



## Chapter - 17 Food, Civil Supplies and Consumer Affairs

The Ministry of Consumer Affairs, Food and Public Distribution comprises two departments: the Department of Food and Public Distribution and the Department of Consumer Affairs (DCA).

### Department of Consumer Affairs (DCA):

- Responsibilities include internal trade, Essential Commodities Act, Prevention of Black Marketing and Maintenance of Supply of Essential Commodities Act, regulation of packaged commodities, legal metrology training, and consumer cooperatives.

### Department of Food and Public Distribution:

- Manages the nation's food economy, focusing on ensuring food security through timely procurement and distribution of foodgrains.

### **Consumer Affairs**

- India has been a pioneer in consumer advocacy since the enactment of the Consumer Protection Act in 1986 and the establishment of the DCA in 1997.
- Aims to empower consumers, ensure fair outcomes, and facilitate grievance redressal.

### Consumer Awareness

- Nationwide multimedia awareness campaigns have been conducted since 2005 under "Jago Grahak Jago" to educate consumers on their rights and responsibilities.
- Joint campaigns with related government departments/organizations address diverse consumer issues through various media channels.

### Consumer Welfare Fund

- Established in 1992 under the Central Excise and Salt Act, 1944 amendment.
- Funded by unclaimed central excise revenues, it promotes and protects consumer welfare, awareness, and voluntary consumer movements, especially in rural areas.
- Eligible organizations engaged in consumer welfare activities can receive financial assistance from the fund.

### Consumer Protection Act, 1986

- **Legislative Framework:** Provided a framework to safeguard consumer interests.
- **Dispute Resolution Mechanism:**
  - Established a three-tier quasi-judicial consumer dispute redressal machinery at national, state, and district levels.
  - Aimed at providing simple, speedy, and affordable redressal to consumers.

### Consumer Protection Act, 2019

- **Objectives:**

- Empower consumers and protect their rights.
- Introduce swift and less time-consuming dispute resolution compared to the 1986 Act.
- **Central Consumer Protection Authority (CCPA):**
  - Established to promote, protect, and enforce consumer rights.
  - **Empowered to:**
    - Conduct investigations into consumer rights violations.
    - Institute complaints/prosecutions.
    - Order recall of unsafe goods and services.
    - Discontinue unfair trade practices and misleading advertisements.
    - Impose penalties on violators of misleading advertisements.

### Unified Mobile Application for New-Age Governance (UMANG) App

- **Initiative:** Key under Digital India programme.
- **Objective:** Develop a unified platform and mobile app for accessing government services.
- **Features:**
  - Integrates major government services across sectors like agriculture, education, health, and housing.
  - Enables access to e-Government services from central, state, and local bodies.
  - Aims to simplify user experience by providing a single point of access for various government services.
- **National Consumer Helpline:** Included for consumer assistance.

### Bureau of Indian Standards (BIS)

- **Establishment:** Set up in 2017 under the Bureau of Indian Standards (BIS) Act 2016.
- **Activities:**
  - Standards formulation.
  - Product certification.
  - Management system certification.
  - Hallmarking.
- **Headquarters:** New Delhi.
- **Evolution:** Succeeded the Indian Standards Institution (ISI) established in 1947.
- **Regulations:** Bureau of Indian Standards Rules notified in 2017.

### **Food and Public Distribution**

The primary objective of the Department of Food & Public Distribution is to ensure food security for the country through efficient procurement at Minimum Support Price (MSP), storage and distribution of food grains; ensuring availability of foodgrains sugar and edible oils through appropriate policy instruments; including maintenance of buffer stocks of foodgrains; making foodgrains accessible at reasonable prices, especially to the weaker and vulnerable sections of society under a Targeted Public Distribution System (TPDS).

#### Procurement of Foodgrains:

- Food Corporation of India (FCI), is a statutory body under the Ministry of Consumer Affairs, Food and Public Distribution, formed by the enactment of Food Corporation Act 1964.
  - FCI, with the help of state government agencies, procures wheat, paddy and coarse grains in various states in order to provide price support to the farmers.
- Before each Rabi/Kharif crop season, the central government announces the Minimum Support Prices (MSP), based on the recommendations of Commission for Agricultural Costs and Prices (CACP), which takes into consideration the cost of various agricultural inputs and the reasonable margin for the farmers for their produce.

#### National Food Security Act, 2013 (NFSA):

- In order to further strengthen the commitment to food security of the people, the Government of India enacted the National Food Security Act, 2013 (NFSA), which came into force in 2013.

- The Act aims to provide for food and nutritional security in the human life cycle approach, by ensuring access to adequate quantities of quality food at affordable prices to people to live with dignity.
- The Act provides for coverage of up to 75% of the rural population and up to 50% of the urban for receiving subsidised food-grains under **Targeted Public Distribution System**.
- This coverage for receiving highly subsidised food-grains is under two categories—households covered under the Antyodaya Anna Yojana (AAY) and the remaining households as Priority households.
  - AAY was launched in 2000 to provide focus on food security to the poorest of the poor. Such households are entitled under the Act to receive 35 kg. of food-grains per household per month, at 1/2/3 per kg for coarse grains/wheat/rice.

### **Continuation of free Food-grains under PMGKAY:**

- The government has decided to provide free food-grains to about 81.35 crore beneficiaries under the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) for a period of five years from January, 2024.
  - This historic decision places PMGKAY amongst the world's biggest social welfare schemes aimed at ensuring food and nutrition security.
- Ensuring food security at this scale during Amrit Kaal would play a pivotal role in dedicating efforts towards building an aspirational and developed India.
- Free food-grains (rice, wheat and coarse grains/millets) will provide nation-wide uniformity in delivery of food-grains free of cost in all states/UTs through a network of over 5 lakh Fair Price Shops under a common logo.
  - It will also enable ease of living, in terms of allowing beneficiaries to lift free of cost food-grains from any fair price shop in the country under the ONORC-One Nation One Ration Card- initiative.
  - This initiative is of enormous benefit for migrants, facilitating both intra and inter- state portability of entitlements as part of technology-based reforms under Digital India.

### **Other Welfare Schemes:**

- **PM POSHAN Scheme**
  - The erstwhile Meal Scheme now PM POSHAN scheme is implemented by the Ministry of Education.
    - The Scheme covers students of primary and upper primary classes in the government schools/schools aided by government and the schools run by local bodies.
  - Food-grains are supplied free-of-cost at 100 grams for stage and at 150 grams for upper primary stage per child per school day where cooked/processed hot meal is being served or 3 kgs per student per month where raw food-grains are distributed
- **Wheat Based Nutrition Programme**
  - Implemented by the Ministry of Women and Child Development, foodgrains allotted under this scheme are utilised by the states/UTs under Integrated Child Development Services (ICDS) scheme for providing nutritious/energy food to children in the age group of 0-6 years and expectant/lactating women.
- **Scheme for Adolescent Girls**
  - The Ministry of Women and Child Development administers the scheme at the central level. However, food-grains for the Scheme are allotted by the Department of Food and Public Distribution at BPL rates to the Ministry of Women and Child Development.
  - The SABLA scheme was launched in 2010 by merging two schemes namely, Nutrition Programme and Adolescent Girls (NPAG) and Kishori Shakti Yojana (KSY) into a single scheme.
  - The Scheme aims at empowering adolescent girls of 11-18 years by improving their nutritional and health status and upgrading various skills useful to them.

### **Warehousing Development and Regulatory Authority**

The Warehousing Development and Regulatory Authority (WDRA) was constituted in 2010 as per the

provisions of the Warehousing (Development and Regulation) Act, 2007. The role of the WDRA is summed up as follows:

- regulation and development of the warehousing sector;
- registration of to enable them to issue Negotiable Warehouse Receipts (NWRs);
- building fiduciary trust of banks in negotiable warehouse receipts to enable farmers / depositors to seek loans from the banks against the pledge of commodity stored;
- encouragement of scientific warehousing of goods;
- help farmers to avoid distress sale of agriculture produce during peak marketing season, etc.

The WDRA has prescribed minimum requirements of infrastructure, financial securities, standard operating procedure and other regulatory compliances of warehouses for registration so that the commodities may be scientifically stored in these warehouses.

- It registers only those warehouses which propose to issue negotiable warehouse receipts and meet the minimum norms prescribed by the WDRA and have all required facilities for safe storage of commodities.
- The Authority has notified 136 agricultural commodities including cereals, pulses, Oilseeds, spices, vegetables oils, edible nuts and other commodities like rubber, tobacco, tea, coffee, makhana (fox nut), etc., 24 other horticulture commodities such as potato, dehydrated onion, garlic, ginger, turmeric, apple, resins and 9 non-agricultural commodities including aluminium, copper, zinc, steel and other commodities for issuance of NWRs.

## **Export and Import of Food-grains**

### **Export Policy of Rice and Wheat**

- The government has allowed free export of non-basmati rice by private parties from privately held stocks from 2011. State Trading Enterprises (STEs) including M/s NCCF and NAFED are also permitted to export privately held stocks on non-basmati rice. Export of wheat was also allowed from the same year. Export of non-basmati rice and wheat is permitted through Custom EDI ports. Export is also permitted through the non-EDI Land Custom Stations (LCS) on Indo-Bangladesh and Indo-Nepal Border subject to registration of quantity with DGFT. Export of rice of seed quality and other [rice in husk (paddy or rough) other than seed quality] is permitted under licence.

### **Sugar**

#### **▪ Sugar Production**

- India is the second largest producer of sugar in the world after Brazil and is also the largest consumer. Today, the Indian sugar industry's annual output is worth approximately 1 crore.

### **Export of Sugar**

- Sugar is an essential commodity. Its sales, delivery from mills, and distribution were regulated under EC Act, 1955. Till 1997, the exports of sugar were being carried out under the provisions of the Sugar Export Promotion Act, 1958.
- Through an Ordinance, the act was repealed in 1997 and thus the export of sugar was decanalised under which the export of sugar was being carried out through the Agricultural and Processed Food Products Export Development Authority (APEDA), under the Ministry of Commerce and Industry. Thereafter, the sugar export was undertaken by the various sugar mills/merchant exporters, after obtaining the export release orders from the Directorate of Sugar.

### **Ethanol Blending Petrol Programme**

- Ethanol is an agro-based product, which is used for blending with petrol as fuel and many other industrial uses including manufacturing hand sanitizers.
  - It is produced from a by-product of the sugar industry, namely sugarcane juice, molasses as well as starchy food grains.

- The Government is encouraging sugar mills to divert excess sugarcane to ethanol. Government has achieved a target of 10% blending of fuel grade ethanol with petrol by 2022 and fixed the target of 20% blending by 2025.

### **Edible Oils**

- Edible oils and fats are essential ingredients for a wholesome and balanced diet and are vital items of mass consumption.
- **International Cooperation:** India is associated with a number of international agencies working in the field of food-related matters. These include World Food Programme (WFP), SAARC Food Bank, Food and Agricultural Organisation (FAO), International Grains Council (IGC) and International Sugar Organisation (ISO) etc.

### **Agricultural and Processed Food Products Export Development Authority**

- The Agricultural and Processed Food Products Export Development Authority (APEDA) was established by the Government of India under the Agricultural and processed Food Products Export Development Authority Act, 1985.
  - The Authority replaced the Processed Food Export Promotion Council (PFEPCC).
- **Its functions include:**
  - Development of industries relating to the scheduled products for export by way of providing financial assistance or otherwise for undertaking surveys and feasibility studies, participation in enquiry capital through joint ventures and other reliefs and subsidy schemes;
  - Registration of persons as exporters of the scheduled products on payment of such fees as may be prescribed; fixing of standards and specifications for the scheduled products for the purpose of exports;
  - Inspection of meat and meat products in slaughterhouses, processing plants, storage premises, conveyances or other places where such products are kept or handled for the purpose of ensuring the quality of such products;
  - Promotion of export oriented production and development of the Scheduled products;
  - Training in various aspects of the industries connected with the scheduled products; etc.
- **APEDA is mandated with the responsibility of export promotion and development of the following scheduled products:** fruits, vegetables and their products; meat and meat products; poultry and poultry products; dairy products; confectionery, biscuits and bakery products; honey, jaggery and sugar products; cocoa and its products, chocolates of all kinds ; alcoholic and non-alcoholic beverages; cereal and cereal products; groundnuts, peanuts and walnuts; pickles, papads and chutneys; guar gum; floriculture and floriculture products; herbal and medicinal plants.
  - **Basmati Rice has been included in the Second Schedule of APEDA Act.** In addition to this, the Authority has been entrusted with the responsibility of monitoring the import of sugar as well.

### **Food Processing Industries**

The Ministry of Food Processing Industries was set up in 1988, to give an impetus to development of the food processing sector in the country. It is concerned with formulation and implementation of the policies for the food processing industries within the overall national priorities and objectives.

#### **Contribution of the Food Processing Sector**

- Over the years agricultural production in the country has consistently recorded higher output. India ranks third in cereals, first in pulses, second in vegetable and in fruit primary, first in milk, third in eggs primary, etc., in World Agriculture in 2018.

#### **Pradhan Mantri Kisan SAMPADA Yojana (PMKSY)**

- Pradhan Mantri Kisan SAMPADA Yojana - a Central Sector umbrella scheme was approved for implementation for the period 2016-20 (extended to 2020-21) and is a comprehensive package aimed at creation of modern infrastructure with efficient supply chain management from farm gate

to retail outlet.

- Under constituent component schemes of PMKSY, the Ministry provides mostly credit-linked grants-in-aid depending on the type of projects and location thereof.
  - Component Schemes of PMKSY have been restructured for implementation during 15th Finance Commission with total outlay of Rs. 4,600 crore.
- **The scheme has been formulated with three broad components —**
  - Incentivising manufacturing of four major food product segments viz., ready-to-cook/ready-to-eat (RTC/ RTE) including millet- based foods, processed fruits and vegetables, marine products and Mozzarella cheese **(Category-I)**
  - Incentivising innovative/ organic products of SMEs across all these four major food product segments including free range - eggs, poultry meat and egg products **(Category-II)**
  - Support for branding and marketing abroad to incentivize the emergence of strong Indian brands **(Category-III)**

### **Pradhan Mantri Formalisation of Micro Food Enterprises (PM- FME) Scheme**

- As part of Aatmanirbhar Bharat Abhiyaan, MoFPI is implementing PMFME scheme- an all India centrally sponsored scheme for providing financial, technical and business support for upgradation of existing micro food processing enterprises.
- It is to be implemented for a period of five years from 2020-21 to 2024-25. The Scheme adopts **One District One Product (ODOP)** approach to reap the benefit of scale in terms of procurement of inputs, availing common services and marketing of products.

### **Production Linked Incentive Scheme**

- MOFPI has launched a new central sector scheme namely **Production Linked Incentive (PLI) Scheme for the sector in 2021**. It is to be implemented for a period of six years from 2021-22 to 2026-27.
- The objective of the scheme is to support the creation of global food manufacturing champions; promote Indian brands of products; increase employment opportunities for farm jobs, ensure remunerative prices of farm produce and higher income to farmers.

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