rules, 2010 | 25/10/2010-29/10/2010  | 12                    |
| 15        | Special course on Legal Metrology<br>Act, 2009 & The Model Draft Legal<br>Metrology (Enforcement) Rules, 2010 | 22/11/2010-26/11/2010  | 14                    |



# Other activities at IILM

- Govt. of India, Ministry of Consumer Affairs, Food & Public Distribution, Department of Consumer Affairs was kind enough to sanction an amount of ₹ 6.69 cores, for the renovation of class rooms, hostels, road, laboratory, quarters etc.
- 2. Two faculty of IILM have received the Training at NPL, New Delhi on B.P. measuring Instrument and clinical thermometer from 11/08/2010 to 13/08/2010.
- One faculty member of IILM, Dr. D.K Dwivedi, Asstt. Professor, had contributed to publish the research paper "Estimation of thermodynamic properties of multicomponent systems on the basis of generalized hole theory" in International Journal of Molecular Liquids 157 (2010) 158-161 Germany.
- 4. To make more effective, Basic Training Course, the field training in the various industries of the country related to weights & Measures were conducted by the faculty along with the trainees during the year 2009-2010.
- 5. One day workshop on Hindi was held on 07/09/2009.
- 6. One day workshop on Hindi was held on 17/12/2009.

- 7. Implementation committee meeting on Hindi was held on 29/06/2010
- 8. One day workshop on Hindi was held on 30/06/2010.
- 9. Two-weeks Hindi period was organized from 01/09/2010 to 14/09/2010
- Cultural programmes were held during the month of July 2009, November 2009, March 2010, July 2010, October2010.
- 11. Inter Media Publicity coordination committee Jharkhand meeting was held in the month of June 2010.
- 12. Anti corruption week was observed during the period from 25/10/2010 to 1/11/2010.
- 13. Communal harmony week was observed from 19/11/2010 to 25/11/2010.
- 14. Honorable Guest Faculty from judicial academy, ATI, Jharkhand had a talk with the participants of Special course on Legal Metrology Act, 2009 & The Model Draft Legal Metrology (Enforcement) Rule, 2010 at the institute on date 27/10/2010.

15. A lecture was delivered by Dr. S. Haque Nezami, Director, C.I.P., Govt. of India, Ranchi on "Stress Management" on dated 28/10/2010.





A lecture was delivered by Dr. S.Haque Nezami, director, C.I.P., Govt. of India, Ranchi on "Stress Management". on dated 28/10/2010.



Special course on Legal Metrology Act, 2009& The Model Draft Legal Metrology (Enforcement) Rule, 2010.





Participants in Special course on Legal Metrology Act,2009& The Model Draft Legal Metrology (Enforcement) Rule,2010 held in the month of October



Group photograph of participants in Special course on Legal Metrology Act,2009& The Model Draft Legal Metrology (Enforcement) Rule,2010 held in the month of November.





Cultural Programme at IILM Ranchi held in the month of November 2010



Honorable Guest Faculty from judicial Academy, ATI, Jharkhand had a talk with the participants of Special course on Legal Metrology Act,2009& The Model Draft Legal Metrology (Enforcement) Rule,2010 at the institute on date 27/10/2010.





Group photograph of Participants under Basic training Course August 2010 to November 2010.



Two-week Hindi period organized at IILM from 01/09/2010 to 14/09/2010

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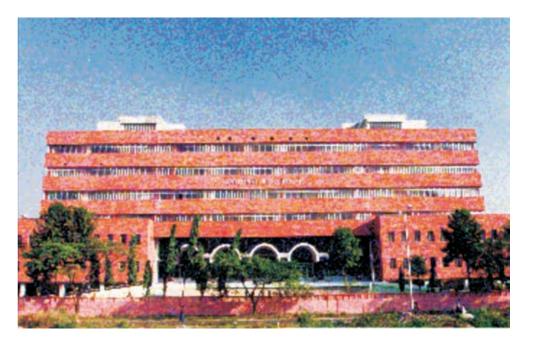
# **CHAPTER X**

## NATIONAL TEST HOUSE

#### **Introduction:**

10.1 TheNationalTestHouse(NTH)under the administrative control of Department of Consumer Affairs, Government of India, is a premier Scientific Institution of the country. It was established way back in 1912 under the then Railway Board and since then it has grown into a laboratory of national importance in the field of testing, evaluation and quality control of various engineering materials and finished products. It is actively involved in all respects of technology connected with industry, commerce, trade and standardization. It has played a pivotal role in the development of indigenous industries and serves as a vital link between industrial research and manufacture of finished products under rigid quality control.

10.2 The prime function that NTH discharges is testing and quality evaluation to ensure the quality of various industrial and consumer products by issuing test certificates in accordance with the national/ international or customer standard and specification. The detail of NTH services and other salient features is available at the NTH website http://www.nth.gov.in





#### **Functions:**

- 1. 10.3 The main functions of the NTH are as under:-
- Testing and evaluation of materials, products, equipments, apparatus and systems in practically all branches of Science and Technology except for food, pharmaceuticals, arms and ammunitions.
- (ii) Research and Development in testing and measurement technology and related areas including consultancy, for failure analysis and allied problems.
- (iii) Helping industries in developing indigenous products for import substitution and in their quality assurance programme.
- (iv) Calibration at the level of Echelon-II and maintenance of proper standards and reference in areas of its competence.
- (v) Assisting the 'National Accreditation Board for Testing and Calibration Laboratories' (NABL) in accreditation of the testing and calibration laboratories.
- (vi) Association with Bureau of Indian Standards (BIS) for evolving of national and international specifications and standards.

- (vii) Training of Scientists, Technologists& Technicians in 'Testing and Measurement Technology'.
- (viii) Providing Welders' Certificates to the prospective candidates, after they are being duly examined in the field.

10.4 NTH charges fees for the service rendered by it. National Test House also participates in various National as well as International Seminars and Symposia of relevance and arranges discussions and demonstrations for creating quality consciousness among small entrepreneurs and the public at large. It also arranges in-house training of its staff and encourages interaction with higher institutions of learning and research. Selected staff are sponsored for various specialized training courses in the country and abroad with a view to up-dating their knowledge.

### **Organization:**

10.5 NTH with its Headquarter at Kolkata, functions through its six laboratories located in Kolkata (at Salt Lake and Alipore), Mumbai, Chennai, Ghaziabad, Jaipur and Guwahati.

10.6 The details of staff strength as on 31.12.2010 are given below :-

| TABLE – I | [ |
|-----------|---|
|-----------|---|

|            | Gazetted | Non-Gazetted | TOTAL |
|------------|----------|--------------|-------|
| Sanctioned | 202      | 482          | 684   |
| Actual     | 152      | 355          | 507   |

The details are at **Annexure-I**.



# Fields of Testing, Calibration and Quality Assurance of NTH :

10.7 NTH is at present providing Testing, Evaluation & Calibration facilities in the following main disciplines :-

Civil Engineering;

Electrical and Electronics Engineering;

Mechanical Engineering (Heavy and Light);

Non-Destructive Testing;

Rubber, Plastics, Paper and Textiles; Chemical

# Calibration -Mechanical & Electrical

10.8 The Scientists of the National Test House are in constant touch with the industries, research institutes and other higher seats of learning through participation in Seminars/Symposia etc. to keep themselves posted of the current developments in the field of testing and evaluation of materials. This helps NTH in preparing future programme closely linked with national requirements.

10.9 All the laboratories of NTH(WR),Mumbai, NTH(NR), Ghaziabad, NTH(SR), Chennai and NTH(ER), Kolkata (except Civil Engineering & RPPT) have been accredited by NABL as per the latest version of ISO/IEC-17025 and are having valid accreditation as on date.

#### Advisory Committees for NTH:

10.10 Two high power Committees exist to advise NTH on policy and various administrative matters. These are - (1) Executive Committee and (2) Technical Advisory Council.

#### (i) **Executive Committee (EC) :**

The Executive Committee of NTH(EC) has been reconstituted under the Chairmanship of the Secretary to the Ministry of Consumer Affairs, Food and Public Distribution to consider administrative and financial matters related to NTH. The Member-Secretary of the Committee is Director (ER). Members from Government Departments and Scientific and Technical Organizations have been nominated. EC Meeting is held to take decisions on the problems faced by NTH and its overall development.

### (ii) Technical Advisory Council (TAC):

The Technical Advisory Council for NTH (TAC) works under the Chairmanship of DG (NTH) and the members have been nominated from BIS, New Delhi and Kolkata; NPL, New Delhi; Head of Electrical Engineering, Jadavpur University, Kolkata, Head, Civil Engineering Department of Bengal Engineering & Science University, Howrah, Prof. Of Material Science, IIT, Kharagpur, along with all the regional heads of NTH as members. The Director, NTH (ER) has been nominated as Member-Secretary. The



main functions of the Advisory Council is to advise for procurement of sophisticated equipment for NTH in various disciplines, modifications/deletion of present areas of work and addition of new areas/activities in testing and calibration, identification of areas of cooperation and coordination between NTH and BIS and also identification of new business areas.

### Plan Activity :

10.11 To enable NTH to play its role effectively in the field of quality control, material evaluation, standardization and assistance in industrial development, it has been brought under the Science and Technology Plan Scheme. The Scheme envisages augmentation and modernization of testing, facilities and setting up of Regional Test Houses, for the benefit of small scale industries in particular. The activities of the NTH are being regularly covered under the scheme since 5<sup>th</sup> Five Year Plan.

10.12 During the 11<sup>th</sup> Five Year Plan, NTH has been allocated funds worth ₹74.84 Crore out of which an amount of ₹ 20.20 Crore has been placed under the head "Land & Building", ₹ 36.98 Crore for procurement of Equipment and Machinery and ₹17.66 Crore for recurring nature of items (including Information & Technology). Out of the above allocated funds an amount of ₹ 29.59 crore has been utilised from the year 2007-08 , 2008-09 & 2009-10.

#### **Facilities available:**

10.13 Besides facilities for testing in almost all areas according to national and international specifications, facilities for Standards (Echelon-II level) and Calibration are available in Mechanical and Electrical areas in the Eastern Regional Centre. Similar calibration facilities are also available, in a limited way, at other centres in northern, western and southern regions.

10.14 The NTH is also providing Industrial Quality Consultancy Services (IQCS) in the following specialized areas :-

- a) Techno- managerial service for setting up of testing and calibration laboratory.
- b) Material identification consultancy in problems relating to import substitution.
- c) Failure analysis for engineering materials and plant/system and remedial measures.
- d) Quality improvisation of paints and allied materials, fine chemicals, pesticides etc.
- e) Development of test and calibration methodology.
- f) Strength, Serviceability and Durability (SSD) consultancy for civil constructions.
- g) Interpretation of Radiograph and grading of severity of defects with reference to standards.



10.15 NTH had started its Computerization Programme way back in the 90's. The First Management Information System (MIS) was started with Dumb-Terminal Architecture which subsequently was upgraded to Client-Server Architecture. The system was implemented to all its major branches of Chennai, Ghaziabad and Mumbai.

10.16 Since then, NTH has always upgraded its IT activities at par with the latest technology available in the IT Segment. In the year 2006-07 NTH came-up with the State-of-the-Art Web Based Management Information System (MIS) with its Central Database Centre at NTH, Kolkata. The MIS has covered all-most all the areas of Technical, Administrative & Accounts related activities of NTH. NTH has adopted the facility for providing Test and Calibration Certificate to its customer through its Website, which has been proved to be extremely useful to them. The existing MIS has been successfully extended to NTH(SR), Chennai in 2010. Implementation of MIS at NTH(NR), Ghaziabad is under process.

# Details of Non-Commercial activities undertaken by NTH :

10.17 Among the non-commercial activities which NTH scientists undertake are as follows :

- (i) Assisting BIS in framing Specifications of varied engineering and consumable products by representing in its various Sectional Committees.
- (ii) NTH Scientists represent as Lead Assessors and Assessors in National Accreditation Board for Testing & Calibration Laboratories (NABL).
- (iii) Provide training to the professionals belongs to Govt. Departments and Autonomous Bodies viz. Railways, SAIL, BIS in the field of testing and calibration with very nominal fees.
- (iv) Assist various Court of Laws, legal custodians and Vigilance Departments for quality assurance as a third party reference laboratory. Although NTH receives testing fees but the intangible value for these sort of testing are enormous for the consumer interests of the country.
- (v) As a part of Social Welfare Service NTH undertakes sensitive tests e.g. quality of potable water, spices, alcohol, spirits, submitted by Govt. Agencies. The fees received by NTH cannot be considered as commercial.



# **Testing of Samples :**

10.18 The number of Test Reports issued, Region/ Centre-wise is as follows :-

| Name of the Region | 2009-10 | 2010-11<br>(up to 31 <sup>st</sup> December, 2010) |
|--------------------|---------|----------------------------------------------------|
| ER, Kolkata        | 4336    | 2459                                               |
| WR, Mumbai         | 2885    | 1965                                               |
| SR, Chennai        | 2485    | 1542                                               |
| NR, Ghaziabad      | 4889    | 3677                                               |
| NWR, Jaipur        | 1498    | 1112                                               |
| NER, Guwahati      | 614     | 191                                                |
| TOTAL              | 16707   | 10946                                              |

# 10.19 Laboratory-wise Performance of NTH :

(₹ in lakh)

| Region   | 2009-10                 |                   |                                               | 2010-11                 | (upto Decemb      | er, 2010)                                     |
|----------|-------------------------|-------------------|-----------------------------------------------|-------------------------|-------------------|-----------------------------------------------|
|          | Non-Plan<br>Expenditure | Revenue<br>earned | % of<br>revenue to<br>Non-Plan<br>Expenditure | Non-Plan<br>Expenditure | Revenue<br>earned | % of<br>revenue to<br>Non-Plan<br>Expenditure |
| NTH(ER)  | 1076.68                 | 262.08            | 24.34                                         | 811.35                  | 201.58            | 24.84                                         |
| NTH(WR)  | 344.51                  | 162.45            | 47.15                                         | 272.00                  | 141.60            | 52.05                                         |
| NTH(SR)  | 371.54                  | 145.27            | 39.10                                         | 283.11                  | 104.36            | 36.84                                         |
| NTH(NR)  | 332.31                  | 386.84            | 116.41                                        | 259.57                  | 417.13            | 160.70                                        |
| NTH(JPR) | 142.23                  | 67.84             | 47.70                                         | 97.73                   | 53.91             | 55.16                                         |
| NTH(GUW) | 68.53                   | 23.34             | 34.06                                         | 49.24                   | 9.75              | 19.80                                         |
| Total    | 2335.80                 | 1047.82           | 44.86                                         | 1773.02 *               | 928.33            | 52.36 *                                       |

\* Non Plan expenditure includes Salary for Ten Months.



Activities of Special Importance during the year 2010-11 (up to 31<sup>st</sup> December, 2010) :

10.20 The expertise and wealth of experience of NTH is utilized to provide a major thrust in its modernization for protection of the consumers as well as for the Nation in judging the quality of their products. Some milestones of which are as follows :

- (i) The Electrical Lab of NTH(SR), Chennai, checked the welding condition of exothermically welded copper joints as per RDSO, Lucknow and subjected this to current temperature cycles (25 cycles). These types of joints are used in electrical sub-stations of Indian Railways.
- (ii) Bank notes of eight different countries and Indian notes were subjected to Tear test and de-Laminate test and set in for Comparison Analysis by RPPT Laboratory of NTH(WR), Mumbai as per ASTM FD-1004 and ASTM F-1842. This commanding job was entrusted to National Test House by Reserve Bank of India.
- (iii) The Chemical Paint Laboratory along with NDT laboratory of NTH(ER), Alipore and Civil Engineering Laboratory of NTH(ER), Salt Lake tested 8mm TMT Bar, painted with epoxy based paints. The TMT bar will be used for Water Treatment Plant at Dhapa under Kolkata Municipal Corporation (KMC).

- (iv) The RPPT laboratory at NTH(SR), Chennai undertook tests on vinyl substrate used in signages. A s per the requirement of the customer, the laboratory worked on the sample for its Tensile and Tear strength, Service Temperature, Adhesion, etc. The sample was deposited by Canara Bank, Bengaluru.
- (v) The Electrical Laboratory at measured NTH(SR). Chennai. Insulation Resistance of Glass Fibre Sieve sample. The measurement of resistance was carried out maintaining a temperature of 600°C on the lines of International Electro-Technical Commission (IEC) standards. This job needs special attention as it is to be in use for Atomic Power Plant, Kalpakkam.
- (vi) The Chemical Lab of NTH(ER), Salt Lake, Kolkata, undertook testing of "Dog-Food" sample for determination of its nutritional value. Evaluation of calorific value, percentage of protein, fat, etc., and percentage of Calcium, Phosphorous in the food sample were reported. This was an achievement in the area of veterinary science.
- (vii) The Electrical Lab of NTH(SR), Chennai, conducted Magnetic Power Loss Test on "Quad Moose conductor Spacers" over transmission lines. The test was carried out at 2800 amps. The power loss due to magnetic effect was evaluated introducing the fixers required.



- (viii) Paper bag consisting of six kraft paper layers for carrying cement, was tested for quality standards, mainly G.S.M. Content and Tensile strength of paper by the RPPT Lab of NTH(ER), K olk at a . This is a new manufacturing idea in cement transit and NTH extended knowledge & technology in testing the said sample.
- (ix) The Chemical lab of NTH(ER), Salt Lake, Kolkata, tested mosquito-net, adhered with delta- methrine. The nets are of use for NGO work.
- (x) Testing of Polyurethane coating used in Palta water works of Tala-Palta water line was carried out by the Chemical lab of NTH(ER), Alipore, Kolkata. The coating having short settling time (approx. 5 mins maxm) owes its special use.

- (xi) The Chemical lab of NTH(SR), Chennai,testedcompositesolidwaste, collected from Brine Purification Plant of M/s. Karaikal Chlorates Ltd. for pH, chlorides, sulphates, carbonates and metals, namely Iron, calcium, Sodium, Potassium, Barium, Aluminum, etc.
- (xii) Steel Plates having thickness 10 -40 mm were tested by Mechanical Laboratory of NTH(ER),Kolkata. These steel samples are to be used in the construction of Railway Bridge across the River Ganges in West Bengal.
- (xiii) Internal Resistance for Secondary Cells received from M/s Exide Limited, India have been measured by applying required current through High rate Discharge Tester as per I.E.C. Standards. Exide Industries under took the R&D project in the field of Secondary Cells.

#### Facilities added :

10.21 **Sophisticated equipment (Imported & Indigenous)** have been procured by the regions of NTH.

**Some notable** equipment/instrument procured during 2010-11 up to **31**<sup>st</sup> **December, 2010** for augmentation/new facilities for testing are given below :-

| Sl No. | Name of the Equipments                    | Regions of NTH                    |
|--------|-------------------------------------------|-----------------------------------|
| 1      | Equipment for testing of MCB (Indigenous) | NR (Electrical), Ghaziabad        |
| 2      | Metallurgical Microscope (Imported)       | ER (NDT), Kolkata                 |
| 3      | Climatic Test Chamber (Imported)          | NR (Electrical), Ghaziabad        |
| 4      | UTM-10kN (Imported)                       | NR (RPPT), Ghaziabad              |
| 5      | CTM-3000kN (Indigenous)                   | NR (Civil), Ghaziabad             |
| 6      | UTM-1000kN (Imported)                     | NR (Mechanical), Ghaziabad        |
| 7      | UTM-50kN (Imported)- 2 nos.               | ER (RPPT), Kolkata and WR (RPPT), |
|        |                                           | Mumbai                            |
| 8      | Xenon Arc Weathering Equipment (Imported) | WR (Chemical), Mumbai             |



# 10.22 Revenue Earned and Expenditure incurred at the six centres of NTH are as follows :-

#### **Revenue Earned:**

(₹ in lakh) Sl Name of the Region 2009-10 2010-11 2008-09 No. (up to 31st December, 2010) 1 NTH(ER), Kolkata 250.26 262.08 201.58 2 NTH(WR), Mumbai 115.29 162.45 141.60 145.27 3 NTH(SR), Chennai 121.56 104.36 4 386.84 417.13 NTH(NR), Ghaziabad 283.87 5 67.84 53.91 NTH(NWR), Jaipur 66.52 6 NTH(NER), Guwahati 31.60 23.34 9.75 Total 869.10 1047.82 928.33

#### Expenditure incurred (excluding works outlay) :

(₹ in lakh)

| Sl.<br>No. | Name of the<br>Region           |        | 2008-09      |         |        | 2009-10      |         |        | 2010-11<br>31 <sup>st</sup> Dece<br>2010) | mber,   |
|------------|---------------------------------|--------|--------------|---------|--------|--------------|---------|--------|-------------------------------------------|---------|
|            |                                 | Plan   | Non-<br>Plan | Total   | Plan   | Non-<br>Plan | Total   | Plan   | Non-<br>Plan                              | Total   |
| 1          | ER, Kolkata,<br>incl. Head Qtrs | 336.94 | 816.69       | 1153.63 | 704.65 | 1076.68      | 1781.33 | 193.94 | 811.35                                    | 1005.29 |
| 2          | WR, Mumbai                      | 32.44  | 259.81       | 292.25  | 37.17  | 344.51       | 381.68  | 16.47  | 272.00                                    | 288.47  |
| 3          | SR, Chennai                     | 35.18  | 254.49       | 289.67  | 46.81  | 371.54       | 418.35  | 19.13  | 283.11                                    | 302.25  |
| 4          | NR, Ghaziabad                   | 33.95  | 277.89       | 311.84  | 68.31  | 332.31       | 400.62  | 39.71  | 259.57                                    | 299.29  |
| 5          | NWR, Jaipur                     | 16.41  | 94.96        | 111.37  | 28.09  | 142.23       | 170.32  | 8.62   | 97.73                                     | 106.35  |
| 6          | NER, Guwahati                   | 11.77  | 57.23        | 69.00   | 10.26  | 68.53        | 78.79   | 4.37   | 49.24                                     | 53.61   |
|            | Total                           | 466.69 | 1761.07      | 2227.76 | 895.29 | 2335.80      | 3231.09 | 282.24 | 1773.02                                   | 2055.26 |



### Expenditure for Land & Building under Plan head : Authorized to CPWD as on 31.12.2010 : ₹ 758.62 lakh.

#### Public Grievance Set up in NTH :

10.23 National Test House is a premier Scientific Institution engaged in testing, evaluation, quality assurance and standardization of materials and finished products. For the above mentioned services and activities there is a direct interaction with the public for getting quotation for test fee, deposition of sample and receipt for sample and test fee etc. These aspects have been computerized and all the above work can be done on a single window "Sample Room". These facilities are available in all the units of the NTH. In spite of the above, if there is any public grievance, redressal machinery for prompt and sympathetic attention to it is also available in all the units of NTH.

#### Achievement :

10.24 Report on Public Grievance for the year 2010-11 up to  $31^{st}$  December, 2010 is as under :-

| a) No. of grievances pending as on 01.4.2010                | = | NIL |
|-------------------------------------------------------------|---|-----|
| b) No. of grievances received during 01.4.10 to 31.12.10    | = | NIL |
| c) No. of grievances disposed of during 01.4.10 to 31.12.10 | = | NIL |
| d) No. of grievances pending as on 01.01.2011               | = | NIL |

#### Vigilance Set up at NTH :

10.25 Vigilance Department of NTH(HQ) is under the direct control of the Director National Test House and General. comprises one Vigilance Officer, one Office Superintendent and one UD Clerk. Six Officers from the six regional branches of NTH act as Assistant Vigilance Officers under the direct control of the Vigilance Officer of NTH(HQ). All the six Assistant Vigilance Officers of the regions and the Vigilance Officer of NTH(HQ) perform their duties for vigilance as Part-Time in addition to their regular duties assigned to them. At present, there are 3 (Three) Vigilance/Disciplinary Cases cases pending in NTH.

10.26The position of ATNs in respect of the Audit Observation is furnished in Annexure-II.

#### Use of Hindi in National Test House

10.27 The use of Hindi in NTH has been satisfactory during the period under report. The report of Hindi performance in NTH is as under:-

10.28 The National Test House is doing its best to implement the official Language Policy and the official Language Act and Rules made thereunder in its Head Quarters and regional office & branch offices. Complying with the Section 3(3) of official Language Act and Rule 5 of the official language rules fully. NTH



Headquarters along with its regional offices observed Hindi Fortnight during 14.09.2010 to 30.09.2010. Various were organized during the fortnight and prizes were given to winners. Representatives of NTH attended the meetings of the Hindi Salahkar Samiti. Meetings of the official Language Implementation Committee were held regularly. Two Hindi workshops were organized during the year in order to help the employees to do wise work in Hindi.

10.29 During the Hindi Fortnight NTH(SR) Chennai published the House magazine 'Sandhan'. **ANNEXURE-I** 

| 4                                                                    |           | -                | 0                   |                     |                    |              |                     |               | AS                    | : Actui               | AS : Actual Strength. | gth.         |                       |                |       |     |
|----------------------------------------------------------------------|-----------|------------------|---------------------|---------------------|--------------------|--------------|---------------------|---------------|-----------------------|-----------------------|-----------------------|--------------|-----------------------|----------------|-------|-----|
|                                                                      | H6<br>Qua | Head<br>Quarters | NTH(ER),<br>Kolkata | (TH(ER),<br>Kolkata | NTH(WR),<br>Mumbai | WR),<br>nbai | NTH(SR),<br>Chennai | (SR),<br>nnai | NTH(NR),<br>Ghaziabad | NTH(NR),<br>Ghaziabad | NTH(NWR),<br>Jaipur   | (WR),<br>bur | NTH(NER),<br>Guwahati | NER),<br>ahati | Total | tal |
|                                                                      | ss *      | AS               | SS                  | AS                  | SS                 | AS           | SS                  | AS            | SS                    | AS                    | SS                    | AS           | SS                    | AS             | SS    | AS  |
| Group-A                                                              | S         | 3                | 37                  | 28                  | 13                 | 10           | 14                  | 11            | 16                    | 11                    | 9                     | 4            | 4                     | ŝ              | 95    | 72  |
| Group-B<br>(Gazetted)                                                | 0         | 7                | 36                  | 21                  | 23                 | 14           | 17                  | 11            | 15                    | 18                    | 6                     | ×            | N.                    | 0              | 107   | 80  |
| Group-B<br>(Non-<br>Gazetted)                                        | ł         | 1                | 33                  | S.                  | 11                 | 4            | 16                  | Ś             | 21                    | 9                     | 15                    | ŝ            | L                     | co.            | 103   | 30  |
| Group-C                                                              | 7         | 2                | 137                 | 128                 | 38                 | 29           | 28                  | 27            | 17                    | 12                    | 4                     | 4            | L                     | 9              | 233   | 208 |
| Group-D                                                              | 2         | 2                | 81                  | 61                  | 22                 | 18           | 15                  | 14            | 19                    | 17                    | 4                     | 3            | 3                     | 2              | 146   | 117 |
| Total                                                                | 11        | 6                | 324                 | 243                 | 107                | 75           | 90                  | 68            | 88                    | 64                    | 38                    | 22           | 26                    | 16             | 684   | 507 |
| Note : Out of 507, 10 employees are on lien and one is in deputation | of 507    | ', 10 en         | uployed             | es are (            | on lien            | and or       | ne is in            | deput         | ation                 |                       |                       |              |                       |                |       |     |







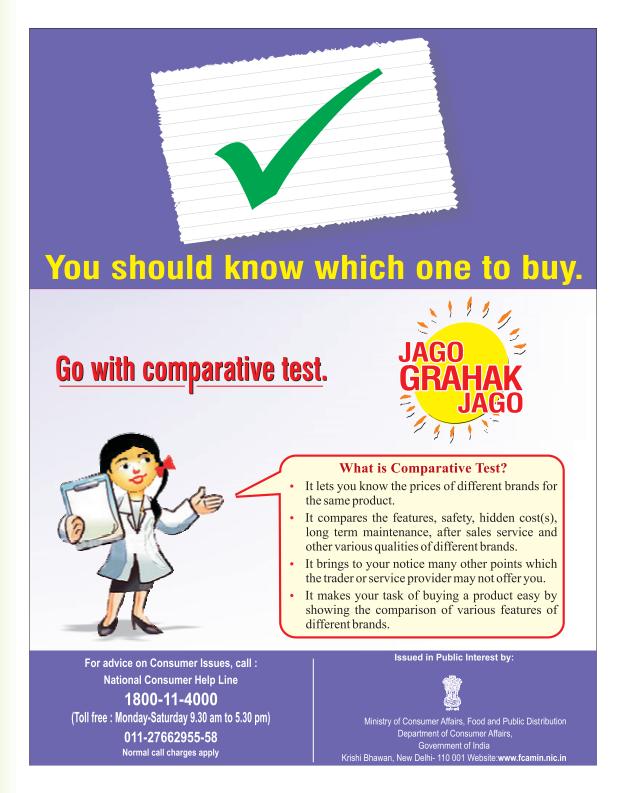
#### ANNEXURE-II.

#### Details of Action taken Notes on outstanding paras related to NTH with its regional units:

- NTH(WR),MUMBAI : Internal audit has submitted its report only on 16.07.2010 for 2009-2010 containing 21 paras , reply for which is under process. Regarding Outstanding paras for the year 1999-2000, 2002-2003, 2004-2005, 2005-2006, 2006-2007, 2007-2008 & 2008-2009 (containing 21 paras in total) have already been replied but audit authority is seeking more clarifications, reply for which are under process.
- NTH(ER), KOLKATA: Outstanding audit paras for the year 1999-2000, 2000-2001, 2001-2003
- 2003-2005, 2005-2007 & 2007-2008 (containing 12 paras in total) have not yet been replied.
- NTH(NR), GHAZIABAD: Internal Audit : 3 nos. paras are pending for the year 2006-2008. Action has already been initiated for settled the paras by next audit.
- NTH(SR), CHENNAI : All the out standing paras related to NTH, SR has been replied to the concerned authority on 10.05.2010
- NTH(NWR), JAIPUR : Action has already been taken to settled the para relating to the year 2004-2005 . Regarding outstanding paras for the year 2007-2008 (containing 7 nos paras) action taken notes are awaiting.
- NTH/ER : All outstanding audit paras for the period from 2005-2006 to 2009-2010 in respect of NTH/ER, will be replied very shortly.
- NTH/NER: NTH/NER has replied all the pending audit paras upto 2005-2006. Regarding outstanding paras beyond 2005-2006 no information has since received by HQ. ADA of NTH/NER has also informed that they will replied all the outstanding audit paras very shortly under intimation to HQ.

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# **CHAPTER-XI**

# NUMBER OF SC/ST/OBC/PH/EXM OFFICERS

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

11.2 The number of persons belonging to Scheduled Castes, Scheduled Tribes, Other Backward Castes, Physically Handicapped and Ex-Servicemen employed in the Department of Consumer Affairs and its attached/subordinate offices are as under:-

STATEMENT SHOWING THE NUMBER OF SC/ST/OBC/PH/EXM/ WOMEN

(As on 31.12.2010)

Jaus Mølle

|                     |          | Numb                      | umber of employees out of Col.3 belonging to |    |     |    |    |    |     |       |
|---------------------|----------|---------------------------|----------------------------------------------|----|-----|----|----|----|-----|-------|
| Post                | Strength | Number of<br>employees in | SC                                           | ST | OBC |    | PH |    | EXM | WOMEN |
|                     |          | position                  |                                              |    |     | VH | HH | OH |     |       |
| 1.                  | 2.       | 3.                        | 4.                                           | 5. | 6.  | 7. | 8. | 9. | 10. | 11.   |
| Group A             | 222      | 162                       | 21                                           | 8  | 8   | 1  | -  | 1  | 2   | 21    |
| Group B<br>Gazetted | 183      | 143                       | 20                                           | 4  | 4   | -  | -  | -  | -   | 26    |
| Non-<br>Gazetted    | 195      | 91                        | 17                                           | 1  | 13  | -  | -  | 3  | -   | 27    |
| Group C             | 641      | 536                       | 137                                          | 41 | 49  | 3  | 6  | 9  | 14  | 71    |
| TOTAL               | 1241     | 932                       | 195                                          | 54 | 74  | 4  | 6  | 13 | 16  | 145   |

VH - Visually Handicapped

HH – Hearing Handicapped

OH – Orthopaedically Handicapped

EXM - Ex-servicemen

Note: The compilation includes information in respect of the Deptt. of Consumer Affairs and the following attached/subordinate offices of the Deptt.

National Test House, Kolkata

Forward Markets Commission, Mumbai

National Consumer Disputes Redressal Commission, New Delhi.

Indian Institute of Legal Metrology, Ranchi.

Regional Reference Standards Laboratories, (Ahmedabad, Bengaluru, Bhubaneswar, Faridabad, Guwahati).

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National Consumer Helpline Number: 1800-11-4000







# **CHAPTER-XII**

# SEXUAL HARASSMENT OF WOMEN AT WORKPLACE-CONSTITUTION OF COMPLAINTS COMMITTEE

a)

12.1 In order implement to the guidelines of Hon'ble Supreme Court on prevention of sexual harassment of women at work place, a Complaint Committee was constituted in the Department of Consumer Affairs on 3<sup>rd</sup> August, 1998 which has been reconstituted on 29.11.2010 under the Chairpersonship of Smt. Anandi Ravichandarn. Economic Adviser in the Department. This Committee has been entrusted with the work relating to the time bound redressal of grievances made by women employees. In addition, this Cell also functions as a Women's Cell which broadly covers the following areas:

- To attend to and co-ordinate the action for improvement of working conditions for women employees of the Department.
- b) To attend to and expedite action on the complaints received from the women employees.
- c) Other general areas concerning the welfare of women employees.

12.2 No complaint in this regard has been received by this Cell so far. However, interactive meetings are held periodically with all lady employees of the Department to get first hand information regarding their problems, if any, so that remedial measures could be taken.

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Claus Malle





**Progressive use of Hindi** 



# **CHAPTER-XIII**

## **PROGRESSIVE USE OF HINDI**

## COMPLIANCE WITH THE OFFICIALLANGUAGESACTAND RULES FRAMED THEREUNDER

The Department has a Hindi 13.1 Division under the Joint Director(OL) which is responsible for entire translation work of the department and Implementation of Official Languages Policy of the Govt. of India in the department and its attached and subordinate offices and their field organizations. The important activities during the year are as undertaken under:

13.2 During the year, appropriate action was taken to ensure implementation of the provisions of the Official Languages Act and the Rules framed thereunder.

13.3 For ensuring compliance with the provisions of the Official Languages Act, 1963 and rules framed thereunder, checkpoints have been set up in the Department. Effective steps were taken for the adherence to these checks points.

13.4 The attached/subordinate offices under the Department wherein 80% or more of staff (except Group "D") have a working knowledge of 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)

#### REVIEW

13.5 The Annual Programme for the year 2010-2011 for implementation of the Official Language Policy of the Union, issued by the Department of Official Language as well as orders issued by them were circulated in the Department and to all the attached/subordinate offices for compliance. Progress made in this regard was reviewed through the quarterly reports received from them and critically discussed in the meetings of the Official Language Implementation Committee.

13.6 Regular meetings of the Official Language Implementation Committee, set up in the Department to review the progress made in implementation of Official Language policy in the Department as well as in its attached/ subordinate offices were held during the year. Emphasis was laid in the meetings on innovative ideas for promotion of



Hindi as also for complementary use of regional languages.

13.7 One meeting of the Hindi Salahakar Samiti of the Ministry was held during the year and follow up action taken on the decisions taken therein.

#### **INCENTIVE SCHEMES**

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

13.9 Special incentive for Hindi typing in addition to English typing continued to be given to employees of the Department.

13.10 The Department observed Hindi fortnight from 01.09.2010 to 14.9.2010. During this fortnight various competitions were organised with a view to encourage the officers/employees of the department for doing their official work in Hindi. The winners of these competitions were suitably awarded.

#### **OTHER ACTIVITIES**

13.11 Steps were taken to ensure progressive use of Hindi for

correspondence in Hindi with the central Govt. offices located in various regions in accordance with the targets fixed by the Department of Official Language in this regard.

13.12 Employees not yet trained in the Official Language, Hindi stenography and Hindi typing were nominated for training in the respective field.

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

13.14 The department has achieved the target of spending 50% of Library fund on Hindi books. In addition to this, Hindi News papers, Magazines and journals were purchased regularly for the library of the Department.

13.15 Continuous efforts are being 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.

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# **CHAPTER-XIV**

# **DEVELOPMENT OF NORTH EASTERN REGION**

# PRICE MONITORING IN NORTH-EASTERN STATES

14.1 Price monitoring based on the daily and weekly price reports on 21 essential commodities from the North Eastern States continued.

### WEIGHTS AND MEASURES

14.2 The Regional Reference Standards Laboratory (RRSL) Guwahati is functioning to meet the Legal Metrology requirements of States/ UTs in North Eastern Regions and providing help to the calibration and other promotional activities to Industries and other sectors.

14.3 During 2009-10, an allocation of  $\overline{0.6Cr}$ . has been made for RRSL, Guwahati. A sum of  $\overline{0.6Cr}$  has been given as grant in aid to 6 states in the region for strengthening of infrastructure.

Total expenditure for the development of the North East during 2009-10 is ₹6.6Cr.

During 2010-11, Grant in Aid of amount Rs 1.24 Crore has been given to Government of Tripura for constructing of Secondary/ Working Standard Laboratory.

### BUREAU OF INDIAN STANDARDS

14.4 Bureau of Indian Standards has got a Branch Office at Guwahati (GBO), which caters to the Quality Control, Certification and training needs of the industries of the North Eastern Region comprising of 7 states – Assam, Arunachal Pradesh, Tripura, Manipur, Meghalaya, Mizoram and Nagaland. Guwahati Branch Office (GBO) is providing information regarding standardization, certification of products and the quality management systems. It also provides information on the certified goods to the State Governments. To cater better services in the industries BIS has already purchased approx. 9900 sq.feet of space for office building and approx. 900 sq. feet of space for laboratory building from HOUSEFED (Assam State Co-operative Housing Federation Limited). The new office and laboratory is expected to start from January 2012.

Position of licenses as on 31/03/2010 was 328 (253 licenses on product and 75 licenses on Hallmarking). There is about 12% growth in product certification licenses in the period of nine months starting from 1st April 2010.



At present, 362 BIS licences (284 licences on product certification and 78 licences on Hallmarking) are in operation in North Eastern States. State-wise distribution of product licences is given below:-

| Assam             | - | -    | - | 176 |
|-------------------|---|------|---|-----|
| Tripura           | - | -    | - | 25  |
| Manipur           | - | -    | - | 5   |
| Arunachal Pradesh |   | -    | - | 8   |
| Mizoram           | - | -    | - | 2   |
| Meghalaya         | - | -    | - | 55  |
| Nagaland          | - | -    | - | 13  |
|                   | Т | otal | - | 284 |

14.5 GBO has got a laboratory attached to it where physical testing of product like galvanized steel sheets (plain and corrugated), M.S. wire rods for general engineering purposes and High strength deformed steel bars, structural steel, corrugated and semi- corrugated asbestos cement sheet and A.C. fittings are carried out.

Publicity: Elaborate publicity drive has been taken in the North Eastern State to achieve more growth on certification as well as Hallmarking licences. This includes

- i) Display of hoardings in the state capitals of all North Eastern States.
- Broadcasting of slogans on use of ISI mark and Hallmark in 20 different radio stations of North Eastern States
- iii) Telecasting of Video clippings on advantage of use ISI mark product

and Hallmark Jewellery through Door Darshan, N.E.

#### STATE CONSUMER HELPLINE

14.6 State Consumer Helpline has already been functioning in 6 States in the North Eastern region and the remaining States namely – Meghalaya and Tripura have been reminded to send their proposal for setting up of State Consume Helpline in their respective States.

#### PUBLICITY CAMPAIGN FOR CREATING CONSUMER AWARENESS

14.7 Keeping in view the uniqueness of this region and considering that North East (NE) Region has the distinct culture, custom, specific focus has been given to publicity regarding consumer awareness in the NE region. A unique approach has been adopted for the region and innovative measures are being undertaken for spreading consumer awareness.

14.8 Doordarshan and All India Radio have Kendras and Radio Stations throughout the length and breadth of North East Region. Outdoor publicity medium such as banners, hoardings, printing of messages on Railway Tickets, Reservation Charts etc. was also suitably utilised for reaching out to the people in the North East Region.

#### NATIONAL TEST HOUSE

14.9 A Report on the Projects and schemes being operated in the North Eastern Region



of National Test House at Guwahati is furnished below:-

A Satellite branch of NTH was established in the year 1996 at C.I.T.I Complex, Kalapahar, Guwahati-781016 which was taken on rent from Govt. of Assam with a view to meeting the Testing, Evaluation & Quality Control requirements of materials and finished products from the North-Eastern region of the country. The seven nos. of sheds for its office and laboratory premises with an approx. area of 12,600 square ft. and a hostel block was provided by the Director of Commerce, Govt. of Assam. NTH (NER), Guwahati has been established keeping in view the development of North East region of the country through quality assurance of the consumable engineering products.

- 1. At present, NTH (NER), Guwahati, provides the following services to the clients :
- (i) Testing & Quality Evaluation of various Engineering Materials, viz., Civil, Chemical, Textile, Mechanical etc.
- (ii) Providing Training in Testing Methodologies for Cement, Water, Paints, General Chemicals, Steel, etc.
- (iii) Providing Consultancy Services in the field of Laboratory Set-up, Packaged Drinking Water, Ceramic Materials etc.

- (iv) Participating in the Project work undertaken by various NGOs and other organizations, depending on the existing facilities in NTH(NER), Guwahati.
- 2. To serve the consumers as a whole, NTH(NER), Guwahati, has a scope to play a vital role in the movement of growing industrialization of the region, in both sectors of "Agro-based" and " Mineralbased" industries. As such, the future planning for this region is as under :
- (i) Augmentation of the existing Chemical Laboratory by creating test facilities for testing of organic and inorganic products, Residual Pesticides Analysis of tea, Gas Analysis, etc
- (ii) Augmentation of the existing Civil Laboratory by creating test facilities for testing of Mix- D e s i g n , Sanitary wares, Refractories, and Non-destructive tests of Civil Engg. Products.
- (iii) Opening of new laboratories in the field of Rubber, Plastic, Paper & Textiles Engg. And Mechanical Engg.

# **3.** Construction of permanent building at NTH(NER), Guwahati :

14.10 NTH Centre at Guwahati with only Civil and Chemical disciplines is functioning from semi-permanent sheds



made available by the Govt. of Assam. The semi-permanent sheds currently available are not conducive enough to enhance the modern testing facilities in NTH(NER), Guwahati. The maintaining of sophisticated testing equipments in the existing laboratory environment is becoming difficult leaving aside the further augmentation. In order to comply with the Govt. of India policy for streamlining infrastructural development in the North-Eastern region, NTH has decided to construct a permanent building for NTH (NER), Guwahati by demolishing the existing semi-permanent sheds phase-wise. The permanent laboratory building once operational can deliver quality assurance of industrial products in a more structured way under the 11th Plan Scheme.

The proposal has been included in the 11th Plan Scheme of NTH which has been duly approved by the Expenditure Finance Committee (EFC). An allocation of  $\gtrless$ 140.00 lakh and  $\gtrless$ 200.00 lakh

respectively was made by the Department for NTH(NER), Guwahati during the years 2008-09 and 2009-10 respectively. The construction of Residential Quarters at NTH(NER), Guwahati, executed by the CPWD authority has already been completed. An allocation of ₹125.00 lakh has been made till date for construction of the Laboratory cum Office Building at NTH(NER), Guwahati. Presently, all the laboratories of NTH(NER), Guwahati are functioning temporarily from newly constructed residential building till the completion of construction of the Office cum Laboratory Building

14.11 NTH(NER), Guwahati, has shown a remarkable growth in respect of revenue-earning during the past two years which manifests the optimum utilization of the facilities. The region expects that emerging industries in and around the country and consumers from all walks of life will be immensely benefited in evaluating the quality of most of their products at par with the international level.

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**Integrated Finance Division** 



## **CHAPTER-XV**

#### **INTEGRATED FINANCE DIVISION**

(i)

#### **ORGANISATIONAL SET UP:**

15.1 The Organization functions under overall cadre control of the Controller General of Accounts, Ministry of Finance, Department of Expenditure in respect of Gr. "A" & "B" officers. The Secretary of Department of Consumer Affairs is the Chief Accounting Authority who discharges his duties through and with the help of AS & FA and Chief Controller Accounts of the Department of Consumer Affairs.

The departmentalized payment and accounting organization of the Department of Consumer Affairs has four Pay and Accounts Offices located at New Delhi, Mumbai, Chennai and Kolkata besides one Principal Accounts Office located at New Delhi. The Chief Controller of Accounts is the Head of the payment and accounting organization in respect of Department of Consumer Affairs as well as Department of Food and Public Distribution, which too has 4 Pay and Accounts Offices located at New Delhi, Mumbai, Chennai and Kolkata.

#### FUNCTIONS & RESPONSIBILITY:-

15.2 The Payment and Accounting Organisation under the Chief Controller of Accounts is responsible for:-

- Arranging payments, through Pay and Accounts Offices and cheque drawing and disbursing officers of pay and allowances, provident fund claims ,office contingencies, miscellaneous payments, loans and advances to Government Servants and others as well as grants-in-aid. There are 8 PAO's, 2 CDDO & 40 Non-CDDO's in the Ministry of Consumer Affairs, Food and Public Distribution. The Non-CDDO's present their claims/bills to the accredited PAO's who issues cheque after scrutiny of the bills. The CDDO's are authorised to make payments for salaries and contingent claims after observing the relevant checks. The CDDOs issue cheques on the basis of Letter of Credit (LOC) issued in their favour by the concerned PAO's to the accredited bank branches.
- (ii) Issuance of Pension Payment Orders (PPO) in respect of retiring Government servants and payment of retirement benefits
- (iii) Supervision & Monitoring of Utilization Certificates.
- (iv) Maintenance of Loans and Grants in Aid to State Govt/PSU/Autonomous Bodies





- (v) Submission of information under FRBM Act-2003
- (vi) Technical Advices to Ministry/ Department/PSU/Autonomous Bodies
- (vii) Review of Expenditure under Modified Cash Management System
- (viii) The Internal Audit Unit is responsible for conducting the Inspection and internal audit of office of all the DDOs and other auditable units of the Departments of the Ministry.

The Principal Accounts Office of this Ministry generates periodic reports like the monthly accounts, Expenditure Statements, Plan Expenditure Review, Annual Accounts etc. The monthly accounts fulfill the need of day-to-day administration besides giving an over all picture of Receipts & Payments, Headwise Accounting Control besides, the annual accounts represent an accurate view of the financial stewardship of the Ministry during the year. The Principal Accounts Office compiles the monthly accounts submitted to it by the various PAOs through another software called "CONTACT". The consolidated account of the Ministry is sent to the Controller General of Accounts, Ministry of Finance for further consolidation of accounts of the Union of India. Several important reports are generated by using 'CONTACT'

In the **PAO's Offices**, 'COMPACT' software covers the major accounting tasks of the PAO's and supplies input through

E-lekha. It is designed and developed with an attempt to address all the Software System Attributes such as availability, portability, security and maintainability. The features of the software are:

- (i) It is at the lowest level of accounting and it provides information to the higher levels of accounting system for further processing.
- (ii) It covers all the major accounting and payment functions i.e. Pre Check, Budget, Compilation, GPF and Pension.
- (iii) It aims at generation of Monthly Consolidated Accounts data in the electronic format for incorporation of the Principal Accounts Offices in the CONTACT Software database.
- (iv) It provides various managerial reports for expenditure analysis like Expenditure Control Register, Receipts versus Expenditure comparison, Date wise Monthly Statement (DMS) etc.
- (v) It would help in preparation/printing of cheques to be issued by the PAOs.

**E-Lekha** is G2G e-governance initiatives. The scope of the COMPACT software is now extended to generate a daily closing accounting and administrative data sub set, which can be exported to a central data base server at the end of each day from



each PAO. As and when the data from each of the 300 odd PAOs are received at the Database server, this web-based application will facilitate an ONLINE Financial Information System for fact based fiscal management.

The Internal Audit is managed by three Audit Parties, two at Kolkata and one at Headquarters New Delhi under the overall control of Chief Controller of Account. The Internal Audit helps to decision maker in management of records, implementation of various financial & accounting manuals, pointing out financial irregularities & procedural lapses.

During the financial year 2010-11, 15 units came under the purview of Audit. Out of this 13 units were audited upto 31<sup>st</sup> December, 2010 and balance 02 units are being taken up for the conduction of audit inspection during the fourth quarter of the financial year 2010-11. In addition 6 Grants-in-aid institutions were identified as to be covered under audit. Out of this 02 units were audited upto 31<sup>st</sup> December, 2010 and balance 04 units will be audited in the fourth quarter of the financial year 2010-11.

A number of paras raised by audit resulted in recovery of over payment, non recoveries of Govt. dues from various Auditees/Authorities/Institution and infractuous/irregular expenditures.

# ACHIEVEMENTS (UP TO 31<sup>st</sup> December, 2010):

15.3. During the financial year 2010-11, 15 units came under the purview of Audit. Out of this 13 units were audited upto 31<sup>st</sup> December, 2010 and balance 02 units are being taken up for the conduction of audit inspection during the fourth quarter of the financial year 2010-11. In addition 6 Grants-in-aid institutions were identified as to be covered under audit. Out of this 02 units were audited upto 31<sup>st</sup> December, 2010 and balance 04 units will be audited in the fourth quarter of the financial year 2010-11.

- 1. The audits of Non-Government Organisation also being under taken by IA wing.
- 'Account at a glance' for the financial year 2008-09, Monthly Expenditure, sanctions regarding advices to state Govt. etc. are available on the Ministry web-sites.
- 39 Employees got trained under INGAF, 3 employees in ISTM, 2 officers in NIFM & Controller of Accounts got training in ICWAI.

#### SUMMARY OF AUDIT OBSERVATIONS

15.4 Action Taken Notes on the Outstanding Audit Reports of the C&AG

Position of ATNs in respect of Audit observations pertaining to the Department of Consumer Affairs (as on **31.12**.2010).



| Sl.<br>No.                                                       | Audit Report<br>No. & Year                                               | No. of Paras / PA<br>Reports on which                                                                                             | Details of the Paras / PA Reports on which<br>ATNs are pending.                                                                 |   |   |  |  |
|------------------------------------------------------------------|--------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|---|---|--|--|
| ATNs have been<br>submitted to PAC<br>after vetting by<br>Audit. | No. of ATNs<br>not sent by<br>the Ministry<br>even for the<br>first time | No. of ATNs<br>sent but<br>returned with<br>observations<br>and Audit is<br>awaiting their<br>resubmission<br>by the<br>Ministry. | No. of ATNs<br>which have<br>been finally<br>vetted by<br>Audit but<br>have not been<br>submitted by<br>the Ministry<br>to PAC. |   |   |  |  |
| 1                                                                | 14 of 2006                                                               | 19                                                                                                                                | 0                                                                                                                               | 0 | 0 |  |  |
| 2                                                                | CA13 of 2007                                                             | 0                                                                                                                                 | 2                                                                                                                               | 0 | 0 |  |  |
| 3                                                                | CA13 of 2007-08                                                          | 0                                                                                                                                 | 2                                                                                                                               | 0 | 0 |  |  |
| 4.                                                               | 1 of 2008-09                                                             | 0                                                                                                                                 | 1                                                                                                                               | 0 | 0 |  |  |
| 5                                                                | 23 of 2009-10                                                            | 0                                                                                                                                 | 3                                                                                                                               | 0 | 0 |  |  |

A summary of important audit observations on the Department, included in the C&AG's Reports mentioned at sl. nos. 2 to 5 above, are given below:-

#### 1. Audit Observation

While supplementary provision amounting to ₹6.77 crore was obtained during 2006-07 in anticipation of higher expenditure, the final expenditure was less than even the original grant / appropriation and there remained an unspent provision of ₹50.93 crore. The entire amount of unnecessary supplementary provision was indicative of deficient budgeting.

(Para 7.14 of Report no. CA 13 of 2007)

#### 2. Audit Observation

Scrutiny of the headwise appropriation accounts revealed that the ministries/

departments made excessive provisions under the various sub-heads based on unrealistic budgetary assumptions which ultimately resulted in large savings and surrenders at the end of the year constituting between 53 to 100 per cent of the budget provision..

(Para 7.16 of Report no. CA 13 of 2007)

#### 3. Audit Observation

Major part of disbursements on grant-inaid to States/UT Govts., capital outlay and investments were made in the month of March 2008 / during last quarter of the financial year. Since the funds released in March to various organisations cannot be constructively spent during the year, which closes on the last day of the same month / quarter, it is not possible to conclude whether these funds were applied during the same year for the



purpose for which they were authorized.

(Para 7.10 of Report no. CA 13 of 2007-08)

#### 4. Audit Observation

Scrutiny of the headwise appropriation accounts revealed that the ministries/ departments made excessive provisions under the various sub-heads based on unrealistic budgetary assumptions which ultimately resulted in large savings and surrenders at the end of the year constituting between 55 to 100 per cent of the budget provision.

(Para 8.16 of Report no. CA 13 of 2007-08)

#### 5. Audit Observation

A scrutiny of the appropriation accounts for the year 2008-09 revealed that a large no. of Ministries/Departments of the Central Government obtained supplementary grants / appropriations much in excess of the original provisions. The supplementary provisions ranged from 41 percent to **2585** percent of the original provisions in some of the cases. This indicated that the ministries and departments did not prepare estimates of expenditure on a realistic basis and that the mechanism of holding pre-budget meetings and scrutiny by Ministry of Finance for ensuring realistic budgetary projections did not have the desired effect.

(Para 8.17 of Report no. 1 of 2008-09)

#### 6. Audit Observation

Delay in presentation of audited accounts of central autonomous bodies before both the houses of Parliament.

(Para 1.2 of Report No.23 of 2009-10)

#### 7. Audit Observation

Utilisation Certificates. (Para 1.4 of Report No.23 of 2009-10)

#### 8. Audit Observation

Improper planning and ineffective monitoring by BIS resulted in infractuous expenditure of ₹55.04 lac

(Para 2.1 of Report No.23 of 2009-10)

#### Action taken by the Department

All the 8 Paras mentioned above were intimated by Audit recently as a result of reconciliation of pending ATNs. All these Paras have been circulated to the Divisions concerned for submitting draft ATNs. As replies/draft ATNs had not been received till end of December 2010 from most of the Divisions, hence it was decided to hold the 1<sup>st</sup> meeting of the Standing Audit Committee (SAC) under the chairmanship of Secretary (CA) on 4<sup>th</sup> January 2011 for reviewing these Paras and for impressing upon all concerned to expedite the replies / draft ATNs.



# Statement showing BE, RE and Actuals in respect of Department of Consumer Affairs for fiscal years 2000-2001 to 2010-2011

| (₹ in Crore) |                                   |                 |                  |              |                   |        |              |         |         |              |         |
|--------------|-----------------------------------|-----------------|------------------|--------------|-------------------|--------|--------------|---------|---------|--------------|---------|
| Year D       | Department                        | Dem-<br>and No. | Budget Estimates |              | Revised Estimates |        |              | Actuals |         |              |         |
|              |                                   |                 | Plan             | Non-<br>Plan | Total             | Plan   | Non-<br>Plan | Total   | Plan    | Non-<br>Plan | Total   |
| 2000-2001    | Department of<br>Consumer Affairs | 40              | 10.00            | 12.06        | 22.06             | 9.50   | 42.71        | 52.21   | 9.86    | 44.23        | 54.09   |
| 2001-2002    | Department of<br>Consumer Affairs | 36              | 8.50             | 37.55        | 46.05             | 10.77  | 63.24        | 74.01   | 9.24    | 60.90        | 70.14   |
| 2002-2003    | Department of<br>Consumer Affairs | 39              | 10.15            | 52.48        | 62.63             | 7.50   | 75.33        | 82.83   | 7.13    | 88.85        | 95.98   |
| 2003-2004    | Department of<br>Consumer Affairs | 18              | 9.67             | 24.76        | 34.43             | 9.67   | 32.98        | 42.65   | 8.24    | 34.85        | 43.09   |
| 2004-2005    | Department of<br>Consumer Affairs | 18              | 18.25            | 32.55        | 50.80             | 18.25  | 64.81        | 83.06   | 36.11   | 43.26        | 79.37   |
| 2005-2006    | Department of<br>Consumer Affairs | 17              | 107.94           | 56.90        | 164.84            | 90.00  | 59.89        | 149.89  | 86.09   | 34.04        | 120.13  |
| 2006-2007    | Department of<br>Consumer Affairs | 17              | 163.00           | 68.00        | 231.00            | 150.00 | 52.66        | 202.66  | 133.96  | 35.43        | 169.39  |
| 2007-2008    | Department of<br>Consumer Affairs | 17              | 213.00           | 57.24        | 270.24            | 150.00 | 54.35        | 204.35  | 105.83  | 36.68        | 142.51  |
| 2008-2009    | Department of<br>Consumer Affairs | 15              | 209.00           | 55.03        | 264.03            | 160.00 | 253.65       | 413.65  | 142.33  | 189.42       | 331.75  |
| 2009-2010    | Department of<br>Consumer Affairs | 16              | 209.00           | 271.90       | 480.90            | 164.00 | 264.86       | 428.86  | 146.23  | 231.52       | 377.75  |
| 2010-2011    | Department of<br>Consumer Affairs | 16              | 220.00           | 269.00       | 489.00            | 198.00 | 521.72       | 719.72  | 141.23* | 202.95*      | 344.18* |

All Non-Plan figures are gross.

\* Expenditure upto 31<sup>st</sup> December, 2010 as intimated by Pr. Accounts Office and includes the amount of ₹59.36 crores (Plan: ₹ 58.98 crores + Non-Plan ₹ 0.38 crores) authorized in favour of other Ministries/Departments.

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### **CHAPTER XVI**

#### SCHEMES FOR THE BENEFIT OF THE PERSONS WITH DISABILITIES

#### STATEMENT SHOWING THE NUMBER OF PERSONS WITH DISABILITIES **IN VARIOUS GROUPS**

(As on 31.12.2010)

16.1 Name of Ministry/ Department: Department of Consumer Affairs Office/Organization:

| Group of Post | Sanctioned<br>Strength | Total Number<br>of Employees in<br>position | Number of PH<br>employees – Out of<br>col. 3 |    |    |
|---------------|------------------------|---------------------------------------------|----------------------------------------------|----|----|
|               |                        |                                             | VH                                           | HH | OH |
| 1             | 2                      | 3                                           | 4                                            | 5  | 6  |
| Group A       | 222                    | 162                                         | 1                                            | -  | 1  |
| Group B       | 378                    | 234                                         | -                                            | -  | 3  |
| Group C       | 641                    | 536                                         | 3                                            | 6  | 9  |
| Total         | 1241                   | 932                                         | 4                                            | 6  | 13 |

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VH - Visually Handicapped

HH – Hearing Handicapped

OH - Orthopaedically Handicapped

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# "Consumers: Discharge Vour responsibilities, Assert Vour Rights"





Government of India MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION Department of Consumer Affairs, Krishi Bhawan, New Delhi-110114 Websites: www.fcamin.nic.in, www.core.nic.in

National Consumer Helpline Number: 1800-11-4000

