

GOVERNMENT OF MANIPUR
SECRETARIAT: CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
DEPARTMENT

ORDERS BY THE GOVERNOR MANIPUR

Imphal, the 14th December, 2012

No.11/1/90-FCS/Pt.II: Whereas, the Supreme Court in Writ Petition (C) No.196/2001 – People's Union for Civil Liberties V/S Union of India and Ors., constituted a Central Vigilance Committee (CVC) on Public Distribution System (PDS) under Justice Wadhwa to look into the maladies affecting the proper functioning of Public Distribution System (PDS) and to suggest remedial measures to improve the functioning of PDS across the country.

2. And whereas, the terms of reference of the Justice Wadhwa Committee in respect of Fair Price Shops (FPS) inter-alia included suggesting a transparent mode in the selection and appointment of Fair Price Shop dealers and also an ideal commission or the rates payable to the dealers.

3. And whereas, Justice Wadhwa Committee in its report in respect of Manipur have made the following recommendations and observations for selection and appointment of Fair Price Shop (FPS):-

- (a) Appointment of FPS dealers should not be done through the elected representatives. Political influence in the grant of license should be done away with. It should be done on the basis of merit and integrity of individual concerned.
- (b) The State must adopt transparent and strict procedures for appointment of FPS.
- (c) The State must also determine conditions for vacancy of a FPS since the same also affects FPS viability as well. Whenever there is a vacancy it should be properly advertised.
- (d) Selection should be done after seeing the willingness of the person to devote time to run FPS.
- (e) The application received should be scrutinised by the officials of the CAF&PD department. Objections should be invited from the general public and the bodies responsible for vigilance. Spot verification should be done by the officials of the department. Thereafter eligible applicants should be considered for grant of license by a departmental committee constituted for the purpose.
- (f) FPS dealers should be appointed not polling station-wise but village-wise.

- (g) The criteria for opening a shop in an area should be the distance of shop from the beneficiary's residence and also the number of beneficiaries.
- (h) Number of cards attached to the FPS should be sufficient to earn a reasonable income.
- (i) The period for appointment of FPS agents is only one year however, a realistic period must be stipulated which will act as an incentive for an honest business man.
- (j) Standalone FPS shop should not be allowed as it is inherently unworkable and leads to malpractices. A system needs to be developed where General Stores are given license to sell PDS grains. There can be restriction on sale of non-PDS wheat and rice at such shops.
- (k) FPS dealers are not selling non-PDS commodities though there is no statutory provision for selling other commodities. It is recommended that Government should grant license to existing General/Grocery Shops and should encourage the existing FPS dealers to sell non-PDS items from the same premises which can certainly help in increasing their viability.
- (l) The State is under obligation to provide door step delivery of food grains at FPS. Hence the same should be delivered at the door step of FPS to reduce the transportation cost of FPS and also to curb the diversion.
- (m) Mobile vans for distribution of PDS food grains have proved their utility in many States. They can be used in the State for distribution of food grains wherever necessary.
- (n) State Government should consider the payment of money by FPS agents through nearest Post Office as there are not enough banks in the State and FPS dealers have to travel long distance to deposit money in banks.
- (o) Awareness of people and publicity of quantity of food allocated, number of beneficiaries and their entitlement of food grain in vernacular is the best way to monitor the public distribution system.
- (p) The public address system which is an effective mechanism to inform the people about the arrival of food grain and should be adopted in the State.

4. And whereas, Justice Wadhwa Committee also submitted a separate comprehensive report on Computerization and has recommended to the States to take immediate action on the report for a total revamping of the Public Distribution System and end-to-end computerization of PDS to eliminate diversion and help streamline the PDS.

5. And whereas, as per the orders of even No. dated 18.3.2010 existing FPSs are located polling station-wise and not village-wise, and existing FPS agents have been appointed by a Selection Committee having elected representatives for a period of one year.

6. And whereas, existing FPSs appointed as per instructions contained in the orders of even No. dated 18.3.2010 are predominantly standalone entities and the merit and integrity of the applicant have not been accorded sufficient importance.

7. And whereas, the Government of Manipur has considered the recommendations of the Justice Wadhwa Committee in respect of Manipur and the report on computerisation of PDS, and has decided to revamp the Public Distribution System (PDS) in the State by implementing a number of measures.

8. Now therefore, in view of the above and in pursuance of the decisions taken by the State Government on 19.9.2012 on the recommendations of the Justice Wadhwa Committee, the Governor of Manipur, in supersession of all orders issued in regard to FPS, is pleased to lay down the following Revised Guidelines towards a total revamping of the Public Distribution System in the State.

Revised Guidelines

A. The Selection Committee of Fair Price Shop dealers and S.K. Oil sub-dealers in districts/ADCs constituted vide orders of even no. dated 18.3.2010 shall be reconstituted by the following officials and shall be called "Selection and Appointment Committee of Fair Price Shop Dealers and S.K. Oil Sub-Dealers" with immediate effect and until further orders:-

i	Deputy Commissioner (DC) concerned or Additional Deputy Commissioner (ADC) in respect of Kangpokpi and Jiribam	<u>Chairperson</u>
ii	Superintendent of Police concerned or Addl. S.P. in the ADC concerned	Member
iii	Additional Deputy Commissioner concerned for districts	Member
iv	Chief Executive Officer of Zilla Parishad/ADC concerned for rural areas and Executive Officers of Municipalities etc. for urban areas.	Member
v	Sub-divisional Officers/BDOs in the district	Member
vi	District Social Welfare Officer concerned	Member
vii	District Education Officer concerned	Member
viii	District Agriculture Officer concerned	Member
ix	District Transport Officer concerned	Member
x	Executive Engineer, PWD concerned	Member
xi	PIU/EE, MSRRDA of district concerned	Member
xii	District Supply Officer/Assistant Director concerned in District/ADC.	Member Secretary

B. The recommendations and observations of Justice Wadhwa Committee brought out at para 3 above shall serve as guidelines for inviting applications through advertisement, processing applications, carrying out spot verification, assessing viability of shop, merit and integrity of the applicant, selection and appointment of FPS agents and S.K. Oil sub-dealers. Casual vacancies arising out of cancellation, resignation etc shall be filled up by following the same process for fresh appointment.

C. Further, the Guidelines laid down vide orders of even no. dated 18.3.2010 shall stand revised as follows:-

(i) The Selection and Appointment Committee of Fair Price Shop Dealers and S.K. Oil Sub-Dealers shall discontinue the existing polling station-wise FPS and replace them with village-wise/zone-wise/cluster of villages FPSs which will cater to preferably at least 200 ration card holders keeping in view the guidelines in terms of viability, accessibility, feasibility etc. and shall be done in the following manner:-

- (a) Villages having about 200 ration card holders shall be given a FPS.
- (b) Zoning of houses shall be done for big villages/towns/city and a FPS given to cover about 200 ration card holders in each zone.
- (c) Clustering of villages shall be done for a number of small villages which are having less than 200 ration card holders and a FPS shall be given to cover about 200 ration card holders in each cluster of villages.
- (d) The details of FPS determined in respect of (a), (b) and (c) categories of villages/zones shall be notified by the DCs/ADCs for information of the general public.

(ii) As far as possible, a single dealer for all PDS items i.e. FPS and SKO sub-dealer should be preferred and explored.

(iii) Preference shall be given to rural local bodies i.e. Gram Panchayats/Village Authorities willing to carry out the functions of FPS/SKO sub-dealer or to women SHG/society, SHG federation, cooperative societies, etc.

(iv) Preference for appointment of FPS/SKO sub-dealer shall also be given to existing General/Grocery stores selling non-PDS items in villages and willing to carry out the function of FPS/SKO sub-dealer by imposing restriction in the sale of non-PDS wheat, rice and levy sugar.

(v) FPSs shall be allowed to retain Rs.65/- (Rupees sixty five only) per quintal as their margin for sale of PDS items which will be subject to revision by the CAF&PD Department from time to time.

(vi) The Committee shall work out the route for doorstep transportation of food grains and levy sugar to each FPS within the district by the medium trucks of CAF&PD on monthly basis/regular periodicity.

(vii) The CAF&PD department shall provide funds from margin money for meeting the transportation costs of door step delivery from PDC/PDSC to FPSs. The amount collected for this purpose by the Directorate of CAF&PD will be reimbursed to the DCs/ADCs on monthly basis on submission of monthly transportation details. This provision will come into operation from the month the trucks are made available by the CAF&PD department to the DCs/ADCs.

(viii) DCs/ADCs shall release news items in the local dailies to announce the arrival and distribution of PDS items. Wherever feasible, DCs/ADCs shall employ the use of public address system for this purpose.

(ix) Till the Socio-Economic Survey (SECC) survey report for Manipur is finalised and published, the latest electoral rolls shall be the basis for distribution of ration cards.

(x) These guidelines for FPSs will be subject to modifications based on the instructions of the Government of India issued from time to time.

D. All existing FPS agents and S.K. Oil sub-dealers whose term of appointment is upto 31st March, 2013, shall be allowed to complete their term upto 31st March, 2013 without any extension of term and they shall be informed immediately by the DCs/ADCs. In the case of existing FPS agents and S.K. Oil sub-dealers whose term of appointment is beyond 31st March, 2013, their term of appointment shall be curtailed upto 31st March, 2013 and cancelled by a speaking order by the DCs/ADCs by giving at least two month's notice.

E. Advertisement shall be invited for fresh appointments of FPSs and S.K. Oil sub-dealers as per the guidelines given herein. All fresh appointment shall be completed by all DCs/ADCs (Kangpokpi and Jiribam) by 31st March, 2013.

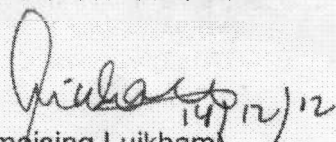
F. FPS agents and S.K. Oil sub-dealers shall be appointed for a period of two years initially which may be extended by one year depending on the performance reports given by the Panchayat/Municipal/Village Level Vigilance Committee for TPDS and based on the recommendations of the Selection and Appointment Committee of Fair Price Shop Dealers and S.K. Oil Sub-Dealers.

G. FPS agents and S.K. Oil sub-dealers whose appointment has been cleared by the Selection and Appointment Committee shall procure trade license under the Manipur Trade Articles (Licensing and Control) Order, 1986 from the authority concerned within a period of 30 days from the date of issue of the letter of intent by the DC/ADC concerned for appointment as FPS agents/S.K. Oil sub-dealers.

H. An amount of Rs.3,000/- in the form of D-at-call of any nationalised bank/State Coop. Bank shall be deposited within 30 days from the date of issue of the letter of intent for appointment as FPS agents/S.K. Oil sub-dealers and the D-at-call shall be drawable at the discretion of DC/ADC concerned in the case of recovery, fine etc.

I. The appointment of FPS agents/S.K. Oil sub-dealers shall be liable to cancellation at any time by the DC/ADC concerned in the event of any complaint or unsatisfactory performance and the decision of the Chairman of the Selection and Appointment Committee of Fair Price Shop Dealers and S.K. Oil Sub-Dealers shall be final.

By Orders & in the
name of the Governor


(Ameising Luikham)
Addl. Chief Secretary (CAF&PD)
Govt. of Manipur

No.11/1/90-FCS/Pt.II

Dated Imphal, the 14th December, 2012

Copy to :-

1. Director (CAF&PD), Manipur for necessary action.
2. All Deputy Commissioners, Manipur for necessary action.
3. ADC, Kangpokpi/Jiribam for necessary action.
4. All SDOs concerned.
5. All DSOs posted in the districts.
6. All Assistant Directors (CAF&PD), ADC, Kangpokpi/Jiribam.
7. President, Manipur State Consumer Redressal Forum, Manipur.

Copy for information to :-

1. Secretary to Governor of Manipur, Raj Bhavan, Imphal.
2. Secretary to Chief Minister, Manipur, Imphal.
3. PS to Deputy Chief Minister, Manipur.

