

## **PUNJAB PUBLIC DISTRIBUTION SYSTEM (LICENSING AND CONTROL)**

### **ORDER, 2003**

GOVERNMENT OF PUNJAB  
DEPARTMENT OF FOOD, CIVIL SUPPLIES AND CONSUMER AFFAIRS  
(FOOD DISTRIBUTION-I BRANCH)

**The 14<sup>th</sup> February, 2003.**

### **ORDER**

No. G.S.R 13/C.A.10/55/s.3/2003 – Whereas the Governor of Punjab is of opinion that is necessary and expedient so to do for maintaining supplies and for securing equitable distribution and availability at retail prices of essential commodities;

Now, therefore, in exercise of the powers conferred by section 3 of the Essential Commodities Act, 1955 (Central Act 10 of 1955), read with Government of India, Ministry of Consumer Affairs, Food and Public Distribution, Order GSR No.630 (E), dated the 31<sup>st</sup> August, 2001, read with para 5 of annexe to the Public Distribution System Control Order, 2001, and all other powers enabling him in this behalf, the governor of Punjab is pleased to make the following order namely:-

- 1. Short title, extent and commencement** – (1) This order may be called the Punjab Public Distribution System (Licensing and Control) Order, 2003.
- 2.** It extends to the whole of the State of Punjab.
- 3.** It shall come into force on and with effect from the date of their publication in the official Gazette.
- 2. Definitions** – In this order, unless the context otherwise requires:-
  - (a) “Act” means the Essential Commodities Act, 1955 (Central Act 10 of 1955);
  - (b) “Authority” means any officer not below the rank of Inspector Grade-II, of the Food, Civil Supplies and Consumer Affairs Department, Punjab.
  - (c) “Above Poverty Line families” means those families who have been issued Above Poverty Line (APL) ration cards by the Food, Civil Supplies and Consumer Affairs Department for issue of food grains under the Public Distribution System;
  - (d) “Antyodaya Families” means those poorest families from amongst Below Poverty Line (BPL) families identified by Rural Development and Panchayats Department and Local Government Department and entitled to receive food grains under Antyodaya Anna Yojna;
  - (e) “Below Poverty Line Families” means those families who have been identified by Rural Development and Panchayat Department and Local Government Department for issue of food grains at specially subsidized rates adopting the estimates of Poverty given by the Central Government.
  - (f) “Authorized nominee” means the Food, Civil Supplies and Consumer Affairs Department or a corporation or a co-operative Society;
  - (g) “Eligible applicant” means an individual who is resident of Punjab and fulfills the conditions for getting a ration card;
  - (h) “Fair Price Shop” means a shop, which has been licensed to distribute essential commodities to the ration card holders under Public Distribution System, under this order;

- (i) “Fair price shop owner” means a person and includes a Co-operative Society or a Corporation or a Gram Panchayat or any other body in whose name a shop has been licensed to distribute essential commodities under the Public Distribution System;
- (j) “Form” means form appended to this order;
- (k) “Public Distribution System” means the system for distribution of essential commodities to the ration card holders through the fair price shops, such as rice, wheat, sugar, edible oils, kerosene and such other commodities as are notified by the Central Government under clause (a) of Section 2 of the Act;
- (l) “Ration Card” means a document namely Green, Yellow, Pink issued by the Food, Civil Supplies and Consumer Affairs Department for the purchase of essential commodities under the Public Distribution System from the fair price shop;
- (m) “Section” means the section of the Act and;
- (n) “State Government” means the State Government in the Department of Food, Civil Supplies and Consumer Affairs;

**3. Identification of families Living under Poverty Line:-**

Rural Development and Panchayat Department and Local Government Department shall identify families living below poverty line in rural areas and urban areas respectively.

**4. Ration Cards:-** The Food, Civil Supplies and Consumer Affairs Department shall issue distinctive ration cards to Above Poverty Line, Below Poverty Line and Antyodaya families and shall conduct periodical review and checking of the ration cards.

**5. Licensing:** - (1) The District Food, Civil Supplies and Consumer Affairs Controller of the concerned District shall issue a licence in form “B” for regulating the sale and distribution of the essential commodities and shall lay down the duties of the fair price shop owner. The responsibilities and duties of the fair price shop owner shall include interalia;

- (i) Sale of essential commodities as per the entitlement of ration card holders at the retail issue prices fixed by the State Government in relation/ proportion to Central Issue Price fixed by Government of India from time to time under the Public Distribution System.
- (ii) Display of information on a notice at a prominent place in the shop on daily basis regarding:-
  - (a) List of Below Poverty line and Antyodaya families;
  - (b) Entitlement of essential commodities;
  - (c) Scale of issue;
  - (d) Retail issue price;
  - (e) Timings of opening and closing of the fair price shop;
  - (f) Stocks of essential commodities received during the month;
  - (g) Opening and closing stock of essential commodities and;
  - (h) The authority for redressal of grievance/ lodging complaints with respect to quality and quantity of essential commodities under the Public Distribution System.
- (iii) Maintenance of records of ration card holder (Above Poverty Line, Below Poverty Line and Antyodaya Families) stock register, issue or sale register;

- (iv) Furnishing of copies of specified documents, namely ration card register, stock register, sale register to the office of the Gram Panchayat or Nagar Panchayat, Nigam Committee or any other body authorized for this purpose;
  - (v) Display of samples of food grains being supplied through the fair price shop;
  - (vi) Production of books and records relating to the allotment and distribution of essential commodities to the inspecting agency and furnishing of such information as may be called for by the authority;
  - (vii) Accounts of the actual distribution of essential commodities and the balance stock at the end of the month to the District Food, Civil Supplies and Consumer Affairs Controllers with a copy to the Gram Panchayat and;
  - (viii) Opening and closing of the fair price shop as per prescribed timings displayed on the notice board.
- 6. Monitoring:-** (1) The procedure for monitoring of the Public Distribution System including the functioning of the fair price shops by the state Government shall be as per sub- para (4) of paragraph 6 of the annexe attached to Public Distribution System (control) order, 2001 of the Government of India.
- (2) The designated authority for sub- para (2) and (9) of para 6 of the annexe attached to Public Distribution System (Control) Order, 2001 of the Government of India shall be District Food, Civil Supplies and Consumer Affairs Controller, District Food, Civil Supplies and Consumer Affairs Officers of the concerned district.
- 7. Power of search and Seizure: -** (1) District Controllers, Food, Civil Supplies and Consumer Affairs, District Food, Civil Supplies and Consumer Affairs Officers, Inspector Grade-I, Food, Civil Supplies and Consumer Affairs and Inspector Grade-II, Food, Civil Supplies and Consumer Affairs shall be competent to inspect or summon such record or documents as may be considered by him necessary for examination and take extracts or copies of any records or documents produced before him.
- (2) If the said authorities have reason to believe that there has been any contravention of the provisions of this order or with a view of securing compliance with this order, he may enter, inspect or search the fair price shop or any premises relevant to transaction of business of the fair price shop.
- (3) The said authorities may also search, seize or remove such books of accounts or stocks of essential commodities where such authorities has reason to believe that those have been used or will be used in contravention of the provisions of this order.
- (4) The provisions of Section 100 of the Code of criminal Procedure, 1973 (2 of 1974), relating to search and seizure shall so far as may be, apply to search and seizure under this order.
- 8. Appeal: -** All appeal shall lie before the Director, Food, Civil Supplies and Consumer Affairs, Punjab or any other officer authorized by the Government in this behalf;

Provided that any person aggrieved by an order of the licensing authority refusing to grant or renew license or forfeiting the security deposits under the provisions of the order, may appeal within thirty days of the issuance of the order.

**9. Fee:** - (1) A license under this order may be granted or renewed for a period of **five years** at the request in Form (A) of fair price shop owner and shall unless previously suspended or revoked expire on the 31<sup>st</sup> March of the year up to which is granted or renewed following the date of its issue or last renewal. *[added by Punjab Public Distribution System ( Licensing and Control) (First amendment) Order, 2004, Published in Punjab Govt. Gaz. July 2.2004 page 345 vide GSR No. 43/C.A.10/55/S.3/Amd. (1)/2004]*

(2) The fee shall be payable for the grant of license shall be as under:-

(i) License Fee:                      One hundred rupee only

(ii) Security                              One hundred rupee only

(3) The fee payable for the renewal of a license shall be one hundred rupee per annum.

(4) An application in Form 'A' for the renewal of license shall be made so as to reach the licensing authority not less than thirty days before the date on which the license expires.

Provided that the licensing authority may entertain such an application made after the date of the expiry of license, if it is satisfied that the applicant was prevented by sufficient cause from filing the application in time.

(5) The fee payable for the issue of a duplicate copy of license shall be one hundred rupee.

(6) The licensing authority may, after giving the fair price shop concerned an opportunity of stating his case and for reason to be recorded in writing refuse to grant or renew license.

FORM 'A'

(See clause 9(1) and (4))

THE PUNJAB PUBLIC DISTRIBUTION SYSTEM (Licensing & Control), ORDER, 2003.

Application for grant/ renewal of license

1. Applicant's Name \_\_\_\_\_
2. Father's Name \_\_\_\_\_
3. Mother's Name \_\_\_\_\_
4. Applicant's Profession \_\_\_\_\_
5. Applicant's Address \_\_\_\_\_
6. Address of applicant's place of business with particulars as to number of house, Mohalla, town or Village, police station and district \_\_\_\_\_
7. Complete Address of place where Public Distribution System items are proposed to be stores  
\_\_\_\_\_

I declare that I was never convicted by a court of Law in respect of any order made under section 3 of the essential Commodities, 1955.

I further declare that no license in respect of Public Distribution System items issued to me under the Provisions of the Essential Commodities Act, 1955 or any order made there under was ever suspended or cancelled.

I have carefully read the conditions of license given in Form 'B' appended in The Public Distribution System (Licensing and Control) Order, 2003 and I agree to abide by them.

- (a) I have not previously applied for such license in any other district for public distribution system items.
- (b) I applied for such license in other district namely \_\_\_\_\_ for Public Distribution Systems items on \_\_\_\_\_ and was not granted license.
- (c) If yes, No. of License \_\_\_\_\_
- (d) I hereby apply for renewal of License no. \_\_\_\_\_ dated \_\_\_\_\_ issued to me on \_\_\_\_\_

\* Strike off clause whichever not applicable.

Place \_\_\_\_\_

Dated \_\_\_\_\_

Signature of the Applicant

FORM 'A'

(See clause 5(1))

THE PUNJAB PUBLIC DISTRIBUTION SYSTEM (Licensing & Control), ORDER, 2003. LICENSE FOR REGULATING SALE, STORAGE OF ESSENTIAL COMMODITIES UNDER THE PUBLIC DISTRIBUTION SYSTEM

License No. \_\_\_\_\_

1. Subject to the provisions of the Punjab Public Distribution System (Licensing & Control) Order, 2003 and Terms and Conditions of this license M/s \_\_\_\_\_ is/ are hereby authorized to purchase, sale, store of essential commodities under the Public Distribution System.
2. (a) The license/ fair price shop owner shall carry on the above said business at the following place \_\_\_\_\_.  
(b) Essential Commodities in which the aforesaid business of fair price shop to be carried out on shall not be stored at any place other than any of the godown/ premises mentioned below:-  
Note: If the license stores his Public Distribution System commodities at any place other than those specified above, he shall give intimation thereof to the Licensing Authority within 24 hours of such storage.
3. License shall, except when specially exempted by the State Government or by the Licensing Authority in this behalf, maintain a register of daily account for each of the Public Distribution System commodities in paragraph 1 showing correctly:-
  - (a) The opening stock on each day;
  - (b) The quantities received on each day showing the place from where and source from which received and issued to the consumers on each day;
  - (c) The closing stock on each day;

The Licensee shall complete his account for each day on the to which they relate, unless prevented by reasonable cause, the burden of proving which shall be upon him.

The Licensee shall not contravene the provisions of the Punjab Public Distribution System (Licensing & Control), Order, 2003.

4. No holder of license issued under this order on his agent or servant or any other person acting on his behalf shall contravene any of the terms & conditions of the license and if any such holder or his agent or servant or any other person acting on his behalf contravenes any of the said terms or conditions, then without prejudice to any other action that may be taken against him, his license shall be liable to be cancelled or suspended by an order, in writing of the license authority.

Provided that no order shall be made by the licensing authority unless the licensee has given reasonable opportunity of stating his case against the proposed cancellation or suspension of his license.

The licensee if convicted by a court of law in respect of contravention of any order made under section 3 of the Essential Commodities Act, 1955 (Central Act 10 of 1955) relating to essential commodities, the licensing authority may by an order in writing cancel his license.

Provided that where such conviction is set aside in appeal on revision, the licensing authority shall restore the license to such a person or shall decide on merits.

5. The licensee shall have no right to claim any compensation in respect of stocks of essential commodities if the license is cancelled or suspended. The stocks of essential commodities lies shall be transferred by the licensing authority to some nearly licensee in the locality keeping in view the difficulties to be faced by consumers/ card holders.
6. The license shall not be transferred to any person or family members or any other relative in any case. [This has been now substituted by the clause to be read as “The Government shall have the right to transfer the license to any eligible person from family of licensee in any case of demice of the licensee, or, in case of 100 percent disability of the licensee.”This has been done by Punjab public Distribution System (Licensing and Control)( First Amendment) Order,2004,published in Punjab Govt.Gaz. july2, 2004 page 345, vide GSR No. 43/C.A.10/55/S.3/Amd.(1)/2004)
7. The ration cardholder shell not is denied the supply as per entitlement of essential commodities lying in the stock with fair price shop owner under the public Distribution System.
8. A fair Price shop owner shall provide the relevant extract of the record maintained by him to the beneficiary on payment of Rs.10 Only under proper head of account.
9. The fair price shop owner shall not retain ration cards after the supply of essential commodities.
10. The responsibilities and duties of the fair shop owner shall include interalia:-
  - (1) Sale of essential commodities as per the entitlement of ration cardholder at the retail issue price fixed by the government under the Public Distribution System
  - (2) Display of information on a notice board at a prominent place in the shop on daily basis regarding (a) List of Below Poverty Line families and Antyodaya families (b) entitlement of essential commodities (c) scale of issue (d) retail issue price (e) timing of opening & closing of fair price shop (f) stocks of essential commodities received during the month (g) opening and closing stock of essential commodities and (h) the authority of redressal of grievances/ lodging complaints with respect to quality & quantity of essential commodities under the Public Distribution System.
  - (3) Maintenance of records of ration card holders above Poverty Line families, Below Poverty Line families and antyodaya families, stock register, issue or sale register.
  - (4) Furnishing of copies of specified documents namely ration card register, stock register, sale register to the office of the gram Panchayats or Nagar palikas or Nigam Committee or any other body authorized for this purpose.
  - (5) Display of samples of foodgrains being supplied through the fair price shop.
  - (6) Production of books and records relating to the allotment and distribution of essential commodities to the inspecting agency and furnishing such information as may be called for by the authority.
  - (7) Accountal of the actual distribution of essential commodities and the balance stock at the end of the month to the concerned authority with a copy to the Gram Panchayat.
  - (8) Opening and closing of the fair price shop as per the prescribed timing display on the notice board.
11. The licensee shall not contravene the provision of any law relating to Public Distribution System Commodities for the time being in force.

12. The licensee shall exhibit at the entrance or some other prominent place of his business premises, the consumer price and scale of distribution of each public Distribution System items held by him for distribution such price list shall be legibly written in Punjabi language.
13. The licensee shall give all facilities at all reasonable time to the licensing authority or any office authorized by it or the State Govt. for the inspection of his stocks and accounts at fair price shop go down or other place used by him for his storage, sale etc. of Public Distribution System items and for taking of samples of Public Distribution system items for examinations.
14. The licensee shall comply with any direction that may be given to him by the state government, Director or the licensing authority in regard to purchase, distribution and storage for distribution and disposal of Public Distribution System items stored by him.
15. The licensee shall take adequate measure to ensure that Public Distribution System items stored by him are maintained in proper condition and that damage to Public Distribution System items due to ground moisture, rain, insects, birds fore or such other cause are avoided.
16. This licensee shall be attached to any application for renewal.
17. This licensee shall be valid up to \_\_\_\_\_

**(Licensing Authority)**

Place: Chandigarh

Dated: 14-02-2003

Sd/-

B.R. Bajaj

Principal Secretary to Government of Punjab  
Department of Food, Civil Supplies and Consumer Affairs