



FOOD AND CONSUMER PROTECTION
(COOPERATION, FOOD AND CONSUMER
PROTECTION DEPARTMENT)

**POLICY NOTE
2014-2015**

DEMAND No. 13

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GOVERNMENT OF TAMIL NADU
2014

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POLICY NOTE

FOOD AND CONSUMER PROTECTION

INTRODUCTION

The **Honourable Chief Minister of Tamil Nadu** has consistently proclaimed; **“It is my dream that everybody in Tamil Nadu should get everything. My Government will ensure that the poor and downtrodden are provided with the necessary assistance to lead a decent and dignified life”**. In order to achieve this lofty goal, our State has been implementing the Universal Public Distribution System which assures food safety for all without any discrimination.

2. The Public Distribution System in Tamil Nadu is unique, since it is based on the choice of the people and covers all families either economically backward or forward without any discrimination between urban and rural population. Under Targeted Public Distribution System (TPDS) foodgrains supply is restricted to 75% of the rural population and 50% of the urban population. The National Food Security Act which emphasize TPDS will lead to deprivation of benefit to the larger section of the public.

3. Rising prices particularly of essential commodities is a matter of concern to this Government. To control the price of essential commodities like pulses, oil etc. special public distribution system is implemented to distribute toor dhal, urid dhal and palmolein oil at subsidized price to ration cardholders through PDS shops.

4. A price stabilization fund was established for market intervention with a corpus of Rs.100 crore. At times, when the prices of certain essential commodities fluctuate widely, this fund is utilized for the procurement of essential commodities from the production centres and distribution to the public at cost price.

5. Promotion of consumer welfare is the objective of the Government. The Government strives its level best to strengthen the legal remedies to the consumers.

6. Tamil Nadu Civil Supplies Corporation is procuring paddy from the farmers, essential commodities by calling for tenders and moves stocks to the godowns. The Government of Tamil Nadu has taken many initiatives to strengthen the storage facilities for storing foodgrains.

7. The monitoring system in the State of Tamil Nadu is vibrant and surveillance and enforcement system is very effective

CHAPTER 1

PUBLIC DISTRIBUTION SYSTEM

1.1 The Public Distribution System in Tamil Nadu has its unique feature that out of 33,973 fair price shops in the State, 31,863 fair price shops are run by the Cooperatives and 1,420 shops are run by the State owned Tamil Nadu Civil Supplies Corporation and 534 fair price shops run by women self help groups. Not a single fair price shop is in private hands in the State. Our Honourable Chief Minister recently ordered that to reach people living in remote and far-flung areas, distribution of essential commodities should be undertaken through Mobile Ration Shops. Thus the UPDS in Tamil Nadu functions efficiently and meets the high expectations of the people due to the reason that it has its strong Administrative Monitoring, Constant Vigilance and an effective Grievance Redressal Mechanism.

Family Cards

1.2 The criteria for drawal of essential commodities is dependent on the possession of family card and the proximity to the fair price shop. The issuance of family cards is based on option basis whereby all families, which prefer to draw rice under PDS have been issued Green Colour Cards and families which want only sugar or do not want any commodity have been issued with White Colour

Cards. White colour cardholders with sugar option are eligible for an additional quantity of 3 Kg. of sugar per month in lieu of rice. Issue of family cards to the eligible families is a continuous process.

AAY Family Cards

1.3 Government of India is implementing Antyodaya Anna Yojana Scheme based on the direction of Supreme Court of India. Even though Government of Tamil Nadu does not classify families into BPL and APL, based on the direction of Supreme Court of India, poorest of poor (Antyodaya) families have been identified and Antyodaya Anna Yojana (AAY) stampings are made in family cards issued to those families. The total number of Antyodaya Anna Yojana Scheme beneficiary households allotted to Tamil Nadu is 19,01,971. Elimination of ineligible families from the scope of Antyodaya Anna Yojana Scheme is carried out through periodic verification conducted by the District Collectors. Similarly, fresh list of poorest of the poor are identified and included under the Antyodaya Anna Yojana Scheme. Government is providing 35 kg of rice at no cost from 01.06.2011 under Antyodaya Anna Yojana Scheme thereby ensuring total food security to the poorest of the poor in the State.

Smart Card

1.4 Smart family cards are proposed to be issued in the place of existing family cards for which

it has been decided to utilise de-duplicated Biometric data of residents. The Director of Census Operations is preparing the National Population Register and towards this is engaged in capturing biometric parameters viz., 10 finger prints, iris image and photographs of residents to facilitate issue of unique identification number. After completion of the process of bio-metric capture, it is proposed to adopt the data for issue of smart family cards. The advantage in shifting over to smart cards would be that identification of duplication of members would be made easy due to the data being subjected to de-duplication, thus leading to elimination of bogus cards.

Issue of new Family Cards

1.5 From 1.6.2011 to 30.6.2014, **9,79,914** New family cards have been issued to eligible families. The process for issue of family cards has been expedited and the family cards for eligible cases are issued within a time frame of 60 days provided the application received is in complete shape and the details furnished are found to be correct. The weekly meetings at State level and at the district level, to review the issue and pendency in respect of family cards and directs proper follow up action to clear the pendency. Complete information on procedures for availing New Family Card is available in both Tamil and English in this Department's website www.consumer.tn.gov.in.

Elimination of Bogus Cards

1.6 During the above period, the process of identification and elimination of bogus cards has been intensified and from 1.6.2011 to 30.6.2014 2,85,717 cards have been identified as bogus and eliminated. The process of elimination of bogus cards is a continuous process.

No. of Cards

1.7 As on 30.06.2014, there were **1,98,24,905** family cards in circulation and the details are as under :-

| Type of Card | Commodities entitled | No. of Cards |
|-------------------------------------|-----------------------------|--------------------|
| Green Cards Rice Option Cards | All Commodities | 1,67,36,750 |
| AAY Cards | | 19,01,971 |
| | Total | 1,86,38,721 |
| White Cards / Sugar Option Cards | All Commodities except rice | 10,62,659 |
| No Commodity Card White Cards | No Commodity | 62,936 |
| | Total | 11,25,595 |
| Khaki Cards – (Police Cards) | All Commodities | 65,189 |
| Grand Total | | 1,98,29,505 |

Computerisation

1.8 At present, online Public Distribution System Allotment Software designed with the help of National Informatics Centre (NIC) has been put to effective use. This online system has enabled uniformity in compliance to allotment procedures by Taluk Supply Officer/ Assistant Commissioner of Civil Supplies who provide shop-wise allocation of commodities for distribution under Public Distribution System. This procedure provides substantial transparency in allocation of commodities and monitoring. This software is being updated from time to time to meet the updated requirements.

Fair Price Shops

1.9 The State Government endeavours to open fair price shops in places having easy access to the public. The District Administration have been empowered to open new fair price shops and propose reorganization of shops within the laid down norms namely ;In urban area shops to have a maximum 1000 cards and minimum of 800 cards and in rural areas the maximum cards strength be 800 and minimum should be 500. The fair price shops are located in such a way that no cardholder is required to walk more than 2 KMs for getting essential commodities. In case of law and order or for marginalised people the rule has been relaxed that where there are 150 families a part time fair

price shop can be opened and the distance between the existing shop and the habitation is within 1½ KMs. In respect of areas which are not easily accessible, the above said norms are further relaxed. Apart from this, in the interests of the Tribals and areas which are far flung, mobile ration shops are provided. As on 30.6.2014, 8,584 part time shops are in operation.

| Agency operating the shop | Full Time | Part Time | Total |
|---|---------------|--------------|---------------|
| Tamil Nadu Civil Supplies Corporation | 1,287 | 133 | 1,420 |
| Cooperatives (under RCS) | 23,482 | 8,381 | 31,863 |
| Other cooperatives | 133 | 19 | 152 |
| Women Fair Price Shops, including SHGs | 487 | 47 | 534 |
| Mobile Fair Price Shops run by Cooperatives | | 4 | 4 |
| Total | 25,389 | 8,584 | 33,973 |

Food Subsidy

1.10 Tamil Nadu is the only state where the food security of public is seriously considered and effective measures are taken to provide all the essential commodities either at no cost or at affordable cost.

1.11 In our State, rice is distributed at no cost and other essential commodities like sugar and kerosene are supplied at subsidised rates under Public Distribution System. Under Special Public Distribution System, Toor dhal, Urad dhal and Palmolein oil are distributed at subsidised rate. The Government is sanctioning significant amount as subsidy to Tamil Nadu Civil Supplies Corporation to implement this public welfare oriented scheme. During the financial year 2014-2015, the State Government have provided **Rs.5300 crore as subsidy for the implementation of Public Distribution System.** The commodity-wise break up of the subsidy provided is as under :-

| Commodities | 2014-15 Subsidy (Rs. in crore) |
|--------------------|---|
| Rice | 3184.00 |
| Sugar | 684.00 |
| Kerosene | 38.00 |
| Toor Dhall | 375.00 |
| Urad Dhall | 269.00 |
| Palmolein | 750.00 |
| Total | 5300.00 |

1.12 Tamil Nadu Civil Supplies Corporation (TNCSC), a Government of Tamil Nadu undertaking, is entrusted with the responsibility of lifting the required stocks of rice and other essential commodities from different agencies, storing them properly and distributing them to the Fair Price Shops for supply to the public. Rice and wheat are lifted from Food Corporation of India and stored at TNCSC godowns. Sugar is lifted from cooperative/private sugar mills and stored in the godowns. Under Special Public Distribution System, toor dhal, urad dhal and palmolein oil are procured directly from market through open tenders. The Tamil Nadu Civil Supplies Corporation has 340 operational godowns located all over the State and this enables proper storage of the goods procured for public distribution. Rice and wheat are lifted from Food Corporation of India godowns and transported to Tamil Nadu Civil Supplies Corporation godowns by transport contractors appointed for this purpose. Similar arrangement is followed by Cooperatives and they utilise their transport contractors for the purpose of transport of stocks from the godowns to the shops. In the case of kerosene, delivery is taken from the storage point of the wholesale dealers and moved to the Fair Price Shops.

1.13 Movement of commodities to fair price shops is regulated through pre-designated route charts to prevent diversion. Availability of sufficient stocks in fair price shops is monitored by District Collectors, officials of Civil Supplies Department, Revenue Department and Cooperative Department. Based on entitlements and after taking into account closing stock every month, net allotment is made online at the district level. Commodities are indented by agencies running the Fair Price Shops and taken delivery according to the sales and storage space in shops. Adequate availability of essential commodities in the Public Distribution System outlets at all time according to the need is ensured through proper monitoring.

1.14 Civil Supplies and Consumer Protection Department monitors the implementation of Public Distribution System by enforcing the provisions of Essential Commodities Act, 1955 and the control orders issued thereon. The administrative control is entrusted with the District Supply Officers in the districts and the Deputy Commissioners of Civil supplies at Chennai. The overall responsibility for the implementation of the Public Distribution System is vested with the District Collectors in respect of the districts and with the Joint Commissioner of Civil supplies in respect of Chennai.

Scale of Supply of Commodities

1.15 The level of supply of rice and other essential commodities through the Public Distribution System is set out below :-

| Name of the Commodity | Price per Kg / litre | Scale of Supply |
|-----------------------|------------------------------|---|
| Rice | Free of Cost | <ul style="list-style-type: none"> 4 Kg per adult and 2 Kg per child (12 years of age and below) per month, subject to a minimum of 12 kg and maximum of 20 kg per month per card except in 'The Nilgiris district. In 'The Nilgiris' district, minimum of 16 Kg and maximum of 24 Kg per card per month is supplied. Under AAY, 35 Kg per family per month is supplied. |
| Sugar | Rs. 13.50/- per Kg | 500 grams per head per month subject to a maximum of 2 kgs per card per month. Additional 3 kgs is supplied to sugar option card holders in lieu of rice. |
| Wheat | Rs. 7.50/- per kg | 10 kgs. per card per month in Chennai City and district headquarters and 5 kgs per card per month in other areas |
| Kerosene | Rs. 13.60 to 14.20 per Litre | Ranges from 3-15 litres per card depending upon the location and possession of LPG cylinders. |
| Toor dhal | Rs.30/- per kg | 1 kg per card |
| Urid dhal | Rs.30/- per kg | 1 kg per card |
| Palmolein oil | Rs.25/- per litre | 1 litre per card |

Rice

1.16 In Tamil Nadu under Government of India's decentralised procurement system, the Tamil Nadu Civil Supplies Corporation (TNCSC) is authorised to procure Paddy on behalf of Government of India. The TNCSC is procuring in Cauvery delta region and through Cooperatives in other districts. This year, NCCF is designated to procure paddy in other non-delta areas. The present monthly allotment of rice and the issue price of Food Corporation of India are as under :-

| category | Monthly allotment (In MTs) | Issue Price of FCI per kg |
|----------|----------------------------|---------------------------|
| AAY | 65,262 | Rs.3.00 |
| BPL | 1,04,936 | Rs.5.65 |
| APL | 1,26,255 | Rs.8.30 |

1.17 Under Antyodaya Anna Yojana Scheme, a quantity of 65,262 metric tonne of rice per month is allotted by the Government of India at a cost of Rs.3 per kg. The average monthly off take of rice under Public Distribution System as per entitlement including AAY is about 3.19 lakh metric tonne. Government of Tamil Nadu is fully utilizing allotments made under APL, BPL and AAY quota. Rice which is obtained from custom milling of paddy

procured is adjusted against the Central Pool allotment and utilised under Public Distribution System. Due to the increase in the open market price of rice, off take of rice under Public Distribution System is also on the increase. The difference between Government of India allotment of rice and monthly Public Distribution System off-take viz., 23,000 metric tonne, is being met from the FCI's Open Market Sales Scheme (OMSS) allotment of rice.

Wheat

1.18 The Government of India is allocating 13,783 metric tonne of wheat per month to Tamil Nadu under Targeted Public Distribution System for distribution to the cardholders at the rate of Rs.7.50 per kg.

Sugar

1.19 The Tamil Nadu Civil Supplies Corporation procures sugar at the open market rate through Tamil Nadu Co-operative Sugar Federation. The cardholders are supplied sugar at Rs.13.50 per kg. when the market rate prevailed around Rs.32/- to Rs.34/- per kg. Now the Government of India has suddenly withdrawn the sugar levy. Any price fluctuation over Rs.32 in the open market will have to be borne by the State Government. The average monthly quantity of sugar distributed to the cardholders is 35,761 metric tonne and the

Government of India is providing sugar subsidy of Rs.18.50 for 10,000 MTs only. The Government of Tamil Nadu provides yearly subsidy of Rs.684 crore towards the difference between the price of sugar procured in the open market at non-levy rate and the rate at which sugar is distributed under Public Distribution System

Kerosene

1.20 The supply of Public Distribution System Kerosene by the Government of India, which stood at 52,806 kilo litre per month during April 2011, has dwindled continually and the present level of allotment is 29,060 kilo litres. This allotment by Government of India amounts to 45% of the requirement of the State and the Government is taking adequate steps to maintain equitable and proper distribution with the available quantity of kerosene. The State Government has taken up the matter with Government of India and has requested to enhance the allotment to 65,140 kilo litres to ensure adequate distribution to the cardholders in the State.

1.21 Kerosene bunks with hand held billing machines have been provided throughout the State for the distribution of kerosene under Public Distribution System. There are 312 kerosene bunks out of which 269 bunks function under Co-operatives and the remaining 43 function under Tamil Nadu Civil Supplies Corporation. A kerosene

bunk usually serves 5,000 to 15,000 family cards. Distribution through bunks ensures assured availability of stock throughout the month, besides ensuring supply of kerosene to family cardholders in correct measure.

Special Public Distribution System

1.22 The Government, with the intention of protecting the public from the harmful effect of spiraling price of essential commodities and as a measure of controlling the rising price in the open market, have introduced the Special Public Distribution System. Through this initiative, toor dhal, urad dhal and palmolein oil are being supplied to the family cardholders at subsidized prices. Under Special Public Distribution System, 13,461 metric tonnes of toor dhal, 9,000 metric tonnes of urad dhal and 16,708 kilo litres of palmolein oil are being distributed to the cardholders.

Distribution of Pongal Gift Hamper

1.23 The Hon'ble Chief Minister has ordered for the distribution of Pongal Gift Hampers to the rice cardholders. A gift hamper comprising 1 kg of raw rice, 1 kg of sugar and a cash assistance of Rs.100 for purchase of other items worth about Rs.152/- per gift hamper was distributed to all the rice option card holders, Sri Lankan Tamils and Police Card holders for celebrating the Pongal

festival in a befitting manner. Government has incurred an expenditure of Rs.281 crore for this scheme.

Bulk supply of rice to Mosques

1.24 Government of Tamil Nadu which has great concern for the welfare of minorities, had issued orders on 09.11.2001 for the bulk supply of rice to mosques for the preparation of 'KANJI' (broth) in the holy month of Ramalan. Accordingly, permits for bulk supply of rice are being issued for Mosques. Islamists have unanimously welcomed this gesture.

As in the previous years, this year too, based on the request from Islamists for the supply of rice to Mosques, Hon'ble Chief Minister have given orders for the issue of permits for bulk supply of rice to Mosques so that they can get rice without difficulty for the preparation of 'KANJI' in the holy month of Ramalan. District Collectors have been advised to store adequate quantity of rice for the issue of the permit for bulk supply of rice. 3,000 Mosques in the State will benefit and 4,000 metric tonnes of rice is being issued to Mosques through this bulk supply order.

Complaints Redressal

1.25 This Government takes every effort to provide quality service to the cardholders and towards realising this objective, the Government has activated the grievance redressal mechanism of Public Distribution System. Complaints pertaining to Public Distribution System are received by the Chief Minister's Grievance Cell, office of Minister for Food and other offices of the Food Department and the complaints so received are forwarded to the Deputy Commissioners / Assistant Commissioners and District Supply Officer / Taluk Supply Officer for immediate action and furnishing reply to the complainant. Apart from this, facilities have been provided in Civil Supplies and Consumer Protection Department's website www.consumer@tn.gov.in to register the complaints online and these complaints are taken up for redressal immediately. During the period from 01.06.2011 to 30.06.2014, a total of 2,30,883 complaints were registered on the website, out of which 2,20,070 have been disposed properly. Further, a cardholder can access the details of allotments of concerned Fair Price Shop every month through e-mail by registering the e-mail address and the details of the respective Fair Price Shop.

Social Audit

1.26 The monitoring system in the State of Tamil Nadu is vibrant as the allotment, off take, number of card holders etc. of each FPS are placed before the Grama Sabhas for social audit twice a year, i.e., on Independence Day and Gandhi Jayanthi Day.

CHAPTER 2

PRICE CONTROL INITIATIVES

2.1 The adverse increase in the price of food commodities has a direct bearing on the lives of poor and downtrodden. The undue increase in the price of essential commodities proves to be a road block in achieving the objective of food security for all. The reason for increase in prices is mainly attributed to crop specific demand and supply mismatch, coupled with panicky reaction to shortage. This Government keeps a close watch on the upward trend in the price level of various essential commodities and take constructive steps to protect the under privileged from the adverse effects of the price rise.

2.2 At the office of the Commissioner of Civil Supplies and Consumer Protection, a Price Monitoring Cell is functioning and keep a watch on the open market prices of essential commodities and apprise the Government for appropriate action. A State Level Monitoring Committee to monitor the price situation has been constituted by the Government, and is functioning under the Chairmanship of Honourable Minister for Food with Chief Secretary, Principal Secretary (Co-operation, Food and Consumer Protection), Principal

Secretary (Finance), Principal Secretary (Agriculture), Commissioner of Civil Supplies and Consumer Protection Department, Registrar of Cooperative Societies, Commissioner of Agriculture, Managing Director, Tamil Nadu Civil Supplies Corporation, Director, Agricultural Marketing and Trade, Special Officer (PMC), Office of the Commissioner of Civil Supplies and Consumer Protection, General Manager, Food Corporation of India and three members from voluntary Consumer Organisations as members of the committee. This committee continually reviews the price trend of various commodities including vegetables and suggests measures to control the rise in price.

2.3 The Government has constituted a price stabilisation fund with Rs.50 crore as corpus and the **Government has enhanced the corpus of the “Price Stabilisation Fund” to Rs.100 crore.** This fund is meant for extending interest free financial support to the Co-operatives for intervening effectively in the market by identifying commodities that are prone to abnormal price fluctuations from season to season, and to procure and sell them through co-operative retail outlets and Amudham Departmental Stores at cost price to the public.

Important initiatives

2.4 Some of the important initiatives taken by the Government to control the rise in prices are as under :-

- An amount of Rs.5.20 crore was allotted from the Price Stabilization Fund as revolving fund at the rate of Rs.10 lakh per Farm Fresh Consumer Outlet. Further, Rs.1.50 crore was sanctioned from the Price Stabilization Fund for 30 Farm Fresh Consumer Outlets in Chennai city as additional interest free working capital assistance at the rate of Rs.5 lakh per outlet. As on 02.07.2014, 37,14,189 kgs of vegetables were sold for a total value of Rs. 10,31,48,104 through these Farm Fresh Consumer Outlets. The price of vegetables has been on the increase and the Government with the intention to control the price of vegetables, have opened 52 Farm Fresh Consumer Outlets out of which 40 in Chennai city, 10 in Coimbatore and 2 are Mobile Farm Fresh Consumer Outlets.
- In order to control the spiraling rise in the selling price of onion at Rs.100/- at all India level last year, onion was procured from Lasalgaon, Bimbalkhan districts of Maharashtra and from other States and sold at Rs.20/- to Rs.50/- per kg through the Farm

Fresh Consumer Outlets in Tamil Nadu, thus providing relief to the public from the unprecedented hike in the price of onion.

- When there was a steep increase in the price of tamarind and chillies, these commodities were procured from production centres using the Price Stabilization Fund and sold through the retail outlets at reasonable rates. An amount of Rs.3.30 crore has been utilised for the procurement of 600 metric tonnes of Tamarind at the rate of Rs.55/- per kg from the wholesale market of Salem, Dharmapuri and Krishnagiri and to sell it through the retail outlets run by the Co-operatives/ Tamil Nadu Civil Supplies Corporation.
- Registrar of Co-operative Societies was permitted to purchase Toor Dhall and Bengal Gram from places where the above commodities are cheaper in India for sale to the public at reasonable rate.
- Rs.3 crore was sanctioned for the procurement of 1000 MT of rice from West Bengal and to sell through selective shops. The rice so procured is being sold at Rs.25/- per kg for fine variety Swarna BR-IR 36 at Rs.31/- per kg for BR-Minikit. As a result of this initiative, the price of rice in open market was brought under control.

- This Government has taken necessary steps to protect the farmers from distress sale by directly procuring their produce. Tamil Nadu Co-operative Marketing Federation (TANFED) procured sambar onion from Perambalur area and turmeric and copra from Erode area ensuring remunerative prices to the farmers.
- To control the rise in price of rice, one lakh metric tonne of rice was offloaded in the open market for sales at Rs.20/- per kg through Amudham Departmental Stores run by the Tamil Nadu Civil Supplies Corporation and retail outlets run by the Co-operative wholesale stores as well as through the special outlets and in the District Head Quarters, Corporation and Town Panchayats based on the need.

Foreign Direct Investment (FDI)

2.5 The Hon'ble Chief Minister requested the Hon'ble Prime Minister to withdraw the decision to allow 51% FDI in multi-brand retailing in view of the overwhelming public interest involved. This Government is determined not to allow Foreign Direct Investment in retail trade in the State, which will in no way be helpful either in bringing down the price level or in improving the investment climate.

CHAPTER 3

CONSUMER PROTECTION

3.1 Consumer Protection is ensured by the Government through several initiatives. The customers range from highly educated and wealthy to totally illiterate and impoverished. The needs of different layers of customers are to be addressed through suitable mechanisms. The Government seeks to ensure the availability of goods and services through appropriate consumer protection policy. This includes the identification of unfair trade practices and putting in place regulatory measures to prevent exploitation of gullible consumers and thereby enable consumers to reach higher states of well-being. The Government is determined to assure the consumers that they get real value for their money and do not get deceived. This is sought to be achieved by (i) creating awareness among the consumers about their rights and responsibilities and (ii) setting in place efficient redressal mechanism.

Legal Redressal of Consumer grievances

3.2 Under the Consumer Protection Act, 1986 a three tier quasi-judicial machinery at the National, State and District level are established as under :

- National Consumer Disputes Redressal Commission

- State Consumer Disputes Redressal Commission and
- District Consumer Disputes Redressal Fora

National Consumer Disputes Redressal Commission

3.3 The National Consumer Disputes Redressal Commission is the apex quasi-judicial body functioning at New Delhi. It has original jurisdiction of cases dealing with monetary value of over Rs.1 crore. The National Commission also has the appellate jurisdiction and also revisional jurisdiction over the State Consumer Disputes Redressal Commissions functioning in the country.

State Consumer Disputes Redressal Commission

3.4 The State Consumer Disputes Redressal Commission deals with disputes involving cost of goods or the sum of compensation asked for is more than Rs.20 lakhs but less than Rs.1 crore. The State Commission is headed by a retired High Court Judge as the Presiding Officer with two Judicial Members and two non-judicial Members, one of whom is a female Member. On the administrative side, there is a Registrar, in the cadre of District Judge, for dealing with the administrative matters of the State Commission as

well as that of thirty District Fora. The State Commission is the appellate authority and revisional authority for all the District Fora in the State. Since inception of the State Commission, 25,550 cases have been filed out of which 23,233 cases have been disposed upto June 2014, amounting to 90.93% clearance.

3.5 Honourable Chief Minister of Tamil Nadu has inaugurated the Circuit Bench of State Commission at Madurai for the welfare of 13 Southern Districts on the lines of Hon'ble Madurai Bench of Madras High Court for the speedy disposal of cases within the period of 3 months as envisaged under Consumer Protection Act, 1986 and also for the convenience of consumers in the Southern Districts to get justice at lesser expense.

District Consumer Disputes Redressal Fora

3.6 The District Consumer Disputes Redressal forum deals with disputes upto a value of Rs.20 lakh. As per Consumer Protection Act, 1986, every Revenue District should have a District Consumer Disputes Redressal Forum. The District Consumer Disputes Redressal Forum is a quasi-judicial body functioning in thirty districts in the State where a consumer can file the complaint before the District Forum in the respective district, provided the cost of goods or compensation demanded does not exceed Rs.20 lakhs. Each District Forum consists of a Presiding officer in the

rank of a retired District Judge with two members, one of whom is a female member. Since inception of the District fora, 1,07,540 cases have been filed out of which 1,00,647 cases have been disposed upto June 2014, amounting to 93.59% clearance.

Strengthening of Consumer Redressal Fora

3.7 The Government is taking every effort to strengthen the Consumer Redressal Fora and the Honourable Chief Minister of Tamil Nadu has inaugurated the own building to the State Consumer Disputes Redressal Commission, Chennai and District Consumer Disputes Redressal Fora, Chennai (South), Chennai (North) on 24.02.2014. The construction work for the buildings of DCDRF, Krishnagiri, Namakkal and Srivilliputhur are under progress.

3.8 At present, 25 independent District Fora and 5 combined District Fora viz., Villupuram, Ramanathapuram, Tuticorin, Pudukkottai, and Thiruvannamalai are functioning in the State of Tamil Nadu. Steps are being taken to establish independent District Fora in all the above 5 Districts and to establish independent District Forum in the newly formed Districts viz., Tiruppur, Ariyalur & Dharmapuri District in future. Moreover, steps are being taken to dispose the consumer complaints within a period of 3 months as envisaged in the Consumer Protection Act, 1986 and this will be achieved in the near future.

Tamil Nadu State Society for Consumer Protection and Empowerment (TANSSCOPE)

3.9 The Government have constituted Tamil Nadu State Society for Consumer Protection and Empowerment (TANSSCOPE) to take up various consumer welfare activities. The Commissioner of Civil Supplies and Consumer Protection is the Ex-officio President with members from both Government and non-Government sector. The Society raises funds from State Government, Government of India and national and international agencies for undertaking consumer protection and awareness activities. The society is engaged in running the State Consumer Helpline (SCHL) and Consumer Advice Centre. Besides, the society is publishing the monthly journal "Nugarvor Kavagam" and conducting training programmes and workshops.

State Consumer Help Line

3.10 The Government have set up a State Consumer Help Line in the office of Commissioner of Civil Supplies and Consumer Protection. Government of India have provided grant-in-aid of Rs. 84,39,848/- for the past three years for this purpose. A consumer can make complaints and seek clarifications through this helpline and this helpline will endeavour to provide remedy or give clarification by contacting the seller. The service is

available both in Tamil and English and can be contacted on the following e mail address :

| Telephone No. | E-Mail address | Online Registration |
|---------------|--|--|
| 044-28592828 | schtamilnadu@gmail.com consumer@tn.gov.in | www.consumer.tn.gov.in |

Grievances Redressal Cell

3.11 To monitor, review and speed up the disposal of complaints relating to Public Distribution System, a Grievances Redressal Cell has been established separately within the State Consumer Helpline by expanding its services. The Cell receives the complaints from the consumers through SMS and provides redressal by contacting concerned officials. This cell can be approached for getting information and enquiries regarding consumer rights and protection. SMS based Grievances Redressal System was launched on 15.12.2011 with the following telephone numbers:-

| Sl. No. | Mobile Number to Send SMS |
|---------|---------------------------|
| 1 | 86 8001 8002 |
| 2 | 86 8002 8003 |
| 3 | 72 0001 8001 |
| 4 | 72 0004 8002 |

Citizen Consumer Clubs

3.12 Formation of Citizen Consumer Clubs is actively encouraged in all schools, colleges and polytechnics to enable the students to develop as resource groups in consumer movement. Citizen Consumer Clubs have been established in 1000 schools and 1000 colleges in the state with financial assistance of Rs.2.75 crore.

Tamil Nadu State Consumer Welfare Fund

3.13 The Government have constituted the Tamil Nadu State Consumer Welfare Fund with contribution from State and Central Government as seed money at the rate of Rs.50 lakh each. The amount collected by means of fine and fees by State Consumer Disputes Redressal Commission and District Consumer Fora are also being credited to this fund. The proceeds of this fund are utilized to promote consumer education and research as per the provisions of Tamil Nadu State Consumer Welfare Fund Rules 2007. To strengthen this fund, Government have proposed to set up a corpus of Rs.10 crore with contribution from central and state Government in the ratio of 75:25. The State Government have sanctioned Rs.2.50 crore as State Share.

“Tamil Nadu Nugarvor Kavasam” - A Monthly Magazine on Consumer Awareness

3.14 To educate consumers about their rights in general and particularly about the laws, standards, rules and codes, a monthly magazine “Tamil Nadu Nugarvor Kavasam” is being published and distributed to all Government Offices, Voluntary Consumer Organizations and Public Libraries in the state. It has been registered with Registrar of Newspapers of India and is priced at Rs.10/- per copy. At present it has a subscriber base of 8,500.

CHAPTER 4

TAMIL NADU CIVIL SUPPLIES CORPORATION

4.1 The Tamil Nadu Civil Supplies Corporation (TNCSC) is a 'No profit No loss' Public Sector Undertaking of Government of Tamilnadu. The Corporation is entrusted with the responsibilities of procurement, storage and distribution of essential commodities under the Public Distribution System. This Corporation is also engaged in supplying essential commodities to Noon Meal Programme, Old Age Pension Scheme, Amma Unavagam run by the local bodies and to the welfare hostels and institutions. The Tamil Nadu Civil Supplies Corporation also resorts to market intervention activities to control the rise in the open market prices. Besides, the Corporation provides logistic support for implementing the Government's flagship scheme of distribution of fan, mixie, grinder and induction stove.

4.2 The Corporation has 33 regions, one in each District and two in Chennai city, headed by Senior Regional Managers/ Regional Managers in the cadre of District Revenue Officers/ Deputy Collectors. There are 8,522 regular employees on the roll. In addition, 7,175 loadmen are working in the godowns and Modern Rice Mills.

Public Distribution System

4.3 Tamil Nadu Civil Supplies Corporation procures, stores and distributes essential commodities such as Rice, Sugar, Wheat etc. The distribution of the commodities to the public is effected through Public Distribution System either at free of cost or at subsidised rates fixed by the Government of Tamil Nadu.

ACTIVITIES

Procurement of Paddy

4.4 The Tamil Nadu Civil Supplies Corporation is the agency which is nominated by the Government of India to procure paddy in Tamil Nadu under decentralized procurement system on behalf of Food Corporation of India with effect from 01.10.2002.

Incentive

4.5 The Government of Tamil Nadu has allowed an incentive of Rs.70/- for Grade 'A' variety and Rs.50/- for common variety of paddy over and above the Minimum Support Price announced by the Government of India.

Custom Milled Rice scheme

4.6 The paddy procured from the farmers is hulled and converted into rice through 23 Modern Rice Mills owned by the Tamil Nadu Civil Supplies Corporation and around 450 Private Rice Mills. The Corporation utilises the hulled rice for Public Distribution System by way of adjustment against central pool allotment. The Government of India releases subsidy based on the economic cost fixed by them for the rice adjusted against central pool allotment.

Direct Purchase Centre

4.7 During the Kharif Marketing Season (KMS)-2013-2014, 1,486 Direct Purchase Centres were operated by Tamil Nadu Civil Supplies Corporation, out of which 1,077 Direct Purchase Centres were opened in the Delta Districts of Thanjavur, Tiruvarur and Nagapattinam. Out of 1,077 Direct Purchase Centres, only 291 Nos. of Direct Purchase Centres are functioning in the owned buildings. The remaining 1,195 Direct Purchase Centres are functioning in private/ rental building.

Modern Rice Mill

4.8 The Corporation has 23 Modern Rice Mills in 12 regions of Tamil Nadu. The hulling capacity of these mills is 47,000 MT. per month.

The paddy procured is released to the Corporation owned Modern Rice Mills on priority basis. Out of the 23 Modern Rice Mills, 7 Mills were modernised at a cost of Rs.26.27 crore and brought to good condition. During the year 2013-14, 7 more rice mills have been taken up for modernisation at a cost of Rs.32.60 crore. During the year 2014-15, the remaining 9 rice mills are to be taken up for modernisation at a cost of Rs.36 crore.

Amudham Departmental Stores

4.9 The Tamil Nadu Civil Supplies Corporation is running 'Amudham Departmental Store' since 1976, These stores sell essential commodities including groceries at reasonable prices. At present out of 22 Amudham Departmental Stores in the State, 19 Stores are in Chennai and the remaining 3 stores are functioning in Cuddalore.

4.10 The annual turnover of Amudham Departmental Stores from the year 2011-12 to the year 2013-14 is as under :

| Sl. No. | Year | Turn over (Rs. in crores) |
|---------|---------|---------------------------|
| 1. | 2011-12 | 35.48 |
| 2. | 2012-13 | 36.23 |
| 3. | 2013-14 | 51.59 |

4.11 The Tamil Nadu Civil Supplies Corporation, in addition to running Amudham Departmental Stores, is also operating Petrol/diesel Bunks and is into LPG distribution: -

| | | Turn over (Rs in crores) |
|-----------------------|--|--------------------------------|
| LPG Distribution | 5-(Trichy, Tiruvannamalai, The Nilgiris and Ramanathapuram districts) | 20.75 |
| Petrol / Diesel Bunks | 3-(Neyveli, Cuddalore, Tirupattur (Vellore) and Pattukottai (Thanjavur)) | 2.47 |

Monitoring

4.12 In order to ensure prompt movement and to prevent diversion of essential commodities during movement from FCI depots to TNCSC godowns and fair price shops, the following monitoring system have been evolved.

- Activities of all godowns have been computerised .

- Global Positioning System based lorry tracking is in operation to track the movement of Public Distribution System Commodities from FCI Depot to TNCSC godowns.
- In Krishnagiri and Tiruvallur Districts, Vehicle Tracking System (VTS) is implemented with an object to track the movement of vehicles and ensure proper delivery of essential commodities without diversion.
- Stock position of fair price shops is monitored through web application for which data is collected through SMS.

Distribution of rice under public distribution system

4.13 The Government of Tamil Nadu ordered for the supply of rice to the Family Card holders at no cost from 1.6.2011.

4.14 The Tamil Nadu Civil Supplies Corporation is lifting the rice meant for APL, BPL and AAY besides Open Market Sales Scheme rice. The average off-take of rice per month is 3.19 lakh metric tonnes.

Supply of commodities under Special Public Distribution System

4.15 Special Public Distribution System is being implemented in the State in order to control the rise in prices of pulses and edible oil. The Honourable Chief Minister of Tamil Nadu has extended this scheme upto 30.09.2014. Accordingly, Tamil Nadu Civil Supplies Corporation procures and distributes Toor Dhall, Urid Dhall and Fortified RBD Palmolein Oil through Public Distribution System outlets to the public at the rates fixed by the Government of Tamil Nadu. The details of the monthly allocation are as under :-

| | |
|-------------------------|---|
| Toor Dhall | - 13,461 MT. |
| Urid Dhall | - 9,000 MT. |
| Fortified Palmolein Oil | - 1.67 Crore Pouches (one liter pouch) |

Supply of cement

4.16 Tamil Nadu Civil Supplies Corporation is engaged in the distribution of cement to control the escalation of price of cement in the open market. Under this arrangement, 50 bags of cement for repair and maintenance of house and 600 bags of cement for construction of house not exceeding 1500 Sq.ft. are distributed to the poor and middle class family at Rs.200/- per bag (50 Kgs.)

OotyTea

4.17 The Government of Tamilnadu launched the sale of Ooty Tea to the general Public through Amudham Departmental Stores and Fair Price shops from 20.07.2001. The monthly average off take of Ooty tea by Tamil Nadu Civil Supplies Corporation is 40 metric tonnes.

Movement of commodities to retail outlets

4.18 In General, the essential commodities are moved to the retail shops as follows:-

- 60% on par with previous month's allotment to be moved from 25th of preceding month to 5th of the current month.
- Balance 40% to be moved on receipt of allotment orders of current month and before 20th of current month.

4.19 The movement of commodities to shops to **be completed on or before 20th** of the month concerned. The leftover quantity to a particular shop due to unforeseen reasons if any, will be moved to the shop concerned after getting prior permission.

Construction activities

4.20 Tamil Nadu Civil Supplies Corporation is in possession of 340 godowns with a capacity 12.07 lakh metric tonne, out of which 217 godowns with a capacity of 7.5 lakh metric tonne are owned by Tamil Nadu Civil supplies Corporation and the remaining are hired from Tamil Nadu Warehousing Corporation / Central Warehousing Corporation / Private depending upon need. The Hon'ble Chief Minister has ordered for construction of godowns with a capacity of 4,33,500 metric tonnes. Besides, modernised silos with a capacity of 50,000 metric tonne are proposed to be constructed at a cost of Rs.58.48 crore.

SPECIAL SCHEME

Free distribution of electric fans, mixies and grinders

4.21 The Government, have introduced the distribution of the package of one electric fan, one mixie and one grinder to women of each family holding rice option family cards, as a measure of relieve to women from domestic drudgery and to improve the quality of their lives. In the hilly areas such as Nilgiris District and Kodaikanal area of Dindigul District, induction stoves are being distributed in lieu of electric fans.

4.22 Tamil Nadu Civil Supplies Corporation is procuring fan, mixie and grinders as per the provisions contained in the Tamil Nadu Transparency in Tenders Act 1998 and Rules 2000 for the implementation of Government's flagship scheme of distributing Fan, Mixie and Grinder to the women beneficiaries having rice cards.

Financial resource

4.23 The present authorised capital of the Company is Rs.70 crore and the paid up share capital is Rs.59.86 crores.

CHAPTER 5

TAMIL NADU WAREHOUSING CORPORATION

5.1 The Tamil Nadu Warehousing Corporation was established under the Agricultural Produce (Development and Warehousing) Corporation Act, 1956, which was subsequently replaced by Warehousing Corporation Act, 1962. The Tamil Nadu Warehousing Corporation commenced its activities with effect from 2nd May 1958.

The main activity of the Corporation is to provide scientific storage facilities to farmers and the trading community so as to avoid storage losses.

5.2 The Tamil Nadu Warehousing Corporation functions with its Head Office at Chennai and with seven Regional Offices ie., at Cuddalore, Dindugul, Kancheepuram, Mettupalayam, Salem, Tiruchy, and Tirunelveli.

Functions

1. The Corporation is operating 58 Warehouses in the State.
2. With a view to reduce storage losses, the Corporation constructs its own storage godowns at specified places after conducting a detailed market survey.

3. The Corporation provides negotiable warehouse receipts to benefits farmers and traders who may secure credit facilities from banks on the basis of such receipts.
4. It provides handling and transport facilities through contractors to meet the requirements of the stock depositors, and
5. The Corporation provides pest control services.

Rebates on Storage Charges

5.3 Tamil Nadu Warehousing Corporation is extending rebate to the following Government / Public Sector Undertakings / Warehouse users on storage charge tariff.

| Name of Warehouse user | Commodity | % of Rebate allowed |
|--|---|----------------------------|
| Farmers | Food grains | 30% |
| Tamil Nadu Civil Supplies Corporation | Food grains | 30% |
| Tamil Nadu Text Book Society | Text Book | 25% |
| District Collectors/ Tahsildars | Free Mixie, Grinder and Fan | 20% |
| Election Commission | Ballot Boxes | 20% |
| Cooperative Sugar Mills | Sugar | 10% |
| Cooperative Stores | Essential Commodities | 10% |
| Co-Operative Societies / Co-optex / TANFED / NAFED etc., | Copra, Maize and other commodities, Free dhoties and sarees | 10% |
| Tamil Nadu State Marketing Corporation (TASMAC) | Liquor items | 5% |

Negotiable Warehouse Receipts:

5.4 The farmers / traders are utilizing the warehouses of Tamil Nadu Warehousing Corporation availing 30% rebate on storage charges at Arni, Tindivanam, Vridhachalam, Kallakurichi, Pattukottai, Pudukkottai, Tiruppur, Palladam, Avinasi, Pollachi, Karaikudi, Rajapalayam, Sankarankoil, Nanjikottai and Namakkal. The farmers/ traders are also availing 75% loan on the value of the agricultural produces at 7% interest from the Nationalised Banks through Negotiable Warehouse Receipts.

5.5 During 2013-2014, various depositors have availed Rs.184 crore of loan from various banks by pledging 2,575 Negotiable Warehouse Receipts.

Improvement on storage capacity

5.6 As on 31.3.2013, the Tamil Nadu Warehousing Corporation owns godown space of 6.48 lakh metric tonne capacity. Tamil Nadu Warehousing Corporation have increased the storage capacity by constructing additional godowns with a capacity of 40,000 metric tonnes under Private Entrepreneur Godowns (PEG) Scheme at Aruppukottai, Karaikudi, Kovilpatti, Madhurantakam and Chinnasalem and put into use. Similarly, godowns with a capacity of 16,000 metric

tonne have been constructed at Attur, Krishnagiri, Vellore, Manamadurai and Batlagundu are also put to use. With these additional facilities, the total storage capacity of godowns is increased to 7.04 lakh metric tonne.

5.7 Tamil Nadu Warehousing Corporation have identified lands at the following places for construction of new godowns:-

| Sl. No. | Name of Location | Capacity in metric tonnes |
|---------|----------------------|---------------------------|
| 1. | Dharmapuri | 20,000 |
| 2. | Salem (Omalur) | 15,000 |
| 3. | Karur | 10,000 |
| 4. | Ramanathapuram | 15,000 |
| 5. | Cuddalore | 10,000 |
| 6. | Theni | 10,000 |
| 7. | Tirunelveli (Muthur) | 25,000 |
| 8. | Musiri | 10,000 |
| 9. | Ranipet | 10,000 |
| | Total | 1,25,000 |

Capital

5.8 The authorized Share Capital of the Corporation is Rs.8 crore. The paid up Share Capital is Rs.7.61 crore. The State Government and the Central Warehousing Corporation are the two share holders on 50:50 basis.

Performance

5.9 The Corporation earned profit of Rs.905.79 lakh for the year of 2012-13. During the year 2012-13, the total income of the Corporation is Rs.4,050.47 lakh. It is expected that the income for the year 2013-14 may be around Rs.5,000 lakh and the profit may be around Rs.1,900 lakh.

Dividend

5.10 The Corporation has declared 20% dividend (Rs.152.20 lakh) to the shareholders for the year 2012-13. The net profit of the corporation for the year 2012-13 is Rs. 630.37 lakh.

Training

5.11 During the financial year 2012-13, employees were deputed for various trainings in Institutions like Indian Grain Management Research Institute, Hyderabad, Central Warehousing

Corporation, New Delhi and Anna Institute of Management, Chennai.

Corporate Social Responsibility (CSR)

5.12 The Tamil Nadu Warehousing Corporation has commenced its activities under Corporate Social Responsibility Scheme. As per Corporate Social Responsibility policy of the Corporation, an amount equivalent to 2% of budgeted profit of the year has been earmarked and during the year 2012-13 the corporation has allocated Rs.11.00 lakh as Corporate Social Responsibility Fund for undertaking the Corporate Social Responsibility activities.

Warehousing Development and Regulatory Authority Act, 2007.

5.13 The Tamil Nadu Warehousing Corporation has created awareness among the farmers about the benefits under the Warehousing Development and Regulatory Authority Act, 2007 and the attendant benefits. The warehouses of Tamil Nadu Warehousing Corporation at Theni, Avinashi, Arani, Rajapalayam, Tiruppur and Sankarankoil were selected for Cash Award/ Shield by the Warehousing Development and Regulatory Authority on all India level basis based on the following yardsticks.

- Number and value of the Negotiable Warehouse Receipts (NWR) issued by the

Warehouse managers during the period from April 2011 to March 2013.

- Amount of loan and number of Negotiable Warehouse Receipts financed by various banks.
- Maximum quantity of agricultural produce deposited by the farmers in the registered warehouses of Tamil Nadu Warehousing Corporation.

| Warehouse Location | Capacity (in MT) | Value of stock (Rs. in crore) | No. of Warehouse Receipts issued | No. of Warehouse Receipts pledged | Loan availed (Rs. in crore) |
|--------------------------|------------------|-------------------------------|----------------------------------|-----------------------------------|-----------------------------|
| First Prize | | | | | |
| Theni | 9,000 | 23.00 | 512 | 398 | 15.00 |
| Second Prize | | | | | |
| Avinashi | 11,000 | 58.00 | 288 | 218 | 32.40 |
| Third Prize | | | | | |
| Arani | 12,400 | 11.31 | 209 | 209 | 10.40 |
| Consolation Prize | | | | | |
| Rajapalayam | 7,400 | 13.36 | 104 | 104 | 10.50 |
| Sankarankoil | 3,000 | 4.51 | 86 | 69 | 1.82 |

CHAPTER 6

ENFORCEMENT

6.1 Public Distribution System involves direct connect with the public and is being implemented with heavy subsidy provided by the Government. The successful implementation of this scheme requires effective and vigilant monitoring of all the activities. This is ensured by the Government with the vigilance set up functioning in the office of the Commissioner of Civil Supplies and Consumer Protection and the Civil Supplies-CID functioning under senior police personnel in the cadre of Additional Director General of Police.

Civil Supplies CID

6.2 The Civil Supplies CID wing which is headed by an officer of the rank of Additional Director General of Police is assisted by one Inspector General of Police and two Superintendents of Police one each at Chennai and Madurai. Further, four Deputy Superintendents of Police are working with headquarters at Chennai, Trichy, Coimbatore and Madurai.

6.3. To curb the smuggling of essential commodities, 12 new Civil Supplies-CID units comprising 74 police personnel have been created in Kancheepuram, Villupuram, Dharmapuri,

Namakkal, Karur, The Nilgiris, Perambalur, Ariyalur, Pudukkottai, Tiruvarur, Sivagangai and Ramanathapuram Districts at an expenditure of Rs. 4.25 Crore. At present in 32 Districts, 33 Civil Supplies-CID Units are functioning. From 2012 onwards, five flying squads headed by one Sub Inspector of Police with five Grade-II Police Constables are functioning in the five border districts of Kanyakumari, Coimbatore, Tirunelveli, Krishnagiri and Vellore. Besides, check posts have been established in four places at Pollachi, three places at Coimbatore and thirty four places at Kuzhithurai.

Duties and responsibilities

6.4 Civil Supplies CID is entrusted with the responsibility of enforcing the Essential Commodities Act, 1955 and several Central and State Control Orders made thereon and the Prevention of Black Marketing and Maintenance of Supplies of Essential Commodities Act, 1980. Conducting regular vehicle checks to prevent the smuggling of essential commodities, ensuring smooth distribution of kerosene, petroleum products, palmolein, rice and other essential commodities and inspection to prevent malpractices are the responsibilities of the Civil Supplies CID.

Anti smuggling activities

6.5 Intensive special raids have been conducted, especially in border areas of the neighbouring states. During such raids, vehicles smuggling Public Distribution System rice were seized and prosecution initiated against the offenders. From 16.05.2011 to 30.06.2014, 563 persons were taken into preventive detention under the Prevention of Black Marketing and Maintenance of Supplies of Essential Commodities Act, 1980 and lodged in the prisons. The photographs of notorious rice smugglers were taken and displayed in the border areas of the state as a measure of precaution.

Improved Remuneration

6.6 The Government have extended the scheme of extra time remuneration to the police personnel of the Civil Supplies CID to the tune of Rs. 22.75 lakh per annum. Further, it has been ordered to increase the amount for document work related to the preventive detention from Rs. 3,000/- to Rs. 8,000/- per detention.

Seizure

6.7 In order to curb smuggling of Public Distribution System rice from Tamil Nadu to other states, raids were organized in the trains running from Tamil Nadu to Andhra Pradesh and Karnataka.

So far, 537 cases were registered, 843 accused were arrested and 1645.25 quintals of Public Distribution System Rice were seized. The officers of Civil Supplies-CID are also stationed on the borders. The Civil Supplies–CID personnel regularly interact with the police officers of Kerala, Karnataka and Andhra Pradesh for curbing smuggling of commodities meant for Public Distribution System.

6.8 According to the Essential Commodities Act, the confiscated vehicles should be released to the owner after collecting the vehicle's current market value as fine. But upto 2012, the market value of the smuggled goods in the vehicle was taken into account and that amount was collected as fine. This amount was always very meagre. Since February 2013, based on the advice of the **Hon'ble Chief Minister**, the vehicle's current value is being assessed and fine amount not exceeding the market value is collected as fine from the smugglers of rice meant for Public Distribution System. This stringent action has resulted in the reduction of smuggling of rice meant for Public Distribution System and eventually the off take of rice for Public Distribution System rice dropped gradually and significantly.

Enforcement Activities by the Commissioner of Civil Supplies and Consumer Protection

6.9 The Commissioner of Civil Supplies and Consumer Protection is also engaged in the enforcement activities and is assisted by the Assistant Commissioner of Civil Supplies (Inspection) and a Flying Squad Superintendent. At the district level, the District Collectors coordinate the enforcement activities for effective functioning of Public Distribution System. In Chennai, the Deputy Commissioners of Civil Supplies (North and South) coordinate the enforcement activities.

6.10 Flying squads are functioning in each district under the control of the District Collectors to maintain vigil on the functioning of the Public Distribution System and to eliminate diversion of essential commodities. To make the flying squads more effective vehicles were provided. All Tahsildars of flying squad have been provided with mobile phones with a monthly ceiling of Rs.800/- for collecting intelligence information and to organize raids. All District Supply Officers and Taluk Supply Officers have been provided with mobile phones for better enforcement. The performance of the flying squad is being reviewed periodically to make it more effective.

6.11 To strengthen the monitoring mechanism and improve the functioning of the Public Distribution System, Advisory Committees have been constituted under the chairmanship of District Collector at district level and under the chairmanship of Revenue Divisional Officers at Revenue Divisional level. Peoples' representatives and representatives of Voluntary Consumer Organizations are included as members.

6.12 Tamil Nadu Civil Supplies Corporation has a Vigilance Cell headed by an Additional Registrar/ Vigilance Cell Officer whose responsibility is to collect intelligence on diversion of commodities meant for Public Distribution System from Tamil Nadu Civil Supplies Corporation godowns, during transit from Food Corporation of India Godowns to Tamil Nadu Civil Supplies Corporation godowns and during transit from Tamil Nadu Civil Supplies Corporation godowns to fair price shops. The vigilance team conducts surprise raids in Tamil Nadu Civil Supplies Corporation godowns, hulling mills performing custom milling and Tamil Nadu Civil Supplies Corporation Fair Price Shops and initiates necessary action against the offenders.

Additional Measures for Effective Enforcement

- Control rooms have been established in all districts including Chennai to receive information on diversion of commodities meant for Public Distribution System. The public are made aware of the phone numbers of the control rooms.
- A reward scheme with cash award of Rs.1,000/- to the informants for every information leading to seizure is implemented. Similarly, a reward scheme with a cash award of Rs.250/- for informants for each input that leads to identification and cancellation of bogus cards is implemented.
- Action is being taken for cancellation of vehicle permit and driving licence of offenders and drivers involved in smuggling of commodities meant for Public Distribution System.
- Special raids have been organized to curb black-marketing of subsidized domestic LPG cylinders.
- Licences of hulling agents of Tamil Nadu Civil Supplies Corporation indulging in malpractices are cancelled/ black listed.

6.13 The performance details of the enforcement activities undertaken from 16.05.2011 to 30.06.2014 is as follows:-

| Particulars | 2011 - 2014 (16.05.2011 to 30.06.2014) | | | |
|--------------------------|---|--------------|----------------|-------|
| Total Cases Detected | 27,501 | | | |
| Commodities Seized | Cases | Qty. | Value (Rs.) | |
| a). PDS Rice (Qtls.) | 12,867 | 34,844.15 | 1,96,86,944.75 | |
| b). PDS Kerosene (Ltrs.) | 3047 | 1,91,288 | 28,69,320 | |
| c). LPG Cylinder (Nos.) | 10,951 | 15,488 | 1,39,39,200 | |
| d). Others (Value) | 577 | | 5,18,46,386 | |
| Total Value (Rs.) | 8,83,41,850.75 | | | |
| No. of Persons Arrested | 17,809 | | | |
| No. of Vehicles Seized | 2 wheeler | 3 wheeler | 4 Wheeler | Total |
| | 2,588 | 262 | 1,233 | 4,083 |
| No. of Persons Detained | 563 | | | |

CHAPTER 7

DETAILS OF SCHEMES SANCTIONED UNDER

PART-II SCHEME FOR THE YEAR 2014-15

| (Rs. in lakh) | | | |
|---------------|---|---------------|------------------|
| Sl. No. | Name of the Scheme | Total cost | Cost for 2014-15 |
| 1 | Tamil Nadu Civil Supplies Corporation Providing Automation facility to Tamil Nadu Civil Supplies Corporation Godown at Karumathampatti village in Bulur Taluk of Coimbatore District. | 100.00 | 100.00 |
| 2. | State Consumer Disputes Redressal Commission (SCDRC) Constitution of new District Forum for the newly formed District at Tiruppur (Construction of building) | 5.83 | 5.83 |
| Total | | 105.83 | 105.83 |

Conclusion

The Food Department endeavours to ensure food security for all the people in Tamil Nadu and to protect them from the bane of rising prices, thus realising the vision of the **Hon'ble Chief Minister** to make Tamil Nadu the ***numero uno*** State in the country. With the Hon'ble Chief Minister's guidance and support, we will scale greater heights.

R. KAMARAJ
MINISTER FOR FOOD

ANNEXURE

ALLOTMENT FOR THE YEAR 2013-2014

(Rs. in thousand)

| Department | Revenue | Capital | Loan | Total |
|---|-------------|-----------|------|--------------|
| Commissionerate of Civil Supplies and Consumer Protection | 5,427,77,11 | 524,50,02 | ---- | 15,952,27,14 |
| State Consumer Disputes Redressal Commission | 8,89,53 | 5,84 | --- | 8,95,37 |