



Consumer Welfare Fund Rules 2011

**Govt. of Bihar.
Food and Consumer Protection
Department.**

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Govt. of Bihar
Food and Consumer Protection Deptt.

Notification

DATE - 9.6.2011

Notification no. Sec-02, B-1 -54/2009-5468 /In

exercise of powers conferred under provision to Article 162 of the Constitution of India, the Governor of Bihar is pleased to make the Consumer Welfare Fund Rule 2011 for Consumer Welfare and Consumer Awareness.

The Consumer Welfare Fund Rules, 2011.

1. Short title and commencement:

(i) These rules may be called the Bihar Consumer Welfare Fund Rules, 2011.

(ii) These shall come into force on the date of its publication.

2. Definitions:

In these rules, unless the context otherwise requires,

(a) 'Applicant' means any agency/ organization engaged in consumer welfare activities for a period of three years registered under the Companies Act, 1956 (1 of 1956) or under any other law for the time being in force, including village/ mandal / samiti / samiti level co-operatives of consumers especially Women, Scheduled Castes and Scheduled Tribes, or any State Govt. run Organization/Societies recommended by 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 8 of these rules.

(b) 'Application' means an application in Form A appended to these rules.

(c) 'State Consumer Protection Council' means the State Consumer Protection Council, established under sub-section (1) of section 4 of the Consumer Protection Act. 1986 (68 of 1986), and Bihar Consumer Protection rule 1987, (amended

Time to time) for promotion and protection of rights of consumers;

d) 'Committee' means the Committee constituted in pursuance of these rules;

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(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 Bihar Consumer Welfare Fund, 2011.

(g) 'Government' means, the Government of Bihar.

(h) 'Welfare of the Consumer' Includes promotion and protection of rights of consumers;

3. Corpus of the Fund:-

(i) 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.

(ii) The fund will be credited in a separate interest bearing bank account. Such interest could be utilized for financing State/Local level programmes.

4. Maintenance of accounts and records of Consumer Welfare Fund:-

Proper and separate accounts in relation to the Bihar Consumer Welfare Fund shall be maintained by the Government and shall be subject to audit by the Accountant General (Audit) Bihar.

5. Constitution of the Committee:-

(i) The Committee shall consist of the following members, namely :-

- (a) The Principal Secretary, Food and Consumer Protection, Deptt. shall be the Chairman of the Committee.
- (b) The Secretary (Expenditure), Department of Finance or his nominee shall be the Vice-chairman.
- (c) The Secretary, Panchaytee Raj Deptt. or his nominee-Member.
- (d) The Secretary, Rural Works Deptt. or his nominee-Member.
- (e) Director Secondary Education, Human Resource Deptt. or his nominee-Member.
- (f) The Additional Secretary, Food and Consumer Protection Deptt. – Member.
- (g) Director, Public Relation Deptt. or his nominee-Member.
- (h) The Joint Secretary/nominee of the Deptt. of Consumer Affairs, Govt. of India, New Delhi.

- (i) Three representatives nominated by the Govt. form 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-Member.
- (j) Director, Consumer Protection, Food and Consumer Protection Deptt. – Member Secretary.
- (2) The Committee shall be a standing Committee.
- (3) The Committee constituted in pursuance of these rules 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.

6. Procedure for conduct of business*:-

- (i) The Committee shall meet as and when necessary, but not more than six months shall intervene between any two meetings.
- (ii) 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.
- (iii) 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.
- (iv) Each meeting of the Committee shall be called, by giving notice in writing to every member of not less than ten days from the date of issue of such notice
- (v) 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 thereat.
- (vi) No proceeding of the Committee shall be valid, unless it is presided over by the Chairman or Vice - Chairman and a minimum of three other members are present.

7. Powers and Functions of the Committee: -

- (1) The committee shall have power:-
 - (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 as per rules, in case of default or violation of condition 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.

© 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 grants, or suppression of material information on his part, to refund in lump sum, the sanctioned grant to the Deptt.

(f) To recover any sum due from any applicant in accordance with the provisions of the Revenue Recovery rules.

(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 under pursuit, after ensuring that the financial assistance provided shall not be miss-utilized ;

(j) To request 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 make guidelines for management and administration of Consumer Welfare Fund;

(2) The Committee shall not consider an application, unless it has 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.

8. 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 the provisions of these rules.

(b) Such other activities as may be considered necessary for promotion and protection of consumer interests in the State.

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- (c) 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 ;

By the Order of the Governor,

Jsh 7/06/2011

(Tripurari Sharan)
Principal Secretary.

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.

1. Name and Full Postal Address of the applicant:
2. Status of the applicant under:
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 (Attested copy of
Registration certificate to be
Enclosed)
6. Whether the organization is of :
National/State/District.
7. Number of managing Committee:

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members together with list of
names, addresses and occupation
of the office bearers

8. Brief details of the organi- :
sations, 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 organisation
is getting financial assistance
from any other official/ non-official
source. If yes, give details

14. Details of prosecution, if any in :

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a court of law launched against
the applicant, during the last
five years

15. Copies of the following documents :
(duly attested) to be attached.

(i) Constitution of the organisation and articles /
Memorandum of the Association

(ii) Annual Report of the organizations
for last three years (Please furnish
separate Annual Reports for each year)

(iii) Annual Audit 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 State/Central Govt.

DECLARATION

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

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

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behalf of our organisation/ 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).

APPLICANT

Dated:

Station:

To

Director-Cum-Member Secretary,

Food & Consumer Protection Deptt.,

Old Secretariat, Patna - 800 015.

Note :- Please note that an Affidavit prescribed below is also be to enclosed with the Application in Form A-1 for financial assistance from Consumer Welfare Fund.

(To be typed on non-judicial stamp paper of Rs.10/- and duly attested by a Notary Public)

AFFIDAVIT

I, S/o|D/o|W/o _____ resident of

and presently working as President/Secretary of M/s

do hereby solemnly declare and affirm as under:-

that M/s (name and full address of the organization) have received the following grants-in-aid from Ministries/Departments/ organizations during the last three years:-

Year	Name of funding Ministry/organization	Amount of grant received	Purpose of grant	Sanction letter No. and date

Deponent

Verification:

Verified that the above information is complete and true to the best of my knowledge and belief and nothing has been concealed there from. I also accept that if the information furnished hereby is found to be incomplete or incorrect, the grant from Consumer Welfare Fund may be cancelled.

Verified this the day of ___ in the year Two Thousand and ___.

Witnesses:

1.

2.

FOR CENTRAL/STATE
DEPARTMENTS/ BODIES

GOVERNMENT/

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 the Consumer Welfare Fund/

Deptt. of Consumer Affairs

Signature of Applicant

Dated : _____

Place : _____

To,

Director-cum- Member Secretary,

Food & Consumer Protection Deptt.,

Old Secretariat , Patna – 800 015.



Consumer Welfare Fund Guidelines 2011

Govt. of Bihar

Food and Consumer Protection Deptt.

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Guidelines for seeking financial assistance from Consumer Welfare Fund.

- **Objective**

The overall objective of the Consumer Welfare Fund is to provide financial assistance for promoting and protecting the welfare of the consumers by strengthening the Voluntary Consumer organisations in the State, particularly in the rural areas.

- **Procedure of applying for financial assistance**

The applicant, who is desirous to seek financial assistance from the Consumer Welfare Fund, is required to apply in the prescribed Performa (Form -A) provided in the Rules governing State Consumer Welfare Fund, 2011. The application should be addressed to

Director-Cum-Member Secretary,
Food and Consumer protection Deptt.
Old Secretariat, Patna-800 015.

The applicant should furnish annual reports and audited statements of accounts for the last 3 years, separately for each year, list of members and other information as required under the Consumer Welfare Fund Rules. He will be required to furnish photocopies of all documents attached with application duly attested by a gazetted officer of the State Government. The audited accounts statements of the Organization must bear the registration number and official seal / stamp of the Chartered Accountant.

The application should be submitted to the Director-Cum-Member Secretary after vetting and scrutinizing by the concerned District Collector.

3. The financial assistance will be provided mainly for the following purposes:

- Production and distribution of literature and audio-visual material for spreading consumer literacy and awareness building programmes for consumer education.
- Setting up facilities for training and research in Consumer education and related matters on national / regional basis;
- Building up infrastructural facilities for organizing consumer education activities on a permanent basis at the District / Sub-Division level;
- For purposes indicated in Rules of the Consumer Welfare Fund Rules 2011.
- Apart from above any project postulated by the Standing Committee as capable of tackling the pressing social problems of

different consumer organisations for protecting consumer rights and welfare of the consumers.

Components eligible for assistance :-

- The following items may also qualify for assistance:
- Charges for delivery of services;
- Other charges as may be considered necessary by the Standing Committee for the proper running of the programme / project.

Note: Payment of salaries of staff on recurring basis will not be considered as a general rule but appointment of some trained/ professional staff as an integral part of the project may be considered in deserving cases for a limited period. However, such expenditure should not exceed 15 % of the total project cost and may be considered depending on the nature of the project. The expenses for monitoring the project should meet from the Fund.

4. Procedure for vetting of application form by the District Collector.

The District Collector shall examine the petition of an organisation on following facts before recommending/forwarding it:-

1. Rules/bye-laws of the organisation.
2. Annual report.
3. Audit report for last three years submitted by organisation.
4. Current and future annual work plan of the organisation.
5. The specific reasons as to by the petition his being forwarded/recommended.

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5. Eligibility

The following are eligible for assistance:

1. Any agency / organization engaged in the Consumer Welfare Activities voluntarily for a period of three years and registered under the Companies Act. 1956 (1 of 1956) or under any law for the time being in force.
2. Village/ Panchayat/ Municipal/ Corporation level co-operatives of consumers especially of women, scheduled castes and scheduled tribes, who has been working in the field of Consumer Protection for a period of three years.
3. Any industry as defined in the Industrial Disputes Act, 1947 (14 of 1947) which has been engaged in viable and useful research activities for a period of 5 years which has made, or is likely to make, significant contribution in formulation of standard mark of the products of mass consumption.

6. Extent of Assistance

The total quantum of assistance on an individual application will not exceed Rs. 5 lakhs. Assistance will be limited to 90% of the approved cost.

The quantum of assistance will be decided by Committee constituted under the Consumer Welfare Fund Rules 2011.

Preference will be given to organizations having an all India character and those working in rural areas and having larger participation of women.

7. Terms and Conditions

1. The Fund cannot be used for propaganda of any political party.
2. Quarterly reports of the progress/ implementation of the project should be submitted to the Director-Cum-Member Secretary.
3. The Organization shall maintain a record of all assets acquired wholly or partly with the assistance from consumer welfare fund. Such assets cannot be utilized for the purpose other than that specified at the time of grant of such assistance and such asset cannot be disposed off/mortgaged without the prior approval of the Govt.
4. The Chairman of the N.G.O which receives such assistance must monitor the implementation of the project and submit a report to the Director-cum-Member Secretary.

Jh 7/06/2011
Principal Secretary.