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

LOK SABHA UNSTARRED QUESTION NO.4304 TO BE ANSWERED ON 26TH MARCH, 2025

STRENGTHENING OF CONSUMER PROTECTIONS LAWS

4304. SMT. PRATIMA MONDAL:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the steps being taken by the Government to integrate digital technologies such as biometric authentication and smart ration cards into the PDS thereby ensuring greater accountability;

(b) the steps being taken by the Government to strengthen consumer protection laws in India to ensure that consumers receive safe, high-quality and fairly priced goods; and

(c) the manner in which the Government ensures adequate buffer stock management, preventing shortages of staple foodgrains like rice, wheat and pulses?

A N S W E R MINISTER OF STATE FOR MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRIMATI NIMUBEN JAYANTIBHAI BAMBHANIYA)

(a): As part of the technology driven Targeted Public Distribution System (TPDS) reforms, with the aim to improve the efficiency and reduce leakages in the TPDS, ration cards/beneficiaries database have been completely digitized (100%) in all States/UTs. At present, 5.41 lakh (99.6%) out of total 5.43 lakh Fair Price Shops (FPSs) have been automated by installing ePoS devices for the distribution of foodgrains in a transparent manner (electronically) through biometric/Aadhaar authentication of beneficiaries under the PDS system.

(b): Department of Consumer Affairs is continuously working for consumer protection and empowerment of consumers by enactment of progressive legislations. With a view to modernize the framework governing the consumer protection in the new era of globalization, technologies, e-commerce markets etc. Consumer Protection Act, 1986 was repealed and Consumer Protection Act, 2019 was enacted.

The Consumer Protection Act, 2019 provides for a three tier quasi-judicial machinery at District, State and Central levels commonly known as "Consumer Commissions" for protection of the rights of consumers and to provide simple and speedy redressal of consumer disputes including those related with unfair trade practices. The Consumer Commissions are empowered to give relief of a specific nature and award compensation to consumers, wherever appropriate.

Salient features of the new Consumer Protection Act, 2019 are establishment of a Central Consumer Protection Authority(CCPA); simplification of the adjudication process in the Consumer Commissions such as enhancing pecuniary jurisdiction of the Consumer Commissions, online filing of complaint from the Consumer Commission having jurisdiction over the place of work/residence of the consumer irrespective of the place of transaction, videoconferencing for hearing, deemed admissibility of complaints if admissibility is not decided within 21 days of filing; provision of product liability; penal provisions for manufacture/sale of adulterated products/spurious goods; provision for making rules for prevention of unfair trade practice in e-commerce and direct selling.

Under the provisions of the Consumer Protection Act, 2019, the Central Consumer Protection Authority (CCPA), an executive agency, came into existence on 24.07.2020. It is designed to intervene, to prevent consumer detriment arising from unfair trade practices and to initiate class action(s), including the enforcement of recalls, refunds and return of products. Its core mandate is to prevent and regulate false or misleading advertisements which are prejudicial to the public interest.

To safeguard consumers from unfair trade practices in e-commerce, the Department of Consumer Affairs has also notified the Consumer Protection (E-commerce) Rules, 2020 under the provisions of the Consumer Protection Act, 2019. These rules, inter-alia, outline the responsibilities of e-commerce entities and specify the liabilities of marketplace and inventory e-commerce entities, including provisions for consumer grievance redressal.

The CCPA has also notified the Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022 on 9th June, 2022. These guidelines inter-alia provide for; (a) conditions for an advertisement to be nonmisleading and valid; (b) certain stipulations in respect of bait advertisements and free claim advertisements; and, (c) duties of manufacturer, service provider, advertiser and advertising agency. These guidelines states that due diligence is required for endorsement of advertisements such that any endorsement in an advertisement must reflect the genuine, reasonably current opinion of the individual, group or organisation making such representation and must be based on adequate information about, or experience with, the identified goods, product or service and must not otherwise be deceptive.

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The CCPA issued the "Guidelines for Prevention and Regulation of Dark Patterns, 2023" on 30th November 2023. These guidelines address and regulate 13 specific dark patterns identified in the e-commerce sector, aiming to prevent deceptive practices that mislead consumers.

Further, Bureau of Indian Standards (BIS) introduced the framework on 'Online Consumer Reviews — Principles and Requirements for their Collection, Moderation, and Publication' on 23rd November 2022. This framework safeguards consumer interests by addressing fake and deceptive reviews in e-commerce. While the standards are voluntary, they apply to all online platforms that publish consumer reviews and are guided by principles such as integrity, accuracy, privacy, security, transparency, accessibility, and responsiveness."

This Department has formulated and issued a Quality Control Manual, in order to maintain the quality standards of foodgrains from procurement to its distribution to the eligible beneficiaries through various social security programmes of Government of India (GoI).

(c): Government of India (GoI) has revised the food grain stocking norms with effect from 22.01.2015 with the objectives to meet the prescribed minimum stocking norms for food security, to meet emergency situations arising out of unexpected crop failure, nature disasters etc and to ensure supply of foodgrains through the Targeted Public Distribution System (TPDS) and Other Welfare Schemes (OWS).

The total stock of foodgrains (Rice and Wheat) in the Central Pool as on 01.01.2025 is 475.03 Lakh MT as against the Foodgrains Stocking Norms of 214.10 lakh MT, which is sufficient to meet the requirement under TPDS and OWS.