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CONSUMER UPDATE



A disaster in the making! Front of pack labelling regulations in India

Food Safety and Standards Authority of India (FSSAI) published the Draft Notification regarding the Food Safety and Standards (Labelling & Display) Amendment Regulations, 2022 on Front of Pack Nutritional Labelling (FOPNL) and has sought comments from the public. The last date for submission of comments was November 11, 2022.

Front-of-pack labelling (FoPL) is an important policy tool for countries to help consumers make healthier food choices. India is experiencing a shift in dietary patterns – with people consuming more and more processed and ultra-processed foods that are often high in salt, sugar and saturated fat. These ingredients are major contributors to the current rise in the incidence of non-communicable diseases like cardiovascular diseases, diabetes, hypertension, obesity, cancer, etc. With the country already burdened with these lifestyle diseases, it is important that we have a simple, clear, FoPL policy that will discourage consumers from consuming unhealthy foods, and nudge them towards healthier food choices. CAG, along with other stakeholders, has been demanding interpretative warning labels that are easy to read and understand by the average Indian consumer.

However, the FSSAI has devised the Indian Nutrition Rating (INR) - a star-scoring system to be used/ displayed on the front of processed food products. Firstly, the INR seems to convey that all processed foods within its purview are healthy at some level as the rankings are between half-star and 5 stars. There is no provision for a "zero" in the draft.

Another point of concern is the inclusion of "healthy" ingredients like nuts, fruits, fibres, vitamins, proteins and the like, while determining the rating. This could misguide consumers as a product high on health risk-increasing factors like sugar, salt, and saturated fat, could still get a better star rating than it deserves due to the addition of these healthy nutrients. The industry may manipulate this to the disadvantage of consumers. The scoring system, as such, is quite complex for a layperson to understand. Moreover, it is observed that certain processed foods that contain high salt, sugar, fat – like lassi, flavoured milk, diet sodas, and sandwich spreads - have been kept out of the purview of the regulations.

As was done with cigarettes, it is important that the FSSAI adopts clear, interpretative warning labels on the presence of high salt, sugar and fat on the front of packs of processed foods as only this will help consumers make informed decisions, and in turn, reduce the burden of non-communicable diseases in the country.

The last, but most important provision in the draft that is of great concern is that it provides for a 48-month voluntary period before the regulation becomes mandatory. Considering the serious consequences of the non -communicable diseases epidemic that India is facing, allowing for a four-year voluntary period could devastate the health of the country. It also dilutes the purpose of the regulations. Voluntary regulations can

easily be manipulated by the industry and could easily result in zero compliance. If that were to happen, the government would lack the authority to enforce the regulations within the voluntary period. As these regulations could directly reduce India's burden of noncommunicable diseases, it is crucial that the regulations are made mandatory at the earliest possible time.

CAG has also provided detailed comments on the draft, highlighting the concerns and demanding that FSSAI reconsider the draft notification as it is against the public interest. CAG motivated other stake-holders like consumer groups, doctors, and nutritionists to submit their comments in a timely manner as many of them had already expressed similar concerns about the draft regulations.

Green Action Week 2022

We are living in a world with unequal access to goods and services. Our overuse of resources from planet Earth is slowly destroying this, our shared home. Green Action Week is a global campaign observed every year, during the early weeks of October, to create awareness about sustainable consumption and build sharing communities. During the course of Green Action Week in 2022, CAG focused on the theme "plastics" and created 2 awareness videos on single-use plastics: <u>What is it about plastics</u>; and <u>Sonal's plastic-free party</u>. These were disseminated through social media. In addition, CAG also conducted an Essay Writing Competition on 'Alternative solutions to plastic carry bags in English and Tamil among the students of Shri Venkateshwara Higher Secondary School, Chennai on 14th October, 2022.



DoCA proposes amendments to the Legal Metrology (Packaged Commodities) Rules 2011

The Department of Consumer Affairs (DoCA) has suggested the inclusion of a provision to the Legal Metrology (Packaged Commodities) Rules, 2011 that a commodity that contains more than one constituent shall have a declaration of the composition of two or more prime constituents of the commodity with the Brand Name/ Logo on the front of the package. The declaration of two or more prime constituents shall contain the percentage/ quantity of unique selling point / unique selling proposition (USP) of the product and in the same font size in which the declaration of unique selling point / unique selling proposition (USP) is made. The said provision shall not be applicable to a mechanical or electrical commodity.

CAG, while submitting its comments to the draft, has suggested including warning labels on front of processed food products that would help consumers identify the presence of high sugar, salt and fat in these foods and thus make informed decisions. Source: <u>Department of Consumer Affairs</u>

IRDA cautions the public

Insurance Regulatory and Development Authority of India has issued a caution notice to the public that a company named Even Healthcare Pvt Ltd is not a registered company and the plans provided by the company are not insurance plans that are registered with IRDAI, and if dealing with the company, the public does so at its own risk. This company is located in No.311,6th Main Road, HAL 2nd Stage, Indira nagar, Bengaluru, Karnataka- 560038 and has a website as <u>www.even.in</u> that promotes their products.

Source: IRDA Public Notice

Builder asked to pay 14L for deficiency in service

The Tamil Nadu State Consumer Disputes Redressal Commission has found real estate company, Puravankara, guilty of wrong-doing and deficiency in service and has ordered it to pay a home-buyer Rs.14 lakh in compensation. The complainant had paid the agreed-upon price of 54 lakh for the purchase of an apartment in 'Purva Swanlake' on OMR. The apartment was supposed to be handed over by the developer in March 2011. Despite paying all dues, possession was not given and the company demanded an additional payment of 4 lakhs. The complainant filed a complaint with the Consumer Commission after paying Rs 1.6 lakh and taking possession of the unit, citing mental anguish and deficiency in service. Concurring with his representations, the court ordered Puravankara Projects Ltd to pay a compensation of Rs 13.8 lakh, plus 6% interest for the three years and nine months delay in handing over the apartment and also an additional sum of Rs. 50,000 for service deficiencies and Rs. 10,000 for mental anguish caused to the complainant.

The TN Prohibition of Online Gambling and Regulation of Online Games Ordinance, 2022

Following the Madras High Court Order dated 03.08.2021 in W.P. No.18022 of 2020 striking down Part II of the TN Gaming and Police Laws (Amendment) 2021, which declared all games that are played for a wager, bet, money, or other stakes as illegal (except for a lottery), and giving the liberty for the state to bring in legislation after thorough research, the TN government, constituted a Committee under the Chairmanship of retired Hon'ble Justice Thiru K. Chandru to advice on enacting new legislation on online games.

The Committee, in its report, had classified online games into two categories - one having minimal randomness factor and the other having random event generators and are addictively designed - and suggested regulating the former and banning the latter.

In addition to the Committee's report, the Tamil Nadu government conducted a survey among 2 lakh teachers to understand the impact of online games among children. The survey found that around 74% of the teachers said that concentration among students has been impacted, 67% of teachers noticed eye defects in children, 74% of teachers said there is a decrease in intelligence quotient, writing skills and creativity of students, 76% of teachers felt students have low self-esteem, 77% of teachers saw increased anger in students and more than 72% of teachers noticed a change in their student's discipline. Apart from the survey, the government received 10,708 (99%) emails from the general public wanting a complete ban on online games.

Hence, the Government of TN promulgated an Ordinance (TN Ordinance No 4 of 2022) to prohibit online gambling and to regulate online games in Tamil Nadu.

Key features include

- 1. Prohibition and regulation of online gambling, chance games played for money or other stakes, such as Rummy and Poker.
- 2. Establishment of the TN Online Gaming Authority to identify and regulate online game providers, to issue certificates of registration to online game providers, to provide restrictions and maintain a data base, oversee the functioning of online games and advise the government. The Authority is expected to identify chance games to be included under the Prohibited Games list.
- **3**. Outside-of-state game providers are expected to undertake prescribed due diligence or block access to forbidden games for consumers in TN.
- 4. Spells out the penalties for various offenses

Source: <u>TN Ordinance</u>

ரூ. 45 லட்சம் இழப்பீடு வழங்க திருமலை திருப்பதி தேவஸ்தானத்திற்கு உத்தரவு

17 வருடம் காத்திருந்தும், திருமலை திருப்பதி தேவஸ்தானத்தில் மேல் சாத்து வஸ்கிர சேவை செய்ய வாய்ப்பு அளிக்கப்படாததால், சேலம் அழகாபுரம் மணிமேகலை தெருவில் வசித்து வந்த திரு. ராஜகோபால், தேவஸ்தானம் மீது சேலம் நுகர்வோர் குறைதீர் மன்றத்தில் வழக்கு தொடுத்தார்.

இவரது மகன் திரு. ஹரிபாஸ்கர் 2006-ம் ஆண்டு ஜூன் மாதம் தேவஸ்தானத்தில் மேல் குறிப்பிட்ட தரிசனத்திற்காக 2 பேருக்கு ரூ.12,250/- செலுத்தி பதிவு செய்து இருந்தார். அவருக்கு 2020-ம் ஆண்டு ஜூலை 10-ந் தேதி தரிசனத்திற்கு எஸ்.எல். நம்பர் ஒதுக்கப்பட்டது. கொரோனா தொற்று காரணமாக தரிசனத்திற்கு தடை விதிக்கப்பட்டதால், வேற தேதி அறிவிக்கப்படும் என்ற கூறப்பட்டது. அதற்கும் வாய்ப்பு இல்லை என்றும் தற்போது பிரேக் தரிசனம் செய்ய தேதி தரப்படும் என தேவஸ்தானம் மூலம் அறிவிப்பு அனுப்பப்பட்டது.

இந்த நிலைமையில், வழக்கை விசாரித்த நகர்வோர் கோர்ட்டு நீதிபதி, திருப்பதி தேவஸ்தானம் ஒரு வருட காலத்திற்குள் மேல் சாத்து வஸ்திர சேவை என்ற தரிசனம் செய்ய வாய்ப்பு கொடுக்க வேண்டும். இல்லாவிட்டால் சேவை குறைபாடு மற்றும் மன உளைச்சலுக்காக ரூ. 45 லட்சம் இழப்பீடு வழங்க வேண்டும் என்ற உத்தரவு இட்டது. மேலும் இந்த தரிசனத்திற்காக கட்டிய ரூ.12,250 தொகையையும் உத்தரவு பிறப்பித்த இரண்டு மாத காலத்தில் திருப்பி கொடுக்க வேண்டும். இல்லாவிடில் 6 சகவீகம் வட்டியுடன் சேர்த்து தர வேண்டும் என்று தீர்ப்பு கூறினார்.

Source: Malaimalar





CAG is a 37 year old non profit, non political, professional organization working towards protecting citizen's rights in consumer and environmental issues promoting good governance and including transparency, accountability and participatory decision making.

The complaints cell at CAG addresses specific problems of consumers. Also CAG regularly conducts consumer awareness programmes for schools, colleges and special target groups.

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