
PUBLIC DISTRIBUTION SYSTEM (CONTROL) ORDER, 2001

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PUBLIC DISTRIBUTION SYSTEM (CONTROL) ORDER, 2001

GSR. NO. 630 (E), New Delhi, dated 31st August 2001.- Whereas the Central Government is of the opinion that it is necessary and expedient so to do for maintaining supplies and for securing availability and distribution of essential commodities under the Public Distribution System. Now, therefore, in exercise of the powers conferred under section 3, of the Essential Commodities Act, 1955 (10 of 1955), the Central Government hereby makes the following order, namely:-

1. Short title, extent and commencement. :-

- (1) This order may be called the Public Distribution System (Control) Order, 2001.
- (2) It extends to the whole of India.
- (3) It shall come into force on the date of its publication in the Official Gazette.

2. Definitions. :-

- (a) "Act" means the Essential Commodities Act, 1955 (10 of 1955).

1 (b) "Appellate Authority" means an authority appointed as such by the State Government under Regulation 7 of the Annexe to this Order.

(c) "authority" means any officer not below the rank of Inspector in the State Government dealing with Food and Civil Supplies ;

(d) "Above Poverty Line Families" means those families who have been issued Above Poverty Line (APL) ration cards by the State Government for issue of foodgrains under the Public Distribution System ;

(e) "Antyodaya families" means those poorest families from amongst Below Poverty Line (BPL) families identified by the State Governments and entitled to receive foodgrains under the Antyodaya Anna Yojana;

(f) "authorised nominee" means the concerned Department of State government or a Corporation or a company owned by it or a co-operative ;

(g) "Below Poverty Line Families" means those families who have been identified by the State Government for issue of foodgrains at specially subsidized rates adopting the estimates of poverty given by the Central Government;

(h) "eligible applicant" means an individual who is resident of a State and fulfils the conditions for getting a ration card as may be prescribed by the State Governments ;

(i) "essential commodities" means essential commodities as defined under the Act;

(j) "fair price shop" means a shop , which has been licensed to distribute essential commodities by an order issued under section 3 of the Act to the ration card holders under the Public Distribution System ;

(k) "fair price shop owner" means a person and includes a co-operative society or a corporation or a company of a State Government 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;

(l) "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 oil, kerosene and such other commodities as are notified by the Central Government under clause (a) of section 2 of the Act;

(m) "ration card" means a document issued under an order or authority of the State Government for the purchase of essential commodities under the Public Distribution System from the fair price shop;

(n) "State" includes a Union Territory;

(o) "State Government" includes Administration of a Union Territory.

1. In clause 2, Sub-clause (b), shall be substituted, by the Public Distribution System (Control) (Amendment) Order, 2004

3. Identification of families living below poverty line. :-

The State Government shall identify families living Below Poverty Line (BPL) as per the paragraph 1 of the Annexe to this Order.

4. Ration Card. :-

The State Government 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 as per paragraph 2 of the Annexe to this Order.

5. Scale of Issue and Issue prices. :-

The Central Government shall make available to the State Government Foodgrains for distribution under the Public Distribution System at such scales and prices as provided in paragraph 3 of the Annexe to this Order.

6. Distribution. :-

(1) The procedure for distribution of foodgrains by the Food Corporation of India to the State Government, or their nominated agencies, shall be as per paragraph 4 of the Annexe to this Order.

(2) Fair price shop owners shall take delivery of stocks from authorised nominees of the State Government to ensure that essential commodities are available at the fair price shop within first week of the month for which the allotment is made.

(3) The district authority entrusted with the responsibility of implementing the Public Distribution System shall ensure that the stocks allocated to the fair price shops are physically delivered to

them by the authorised nominee within the stipulated time.

(4)¹ "The authority or any person authorised by it in this behalf or any other person", who is engaged in the distribution and handling of essential commodities under the, Public Distribution System, shall not willfully indulge in substitution or adulteration or diversion or theft or stocks from central godowns to fair price shop premises or at the premises of the price shop.

Explanation.- For the purpose of this clause-

(i) "diversion" means unauthorised movement or delivery of essential commodities released from central godowns but not reaching the intended beneficiaries under the Public Distribution System.

(ii) "substitution" means replacement of essential commodities released from central godowns with the same article of inferior quality for distribution to the intended beneficiaries under the Public Distribution System.

1. In clause 6, Sub-clause (4), "The authority or person", the words "The authority or any person authorised by it in this behalf or any other person" shall be substituted, by the Public Distribution System (Control) (Amendment) Order, 2004

7. Licensing. :-

(1) The procedure for issue of licenses or authorization to the fair price shops for the distribution of essential commodities under Public Distribution System and duties and responsibilities of the fair price shop owners shall be as per paragraph 5 of the Annexe to this Order.

(2) The ration card holder shall not be denied the supply as per entitlement of the essential commodities, lying in stock, by the fair price shop owner under the Public Distribution System.

(3) The fair price shop owner shall not retain ration cards after the supply of the essential commodities.

¹ "(4) Any ration card holder desirous of obtaining extracts from the records of a fair price shop owner may make a written request to such owner along with deposit of the fee specified by the State Government.

(4A) Within fourteen days from the date of receipt of a request and

the specified fee under sub-clause (4), the fair price shop owner shall provide such extracts of records to the ration card holder."

1. In clause 7, Sub-clause (4) and (4A) shall be substituted, by the Public Distribution System (Control) (Amendment) Order, 2004

8. Monitoring. :-

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 paragraph 6 of the Annexure to this Order.

9. Penalty. :-

If any person contravenes any provisions of this Order under clauses 3, 4, 6 and 7, he shall be liable to punishment under section 7 of the Act

10. Power of search and seizure. :-

(1) An authority authorised by State Government, shall be competent to inspect or summon such records or documents as may be considered by him necessary for examination and take extracts or copies of any considered by him necessary for examination and take extracts or copies of any records or documents produced before him.

(2) If the said authority has ¹"reason to believe on receipt of a complaint or otherwise" that there has been any contravention of the provisions of this Order or with a view to securing compliance with this Order, he may enter, inspect the fair price shop or any premises relevant to transactions of business of the fair price shop.

(3) The said authority may also search, seize or remove such books of accounts or stocks of essential commodities where such authority has reason to believe that those have been used or will be used or will be used in contravention of the provisions of this Order.

² "(3A) The authority conducting search and seizure under sub-clause (3) shall inform the State Government or an officer authorised by it in this behalf, the details of the search conducted and the stocks of essential commodities so seized by them under that clause."

(4) The provisions of Section 100 of the Code of Criminal Procedure 1973, relating to search and seizure shall so far as may be, apply to search and seizure under this Order.

1. In clause 10, in sub-clause(3) "reason to believe" the words, "reasons to believe on receipt of a complaint or otherwise" shall be substituted, by the Public Distribution System (Control) (Amendment) Order, 2004
2. In clause 10, after sub-clause-(3) clause-(3A) inserted, by the Public Distribution System (Control)(Amendment) Order, 2004

11. Appeal. :-

(1) All appeals shall lie before the Appellate Authority appointed under paragraph 7 of the Annexe to this Order.

(2) Any person aggrieved by an Order of the designated authority denying the issue or renewal of a ration card or cancellation of the ration card may appeal to the Appellate Authority within thirty days of the date or receipt of the Order.

1"(3) Any person aggrieved by an order of the designated authority denying the issue or renewal of the licence to the fair price shop owner, or cancellation of the licence may appeal to the Appellate Authority within thirty days of the date of receipt of the order and the Appellate Authority shall, as far as practicable, dispose the appeal within a period of sixty days."

(4) No such appeal shall be disposed of unless the aggrieved person has been given a reasonable opportunity of being heard.

2 "(5) Pending the disposal of an appeal, the Appellate Authority may direct that the order under appeal shall not take effect for such period as the authority may consider necessary for giving a reasonable opportunity to the other party under sub-clause (4) or until the appeal is disposed off, whichever is earlier."

1. In clause 11, sub-clause (3), shall be substituted by the Public Distribution System (Control) (Amendment) Order, 2004

2. In clause 11, sub-clause (5), shall be substituted by the Public Distribution System (Control) (Amendment) Order, 2004

12. Protection of action taken under Order. :-

No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done in pursuance of this Order.

13. Power of Central Government to give directions. :-

The Central Government may give such directions as it may deem necessary for execution of all or any of the provisions of this Order and the State Government shall comply with such directions.

14. Provisions of the Order to prevail over previous Orders of State Government. :-

The provisions of this Order shall have effect notwithstanding anything to the contrary contained in any Order made by a State Government or by an officer of such State Government before the commencement of this Order except as respects anything done, or omitted to be done thereunder before such commencement.