

# MARKET SURVEILLANCE REPORT

## Zhemgang and Sarpang Dzongkhags

13–27 May 2026 | Competition and Consumer Affairs Authority (CCAA)

### AT A GLANCE

<b>339</b> Total Business Entities Inspected	<b>330</b> Business Establishments	<b>8</b> Fuel Retail Outlets	<b>1</b> Cement Agents
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## I. Introduction

Market surveillance is one of the foremost strategies adopted by the Competition and Consumer Affairs Authority (CCAA) to always promote ethical business practices and safeguard consumer interests. Through regular, systematic monitoring of the marketplace, CCAA ensures that businesses operate in accordance with applicable legal and regulatory requirements, thereby contributing to a fair, transparent, and consumer-oriented commercial environment across Bhutan.

Pursuant to this mandate, the Consumer Protection and Competition Enforcement Division (CPCED) conducted a 15-day market surveillance and monitoring exercise from 13 to 27 May 2026 across major commercial establishments in Zhemgang Dzongkhag and Sarpang Dzongkhag including Gelephu Thromde. The exercise was carried out to assess and verify compliance with the provisions of the Consumer Protection Act of Bhutan 2012 and the Consumer Protection Rules and Regulations 2015.

The surveillance focused on evaluating compliance with key regulatory obligations, including the proper display of price tags and applicable service charges, accurate product labelling on all items offered for final sale, the use of calibrated weighing scales and measuring instruments, issuance of pre-printed cash memos and purchase receipts, consistency between displayed prices and prices charged at the point of sale, implementation of refund, return, and exchange policies, establishment of effective consumer complaint handling mechanisms, non-discriminatory treatment of consumers and compliance of fuel retail outlets (FROs) with applicable fuel quality, measurement, and safety standards.

## II. Coverage

A total of 339 business entities were inspected during the surveillance period across the two Dzongkhags to assess compliance with consumer protection requirements and applicable regulatory standards. The inspection covered a diverse range of business establishments operating in key market areas and commercial centres. Of the total entities inspected, 330 comprised general business establishments, including restaurants, grocery shops, garment outlets, hardware stores, tailoring shops, meat shops, bakeries, beauty parlours, vegetable vendors, and other retail businesses. In addition, one cement agent dealing in Dragon Cement and eight fuel retail outlets (FROs) were also inspected to verify compliance with calibration, pricing, safety, and product-related standards. The surveillance exercise was conducted across major market locations in both Dzongkhags, as outlined below. .

### Market areas covered:

Zhemgang Dzongkhag: Panbang, Tingtibi, Pantang, and Town area

Sarpang Dzongkhag: Gelephu Throm, Ranibagaan and Chhokorling

*Table 1: Distribution of inspected business entities by type and Dzongkhag*

Business Type / Category	Zhemgang Dzongkhag	Sarpang Dzongkhag
Fuel Retail Outlet (FRO)	3	5
Restaurant	43	54
Garment Shop	5	9
Grocery Shop	60	93
Hardware/Electronic Shop	7	13
Tailoring Shop	3	1
Meat Shop	6	2
Bakery	2	1
Beauty Parlor / Salon	2	2
Fruit & Vegetable Vendors	5	22
Cement Agent	0	1
<b>TOTAL</b>	<b>136</b>	<b>203</b>

### III. Findings and Observations

#### General Business Establishments

The overall level of compliance observed among the 330 general business establishments inspected across the two Dzongkhags was found to be high and generally satisfactory. The establishments covered a wide range of business categories, including restaurants, grocery shops, garment outlets, hardware stores, tailoring shops, meat shops, bakeries, beauty parlors, vegetable vendors, and cement agents. Most businesses were found to be adhering to key consumer protection requirements, particularly in relation to product labelling, price display, and other regulatory obligations.

However, comparatively lower compliance was observed among vegetable vendors in Gelephu Thromde, particularly at Kaja Throm, where a number of vendors had recently relocated to newly allocated stalls and had not yet been adequately sensitized or previously inspected. As a result, compliance in this category was assessed as only satisfactory compared to the generally high level of compliance recorded elsewhere. The overall findings are reflected in the table below.

*Table 2: Consumer protection compliance summary — General business establishments*

Compliance Indicator	Compliance Rate
Ensured proper product labelling and the display of selling prices on all final sale products across business establishments in Zhemgang Dzongkhag.	97.8%
Ensured proper product labelling and the display of selling prices on all final sale products across business establishments in Sarpang Dzongkhag.	89.6%
Willingness to honor return, refund and exchange policies in both Dzongkhags	100%
Availability of pre-printed cash memos / purchase receipts in both Dzongkhag	97%
Price consistency between displayed and charged prices in both Dzongkhag	100%

- All 330 general business establishments were found to be in full compliance with product labelling requirements, and display of prices. However, compliance among vegetable vendors in Gelephu Thromde was found to be non-compliant, as the vendors had recently been relocated to new stalls in Kaja Throm and had not yet been adequately sensitized or subjected to inspection.

- A compliance rate of 89.6% was recorded in Sarpang Dzongkhag for the display of selling prices and proper product labelling, with notable gaps observed particularly among vegetable vendors at Kaja Throm in Gelephu Thromde. The non-compliant establishments primarily consisted of newly established businesses that had not yet implemented the required price display arrangements and had not been previously inspected. Corrective guidance and on-site sensitization were provided to address the shortcomings and ensure future compliance.
- 97% of business establishments were found to have pre-printed cash memos or purchase receipts, which are issued upon consumer requests. The remaining 3% lacked a formal cash memo system, attributable primarily to limited literacy among some proprietors or to businesses being in an early stage of establishment.
- All inspected businesses (100%) verbally affirmed their willingness to provide refunds, returns, and exchanges within one week of purchase; however, none had formal written policies in place. Businesses were therefore encouraged to document these commitments in writing and display the policies prominently at their sales counters to ensure greater transparency and consumer awareness.
- The lone cement agent dealing in Dragon Cement was inspected to assess compliance with the applicable standards relating to product weight and measurement accuracy. During the inspection, cement products available for sale were verified and found to be within the permissible tolerance limits prescribed by the Bhutan Standards Bureau (BSB), indicating adherence to the required regulatory standards. No instances of underweight products, discrepancies, or other irregularities were observed during the inspection, reflecting satisfactory compliance by the agent.

### Fuel Retail Outlets (FROs)

A total of eight fuel retail outlets (FROs) were inspected across the two Dzongkhags, comprising three outlets in Zhemgang and five in Sarpang. The inspected outlets included those operated by Bhutan Oil Corporation (BOC), Druk Petroleum Corporation Limited (DPCL), Damchen Petroleum Corporation Limited, and the State Trading Corporation of Bhutan Limited (STCBL).

All eight FROs were found to have been calibrated by the Bhutan Standards Bureau (BSB) and possessed valid calibration certificates effective until December 2026. Fire extinguishers were available at all outlet premises and were verified to be within their valid service periods, indicating satisfactory compliance with fire safety requirements. In addition, all outlets had installed calibrated weighing scales for measuring LPG cylinder weights in accordance with applicable standards. The detailed findings are as follows:

## Pump and Nozzle Operability

All eight FROs have been calibrated by the BSB and hold valid calibration certificates until December 2026. Fire extinguishers were available at all FRO premises and were confirmed to be within their valid service periods, reflecting satisfactory compliance with fire safety requirements. All outlets were also found to have installed calibrated weighing scales for the measurement of LPG cylinder weights, in compliance with applicable standards. A total of 20 pumps fitted with 46 nozzles were inspected across all eight FROs, comprising 24 HSD nozzles and 22 MS nozzles. The majority were found to be fully operational; however, operational disruptions were observed at the following outlets:

1. At BOC Zhemgang, two new MPDs comprising four nozzles (two for MS and two for HSD) were installed but remained idle, as the outlet is awaiting pump relocation along with the construction of a new canopy.
2. At DPCL Tingtibi, one pump comprising four nozzles (two for MS and two for HSD) was found to be non-functional due to the absence of a pipeline connection, rendering the facility inoperative.
3. At Damchen Petroleum, Gelephu, two MS nozzles were found to be non-functional and beyond the outlet's in-house repair capacity, requiring technical assistance from IOCL for repair and restoration.
4. At DPCL, Gelephu, one nozzle for MS and HSD was found to be non-functional due to airflow issues in the pipeline connection. The problem was beyond the outlet's in-house repair capacity and requires technical intervention for repair.

## Fuel Quality — Density and Water Content

The density of Motor Spirit (MS) and High-Speed Diesel (HSD) was tested at all eight FROs and found to be within the permissible tolerance limit of  $\pm 3$  kg/m<sup>3</sup> at each outlet. The water content in storage tanks across all inspected FROs was similarly found to be below the acceptable threshold of 8 cm.

## LPG Weighing Scales and Fire Safety

Valid calibrated weighing scales for LPG cylinders were available at all eight FROs and were found to be in compliance with the applicable regulatory standards. Accordingly, a total of 60 filled LPG cylinders—comprising 30 subsidized and 30 non-subsidized units—were inspected, and all were found to be within the prescribed accuracy limits.

## **IV. Actions Taken and Recommendations**

Based on the findings of the surveillance exercise, the following corrective actions were undertaken and recommendations issued to the relevant stakeholders:

### **i. General Business Establishments:**

It is suggested that CEED carry out advocacy and sensitization activities to enhance awareness of regulatory requirements concerning price display and product labelling. Further, an official correspondence may be issued to the Regional Office of Industry, Commerce and Employment, Gelephu, seeking its support in guiding and directing vegetable vendors at Kaja Throm to promptly display final selling prices and ensure proper product labelling in accordance with applicable regulations. This intervention is expected to improve compliance among vendors recently relocated to the new market area.

Furthermore, all business establishments were advised to prominently display standardized refund, returns, and exchange policies at their sales counters or business premises to enhance consumer awareness and transparency. Assistance from the Competition and Consumer Affairs Authority (CCAA) was offered, where required, in the development of such documents. Businesses were also directed to maintain a formal consumer complaint register and ensure that grievance redressal contact information is clearly visible within their premises for public access.

### **ii. Fuel Retail Outlets (FROs):**

The management of BOC Zhemgang, DPCL Tingtibi, Damchen Petroleum, Gelephu, and DPCL Gelephu were directed to expedite coordination with IOCL personnel to facilitate the prompt repair and recalibration of non-functional pumps and nozzles in accordance with Bhutan Standards Bureau (BSB) standards. They were further instructed to keep the Competition and Consumer Affairs Authority (CCAA) informed of progress and submit updates upon completion of the required repair and recalibration work.

## **V. Conclusion**

The findings of the market surveillance exercise indicate a significant improvement in compliance levels compared to previous inspections, reflecting increased awareness and adherence to consumer protection requirements among business establishments and fuel retail outlets (FROs). All inspected FROs in both Dzongkhags complied with key calibration, pricing, and safety standards. Dispensing pumps and nozzles were duly calibrated and certified by the Bhutan Standards Bureau (BSB), valid fire extinguishers were available, and calibrated weighing scales for LPG cylinder measurements were maintained at all outlets.

Among the 330 general business establishments inspected, overall compliance was encouraging. More than 97 percent complied with product labelling requirements and issued receipts upon request, while approximately 89 percent displayed selling prices, service charges, and applicable rates. All weighing and measuring devices inspected were found to have valid calibration status, promoting accuracy and fairness in trade practices.

However, some compliance gaps were identified among selected vegetable vendors and newly established businesses in Gelephu Thromde, particularly at Kaja Throm, mainly related to price display and product labelling. These were largely due to recent relocation and lack of prior sensitization. Immediate guidance and warnings were issued in accordance with the Consumer Protection Act, 2012, requiring businesses to address non-compliance promptly.

Going forward, the Competition and Consumer Affairs Authority (CCAA) will continue strengthening market surveillance through regular inspections, awareness programmes, and closer engagement with business operators, with particular focus on newly established businesses and vendors. CCAA remains committed to promoting fair, transparent, competitive, and consumer-oriented markets across Bhutan.

### **Submitted by:**

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