



DECISION

Complaint No.	:	POS/48/2024/KC/F-181
Name and address of the complainant	:	Mr. Naeemuddin, Advocate High Court, R/o Flat No.A-401, 4 th Floor, Waseem Heights, Phase-II, Plot No.BS-06, Block-13, Federal "B" Area, Karachi
Name of the Agency Complained against	:	Revenue Department
Name & Designation of Investigating Officer	:	Syed Ali Mumtaz Zaidi, (PAS), Advisor-F
Vetted by	:	Mr. Shahid Ahmed Hashmi, Consultant-Legal
Subject	:	<u>COMPLAINT AGAINST ADMINISTRATION OF DISTRICT CENTRAL KARACHI REGARDING FAILURE IN CHECKING PRICES OF ESSENTIAL COMMODITIES AND REQUEST FOR PAYMENT OF COMPENSATION TO COMPLAINANT.</u>

THE COMPLAINT:

The complainant Advocate Naeemuddin filed a complaint dated 09.07.2024 comprising three distinct grievances. The 1st grievance relates to the inaction of the Deputy Commissioner Central on his complaint made to his office via email, requesting for placing an effective mechanism for price control of essential commodities. The 2nd issue as raised in the complaint was a request about referring the incompetence and failure of Assistant Commissioners of District Central in effectively checking prices to the Establishment of Anti-Corruption for investigation and subsequent termination of their services. And lastly the complainant prayed for issuing an order for compensating him with an amount of Rs.500,000/= as cost of expenses.

2. PROCEEDINGS:

- i) Complaint admitted. Copy of complaint memo forwarded to the Agency for filing a comprehensive report. Assistant Commissioner Liaqatabad refuted the allegations of inaction against profiteering mafia. His report was accompanied with copies of challans amounting to Rs.432,000/=, showing the names of vendors on whom fines were imposed for violations of notified prices. He emphasized in the report that his office conducts regular visits of the markets and is conducting raids on the shops on a weekly basis for controlling over charging.
- ii) The report supplied to the complainant. For ascertaining the exact position, a hearing convened on 31.10.2024, attended by the complainant and Assistant Commissioner Liaqatabad. The proceedings were formally recorded in minutes that were jointly signed by both sides. It was collectively resolved to implement a robust system to effectively prevent the profiteering.

3. FINDINGS:

- i) The 1st grievance about the practice of overcharging by dishonest traders is widely reported. The administration's efforts are generally lacking in controlling the prices of essential commodities, thereby, enabling unscrupulous traders to charge higher prices for these commodities.
- ii) The 2nd request about forwarding the cases of revenue officials' i.e Assistant Commissioner and his officers to the Enquiries and Anti-Corruption Establishment for investigation into their alleged failure to control profiteering is premature. To move forward, a solid case needs to be built based on evidence, documents, or a departmental report. Until then, the Enquiries and Anti-Corruption Establishment cannot take action. If the complainant has specific evidence, he can take the matter to the Anti-Corruption Department directly.
- iii) As far as the 3rd issue about compensation payment to the complainant is concerned, it is deemed a civil matter. The Ombudsman Act, 1991 does not provide a provision for claiming costs. The complainant can approach a civil court of competent jurisdiction to pursue his claim. Seeking administrative justice from the office of the Provincial Ombudsman Sindh is free of cost.
- iv) On the other side, the long standing issues of profiteering, hoarding and selling of adulterated goods, mixed or tampered items have also been reviewed and found that there are robust framework of laws namely:- **i)** The Sindh Standard of Weights & Measure (Enforcement) Act, 1975; **ii)** The Sindh Price Control Act, 2005 (Amended Act, 2003); **iii)** The Sindh Registration of Godown Act, 1995; **iv)** The Sindh Consumer Protection Act, 2014 to regulate and monitor the entire supply chain of essential commodities and for safeguarding the interest of the consumers.
- v) The Sindh Government's latest Notification dated August, 29, 2024 consulted. It empowers District Revenue authorities as District Controllers and Inspectors to exercise all powers to check the prices, stocks and record of essential commodities. This authority extends to all 80 essential items of household commodities used daily, as provided in the First Schedule of Sindh Essential Commodities Price Control and Prevention of Profiteering and hoarding Act 2005, amended until 2023.
- vi) All relevant laws, as referred here in above, empower the Bureau of Supply and Prices (**BSP**), under the supervision of the District Administration to enforce these laws. However the BSP appears to be severely impaired. In a meeting with our office, the Assistant Directors of BSP cited various reasons for their ineffectiveness. They expressed frustration for unavailability of digital monitoring system alongside the inadequate logistical support, specifically highlighting the need for vehicles, digital tools and training for field staff.

vii) Bureau of Supply and Prices (**BSP**) officials have confirmed that their **Numerators** regularly attend and witness open auction of fresh produce, including vegetables, fruits and consumables at **SUBZI MANDI**, which takes place late at night. Following the auction they promptly report the category wise auction rates of produce to Commissioner or Deputy Commissioners through Whatsapps, enabling them to determine the retail price of perishable items accordingly. However, there is a significant gap in disseminating of such information to general public and even to the Inspectors and Monitoring teams.

viii) The gaps persist in the monitoring system, as identified, stem from the lack of modern digital communication tools and mobile applications. Notably, similar digital solutions have been implemented in the Punjab Province long time ago and can easily be replicated.

4. DECISION:

In view of the wide ranging scope of this issue, the significant public interest involved especially in the context of the upcoming Holy Month of Ramadan, I, in exercise of powers vested in me under Section 11 of the Establishment of the Office of Ombudsman for the Province of Sindh Act, 1991 (amended up to date) hereby direct as follows:

- i) **Enforcement of Key Acts and Regulations:** Government shall ensure the effective implementation of the following acts:
 - The Sindh Essential Commodities Price Control and Prevention of Profiteering and Hoarding Act, 2005 (amended in 2023)
 - The Sindh Consumer Protection Act, 2014, and its Rules of 2017
 - The Sindh Registration of Godowns Act, 1995
 - The Agricultural Produce Markets Act, 1939, and its Rules of 1940
 - The Sindh Standard of Weights & Measures (Enforcement) Act, 1975

Secretary Agriculture Department, Government of Sindh, Divisional Commissioners in Sindh along with their teams of price magistrates, and other relevant Provincial departments and agencies are directed to ensure strict enforcement of these regulations.

- ii) **Strengthen the Role of the Bureau of Supply and Prices (BSP) and Market Committees:** The BSP plays a crucial role in overseeing the enforcement of the aforementioned regulations. To enhance its effectiveness, concrete steps should be taken to upgrade its logistical capabilities and IT infrastructure, enabling better monitoring and response. Similarly, the BSP and Market Committees should be tasked with ensuring the daily auction of all essential commodities, a practice vital for maintaining price transparency and competitiveness. The Agriculture Department, Government of Sindh shall bear the primary responsibility for supervising the BSP and Market Committees and ensuring compliance with auction mandates. Accordingly, the Secretary Agriculture Department is directed to take immediate measures in this respect.

(4)

iii) **Develop a Price Information System:** A comprehensive digital platform should be developed, accessible via mobile application or web interface, to disseminate real-time price information of essential commodities as notified on daily basis by all the Price Controllers as per the provisions of The Sindh Essential Commodities Price Control and Prevention of Profiteering and Hoarding Act, 2005 (amended in 2023). This platform will empower consumers to make informed purchasing decisions and foster market transparency. Moreover, it should feature functionalities allowing consumers to register and track their complaints, provide feedback and access historical price data. For enforcement authorities, this digital tool would facilitate effective price monitoring and enable the timely identification of illegal profiteering and potential commodity shortages in specific areas. Secretary Agriculture Department, Government of Sindh and all the divisional Commissioners are directed to initiate concrete measures for the development and implementation of this digital platform.

Given under my hand and seal of office



Sd /-
(MUHAMMAD SOHAIL RAJPUT)
Sitara-e-Imtiaz. PAS
Ombudsman Sindh

Karachi, dated 7 March, 2025

