

Compliance by Business Firms in Trashigang and Trashiyangtse Dzongkhags with Consumer Protection Rules and Regulations

1. Background

The Competition and Consumer Affairs Authority (CCAA) conducted a market surveillance from November 1, 2024, to November 15, 2024, across major marketplaces in the Trashigang and Trashiyangtse Dzongkhags. The primary objective was to assess compliance with the Consumer Protection Rules and Regulations (CPRR), 2015. Specifically, this surveillance focused on:

- Verifying the accuracy of weights and measures of packaged products,
- Ensuring the correctness of product labels and packaging information,
- Inspecting the calibration status of weighing and measuring devices,
- Confirming that businesses issue purchase receipts upon consumer demand.

2. Coverage

A total of 194 business entities were monitored across various marketplaces in the two districts. These businesses span multiple sectors, including retail, food services, and petroleum distribution. The breakdown of business types covered is as follows:

Table I: Number of Different Types of Businesses Covered

Type of Business	Trashigang	Tashi Yangtse	Total
Petroleum Retail Outlets (PRO)	3	2	5
Hotels & Restaurants	32	9	41
Garment Shops	4	2	6
Groceries	80	14	94
Hardware Shops	5	1	6
Tailoring Service	3	1	4
Meat Shops	2	3	5
Bakeries	3	0	3
Workshops & Spare Parts Retailers	9	3	12
Fruits & Vegetables Retailers	14	4	18
Total	155	39	194

3. Findings

3.1 General Compliance

- **Purchase Receipts:** 91.24% of businesses provided pre-printed cash memos or purchase receipts upon consumer demand.
- **Weighing Devices:** Of the 171 businesses that required weighing devices, 21.6% had non-calibrated or expired devices.
- **Underweight Locally-Packaged Products:** Out of 178 locally pre-packaged food samples inspected, covering products like vegetables, fruits, dried fish, pulses, and grains, 6.18% were found to be underweight.

3.2 Petroleum Retail Outlets (PROs)

Five Petroleum Retail Outlets were inspected, operated by Bhutan Oil Distributor (BOD), Damchen Petroleum Distributor Private Limited (DPDPL), and Druk Petroleum Corporation Limited (DPCL). Key findings include:

- **Calibration Status:** Newly installed PROs at Kanglung and Doksum (DPCL) were not calibrated by the Bhutan Standard Bureau (BSB). However, upon testing the dispensing nozzle accuracy, they were found to be within the tolerance level.
- **Fuel Density:** The density of Motor Spirit (MS) and High-Speed Diesel (HSD) at all PROs was within permissible tolerance limits ($\pm 3 \text{ kg/m}^3$).
- **Water Content:** All PRO storage tanks had water content levels below 8cm, which is within acceptable limits.
- **Fuel Dispensing Nozzle Performance:** Out of 18 nozzles, 17 were functional within the permissible error margin of $\pm 0.5\%$ (equivalent to 25 ml per 5 liter can). One nozzle could not be tested due to insufficient fuel in the storage tank during the inspection.
- **Fire Safety:** All PROs had a sufficient number of fire extinguishers, and all were within their expiration dates.
- **Calibration of Measuring Devices:** While weighing balances for LPG cylinders were calibrated, other devices such as hydrometers and thermometers required calibration.

4. Actions Taken and Recommendations

Based on the findings, the following actions were taken and recommendations made:

- **Calibration of Measuring Devices:** Petroleum Retail Outlets (PROs) without calibrated hydrometers, thermometers, and measuring cylinders were instructed to have these calibrated immediately to meet BSB standards.
- **Calibration of Dispensing Machines:** Managers at DPCL outlets in Kanglung and Doksum were instructed to ensure that their new fuel dispensing machines are calibrated by the BSB within two weeks.
- **Weight Correction of Locally Packaged Produce:** Businesses found selling underweight local produce were instructed to rectify the net weights on the spot. They were also warned of administrative penalties for future violations of this nature.

5. Conclusion

The market surveillance revealed a generally high compliance rate, particularly in the areas of purchase receipt issuance and the operation of petroleum retail outlets. However, issues related to the calibration of measuring devices and underweight packaged goods require attention. The recommendations outlined aim to enhance accuracy in weighing, measuring, and product labeling across the markets in Trashigang and Tashi Yangtse Dzongkhags.

Submitted by:

- ⇒ Ms. Yeshe Dema, Sr. inspector, CCAA, Team Leader
- ⇒ Pema, Inspector, CCAA