

Market Inspection Report - Gasa, Punakha and Wangduephodrang Dzongkhags

A. Background

The major market hubs in Gasa, Punakha and Wangdiphodrang Dzongkhags were inspected with the support of BAFRA Offices in the respective Dzongkhags from November 20 to December 5, 2022. A total of 172 business entities including groceries, meat shops, automobile workshops, tyre repair shops and Petroleum Retail Outlets (PRO).

The goal of the inspection is to ensure that businesses comply with consumer protection regulations outlined in Consumer Protection Act (CPA), 2012 and Consumer Protection Rules & Regulations (CPRR) 2015.

Groceries and meat shops are required to comply to the following minimum requirements:

- Issuance of money receipts,
- Proper and unambiguous labeling of products (net weight or volume, production and expiry dates, source of production, ingredients contained, etc.)
- Use of calibrated and accurate weights and measures, and
- Prominent display of selling price of goods

Petroleum Retail Outlet (PRO) are examined to ensure they meet the following mandatory requirements:

- Accuracy of volume dispensed,
- Fuel quality (density & water content),
- Display of Retail Selling Prices of fuels,
- Issuance of money receipts,
- Use of standards weights and measures,
- Full compliance to safety standards,
- Proper LPG cylinder storage method, and
- Validity of LPG cylinder expiry dates

Automobile workshops and tyre repair shops, are expected to meet these minimum standards:

- Issuance of money receipts,
- Display of price for repair services, and
- Product label and price of spare parts

B. Coverage

A total of 172 businesses were inspected during this phase (Tab. I):

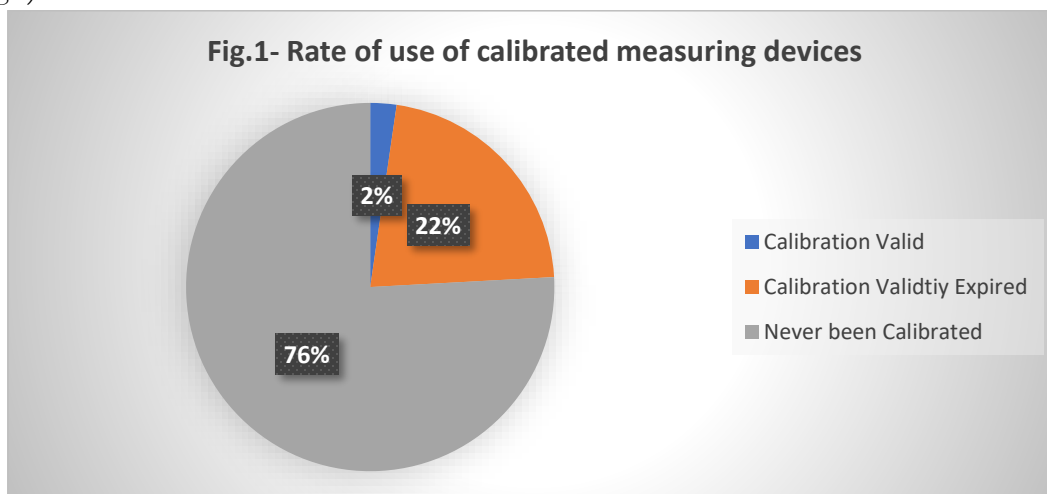
Table I: Number and types of business inspected

Dzongkhag	Marketplace	PRO	Grocery shop	Meat Shop	Automobile workshop	Total
Gasa	Damji & Gasa Town	1	15	1	0	17
Punakha	Serigang, Changyul, Punakha, Khuruthang, Lobesa & Thinleygang	3	61	9	13	86
W/phodrang	Bajo, Gangtey, Phobjikha, Nobding, Teki Zampa, Chuzomsa, Baychu, Langlay Tshawa & Rinchengang	4	55	5	5	69
Total		8	131	15	18	172

C. Observations

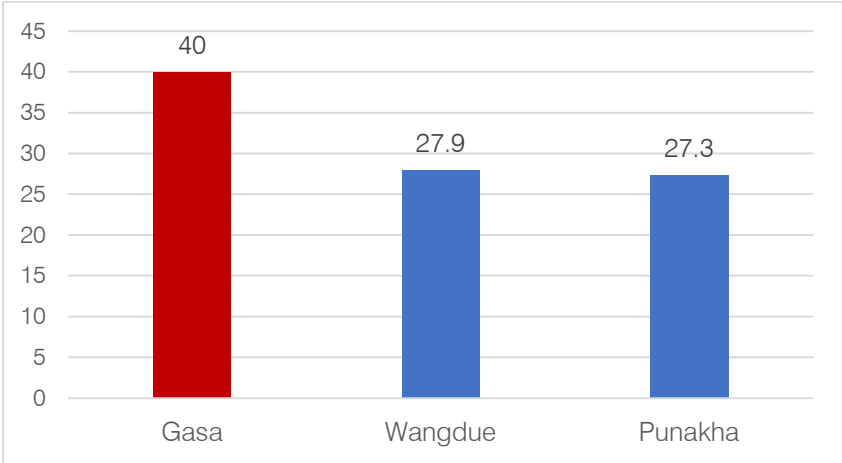
The findings and observations of the market inspection are as follows:

- 66.9 per cent had pre-printed cash memo/ purchase receipts that were issued when customers demanded.
- Only two businesses (from a total of 153 businesses that involved using weights and measures) were found to be using valid calibrated devices, while the 19 used devices that were calibrated once but its validity expired. The rest (76%) had not calibrated their measuring devices even once (Fig I).



- On the average, approximately half (50.1 %) of the businesses display prices properly. Compliance is the lowest amongst grocers at only around 14.5 %. This is because the majority of the groceries carry locally produced agriculture and livestock products, which are packed in simple plastic bags without any labeling. 66.7% of meat shops, 75% of Petroleum Retail Outlets and 44.4% of automobile workshops were compliant.
- 10 businesses were selling spare parts without a valid business license. A vast majority of the businesses selling vehicle spare parts had tampered with labeling, particularly the price information.
- Packaged foods past their expiry dates for sale were found on average in 31.3 % of groceries in the three Dzongkhags, with the highest in Gasa at 40 % (Fig. II).

Fig. II: Percentage of groceries selling expired food products



- A grocery (general store) found selling general drugs (Sinarest) without any authorization from the Drug Regulatory Authority (DRA) at an inflated price of Nu 70/- per strip.
- There were minor discrepancies in the volumes of HSD dispensed, ranging from 0.9-13ml at DPCL, Lobesa, from 0.07-0.09ml at BOD, Gasa and from 0.08-0.11ml at Langlay Tshewa. Water content in fuels were found within permissible range in all PROs.
- The DPD at Baychu, Wangdue Dzongkhag is not equipped with a hydrometer and thermometer. These are essential tools required for fuel density measurement that needs to be carried out and recorded on a daily basis.
- Except for the BOD at Gasa, the 5-liter cans at all PROs were not calibrated.
- Five LPG cylinder depots do not have proper storage and is in contravention to the SOP on Storage and Handling of LPG Cylinders, 2022, and none of the depots had a weighing machine

D. Actions Taken

- The Bhutan Standards Bureau (BSB) was notified and the list of all business entities which required weights and measures calibration and recalibration was shared for their action.
- The list of businesses operating without valid business licenses were sent to the Regional Office of Economic Affairs (ROEA), Thimphu for action.
- All expired food items were detained in coordination with BAFRA and violators were fined in accordance with the existing law. A fine of Nu. 3,560/- were imposed on six grocers in Gasa, Nu.16,310/- on the 17 grocers in Punakha, and Nu.18, 331/- on 15 grocers in Wangdue.
- Immediate rectification of the small discrepancies in the dispensed volumes at the PROs were made in collaboration with ROEA, Thimphu.
- The Drug Regulatory Authority (DRA) was informed about the unauthorized sale of medicine.
- All non-compliant PROs were immediately directed to strictly abide by the SOP for Safekeeping and Handling of LPG cylinder, install weighing machines at depots and calibrate or re-calibrate all measuring devices within a period of two weeks' time. PROs were also directed to keep tools to measure density and record them on a daily basis.

OCP Inspection Team:

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