

**ANDHRA PRADESH SCHEDULED COMMODITIES
(REGULATION OF DISTRIBUTION BY CARDS SYSTEM)
ORDER, 1973**

CONTENTS

1. Short title, extent and commencement
2. Definitions
3. Issue of authorisation to fair price shops and establishments
- 3A. Suo-motu Review
4. Supply of scheduled commodities by authorised fair price shop or authorised establishment
5. Powers to issue supply cards
6. Power to make regulations
7. Availability of supply card
8. Supply documents to remain property of the State Government
9. Replacement of defaced, lost or destroyed supply document
10. Prohibition against transfer of supply documents
11. Return of supply document by person in unauthorised possession thereof
12. Cancellation of supply card
13. Prohibition against apply for duplicate supply card etc.
14. Power to enter premises, inspect, search and seize stocks of scheduled commodities, ask questions, require production of documents etc.
- 14 A. Penalties for possessing cards, making false entries or diverting stocks
15. Surrender of supply documents and obligations to furnish certain particulars
16. Further conditions to be observed by the authorised fair price shop
17. Appeal
18. Revision

SCHEDULE 1 :- SCHEDULE

**ANDHRA PRADESH SCHEDULED COMMODITIES
(REGULATION OF DISTRIBUTION BY CARDS SYSTEM)
ORDER, 1973**

In exercise of the powers conferred by the Section 3 of the Essential Commodities Act. 1955 (Central Act 10 of 1955) read with the Order of Government of India, Ministry of Food and Agriculture Department of Food. No. G.S.R. 316 (E) dated 20th June, 1973

and the Order of the President of India, GSR No. 14 (E), dated, the 18th January, 1973 and with the prior concurrence of Central Government, the Governor of Andhra Pradesh hereby makes the following Order namely :-

1. Short title, extent and commencement :-

(a) This Order may be called the Andhra Pradesh Scheduled Commodities (Regulation of Distribution by Cards System) Order, 1973.

(b) It extends to the whole of the State of Andhra Pradesh.

(c) It shall come into force from the date of publication in the Andhra Pradesh Gazette.

2. Definitions :-

In this Order unless the context otherwise requires :

(a) Appointing Authority means District Supply Officer having jurisdiction over the area in respect of Hyderabad; District Supply Officer (City) having jurisdiction over the area in respect of Visakhapatnam City and the Revenue Divisional Officer or the Sub-Collector concerned in respect of other districts.

(aa) "Authorised Establishment" means a person incharge of an establishment authorised by or on behalf of the State Government under Clause 3 for the purpose of this Order.

(b) "Authorised fair price shop" means a retail dealer appointed or authorised or approved by or on behalf of the State Government and includes a shop set up by the State Government, a State Government undertaking or a Corporation wholly owned by the State Government or a Co-operative Society for the benefit of Scheduled Castes or Scheduled Tribes under a Government Scheme under Clause 3 for sale of all or any of the Scheduled Commodities.

EXPLANATION :- On the commencement of this Order, in any area, every dealer who was appointed, authorised or approved by or on behalf of the State Government, authorisation or approval was in force in respect of any of the Scheduled Commodities immediately before such commencement, shall be deemed to be an authorised fair price shop in that area in respect of those commodities for the purpose of this Order, unless otherwise directed by the State Government the Collector concerned.

- (c) "Collector" means the District Collector or the Joint Collector of the District or as the case may be, the Chief Rationing Officer, Hyderabad.
- (d) "Establishment" means any catering establishment, residential establishment, manufacturing establishment, Mill, Industry, Animal establishment and any other establishment or class of establishment which the State Government or the Collector may declare an establishment for the purpose of this Order.
- (e) "Establishment Consumption" means using up of scheduled commodities by an establishment for consumption on the premises of the establishment or elsewhere;
- (ee) "Form" means the Form set forth in the schedule to this Order;
- (eee) "Government Scheme" means a scheme formulated by the Government for distribution of essential commodities to consumers through fair price shops set up by the State Government, a State Government undertaking, or a Corporation wholly owned by the State Government or a Co-operative Society for the benefit of Scheduled Castes or Scheduled Tribes in this behalf;
- (f) "Household Consumption" means consumption of scheduled commodities other than establishment consumption;
- (ff) "Janatha Sets" means Sarees, Dhoties or other cloth supplies by the A.P. State Handloom Weavers Co-operative Society Limited (APCO) or A.P. State Textiles Development Corporation Limited (APTEX) ;
- (g) "Scheduled Commodity" means any commodity specified in the schedule to this Order, which is supplied by the State Government or by an agency appointed by the State Government to any authorised fair price shop or establishment for issue to the consumers;
- (h) "State Government" means the Government of the State of Andhra Pradesh;
- (i) "Supply Card" means a household foodgrains card, sugar card or any other card, permit or other document issued or made available under the provisions of this Order for obtaining supplies of all or any of the scheduled commodities and any card, permit or other document issued by or on behalf of the State Government before the commencement of this Order in any areas and on which any of

the scheduled commodities were obtainable immediately before such commencement, shall be deemed to be a supply card issued and made available in that area for obtaining those scheduled commodities under the provisions of this Order;

(j) "Supply Document" means a supply card, authorisation or any other document issued or made available or deemed to be issued or made available under the provisions of this Order for purchasing, selling or distribution of all or any of the scheduled commodities.

3. Issue of authorisation to fair price shops and establishments :-

(1) With a view to controlling and ensuring proper distribution of scheduled commodities owned by the State Government, the appointing authority may issue authorisations to fair price shops owned by the State Government or any State Government undertaking or any public institution or persons including Women or Development of Women and Children in Rural Areas groups or registered Women's Voluntary Consumer Organisations (which have only women as members), either wholly or partly, subject to such preferences and reservations as may be prescribed by Government from time to time in this regard, to obtain and supply scheduled commodities in accordance with the provisions of this Order.

Provided that the said authorisation shall cease to be valid when the Government undertake running of the authorised fair price shop either by themselves or through a Government undertaking or a Corporation wholly owned by the Government or a Co-operative Society for the benefit of Scheduled Castes or Scheduled Tribes under a Government Scheme.

Provided further that the State Government may, in the public interest, replace all or any of the fair price shop dealers and entrust the distribution through a shop set up by the State Government, a State Government undertaking or a Corporation wholly owned by the State Government or a Co-operative Society for the benefit of Scheduled Castes or Scheduled Tribes under a Government Scheme.

Provided also that any person dealing in the same commodities obtained otherwise than through Government for supply through Public Distribution System, either in his own name or in the name of any member of his family shall not be issued authorisation to fair price shop and the Commissioner of Civil Supplies or the Director of

Civil Supplies or the Collector may also suo-motu in cases where the fair price shop dealer has also got a licence in his own name or in the name of any of his family members to deal in the same commodities obtained otherwise than through the Government for sale to consumers through Public Distribution System, cancel the authorisation.

[Provided also that every Fair Price Shop dealer should give an undertaking to the Appointing Authority concerned that he/she would relinquish the dealership if he/she is elected to any public office.

Provided also that any individual holding any office in public life, with or without remuneration, shall not be issued authorisation to Fair Price Shop.

Provided further that the authorisation of any existing Fair Shop dealer shall cease to be valid in the event of election of such fair price shop dealer to an office in public life, with or without remuneration. (The above three provisos are inserted and amended by G.O.Ms.No. 682 dt. 9-12-1996 and G.O.Ms.No.200 dt. 4-4-1997)

(2) Every authorised fair price shop dealer or Co-operative Society as the case may be, shall deposit with the State Government or the appointing authority or any person authorised in this behalf a sum of Rs. 2,000/- (Rupees two thousand only) in urban areas and Rs. 1,000/- (Rupees one thousand only) in rural areas as refundable trade deposit, in the shape of security deposit for the due performance of the conditions of the authorisation, and the sum so deposited or any part thereof may, without prejudice to any other penalty, after enquiry, and after giving a reasonable opportunity to the person to whom the authorisation is issued, of stating his case and also of being heard, and for reasons to be recorded in writing, be forfeited, by the State Government or the appointing authority for contravention of any of the provisions of this Order or any conditions of the authorisation issued thereunder. If as a result of any departmental action the sum deposited or any part thereof is forfeited, the authorised fair price shop shall forthwith pay to the State Government such amount as may be required to make up the prescribed sum to be deposited as security.

Provided that where a dealer of a fair price shop is exempted from payment of the security deposit under the above clause, the State

Government or the appointing authority may, in case of contravention of any of the conditions prescribed in the authorisation, after enquiry and for reasons to be recorded in writing, besides cancelling the said authorisation, impose penalty of a sum not exceeding the security deposit prescribed for authorised fair price shop in general.

Provided further that nothing in this clause shall apply to a shop run by the State Government or a State Government undertaking or a Corporation wholly owned by State Government under a Government Scheme.

(3) Any agreement executed by any authorised fair price shop for being appointed or approved and which was in force immediately before the commencement of this Order shall stand cancelled except as respects anything done or omitted to be done before such commencement and any sum deposited thereunder as security shall be deemed to be deposited with the State Government under sub-clause (2).

(4) The appointing authority may, at any time, whether at the request of the authorised fair price shop or authorised establishment or su-motu after making such enquiry as may be deemed necessary, and for reasons to be recorded in writing, add, to, amend, vary, suspend or cancel the authorisation issued or deemed to be issued to him under this clause. Notwithstanding anything contained in sub-clause (4) above, where a fair price shop dealer has been 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 any of the commodities mentioned in the schedule to this Order, the appointing authority, shall, by order in writing cancel his authorisation.

Provided that where such conviction is set aside in an appeal or revision, the Appointing Authority may, on application in Form-I made by the person whose authorisation has been cancelled, re-issue the authorisation to such person.

(5)

(i) An application for issue/renewal of authorisation shall be made in Form-I, to this Order and every authorisation issued, re-issued or renewed under this Order shall be in the form of the Authorisation prescribed in Form-II to this Order.

(ii) Every application for renewal shall be made along with the authorisation, before expiry of the period of authorisation.

(iii) The authorisation may be renewed if the application for renewal is received within one month after the expiry of the period of its validity subject to payment of fee prescribed therefor. However, if an application for renewal of authorisation is not made within one month, after the expiry of its validity, the authorisation shall cease to be valid and the entire security deposit made under sub-clause (2) of clause 3 shall be forfeited.

Provided further that the validity of the authorisation shall not be deemed to have expired if an application for its renewal as required under this sub-clause is pending before the Appointing Authority as the case may be.

(6) Period of authorisation and fees chargeable :-

(i) Every authorisation issued under this Order shall be valid for a period ending by 31st March, and shall be issued for a period of two years.

(ii) The fees payable for issue of an authorisation shall be Rs. 100/- and that for the renewal of an authorisation for two years shall be Rs. 100/-.

Provided that all those fair price shop dealers who are already appointed as dealers shall pay the fees as prescribed under this sub-clause and obtain fresh authorisations within the period of three months from the date of publication of this notification in the Andhra Pradesh Gazette.

[(iii) The fee payable shall be Rs. 200/- if the application is received for renewal of authorisation within one month after the expiry of its validity.] (Inserted by G.O.Ms.No.40 dt. 5-3-1999)

(7) Duplicate authorisation :-

(i) If the Appointing Authority is satisfied that an authorisation is defaced, lost, destroyed or otherwise rendered useless, he may, on payment of a fee of Rs. 50/- issue a duplicate authorisation.

(ii) The fee paid under this sub-clause shall not be refundable.

3A. Suo-motu Review :-

'':- The Chief Rationing Officer in respect of Hyderabad City or the

District Collector elsewhere may either suo-motu or on an application, may call for and examine the records under clause 3 of this Order relating to any order passed under sub-clause (2) or (4) for the purpose of satisfying himself as to the legality or propriety or adequacy of the punishment imposed and for reasons to be recorded in writing, add to, amend, revise or annul the orders passed by the Appointing Authority. Before passing final orders under this clause, the Chief Rationing Officer, in respect of the twin cities of Hyderabad and Secunderabad and District Collector, elsewhere shall give the Fair Price Shop dealer concerned an opportunity of making his representation and pass such order thereon as he may deem fit.

4. Supply of scheduled commodities by authorised fair price shop or authorised establishment :-

No authorised fair price shop or authorised establishment shall sell or agree to sell or supply or agree to supply scheduled commodities to any person except for household consumption or for the purposes of an establishment other than establishment consumption, except at such prices as may be specified by the State Government in this behalf and except under and in accordance with the provisions of this Order.

5. Powers to issue supply cards :-

(a) With a view to controlling the distribution of scheduled commodities the State Government or the Collector or Mandal Revenue Officer or Assistant Supply Officer may issue or cause to be issued supply cards to any person or class of persons or to the public generally;

Provided that no such card shall be delivered to any person unless such person or any adult member of his family to whom the document is tendered on his behalf signs in token of receipt of such document as required by the Officer delivering such document. An amount of Rs. 2/- per white house-hold supply card and Rs. 5/- per ink house-hold supply card shall be charged for issue of each fresh house-hold supply card.

(b) The State Government or the Collector or Mandal Revenue Officer or Assistant Supply Officer or any Officer authorised by the State Government or by the Collector may, at any time whether at the request of the person to whom any supply card has been issued or suo-motu, after making such enquiry as may be deemed

necessary, add to, amend, vary, suspend or cancel such card. Where any such card is cancelled, any person in possession of it shall forthwith deliver the same to Government, the Collector or Mandal Revenue Officer or Assistant Supply Officer or authorised officer as the case may be.

6. Power to make regulations :-

(1) The State Government may make regulations providing for the conditions subject to which scheduled commodities may be supplied or obtained for house-hold consumption, establishment consumption or for the purpose of an establishment other than establishment consumption or in connection therewith.

(2) Any regulations made under this clause shall have effect as if they were incorporated in this Order.

Provided further that nothing in the sub-clauses (1) and (2) above shall apply to a shop run by the State Government or a State Government Undertaking, or a Corporation wholly owned by the State Government.

7. Availability of supply card :-

A supply card shall be available for lawful use only :-

(a) In respect of house-hold consumption for the person or persons included therein who is or are living and is or are in the local area for which it is issued.

(b) In respect of establishments;

(i) While the person incharge of the establishment is living and is in any such area, and

(ii) While the business of the establishment is carried on at the address specified on the card.

Explanation :- 1. The person incharge of an establishment shall be deemed to be in the local area, if he is not absent there from for a period exceeding four weeks at a time.

2. The business of the establishment shall be deemed to be carried on, if the establishment is not closed for a period exceeding seven days at a time.

8. Supply documents to remain property of the State Government :-

Every supply document issued under this Order shall be the property of the State Government, but the person to whom it is issued or surrendered or with whom it is retained under the provisions of this Order shall, subject to the other provisions of the Order be entitled to its custody and be responsible for its safe custody.

9. Replacement of defaced, lost or destroyed supply document :-

(i) If any supply document be defaced, lost or destroyed, the Collector or the Chief Rationing Officer or Mandal Revenue Officer or Assistant Supply Officer, as the case may be, shall after making such enquiry, as he may think fit, issue a new supply document in place thereof on payment of Rs. 10/- in the case of duplicate pink card and Rs. 5/- in respect of duplicate white card.

Provided that no such fee shall be charged for the issue of any duplicate supply card, if the Collector or the authorised officer is satisfied that the original card was defaced, lost or destroyed on account of fire, flood or other natural calamity or is required to be produced in a Court or for purposes of evidence before any person holding an inquiry or is required to be retained for official correspondence or the duplicate supply card is required to be issued on account of some mistake on the part of the issuing office.

(ii) Every person to whom a new supply document has been issued shall, if he subsequently finds the lost document, forthwith return the later document to the Collector or the authorised officer.

10. Prohibition against transfer of supply documents :-

No person shall transfer to any other person a supply document issued to himself, and no person shall use or dispose of or obtain such document, except under and in accordance with the provisions of this Order.

Provided that no authorised fair price shop dealer shall keep in his possession any supply card or cards relating to any household or establishment, whether registered in his shop or not.

11. Return of supply document by person in unauthorised possession thereof :-

Where any person is in possession of a supply document and such possession is not authorised by virtue of this Order, he shall forthwith deliver the same to the person in respect of whom it is

issued or to the Mandal Revenue Officer or Assistant Supply Officer of the area in which he resides.

12. Cancellation of supply card :-

In any case where any supply card or any entry or coupon thereon is required to be cancelled under or for the purposes of this Order, it shall not be deemed to be cancelled unless it shall have been effectively cancelled in ink (whether by means of a dye or stamp or stamps or otherwise) or by means of indelible pencil and shall upon such cancellation cease to be available for lawful use.

13. Prohibition against apply for duplicate supply card etc. :-

No person shall

(a) dishonestly apply for or receive a supply card if he knows or has reason to believe that his name is already included in any other supply card issued to any house-hold.

(b) obtain a supply card by furnishing false information.

(c) without lawful authority alter or destroy a supply card issued to him.

14. Power to enter premises, inspect, search and seize stocks of scheduled commodities, ask questions, require production of documents etc. :-

(1) Any officer or person authorised by the State Government or by the Collector or by the appointing authority or any officer of the Revenue or Civil Supplies Department not below the rank of Revenue Inspector of U.D. Cadre or any officer of the Vigilance Cell of Civil Supplies Department not below the rank of Sub-Inspector, may at all reasonable times, inspect any stocks of scheduled commodities supply documents or books, accounts or order documents pertaining to dealings in scheduled commodities and may for the purpose of such inspections;

(a) enter the premises of any establishment or shop provided that, in exercising the power of entry, due regard shall be paid by such officer or person to the social and religious customs of the occupants of the premises;

(b) ask of any person all necessary questions;

(c) require the production of any document and take or cause it to be

taken extracts from or copies of such documents; and

(d) take or cause to be taken the weight or measure of the scheduled commodities found in the premises.

(2) Every person when so required by such officer or person under sub-clause (1) shall allow access to premises, answer all questions to be best of his knowledge and belief, produce the documents in his possession and allow to take extracts there from, to make copies there of or to take scheduled commodities found in the premises, to be taken.

(3) Such officer, may in the course of such inspection search for and seize any commodity in respect of which he has reason to believe that any provision made by this Order has been or is being contravened.

14A. Penalties for possessing cards, making false entries or diverting stocks :-

Notwithstanding anything contained in this Order.

(a) if any fair price shop dealer is found to be in possession of supply card (s) or draws commodities by making false entries of card number(s) even though no such cardholder resides in the village/municipality as the case may be, such fair price shop dealer shall be required to pay loss to Government calculated as the difference between the market rate and Public Distribution System rate of all commodities supposed to have been supplied or drawn on such card(s) or entries, from the date of issue of authorisation to the fair price shop dealer concerned or from the date of issue of such household supply card, whichever is later;

(b) if any fair price shop dealer makes false entry or entries, in respect of card(s) held by person(s) residing in the village/municipality concerned, by fraudulently showing to have supplied more quantities than the quantity actually supplied or diverts stocks to any person, but does not make any entry in the card, with a view to making fictitious entries subsequently or cover up the excess stocks already available with him, such dealer shall be required to pay loss to Government calculated as the difference between the market rate and Public Distribution System rate of the commodity actually delivered or covered by such false entry or entries worked backwards from the date of issue of authorisation to the fair price shop dealer concerned or from the date of issue of such household supply card, whichever is later;

(c) if any fair price shop dealer diverts stocks either wholly or partly, he/she shall be liable to pay as penalty three times the difference between the market rate and Public Distribution System rate of the commodity thus diverted.

15. Surrender of supply documents and obligations to furnish certain particulars :-

Every authorised fair price shop or authorised establishment, as the case may be, shall when so required by the Mandal Revenue Officer or the Assistant Supply Officer concerned or by an Officer authorised by the State Government or the Collector, in this behalf :-

(a) deliver to him all supply cards and other supply documents surrendered to him under or for the purpose of this Order; and

(b) furnish such particulars relating to his dealings in and stocks of scheduled commodities as may be required.

16. Further conditions to be observed by the authorised fair price shop :-

(1) Every authorised fair price shop shall :

(a) be held responsible for all the acts of commission and omission of his partners, agents, servants and other persons who are allowed to work in the shop;

(b) not sell scheduled commodities obtained from sources other than the State Government godown or any agency appointed by the Collector, except under and in accordance with the conditions if any, of the special permission granted by the Collector or any Officer authorised by him from time to time.

(c) always maintain adequate stocks of the scheduled commodities;

(d) take adequate measures to ensure that the scheduled commodities stored by him are maintained in good condition and that damage to them due to ground moisture, rain, insect, rodents, birds, fire and such other causes is avoided. Suitable dunnage shall be used where necessary to avoid damage from ground moisture. Fertilisers, insecticides and poisonous chemicals likely to contaminate shall not be stored along with the scheduled commodities in the same godown or shop or in immediate juxtaposition of such commodities. It shall further be ensured that at the time of sale,

the said commodities are in good condition.

(2) No authorised fair price shop shall, without reasonable cause stop the working of the shop abruptly or allow the shop to remain closed during working hours on any working day, without the prior approval of the appointing authority.

(3) Every authorised fair price shop intending to stop the business of supplying scheduled commodities shall give thirty days previous notice to the appointing authority to enable him to make alternative arrangements for supply scheduled commodities to supply to card holders allotted to the shop.

(4) The authorisation issued under this Order shall be liable for suspension of cancellation, as the case may be, for any contravention of the provisions of this Order or any instructions, directions, or orders issued by the Government or Commissioner of Civil Supplies or the Collector or Chief Rationing Officer or the Appointing Authority concerned.

17. Appeal :-

(1) Any person aggrieved by any Order passed by the Appointing Authority under clause 3 may, within thirty days from the date of receipt by him/her of such order, appeal against such order, where it is passed by

(i) the Revenue Divisional Officer or the Sub-Collector or the District Supply Officer (city) having jurisdiction over the areas in respect of the Visakhapatnam city, to the Joint Collector in the Districts.

(ii) the District Supply Officer to the Chief Rationing Officer in Hyderabad District. In disposing of any appeal under this clause, the appellate authority may, after giving the party an opportunity of making his representation, pass such order thereon as that authority may deem fit.

(2) Pending disposal of an appeal, the appellate authority may direct that the order appealed against shall not take effect until the appeal is disposed of.

18. Revision :-

(1) Any person aggrieved by an order under clause 17(1) (i) may, within thirty days from the date of communication to him/her of

such an order, prefer a revision to the District Collector concerned.

(2) Any person aggrieved by an order under clause 17 (1) (ii) may, within thirty days from the date of communication to him/her of such an order, prefer a revision to the Commissioner of Civil Supplies, Andhra Pradesh, Hyderabad.

Provided that no order shall be passed under this clause unless the aggrieved person has been given a reasonable opportunity of representing his/her case. Pending disposal of the revision, the District Collector in the districts and the Commissioner of Civil Supplies in respect of Hyderabad District, may direct that the order under revision shall not have effect until the revision is disposed of.

SCHEDULE 1

SCHEDULE

SCHEDULE 1

1. Rice (including paddy)

2. Wheat

3. Jowar

4. Bajra

5. Maize

6. Sugar

7. Pulses

Above items include Whole or broken or the flour products thereof.

8. Edible Oils

9. Kerosene

10. Janata Sets

11. Nationalised Text Books.