



GOVERNMENT OF KERALA

Abstract

FOOD, CIVIL SUPPLIES AND CONSUMER AFFAIRS DEPARTMENT—CONSUMER AFFAIRS—
DEVELOPMENT OF CONSUMER MOVEMENT IN KERALA—ESTABLISHMENT OF STATE
CONSUMER WELFARE FUND FOR THE STATE OF KERALA—ORDERS ISSUED

FOOD, CIVIL SUPPLIES AND CONSUMER AFFAIRS (CA) DEPARTMENT

G. O. (P) No. 9/07/F, CS & CA. Dated, Thiruvananthapuram, 7th March, 2007.

- Read:—*1. Government of India D. O. letter No. 0-12011/10/2003-CWF/7445 dated 19-9-2003.
2. Government of India D. O. letter No. 0-12011/10/2003-CWF-1 dated 27-2-2004.
3. Government of India D. O. letter No. 0-12011/10/2003-CWF dated 20-6-2005.
4. Government Notification in (MS) No. 37/2005/F,CS & CA dated 8-12-2005.

ORDER

The Constitution of the Consumer Welfare Fund by the Central Government has played a pivotal role in the development of Consumer movement in the Country. Financial assistance from the Consumer Welfare Fund, established in 1992, is given by the Central Government to any registered *agency/organization or village/mandal/samithi and State Government for undertaking Consumer Protection/Consumer Welfare activities.* Government of India directives in the matter is to give further impetus to the voluntary efforts for strengthening the movement.

(2) Since the funds at the Central level may not be able to cater to all the increasing demands, Government of India, vide their letter read as first paper above, have directed the State Governments/Union Territories to consider setting up of similar consumer welfare funds at State/Union territories level so that voluntary efforts for promoting Consume Movement can be strengthened through financial support. Earlier the seed money fixed by the Central Government for setting up of State Consumer Welfare Fund was in the ratio of 1:10 (Centre : State) and the seed money has been enhanced in the ratio of 50:50 (Centre : State) as per the letter read as second paper above.

3. Government of Kerala accords high priority to the programmes of Consumer Protection and Awareness. The Consumer Awareness in Kerala has gained momentum during the last few years, as a result of which, consumers at large have become more vigilant about their grievances. Government have taken several initiatives for the welfare of the consumers. However, the level of awareness among the general public especially at grass-root level, about the schemes and measures adopted for their welfare, is grossly inadequate. This prevents the consumers from taking full advantage of the rights and benefits available to them. There is an urgent need to undertake concerted efforts, through Voluntary Consumer Organizations and other agencies for generating awareness among all sections of people including the rural areas and to empower the voluntary consumer movement in general.

4. The State Government has set apart an amount of Rs. 15 lakhs in the current financial year's budget towards Consumer Welfare Fund. The contribution of Government of India also will be Rs. 15 lakhs. To empower the Voluntary Consumer Movement and also in the light of the Central Government efforts/directives the Government of Kerala hereby constitute the State Consumer Welfare Fund for the development of Consumer movement in the State subject to the conditons that no additional posts shall be created for the time being for the implementation of the Scheme and without any additional financial support from the State Government. The rules governing the fund are given in the annexure to this order.

5. The Government will issue necessary orders for opening a Special Treasury Savings Bank Account in the name of the Chairman (Secretary, Food, Civil Supplies and Consumer Affairs Department) of the Committee under the Kerala Consumer Welfare Fund 2007 so as to enable to credit the current year's Budget provision of Rs. 30 lakhs as funds for State Consumer Welfare Fund.

By order of the Governor,

M. A. MOHAN,
Additional Secretary.

To

- The Secretary to Government of India—Ministry of Consumer Affairs, Food and Public Distribution, Krishi Bhavan, New Delhi-110 001.
- The Principal Accountant General (Audit), Kerala, Thiruvananthapuram.
- The Accountant General (A&E), Kerala, Thiruvananthapuram.
(This issues with the concurrence of Finance Department.)
- The Joint Secretary to Government of India—Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs), Krishi Bhavan, New Delhi-110 001).
- The Principal Secretary to Government, Finance Department.
- The Principal Secretary to Government, Local Self Government (Rural) Department.
- The Principal Secretary to Government, Local Self Government (Urban) Department.
- The Principal Secretary to Government, Higher Education Department.
- The Principal Secretary to Government, General Education Department.
- The Commissioner of Civil Supplies, Thiruvananthapuram.
- The Director of Public Relations, Thiruvananthapuram.
- The Director of Civil Supplies, Thiruvananthapuram.
- The Registrar and Secretary, Consumer Disputes Redressal Commission, Thiruvananthapuram.
- All District Collectors.
- The Finance Department (Vide U. O. Note No. 94406/AWB1/06/Fin. dated 22-1-2007 and 13437/AWB 1/07/Fin. dated 7-3-2007).
- The Law Department (Vide U. O. Note No. 5905/Leg-B2/06/Law dated 21-3-2006).
- The Private Secretary to Minister for Food, Civil Supplies and Consumer Affairs Department.
- The P. A. to the Secretary, Food, Civil Supplies and Consumer Affairs Department.
- The C. A. to the Additional Secretary, Food, Civil Supplies and Consumer Affairs Department.
- The Food, Civil Supplies & Consumer Affairs (A, B, C, D & P) Department.
- The Stock File/Office Copy.
- Copy to: General Administration (SC) Department.

ANNEXURE

RULES GOVERNING STATE CONSUMER WELFARE FUND 2007

1. *Short title and commencement.*—(1) The Fund may be called the Kerala Consumer Welfare Fund, 2007.

(2) It shall come into force on the date of this order.

2. *Definitions.*—For the purpose of this order, unless the context otherwise requires,—

(a) “Applicant” means any agency/organisation engaged in consumer protection/welfare activities and registered for a period of three years under the Companies Act, 1956 (1 of 1956) or under any other law for the time being in force, including Village/Panchayat/Municipal/Corporation level co-operative of consumers especially of woman, Scheduled Castes and Scheduled Tribes, or State Government run Organizations/Societies, recommended by the District Collector, engaged for a period of five years in viable and useful research activity which has made or is likely to make, significant contribution in formulation of standard mark of the products of mass consumption, or the State Government and includes a consumer for the purpose of reimbursing legal expenses as referred to in item (d) of rule 9 of this order;

(b) “Application” means an application in Format-A as appended to this order.

(c) “State Consumer Protection Council” means the State Consumer Protection Council, established under sub-section (1) of section 7 of the Consumer Protection Act, 1986 (68 of 1986), and the Kerala Consumer Protection Rules 2005, for promotion and protection of the rights of consumers;

(d) “Committee” means the Committee constituted in pursuance of this order;

(e) “Consumer” has the same meaning as assigned to it in clause (d) of Sub-section (1) of section 2 of the Consumer Protection Act, 1986 (68 of 1986), and includes consumer of goods on which duty has been paid;

(f) “Consumer Welfare Fund” means Kerala Consumer Welfare Fund, 2007;

(g) “Government” means the State Government of Kerala;

(h) “Welfare of the Consumer” includes promotion and protection of the rights of the Consumer.

3. *Corpus of the Fund.*—The Corpus of the Fund shall consist of the funds or grants made available by the Government and any grant or seed money provided by the Central Government and the contributions, donations if any made by any individual or organization.

4. *The fund will be a non-plan public account outside the Consolidate Fund of the State.*

5. *Maintenance of accounts and records of State Consumer Welfare Fund.*—Proper and separate accounts in relation to the Kerala Consumer Welfare Fund shall be maintained by the Government and shall be subject to audit by the Accountant General (Audit), Kerala.

✓ 6. *Constitution of the Committee.*—(1) ✓ The Committee shall consist of the following members, namely:—

(a) The Secretary, Food, Civil Supplies and Consumer Affairs, who shall be the Chairman of the Committee;

(b) The Secretary, Finance or his nominee shall be the Vice-Chairman;

(c) The Secretary, Local Self Government (Rural) or his nominee—member;

(d) The Secretary, Local Self Government (Urban) or his nominee—member;

(e) The Secretary, General Education or his nominee—member;

(f) The Secretary, Higher Education or his nominee—member;

(g) The Commissioner of Civil Supplies—member;

(h) The Additional Secretary to Government, Food, Civil Supplies and Consumer Affairs—member;

(i) The Director Public Relations—member;

(j) The Joint Secretary/nominee of the Department of Consumer Affairs, Government of India—member;

(k) Three representatives nominated by the Government from among reputed voluntary Consumer Organizations having legal status and good track record in the field of consumer protection and also by putting up special efforts on important consumer cases in the three-tier system of Consumer Disputes Redressal Agencies—members;

(2) The Director of Civil Supplies shall be the member-secretary of the Committee.

(3) The Committee shall be a Standing Committee.

(4) The Committee constituted in pursuance of this order may make recommendations for proper utilization of the money credited to the State Consumer Welfare Fund for the welfare of the consumers to carry out the purposes stated in this order.

7. *Procedure for conduct of business.*—(1) The Committee shall meet as and when necessary, but not more than six months shall intervene between any two meetings.

(2) The Committee shall meet at such time and place as the Chairman, or in his absence the Vice-Chairman of the Committee may deem fit.

(3) The meeting of the Committee shall be presided over by the Chairman, and in the absence of the Chairman, the Vice-Chairman shall preside over the meetings of the Committee.

(4) Each meeting of the Committee shall be called, by giving notice in writing to every member of not less than seven days from the date of issue of such notice.

(5) Every notice of the meeting of the Committee shall specify the place and the day and hour of the meeting and shall contain statement of business to be transacted.

(6) No proceeding of the Committee shall be valid; unless it is presided over by Chairman or Vice-Chairman and minimum of four other members are present.

✓ 8. *Powers and Functions of the Committee.*—(1) The Committee shall have powers:—

(a) To require any applicant to execute an agreement prescribed by the Committee for the grant and utilization of fund and recovery of the same under the Kerala Revenue Recovery Act, 1968 (15 of 1968) and Rules thereunder in case of default or violation of conditions of the agreement;

(b) To require any applicant to produce before it, or a duly authorized officer of the Government, such books, accounts, documents, instruments or commodities in custody and control of the applicant, as may be necessary for proper evaluation of the application;

(c) To require any applicant to allow entry and inspection of any premises from which activities claimed to be for the welfare of consumer, are stated to be carried on, by a duly authorized officer of the Government;

(d) To get the accounts audited, for ensuring proper utilization of the grant;

(e) To require any applicant, in the case of any default of the terms of grant, or suppression of material information on his part, to refund in lump sum, the sanctioned grant to the Committee;

(f) To recover any sum due from any applicant in accordance with the provisions of the Kerala Revenue Recovery Act, 1968 and Rules thereunder;

(g) To require any applicant, or class of applicants to submit periodical report indicating proper utilization of the grant;

(h) To reject an application placed before it on the basis of involvement of factual inconsistency, or inaccuracy in the material particulars;

(i) To recommend minimum financial assistance, by way of grant to an applicant, having regard to his financial status, and importance and utility of nature of activity pursued after ensuring that the financial assistance provided shall not be misutilised;

(j) To request the State Consumer Protection Council, to formulate broad guidelines for considering the projects/proposals for the purpose of incurring expenditure from the Consumer Welfare Fund;

(k) To relax the conditions specified in item (a) of Para 2 and regarding the period of registration;

(l) To identify beneficial and safe sectors, where investments out of Consumer Welfare Fund may be made and make recommendations accordingly;

(m) To make guidelines for the management and administration of the Consumer Welfare Fund.

(2) The Committee shall not consider an application, unless it has been inquired into, in material details and recommended for consideration accordingly, by the Member-Secretary. However, the Member-Secretary shall not reject any application without approval of the Committee.

✓9. *Specification of Purposes for utilization of Credits available in Consumer Welfare Fund.*—The overall management of the Fund shall be vested in the Committee and they shall make recommendations for sanction of funds for,—

(a) making available grants to any applicant as per schemes of the Central/State Government;

(b) such other activities as may be considered necessary for promotion and protection of consumer interests in the state;

(c) investment of the money available in the Consumer Welfare Fund;

(d) for making available grants, on a selective basis, for reimbursing legal expenses incurred by a complainant, or class of complainants in a consumer dispute, after its final adjudication;

(f) for making available grants for making any other specified purpose recommended by the State Consumer Protection Council, as may be considered appropriate by the Committee.

FORM A
(See Rule 2)

Important: Please fill up this form, furnishing correct details sought for based on verifiable true state of affairs without causing suppression of any material information which, if resorted to, shall entail prosecution under the Act.

Note:—All applications must be submitted along with their enclosures in duplicate duly attested by any gazetted officer of the State Government.

1. Name and Full Postal Address of the applicant. :
2. Status of the applicant under clause (a) of Para 2. :
3. Date of establishment. :
4. Whether registered under the Societies Registration Act, 1860 (21 of 1860) or any other relevant Act. :
5. If Yes, number and year of registration certificate (Attested copy of registration certificate to be enclosed) :
6. Whether the organization is of national/state/district/taluk level. :
7. Number of Managing Committee members together with list of names, address and occupation of the office bearers
8. Brief details of the organizations objectives and activities during the last three years. :
9. Purpose for which the amount is required (Please state the details of the project and its proposed implementation)
10. Amount of grant required—item wise details under non-recurring/ recurring to be enclosed. :

11. Time schedule of the activities arranged :
12. The total amount incurred/ invested by the applicant, or likely to be incurred by the applicant :
13. Sources of funding of balance amount whether the organization is getting financial assistance from any other official/non-official source. If yes, give details :
14. Details of prosecution, if any in a court of law launched' against the applicant, during the last five years :
15. Copies of the following documents (duly attested by a gazetted officer of the State Government to be attached) :
 - (i) Constitution of the organization and Articles/Memorandum of Association :
 - (ii) Annual reports of the organization for last three years (Please furnish separate Annual Reports for each year). :
 - (iii) Annual Audited Statement of accounts for each of the last 3 years duly signed by Chartered Accountant. These Statements must bear the registration number and official seal or stamp of the Chartered Accountant :
16. Details of previous grants, if any, taken from Govt./Central CWF. :

Dated:

Station:

2/15/60/107

Signature of Applicant.

(For State Government/Departments/Bodies)

FORM A-1

1. Name, description and full postal address of the applicant :
2. Purpose for which the amount is required :
3. Amount of grant required :
4. Time Schedule of the activities arranged :
5. Details of previous grants, if any taken from Govt./the Central Consumer Welfare Fund/Dept. of Consumer Affairs. :

Dated:

Station:

Signature of Applicant.

To

The Member-Secretary,
Committee (State Consumer Welfare Fund),
Commissionerate of Civil Supplies, Thiruvānāthapuram.

DECLARATION

(To be signed by the applicant or its authorized signatory)

The particulars heretofore given are true and correct. Nothing material has been suppressed. It is certified that I/we have read the guidelines, terms and conditions governing the scheme and undertake to abide by them on behalf of our organization/institution, the financial assistance, if provided, shall be put to the declared use, for promotion and protection of rights of consumers or for standard marks. (Strike out whichever is inapplicable).

Dated:

Station:

Applicant

To

The Member-Secretary,
Committee (State Consumer Welfare Fund),
Commissionerate of Civil Supplies, Thiruvānāthapuram.

RECOMMENDATION OF MEMBER-SECRETARY

Factual details—furnished in the application have been verified in consultation with the department or agency/agencies that is/are administratively concerned in the matter and found to be correct/incorrect. The claims of the applicant are recommended for consideration by the Committee (Please give reasons in support of your recommendation).

Member-Secretary

Committee (State Consumer Welfare Fund).

RECOMMENDATION OF THE COMMITTEE

Recommended for grant of Rs.(Rupees.....)
(in words) from the State Consumer Welfare Fund as discussed in the meeting
held on.....(date).

Chairman,

Committee (State Consumer Welfare Fund).