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PART - II

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GOVERNMENT OF PUDUCHERRY
DEPARTMENT OF CIVIL SUPPLIES AND CONSUMER AFFAIRS

(G.O. Ms. No. 05, Puducherry, dated 10th December 2024)

NOTIFICATION

The Lieutenant-Governor of Puducherry is pleased to approve the Guidelines for the utilization of Fund (interest accrued) from the Puducherry State Consumer Welfare (Corpus) Fund to meet out the expenditure on programmes and activities related to the welfare and protection of consumers as appended to the Government Order.

2. This Guidelines may be called as the "Guidelines for the utilization of accrued interest amount from the Puducherry State Consumer Welfare Corpus Fund"

(By order of the Lieutenant-Governor)

S. SATHIYAMOORTHY,

Director

(Civil Supplies and Consumer Affairs).

**Guidelines for the Utilization of Accrued Interest Amount from the
Puducherry State Consumer Welfare Corpus Fund**

1. *Objective.*—The overall objectives to create State Consumer Welfare (Corpus) Fund is to provide financial assistance and to promote and protect the welfare of Consumers and to Strengthen the Voluntary Consumer Movement in Union territory of Puducherry particularly in rural areas.

2. *Corpus of Puducherry State Consumer Welfare Fund.*—The Government of India provides grant for establishing a State Consumer Welfare (Corpus) Fund of ₹ 20.00 crores in the Union territories of Puducherry which may be given as seed money as one time grant. The contribution of Centre and State/Union Territories is in the ratio of 75:25 in the corpus, *i.e.*, ₹ 15 crores as Central Government Share and ₹ 5 crores as State Government Share. The Government of Puducherry have released ₹ 5 crores *vide* G.O. Rt. No. 32, dated 24-03-2023 and the same was deposited in a separate Single Nodal Account (SNA). Whereas, the Central Government have released ₹ 5 crores *vide* F.No.O-11011/02/2024-CWF, dated 03-06-2024 which was deposited in the SNA so as to generate interest. The interest accrued from the corpus fund will be utilized for the State/District level activities relating to the welfare and protection of the consumers in the Union territory of Puducherry. Now, the corpus of the fund is ₹ 10 crores and it may increase in future subject to the release of the remaining Central Government Share.

3. *Nodal Agency*.—The Department of Civil Supplies and Consumer Affairs is the Nodal Agency to implement the Scheme of activities related to consumer welfare.

4. *Purpose*.—The Financial Assistance will be given mainly for the following purposes:

(i) Production and distribution of literature and audio-visual material for spreading Consumer literacy and awareness building programmes.

(ii) Building up infrastructure facilities for organizing consumer education activities on a permanent basis at District/Taluk levels.

(iii) Community based rural awareness projects.

(iv) Financial Assistance to create Consumer Clubs in schools/colleges.

(v) Setting up of Consumer Product testing laboratories for undertaking quality testing and assurance.

(vi) Setting up complaint handling/counselling/guidance mechanism like consumer guidance bureau.

(vii) Celebration of World Consumer Day in the Union territory of Puducherry and issue of financial assistance to the eligible VCO's as per the G.O.Ms. No. 4, dated 30-10-2018 and rules amended from time to time.

(viii) Celebration of National Consumer Day in the Union territory of Puducherry in a grand manner and to issue awards to the best VCO's, Consumer activists.

(ix) Any other activity/project/work related to the consumer protection/awareness approved by the project appraisal Committee.

(x) Award for best VCO, Consumer activists;

(xi) Reimbursement of Legal Expenses incurred by the complainant or class of complainants in a consumer dispute, after its final adjudication. The amount of dispute, or the fee of the mediator as set by the President of the Commission, or the fees prescribed in the following Table, whichever is least shall be paid to the mediator, from the interest accrued on the Consumer Welfare (Corpus) Fund.

	Successful Mediation	Connected Cases	Failed Mediation
	₹		₹
District Commission	3,000	₹ 600 per case subject to a maximum of ₹ 1,800 (regardless of the number of the connected cases).	500
State Commission	5,000	₹ 1,000 per case subject to a maximum of ₹ 3,000 (regardless of the number of the connected cases).	1,000

(Provided in case of failed mediation at least three session of 1 hour each has been held, a mediator shall be entitled to payment of 50% of the fees as noted above. The President of the respective Commission on the basis of the facts and amount of the dispute may set a mediation fee not above the fees mentioned in the Table if, the dispute amount is less than the mediation fees.)

5. *Eligibility.*— (i) Any agency/organization engaged in consumer welfare activities for a period of 3 years after registration under the Puducherry Co-operative Societies Act, 1972, Companies Act, 2013 or any other law from time to time being in force.

(ii) Preference will be given to:

(a) Organizations having reputation, experience, skilled staff and standing, or

(b) Organizations in rural areas having larger participation of women and socially marginalized segments.

(c) State Government Departments/Organizations/ Undertakings/ Consumers.

(iii) The Voluntary Consumer Organization (VCO) must register in the Non-Governmental Organization (NGO) DARPAN portal in the website <https://ngodarpan.gov.in/>. The VCO must have valid unique ID from the NGO DARPAN Portal in order to avail financial assistance from the Consumer Welfare (Corpus) Fund.

6. *Items that qualify for assistance.*—Recurring and non-recurring expenses shall be decided as per the individual Schemes by the Corpus Fund Sanctioning Committee.

The following items shall qualify for the assistance:

- (i) Celebration of World Consumer Day by VCO and National Consumers Day by the Department in grand manner.
- (ii) Reimbursement of Legal expenses for mediation by State/ District Commission.
- (iii) Purchase of minimum facility such as office equipment, furniture, software, hardware, internet services for consumer related activities.
- (iv) Grant-in-aid towards administrative expenses may be sanctioned to voluntary organizations to ensure a certain minimum staff structure and qualified personnel to improve their effectiveness and expand their activities under the following conditions:
 - (a) The Grant-in-aid should not exceed twenty-five percent of approved administrative expenditure on pay and allowances of the personnel of the voluntary organization concerned;
 - (b) Grants-in-aid to meet administrative expenditure to any private institutions other than voluntary organizations should not ordinarily be sanctioned. In exceptional cases such Grants can be considered for sanction in consultation with Finance Department. This condition will not be applicable in the case of proposal for setting up chairs and centres of excellence in Indian Universities, National Law Colleges, IIMs and IITs, *etc.*
- (v) Charges for delivery of services;
- (vi) Any other project or works approved by the Project appraisal Committee.

7. *Extent of Assistance.*—(i) The quantum of assistance for a project shall not exceed ₹ 10 lakhs.

(ii) An Organization/Agency other than the educational institutions clubs shall ordinarily be required to meet 25% of the cost of the project through its own resources.

(iii) Assistance will normally be rendered for three years and extendable by one or two more years on case to case basis, where after it will be expected to have become self-sustaining. It shall be the responsibility of the project holder to arrange for running and maintenance of the project after the cessation of the assistance from the Consumer Welfare Corpus Fund.

(iv) The project proposal should invariably indicate how the organization proposes to run the project activities in the post grant period and source of income.

8. *Procedure for Applying for Financial Assistance.*—Application for seeking financial assistance from the Consumer Welfare Corpus Fund shall be addressed to—

The Director,
Department of Civil Supplies and Consumer Affairs,
Puducherry.

The application should be in the prescribed format (Form-I) and duly filled in all aspects and should include all the details/be accompanied by all the documents as per the requisite enclosures.

9. *Procedure for Scrutiny and Approval of Proposals.*—The applications received in the Form-I shall be forwarded by the Department to the Corpus Fund Sanctioning Committee after the scrutiny of the applications, for approval. If needed or any new project/proposal arises it may be forwarded to the project Appraisal Committee to get approval of the project.

10. *Project Appraisal.*—

- (1) There shall be a project Appraisal Committee consist of—
 - (a) Secretary to Government, Civil Supplies and Consumer Affairs, Puducherry.
 - (b) Director, Civil Supplies and Consumer Affairs, Puducherry.

- (c) Under Secretary to Government, Finance Department, Puducherry.
 - (d) Deputy Director, Civil Supplies and Consumer Affairs, Puducherry.
 - (2) The Corpus Fund Sanctioning Committee consists of—
 - (a) Secretary to Government, Civil Supplies and Consumer Affairs, Puducherry.
 - (b) Director, Civil Supplies and Consumer Affairs, Puducherry.
 - (c) Under Secretary to Government, Finance Department, Puducherry.
 - (d) Deputy Director, Civil Supplies and Consumer Affairs, Puducherry.
 - (3) The Appraisal Committee will appraise the project for its technical feasibility, project viability and also on the benefits that accrues to consumers.
 - (4) Whenever necessary, the applicant will be asked to make a presentation before the Appraisal Committee.
 - (5) The Committee will specifically indicate the merits of the proposals recommended.
11. *Selection Criteria.*—
- (i) Fulfillment of eligibility criteria.
 - (ii) Submission of all requisite documents.
 - (iii) Compliance with all the requirement prescribed in the Guidelines.
 - (iv) The Organization should not fall under Further Assistance Stopped (FAS) category or has not been blacklisted in any other case the proposal will be rejected.
 - (v) Having not more than two ongoing projects at a time/ otherwise having no capacity constraints.
 - (vi) Objective of the organization should cover consumer welfare/protection activities.

(vii) The project should have integration or innovation and should not be stereotyped nature then it will be rejected.

(viii) The proposal shall not be mere duplication.

(ix) The project proposal shall not be family based.

(x) There should not be any ongoing inquiry against the organization in any complaint case, which is likely take time to complete.

(xi) Project should be technically/economically viable and meet standard objectives.

(xii) Organization shall not be in the nature of the contracting project and delegating more than 25% actual works of other agencies.

(xiii) Favourable report from the internal audit on the ongoing projects either funded by this Department or other.

(xiv) Organization shall have experience in the related field and resources to implement the projects.

(xv) Double dipping, *i.e.*, receiving funds for the same purpose from more than one Government Agency will be treated as a disqualification.

12. *Terms and conditions.*—(i) Before the grant is released the Members of the Executive Committee of the grantee should execute a bond binding themselves jointly and severally to:

(a) Abide by the conditions of the grants in aid by target dates, if any, specified therein.

(b) Not to divert the grants or entrust execution of the Scheme or work concerned to another institution(s) or organization(s).

(c) Abide by all other conditions specified in the agreement governing the grant in aid.

(ii) Proper and separate books of accounts shall be maintained in respect of the project and a Chartered Accountant will audit the same every year for the period ending March 31. The balance sheet for the said period along with the auditors certificate and repost shall be sent to the Department by June 30th every year.

(iii) The fund allocated should strictly be used for the purpose intended and shall in no way be diverted for any other purpose.

(iv) Quarterly progress reports of the progress/implementation should be submitted to the Department. Grantee institution should submit the performance-*cum*-achievement report within 3 months after the end of financial year.

(v) The Department have rights to call for drawings, specification and other data whenever necessary and the project holder shall supply all the required information.

(vi) Any person wishing to publish papers based on the research work done under the project shall obtain prior approval of the Department and also acknowledge the financial support received from the Department for the same.

(vii) In case of any change in the management of the VCO, the new management body of the VCO would be bound by the Department's Terms and Conditions for the project and an undertaking to this effect from the VCO will be essential. Any change in the composition of the Management Committee at any stage after submission of the proposal shall be reported forthwith to the Department within 15 days.

(viii) The project holder/VCO shall open a separate Bank Account for all aid from Department for the project and shall inform the name of the Bank and Account Number to the Department.

(ix) The fees of the mediation shall be disbursed through the PFMS by producing the Sanction of President of State/District Commission along with the necessary particulars.

(x) The grantee shall arrange to prominently display all the details of the project with sponsoring Agency's name and release of funds *etc.*, for generating awareness about the project.

(xi) The Department may at its discretion exercise the right to nominate its representative on the Executive Body of the grantee if grant in aid is more than 50% of the annual recurring expenditure.

(xii) No financial grants under any circumstances shall be disbursed to any NGO/VCO without obtaining the unique ID Number generated from the NGO Darpan Portal of Niti Aayog.

(xiii) The accounts of all grantee institutions/organizations shall be open to inspection by the sanctioning authority, both by the AG audit and internal audit done by the Department.

(xiv) The project is not transferable and the project holder shall not entrust the implementation of the work for which the aid has been sanctioned by the Department to any other person or institution.

(xv) The project holder/VCO, where necessary, shall seek approval for extension of the project not later than three months before the terminal date as originally visualized.

(xvi) The Department shall have the power to recall the whole or part of the funds released in case of breach of any of the above-mentioned conditions or a diversion of funds for other purposes or any inaction, inadequate progress or non-utilization of funds, along with the interest accrued thereon, after giving an opportunity to the grantee to show cause.

(xvii) The project holder/VCO shall refund to the Department such part of the amount released with interest accrued thereon as remains unutilized on expiry of the project period or earlier when the amount is no longer required for the purpose for which it was released.

(xviii) All the expenditure shall be booked on the EAT module on PFMS.

(xix) The Utilization Certificate in the format of GFR-12C prescribed in the Annexure-II is submitted to the Central Government showing details of the disbursement of money, receipts and purpose for which it is given, from the interest generated out of the Consumer Welfare (Corpus) Fund.

(xx) Assistance to the VCO will be stopped, during the project period and/or the VCO will be blacklisted on grounds listed in and after following the procedure prescribed in the Annexure-I.

ANNEXURE-I

PROCEDURE FOR FUNDING RESTRICTIONS AND BLACKLISTING

Further Assistance Stopped (FAS)

VCOs can be placed under funding restrictions on the following grounds:

- * If, the project holder does not cooperate with the monitor for conducting evaluation of the project.
- * If, the project holder does not submit progress report, audited statement of accounts and utilization certificate.
- * If, the project holder diverts the funds/changes the beneficiaries/changes the location of the project without approval of Department.
- * The organization will be kept informed of the restrictions imposed in writing by Department. It will also be given an opportunity to rectify the defect(s) within a period of three months failing which the prescribed procedure for blacklisting of the organization will be initiated.

Blacklisted Category

VCOs can be blacklisted on the following grounds:

- * If, the project holder has received or receives funds from more than one source or applies for receiving any funds, either completely or partially from any other Departmental/ Non-Departmental, International or any other agency, for the same project covering the same beneficiaries.
- * Principal Office bearers in VCO involved in criminal conduct/ misappropriation of public funds.
- * For submission of falsified accounts/documents.
- * For not accomplishing the stipulated work even after giving sufficient opportunities.

- * Refusal to hand over the assets created/acquired under the project to the community/beneficiaries. Failure to return the savings/unspent balance/refundable grant available/extended under the project.
- * Principal office bearers are serving Department servants and the organization conceals the fact.
- * If, more than two members of the Executive/Governing/Managing Body of the organization are relatives/family members or two from these are cosignatory in Bank account operations and the VCO conceals the facts.
- * VCOs blacklisted by other Departmental Organizations, etc.

ANNEXURE-II

FORM GFR 12-C

(See Rule 239)

**Form of Utilization Certificate (For State Governments)
(Where expenditure incurred by Government Bodies only)**

Sl. No.	Letter No. and Date	Amount	Certified that out of ₹ of grants sanctioned during the year in favour of under the Ministry/Department Letter No. given in the margin and ₹ on account of unspent balance of the previous year, a sum of ₹ has been utilized for the propose of for which it was sanctioned and that the balance of ₹ remaining unutilized at the end of the year has been surrendered to Government (<i>vide</i> No., dated)/will be adjusted towards the grants payable during the next year
Total			

2. Certified that I have satisfied myself that the conditions on which grants-in-aid was sanctioned have been duly fulfilled/are being fulfilled and that I have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned.

Kinds of checks exercised

- 1.
- 2.
- 3.
- 4.
- 5.

Signature :

Designation :

Date :

PS: The UC shall disclose separately the actual expenditure incurred and loans and advances given to suppliers of stores and assets, to construction agencies and like in accordance with scheme Guidelines and in furtherance to the Scheme objectives, which do not constitute expenditure at the stage. These shall be treated as utilized grants but allowed to be carried forward.

FORM-I

DOCUMENTS TO BE FURNISHED BY THE GRANTEE
ORGANIZATION FOR SEEKING FINANCIAL ASSISTANCE
FROM CONSUMER WELFARE CORPUS FUND

1. Name and full office address of the applicant/ :
organization.
2. Name of the Act under which the Applying :
Organization is registered.

3. Date of the Registration and the copy of :
Registration Certificate.
4. Unique ID from Darpan Portal :
5. Details of the Organization Bank Account :
(copy should be enclosed).
6. Area of operation State/District level :
7. Brief Outline of Objectives of the Organization :
8. Updated list of the Committee/Governing :
Body Members name, address.
9. Purpose for which application has been made :
10. Photographs of the work/project :
11. Amount of grant sought :
12. Details of grant availed earlier :
13. Details of any pending settlement if, any :

Signature and Seal of the Organization.
