LICENCE MATTERS

Licence Matters

Fair Price Shop is the corner stone upon which the entire edifice of public distribution system is built. Hence, licensing a fair price shop is an important responsibility on the part of the Sub Divisional Controllers or Rationing Officers. The unified control order, promulgated on 1st August, 2024, has brought in a number of significant changes in the process of licensing to fair price shops as well as to the distributors. Para 2 of the control order is very important in this respect. It gives the Definitions of different entities that we have to deal with in the following paras. Hence, it requires special attention.

In the following chapters of this segment of the Training Booklet we have tried to encapsulate all the relevant features of licensing one by one:

First, by indexing all the relevant clauses of the new control order of 2024 and locating the relevant Govt orders side by side in the compendium published of late by the Department.

Second, the process flow of licensing to dealers and distributors right from the beginning of creating a vacancy to the issue to Licence has been delineated in brief.

And thirdly, the steps to be taken in the online module for doing the above-mentioned jobs have been described in a modular form for the convenience of the users.

At the last, a mop up has been given for better understanding of the issues.

All these are not at all exhaustive. We know that field officers face numerous challenges in this regard every day. The Department has, therefore, kept all its doors open to let the air from the field come in with all its freshness and vitality.

- **New provisions/modifications in the WBTPDS (M&C) Order, 2024 --related to license matters:**

Topic	WBTPDS (M&C) Order, 2024	Control Order, 2013
Mode of vacancy creation and licensing of FPS	• A new web module has been devised for covering the entire process of creation of vacancy and licensing of FPS in online mode. • In exigencies, the State Govt. may order that the process may be carried out in offline mode.	The entire process of creation of vacancy and licensing of FPS was in offline mode.
Eligibility criteria for application for grant of FPS license	In case of registered partnership firm at **least one partner shall be permanently residing in the concerned district.**	No such provision
	The Individual applicant or partners in the partnership firm must be **above 21 yrs. Of age and below 45 yrs.** Of age on the date of application. And in case **of distributors** the applicant or partners of the partnership firm must be **above 21 and below 50 yrs. of age.**	No such provision
Disqualifications to get an FPS license	A Flour Mill or a Rice Mill and its Owner in any capacity	No such provision

Topic	WBTPDS (M&C) Order, 2024	Control Order, 2013
Selection procedure for licensing of FPS	Inquiry against an application may start immediately after an application submitted. But enquiry for all applications must be completed within 15 days from the last date of submission of the application for FPS license	Completion of the enquiry by the Sub-divisional Controller or his authorized officer and submission of report thereof to the District Controller within 21 days from the last date of submission of application.
	DLFPSSC shall forward the case with its recommendation of the most suitable candidate along with the panel of eligible & suitable candidates in order of merit on the basis of total marks given by the SCF&S plus marks given by the committee to the Director.	No provision of recommendation of panel of candidates was there.
Issue of offer letter	After obtaining approval from the Director, the LA shall issue an Offer Letter to the approved candidate with the direction to furnish recent passport size photographs, security deposit and licensing fee within a period of 15 days from the date of receipt of offer letter	There was no specified time period for submission of documents and fees after issuance of offer letter.
	If the candidate fails to comply the conditions of offer letter within the stipulated period of 15 days, the candidate may be provided an extended period of 7 days to comply, failing which the offer letter issued to him shall be deemed to be cancelled without any further notice.	There was no provision of giving an extended period of 7 days to comply with the conditions of offer letter.
Issue of License	The licensee has to submit the documents like trade license, calibration certificate, etc. within 90 days from the date of issuance of license or at the time of renewal, whichever is earlier.	No such provision
Eligibility of Distributorship license	Eligibility in case of distributors has been restricted to Mahasangha of SHGs, Sanghas have been prohibited.	Sanghas of SHGs were also eligible for distributor license.
Doorstep delivery	The calendar of doorstep delivery of the beneficiaries with dates and clusters (with details of para/hamlet etc.) to be covered under each date ahalll be displayed in the FPS and also in the vehicle meany for such doorstep delivery by an FPS licensee.	No such provision
Certain restrictions in relation to a license	Any person, as an individual or as a partner in a partnership firm, cannot hold a license for more than one FPS. In case, a person is holding license as an individual or as a partner in more than one FPS, the license shall not be renewed after expiry of the validity.	No such provision
Maintenance of records & registers by FPS Dealers	•The FPS shall preserve all the existing record and registers related to the air price shop which are maintained under the repealed control order for at least five (5) years. •The fair price shop licensee shall maintain and update “Daily Stock & Sale Register” and “Inspection Book in the prescribed format and preserve for at least five (5) years.	No such provision

FPS Vacancy and Licensing

1. **Vacancy Creation:**

1.1. Resultant Vacancy:

Arising out of discontinuation of an FPS on the following events:

- Resignation of any dealer.
- Death or incapacitation of the existing individual dealer on medical ground, unless any of his /her family members is found suitable for engagement of compassionate ground.
- Dissolution of a firm formed by a group of people.
- Cancellation of licence issued to a dealer for any reason whatsoever.
- (In the case of private limited company) the transfer of majority shareholding of that company in favour of the third party i.e. other than promoters / Directors of that company.
- To be initiated by the SCF&S/ RO. If the discontinued FPS has a high number of beneficiaries, fresh vacancy(s) may be carved out before leaving just enough RCs for creation of one resultant vacancy. Or, the SCF&S/ RO may specify at the outset the number of vacancies that are to be created.
- The Inspector cannot change number of vacancy.
- he must first identify a central location for each vacancy area.
- He proposed pooling of beneficiaries in the vacancy with following steps and logics:

1.1.0.1. For one resultant vacancy to be created from one discontinued FPS, all RCs are to be pooled.

1.1.0.2. Otherwise, he must conduct a proper field survey to chalk out which beneficiary family is to be assigned to which vacancy.

1.1.0.3. For this exercise, village (census village, not the locally demarcated ones) and families are the units.

1.1.0.4. If a village falls within the service area of a vacancy completely, all its beneficiaries can be pooled at one go.

1.1.0.5. If not, families based on their residence locations are to be identified for pooling.

1.1.0.6. Ratio in which different categories of RCs are there in a village, is to be maintained while pooling also. E.g. if in village ratio of AAY:PHH: SPHH: RKSY-I: RKSY-II is 1:2:3:4:5, RCs pooled must be in the same ratio.

1.1.0.7. The Inspector can propose 20 more or 20 less than the RC limit set by the SCF&S/RO. For wider departures, he needs to give explanatory remarks.

1.1.0.8. He also attaches a lay out map representing the RC population he is proposing for the vacancy.

- The proposal travels all the way to the Department for approval. Each office can either send it onwards with recommendation or rejection proposal, or send it to lower level for reconsideration/ clarification.
- When approved, it is ready for notification.
- If rejected, it dies. The SCF&S/ RO may initiate again if required.

1.2. Fresh Vacancy:

In case it appears necessary for the District Administration to declare a new vacancy of dealership for catering to the need of consumers in any particular area Fresh/New vacancy may be proposed. It is mainly due to increase in the number of beneficiaries attached to an existing shop which affects the service to the consumers by the Dealer. Beneficiaries may have to travel more distance, wait for a long time to collect their ration etc. Besides that, because of other reasons like remoteness from existing shop, natural barrier, areas lying cut by railway or highway etc Fresh vacancy may be considered.

- To be initiated by the SCF&S/ RO.
- Only one fresh vacancy proposal can be created at a time.
- Inspector proposes pooling of beneficiaries following the same steps and logics as in 1.1.3 to 1.1.4.8.
- After the SCF&S/RO has sent it to the DCF&S/ DDR, he needs to obtain concurrence of the District Magistrate and send it onwards with attachment of the same.
- The proposal travels all the way to the Department for approval. Each office can either send it onwards with recommendation or rejection proposal, or send it to lower level for reconsideration/ clarification.
- When approved, it is ready for notification.
- If rejected, it dies. The SCF&S/ RO may initiate again if required.

2. **Vacancy Notification:**

2.1. Online Created Vacancies: After approval by the Department, the vacancy is available in notification page for generation of draft notification. All locational details of the vacancy are pre-filled and cannot be edited.

2.2. Offline Created Vacancies: If the entire approval procedure has taken place offline through physical file movement, the SCF&S/ RO can generate notification draft by filling in all necessary details of the vacancy.

2.3. The Director, DDP&S/ Rationing checks the draft and can send back for re-generation.

2.4. If approved by him, the SCF&S/ RO can download the draft, print and sign it, and upload the scanned copy of the same.

2.5. Now, the notification is published on the home page of the Departmental website for intending people to see and apply.

2.6. When the indicative advertisement is published in newspapers, the SCF&S/ RO uploads a scanned copy of it too. The last date for application is fixed now with 45 days from the date of publication of newspaper advertisement.

3. **Vacancy Re-notification:**

3.1. Previous Notification Online: If in an online notified vacancy, no application is submitted after expiry of the application period, the SCF&S/ RO sends proposal for re-notifying it. It goes to the District Magistrate (Director of Rationing in case of Kolkata) through the DCF&S/ DDR, and after approval of the DM the SCF&S/ RO can re-notify it in the same way as notification.

If in an online notified vacancy, no applicant is found suitable for engagement, it is available to the SCF&S/ RO for re-notification.

3.2. Previous Notification Offline: If the creation of vacancy as well as initial notification(s) took place offline, the SCF&S/ RO can generate re-notification draft by filling in all necessary details of the vacancy.

3.3. Re-notifications are published and last date for application fixed against them following the steps same as in 2.3. to 2.6.

4. **Deletion of a Vacancy:**

4.1. A mistakenly created vacancy proposal can be deleted.

4.2. The SCF&S/ RO can send a deletion proposal if the vacancy proposal lies with him, any of the Inspectors or the DCF&S/ DDR.

4.3. The deletion proposal goes to the DCF&S who can approve or reject the same.

4.4. If rejected, the vacancy proposal stays as it was.

4.5. If approved, the vacancy proposal is deleted with the RCs pooled in it now free for pooling in another vacancy proposal.

4.6. After a vacancy proposal is approved by the Department, it cannot be deleted.

5. **Application against a Notified Vacancy:**

5.1. Application against a notified/ re-notified vacancy can be submitted in online mode alone. Offline submission of application, by hand or through post, has been discontinued.

5.2. The eligibility criteria for an applicant are mentioned in the notification.

5.3. An applicant enters in the application after his mobile no. and email are verified through OTP and his Aadhaar is verified through eKYC process (OTP to Aadhaar-linked mobile no.).

5.4. If the applicant is an entity other than individual, eKYC of all partners/ office bearers are done.

5.5. The applicant fills up the Form C completely, uploads documents as per checklist and pays the application fee. For the application fees payment, the Departmental website re-directs him to the GRIPS. If the payment is successful, the application is completely submitted. The applicant gets an acknowledgement for the successful application.

5.6. If the application process is closed midway, the applicant can resume from the last saved part in the next session.

5.7. After expiry of the application period, no application can be submitted.

6. **Enquiry into Applications:**

6.1. The SCF&S/ RO assigns all applications in a vacancy to himself, an Inspector as a sole Enquiry Officer or to a team with one Inspector as the Team Lead.

6.2. In case of assignment to a team, all team members can view the applications and documents, but the action points lie with the Team Lead only.

6.3. The EO or the Team Lead needs to generate an enquiry notice at least 7 days prior to the intended date of enquiry to each applicant.

6.4. If on the date of enquiry, the applicant is absent at the proposed FPS location, the EO needs to generate at least another one enquiry notice.

6.5. If the applicant wishes to withdraw his application, the EO needs to take a written declaration from him.

6.6. For applicants present duly on the date of enquiry, he needs to complete the enquiry. A provisionally filled in enquiry report in Form L (only factual parts) is to be shared with the applicant, and a receipt be taken from him on a provisionally filled in Form L copy.

6.7. Photos are to be clicked through Inspection App on the enquiry day (in case of absent applicants, on the final enquiry day) – at least 2 photos in each of the specified categories.

6.8. Afterwards, he will submit the enquiry report in the portal wherein in the online Form L all data needs to be entered and the receipt taken from the applicant on a provisionally filled in Form L copy is to be uploaded. He may upload any other additional document against the same checklist as the applicant.

6.9. When enquiry report against all applicants in a vacancy is submitted, the EO can send it to the SCF&S/ RO.

7. **Disposal by SCF&S/ RO and DCF&S/ DDR**

7.1. The SCF&S/ RO has a comparative view of the application and enquiry report. He can view all uploaded documents and photos taken during enquiry too.

7.2. He generates a checklist of all applicants and scoresheet for each applicant.

7.3. If the applicant has failed in one or more eligibility criteria, he will be deemed 'Ineligible' by the system itself. The eligibility criteria are:

- For individual applicants:

7.3.0.1. Applicants marked to be not residing within the sub-division/sub-area where the vacancy occurs.

7.3.0.2. Applicants marked physically/mentally unfit.

7.3.0.3. Applicants marked financially insolvent.

7.3.0.4. Applicants marked to be persons holding a post in the establishment of any State Government or Central Government or any authority or body or institution of Local self-government established or constituted by or under the Constitution or by any other law made by the Parliament or a State Legislature or by notification issued or order made by the Central Government or a State Government.

7.3.0.5. Applicants marked as having any other FPS dealership/Distributorship/ Wholesalership in his /her/their own name /name of any relative.

7.3.0.6. Applicants marked as member of local bodies, local authority, Panchayati Raj Institutions, board or corporation, or Member of Legislative Assembly or a Member of Parliament during his tenure as such capacity.

- For applicants other than individual:

7.3.0.1. If the applicant is marked as not registered.

7.3.0.2. If marked as a limited liability partnership.

7.3.0.3. If registered office address is marked to be not located with district where the vacancy has occurred.

7.3.0.4. If the applicant is marked financially insolvent.

7.3.0.5. If the applicant is marked as having any other FPS Dealership/Distributorship/ Wholesalership in his /her/their own name /name of any relative.

- Based on godown eligibility criterions:

7.3.0.1. Where plinth height of godown is marked as less than 1 ft.

7.3.0.2. Where floor is marked as 'kutcha' or 'not ready at all'

7.3.0.3. Where wall is marked as 'All 4 walls are complete and made up of other materials', 'One or more wall(s) are not complete till roof level'

7.3.0.4. Whether roof is marked as 'made up of other materials'

7.3.0.5. When height of Shop-cum-Godown is less than 8 ft. (2.43 mt.)

7.3.0.6. When size of Shop-cum-Godown is less the specified area.

7.3.0.7. When 'No' is selected against 'whether accessible by small carts.

7.4. An ineligible applicant gets no marks. Eligible candidates are given marks out of 75 at this stage.

7.5. The SCF&S/ RO will send it to the DCF&S/ DDR with his own comments.

7.6. The DCF&S/ DDR will conduct an interview of the candidates and enter the marks given by DLFPSSC (out of 25) to each applicant. He will give his opinion and send it onwards to the Directorate.

8. **Issue of Licence to the Selected Candidate:**

8.1. On approval of an applicant by the competent authority, he is available to the SCF&S/ RO for issuing offer letter. Against the offer letter the applicant uploads required documents, if any, and deposits licence fee and security deposit on being re-directed to the GRIPS portal.

8.2. The applicant can check status of the payment. If failed, he can pay again. If successful, the SCF&S/ RO issues licence to him.

9. **Transfer of Beneficiaries:**

9.1. If the vacancy was a resultant one, the new licensee inherits the discontinued FPS with pre-determined set of beneficiaries.

9.2. If the vacancy was fresh, a new FPS is created. If the vacancy was created online then beneficiaries pooled therein would be transferred to the new FPS. For offline created and online notified vacancies, the SCF&S/ RO will have to transfer beneficiaries.

10. **Licensing on Compassionate Ground:**

10.1. Online facility for application for FPS Dealership on compassionate ground and disposal thereof is under preparation. At present the entire process of approval of an applicant is taking place offline. After approval, the candidate is issued offer letter offline and deposits licence fees and security deposit directly in GRIPS portal.

10.2. When the SCF&S/ RO is satisfied that payment in GRIPS is successful, his office will initiate the licensing process.

10.3. The DEO of the office will generate a new licence no. after entering personal details of the licensee.

10.4. The Dealing Assistant will verify the licence and if found correct, propose an FPS to be link with him.

10.5. The Licensing Authority will accord the final approval. The licence will be generated in name of the candidate.

11. **Licence Renewal:**

11.1. All new licences are valid till 31st December of the issue year. Thereafter, they are renewed for a period of 3 years.

11.2. The Dealer needs to apply for renewal within the period from 1st September to 15th October of the year in which the licence is expiring. In such case, he will have to pay no fine.

11.3. If he applies for renewal from 16th October to 31st December, he will have to pay a daily fine of Rs. 500 starting from 16th October.

11.4. If he fails to apply within validity period but the Licensing Authority is satisfied of the reason for such failure, he can enable him to apply with a fine of Rs. 1,00,000 till 31st January of next year.

11.5. If a licensee has not applied for renewal in due time without fine, he will not be able to raise any bill after expiry of the period of application without fine.

11.6. All fees are to be paid in GRIPS through the Departmental portal.

11.7. After expiry of the validity period of licence the LA will mandatorily tag the FPS / Distributorship with an alternate licensee.

11.8. Till the renewal of the Licensee is approved, the allocation of the FPS or Distributorship of the said licensee will remain held up. For Dealers, it will remain held up at the end of the Distributor i.e. the Distributor will not be allowed to generate challan for doorstep delivery to the concerned FPS for the month of January.

12. **FPS Tagging:**

12.1. When a licence is discontinued, the FPS(s) run by the licensee need to be tagged with an alternate licensee (not with another FPS).

12.2. An FPS run by the original licensee is called an 'own-run' FPS, while an FPS tagged with any secondary licensee is called a 'tagged' FPS. Thus, a licensee can have multiple FPSs tagged with him.

12.3. An FPS can be taken from the original licensee and tagged with a secondary licensee on the following grounds:

- Death
- Dissolution of firm
- Surrender
- Suspension
- Termination
- Revision of Tagging
- Non-Renewal of License
- Court Order
- Departmental Order

12.4. It can be tagged with the original licensee on the following grounds:

- Revocation of Suspension
- Revocation of Termination
- Court Order
- Departmental Order

12.5. Before any tagging, the Inspector is supposed to take an account of the stock in the FPS. A stock certificate is signed by both the Dealers (if a Dealer is deceased, his representative) and the Inspector. The same is to be uploaded at the time of tagging in the portal after entering details of the physical stock. If there is shortfall of stock, the discontinued Dealer cannot claim bills then on.

Distributorship Vacancy and Licensing

1. **Vacancy Creation:**
   1.1. Resultant Vacancy:

   Arising out of discontinuation of a Distributorship on the following events:

   - Resignation of any Distributor
   - Death or incapacitation of the existing individual Distributor on medical ground, unless any of his /her family members is found suitable for engagement of compassionate ground
   - Dissolution of a firm formed by a group of people
   - Cancellation of licence issued to a Distributor for any reason whatsoever
   - (In the case of private limited company) the transfer of majority shareholding of that company in favour of the third party i.e. other than promoters / Directors of that company.
   - The process is dealt offline - to be initiated by the DCF&S/ DDR. If the discontinued Distributorship has a high number of FPSs or beneficiaries attached, fresh vacancy(s) may be carved out before leaving just enough RCs for creation of one resultant vacancy.
   - The proposal travels all the way to the Department for approval.

   1.2. Fresh Vacancy:

   If it appears necessary by the District Administration or licensing authority or Director of rationing, in case of Kolkata, to create a new distributorship for smooth and un-interrupted public distribution in any particular area to rationalize numbers of fair price shops and the number of ration cards tagged with a distributorship, the concerned Licensing Authority may initiate a proposal for creating a Distributorship vacancy with due regard to the public interest and with adequate justification thereof. The Licensing authority shall submit such proposal to the Director with the concurrence of the District Magistrate and directly to the Director Rationing, in case of Kolkata.

   - Proposal in initiated by the DCF&S/ DDR.
   - For districts concurrence of District Magistrate is required.
   - The objective is to rationalize numbers of fair price shops and the number of ration cards tagged with a distributorship, in public interest.

2. **Vacancy Notification and Re-notification:**
   2.1. After approval by the Department, the Director uploads a notification in the Departmental website along with indicative advertisement.

   2.2. Now, the notification is published on the home page of the Departmental website for intending people to see and apply within 45 days.

   2.3. If no application is submitted within the application period, the Director can re-notify the vacancy. If all applications are rejected, he does so with approval of the Department.

3. **Vacancy Re-notification:**
   3.1. Previous Notification Online: If in an online notified vacancy, no application is submitted after expiry of the application period, the SCF&S/ RO sends proposal for re-notifying it. It goes to the District Magistrate (Director of Rationing in case of Kolkata) through the DCF&S/ DDR, and after approval of the DM the SCF&S/ RO can re-notify it in the same way as notification.

If in an online notified vacancy, no applicant is found suitable for engagement, it is available to the SCF&S/ RO for re-notification.

3.2. Previous Notification Offline: If the creation of vacancy as well as initial notification(s) took place offline, the SCF&S/ RO can generate re-notification draft by filling in all necessary details of the vacancy.

3.3. Re-notifications are published and last date for application fixed against them following the steps same as in 2.3. to 2.6.

4. **Application against a Notified Vacancy:**

4.1. Application against a notified/ re-notified vacancy can be submitted in online mode alone.

4.2. The eligibility criteria for an applicant are mentioned in the notification.

4.3. An applicant enters in the application after his mobile no. and email are verified through OTP and his Aadhaar is verified through e-KYC process (OTP to Aadhaar-linked mobile no.).

4.4. If the applicant is an entity other than individual, e-KYC of all partners/ office bearers are done.

4.5. The applicant fills up the Form completely, uploads documents as per checklist and pays the application fee. For the application fees payment, the Departmental website re-directs him to the GRIPS. If the payment is successful, the application is completely submitted. The applicant gets an acknowledgement for the successful application.

4.6. If the application process is closed midway, the applicant can resume from the last saved part in the next session.

4.7. After expiry of the application period, no application can be submitted.

5. **Enquiry into Applications:**

5.1. The Director assigns all applications in a vacancy to an Enquiry Officer.

5.2. The EO in his login can view and download all applications and uploaded documents.

5.3. The enquiry process and rest of the disposal takes place offline.

6. **Issue of Licence to the Selected Candidate:**

6.1. On approval of an applicant by the competent authority, the DCF&S/ DDR issues offer letter to him and the candidate deposits licence fees and security deposit directly in GRIPS.

6.2. On being satisfied of the successful payment, the DCF&S/ DDR issues licence offline to him in statutory format.

6.3. Immediately thereafter, he will enter the data of the new Distributor. In case the vacancy was a fresh one, a new Distributorship would be created. For resultant vacancies, the new Distributor will inherit the discontinued Distributorship.

7. **Licensing on Compassionate Ground:**

7.1. At present the entire process of approval of an applicant is taking place offline. After approval, the candidate is issued offer letter offline and deposits licence fees and security deposit directly in GRIPS portal.

7.2. When the DCF&S/ DDR is satisfied that payment in GRIPS is successful, he creates a new Distributorship licence and links it with a Distributorship.

8. **Licence Renewal:**

8.1. The provision is exactly same as that of FPS Dealers'.

9. **Distributorship Tagging:**

There are mainly two types of Wholesalers Tagging:

9.1. Where the entire wholesaler Code (All FPSs) of one Licensee is tagged with another Licensee.

9.2. Where the part of the wholesaler Code i.e., few FPSs of one Licensee is tagged with another Wholesaler Code of another Licensee.

A) Relevant provisions of WBTPDS(M&C) Order, 2024 regarding license matters

Sl. No	Chapter No.	Clause No.	Topics	Remarks	Relevant GO(s), if any, and relevant page number of the Compendium Vol-I.
1	I	2	Definitions	Required to determine the terms like relative, family members, licensee, licensing Authority etc.	
2	III	8	Process of creation of vacancy and licensing of fair price shop	General mode of creation online	i) G.O. No.3501-FS dated 02.09.2024 (Page- 93), ii) G.O.No.4489-FS dated 18.11.2022 (Page- 94) iii) G.O. No. 2913-FS dated 13.07.2022 (Page- 114 iv) G.O. No.592-FS dated 22.02.2022 (Page- 146), v) G.O. No. 592-FS dated 13.07.2022 (Page-147), vi) G.O.No.3899-FS dated 12.11.2021 (Page- 150)
3		9	Procedure for creation of fair price shop and appointment of a Licensee	Considering the high number of beneficiaries tagged with an FPS or for providing better services to the beneficiary's fresh vacancies may be created. On the other hand in case of resignation/ surrender of license/ termination of dealer resultant vacancy may be created.	i) G.O. No.5772-FS dated 19.12.2023 (Page- 159) ii) G.O.No.3004-FS dated 03.09.2021 (Page- 94), iii) Order of the Director, DDP&S vide No. 834/ FMR/10D- 03/14 (Part- II) (Page- 164), iv) G.O. No.3416- dated 30.09.2021 (Page- 165) v) Memo No. 128/DR/ SSLC/15/14 dated 21.03.2022 (Page- 168) vi) G.O.No.3500-FS dated 02.09.2024 (Page- 169) vii) Sample Vacancy Notice (Page- 171 to 177)
4		10	Power of the State Government to grant license to Government owned Company or corporation etc.	In case of exigency alternative arrangement	

Sl. No	Chapter No.	Clause No.	Topics	Remarks	Relevant GO(s), if any, and relevant page number of the Compendium Vol-I.
5		11	Eligibility criteria for application for grant of license for Fair Price Shop	Generally declared in the vacancy notices	i) G.O. No.1571-FS dated 04.04.2024 (Page- 202) ii) G.O.No.1465-FS dated 10.04.2023 (Page- 203) iii) G.O. No. 4063-FS dated 24.11.2021 (Page- 206) iv) G.O. No. 3343-FS dated 27.11.2021 (Page- 207) v) G.O. No. 3090-FS dated 18.12.2020 (Page- 208)
6		12	Disqualifications to get a fair price shop license	Generally declared in the vacancy notices	Sample Vacancy Notice (Page- 171 to 177)
7		13	Selection Procedure for Licensing of fair price shop	Notice-application-enquiry- DLFPSSC meeting and comment following score-based pattern-final decision by Director	i) Sample Vacancy Notice (Page- 171 to 177) ii) Form C (Page- 178 to 185) iii) Form L (Page- 209 to 219) iv) G.O.No.2037-FS dated 22.05.2023 (Page- 236), v) G.O. No.1572-FS dated 04.04.2024 (Page- 241)
8		14	Issue of license	Online issuance of license after getting approval and observation of formalities like deposition of security deposit, license fee etc.	Form D (Page- 242) Form 1 (Page- 248)
9		19	Provision for Leave of Dealer	In case of exigency this provision may be utilized by the Dealer observing formalities	
10		20	Provision for Resignation by a Dealer	Until acceptance of prayer the dealer shall continue to run the FPS	
11		21	Certain restrictions in relation to a license	License is non-transferable, non-inheritable and non-convertible. More than one license cannotbe heldby the licensee.	

Sl. No	Chapter No.	Clause No.	Topics	Remarks	Relevant GO(s), if any, and relevant page number of the Compendium Vol-I.
12		22	Bar to shift or making alterations in fair price shop	(i) It is not possible to run the business due to dilapidated condition of the existing shop; or (ii) The beneficiaries tagged with the fair price shop are facing inconvenience due to location of the shop at far distance or some geographical difficulty; (iii) The licensee is evicted from the premises by virtue of Court order; (iv) The rent / lease agreement has expired / cancelled by the owner of the premises; (v) The location of the shop is as such, that has been causing traffic disruption in the locality. (vi) Any other grounds which appear justified and acceptable	
13		23	Tagging of a fair price shop	In case of death/ termination/ suspension of dealer may be tagged with nearby FPS. If any such dealer for tagging is not available then Mahasangha or Co-operative society or a Govt. Owned Company may take the tagging for a period of 6 months initially then if required further 3 months can be extended.	
14	V	27	Procedure for creation of distributorship and appointment of a Licensee	Proposal is to be initiated following the departmental guideline by the licensing authority	Pages from 16 to 32 of the Compendium Volume II

Sl. No	Chapter No.	Clause No.	Topics	Remarks	Relevant GO(s), if any, and relevant page number of the Compendium Vol-I.
15		28	Tagging of a Distributor	In case of death/ termination/ suspension of distributor may be tagged with nearby distributor. If any such dealer for tagging is not available then Mahasangha or Co-operative society or a Govt. Owned Company may take the tagging for a period of 6 months initially then if required further 3 months can be extended.	Relevant SOP from page No. 33 to 39 of the Compendium Volume II
16		29	Power of the State Government to grant license to Government owned Company or corporation etc.	In case of exigency alternative arrangement	
17		30	Eligibility criteria for application for grant of license for Distributorship	Generally declared in the vacancy notices	Sample Vacancy Notice (Page- 16 of Compendium Vol.-II)
18		31	Disqualifications to get a Distributor license	Generally declared in the vacancy notices	Sample Vacancy Notice (Page- 16 of Compendium Vol.-II)
19		32	Procedure for grant of license for Distributorship	Notice-application-enquiry- DLSC meeting and comment following score-based pattern-final decision by Department	i) Sample Vacancy Notice (Page- 16 of Compendium Vol.-II) ii) Form G (Page- 23 of Compendium Vol.-II) iii) G.O. No. 78-FS dated 04.01.2024
20		33	Issue of license	Online issuance of license after getting approval and observation of formalities like deposition of security deposit, license fee etc.	i) Form H (Page- 48 of Compendium Vol.-II) ii) Form2 (Page- 49 of Compendium Vol.-II)
21		37	Bar to transfer of license	License is non-transferable, non-inheritable and non-convertible.	

Sl. No	Chapter No.	Clause No.	Topics	Remarks	Relevant GO(s), if any, and relevant page number of the Compendium Vol-I.
22		38	Bar to shift or making alterations in godown	(i) It is not possible to run the business due to dilapidated condition of the existing godown; (ii) To make the location more convenient if godown is at far distance or due to some geographical difficulty; (iii) The licensee is evicted from the premises by virtue of Court order; (iv) The rent / lease agreement has expired / cancelled by the owner of the premises; (v) The location of the godown is as such, that has been causing traffic disruption in the locality. (vi) Any other grounds which appears justified and acceptable	
23	VI	39	Engagement of Dealer or Distributor on the death or medical incapacitation of a licensee during validity of a license	Application by the eligible family member-enquiry-Recommendation of DCFS/SCFS-final decision by the Director/ Department (for distributor)	Pages 186, 199 and 201 of the Compendium Volume I.
24		40	Provisions relating to licensing of partnership in certain contingency.	Reconstitution/ conversion may be made in case of death/incapacitation of existing partner within stipulated time. Otherwise tagging is required. Only eligible family member may be inducted.	Page 193 of the Compendium Volume I.
25	VII	41	Certain restrictions in relation to a license	License is non-transferable, non-inheritable and non-convertible. More than one licensecannot beheld bythe licensee.	

Sl. No	Chapter No.	Clause No.	Topics	Remarks	Relevant GO(s), if any, and relevant page number of the Compendium Vol-I.
26		42	Renewal of license	proposal is tobe initiated following the departmental guideline by the licensing authority	G.O. No. 3549-FS dated 04.09.2024 (page No. 59 of the Compendium Vol-II)

B) PROCESS FLOW OF DIFFERENT FUCNTIONS REGARDING VACANCY AND LICENCE MATTERS

Sl. No.	Topics	Category	Description	Process flow	Special points to be noted
1	Vacancy Creation	Dealership	Considering the high number of beneficiaries tagged with an FPS or for providing better services to the beneficiary's fresh vacancies may be created. On the other hand in case of resignation/ surrender of license/ termination of dealer resultant vacancy may be created.	Proposal to be initiated by the SCFS/RO through RCMS portal. DCFS/DDR the - Director – Department (final approval)	1) Departmental guideline of minimum number of DRCs for retaining and creating new FPS vacancy. 2) Central location of the vacancy is to be defined properly. 3) Layout Map, enquiry report is to be uploaded. Beneficiary convenience is to be kept in mind. 4) In case of resultant vacancy reason of creation should be properly documented. 5) In case of low numbers of DRCs in question (not viable for creation of vacancy) merger of FPS may be considered.
		Distributorship	Fresh or Resultant	Proposal to be initiated by the DCFS/DDR. DCFS/DDR the - Director – Department (final approval)	1) Departmental guideline of minimum number of DRCs/FPSs for retaining and creating new distributor vacancy.

Sl. No.	Topics	Category	Description	Process flow	Special points to be noted
2	Vacancy disposal	Dealership	After getting approval of competent authority Notice issue to License issuance	In Supply chain portal -Notice-application-enquiry-DLFPSSC meeting and comment following score-based pattern-final decision by Director	1) Generation of notice is to be done carefully considering proper central location. 2) Paper advertisement and other steps for publicity are to be taken. 3) During enquiry land document, godown possessional right to be checked properly 4) Layout map is to be tallied with dimension of godown 5) In terms of the vacancy notice all points are to be checked properly 6) Comments should be made clearly avoiding any ambiguity 7) In case of query back from the higher level specific point should be clarified clearly 8) In all cases vacancy disposal is to be made in time bound manner as specified in the control order.
		Distributorship	After getting approval of competent authority Notice issue to License issuance	Notice-application-enquiry- DLSC meeting and comment following score-based pattern-final decision by Department	Generally, enquiry into the application for distributorship is conducted by the team as formed by the Director with the approval of Department The concerned DCFS/DDR/ SCFS/RO are made members along with officers from HQ.

Sl. No.	Topics	Category	Description	Process flow	Special points to be noted
3	Compassionate ground vacancy disposal	Dealership	Death or incapacitation	Application by the family member (within 90 days max 120 days)-enquiry by inspector-recommendation by SCFS/DCFS-approval by Director	1) As the matter is concerned with compassion the cases should be dealt with special care without any unnecessary delay. It will reduce the time of long tagging of FPS. 2) NOC from other eligible family members and legal heir certificate are essential and is to be verified properly. 3) Dependence of the applicant on the deceased dealer is to be verified 4) Godown possessional right to be checked properly 5) In case where new godown is offered specification is to be checked as required for fresh cases. 6) In case of incapacitation clear reason of incapacitation should be mentioned in the medical certificate issued from Govt. Hospital.
		Distributorship	Death or incapacitation	Application by the family member-(within 90 days max 120 days) enquiry by inspector/SCFS-recommendation by DCFS-recommendation by Director- final decision by Department	As FPS

Sl. No.	Topics	Category	Description	Process flow	Special points to be noted
4	Partnership	Dealer/ Distributor	Reconstitution/ conversion may be made in case of death/ incapacitation of existing partner within stipulated time. Otherwise tagging is required.	Apply as required in case of compassionate ground and to be processed.	1) Partnership registration from Registrar of Firms is required. 2) Partnership deed registration is also required from ADSR. 3) Only eligible family member may be inducted. 4) Conversion of partnership to individual is allowed only in case of death not for incapacitation. 5) If the reconstitution is not made within 90 days, then tagging is to be made.
5	License renewal	Dealer & Distributor	Provisional license is valid upto 31st Dec of the issuing year. Thereafter, license is renewable for 3 years. Time stipulation is to be maintained. Without valid license the Dealer/ Distributor cannot run business.	Dealer/ Distributor shall apply within 15th October of the last validity year for renewal of license for next 3 yrs in online mode. There is a provision of application with late fee from 16th October to 31st December. Penalty including late fee, if renewal application is submitted from 1st January to 31st January after expiry of licence.	License renewal should be made within 31st Dec otherwise the dealer or distributor will not be active for functioning from 1st Jan. **In that case tagging is to be done for functioning of PDS. It is the responsibility of the Licensing Authority to sensitise proactively the licences to submit renewal application within stipulated time for the interest of PDS.**

C) PROCESS FLOW OF DIFFERENT FUCNTIONS REGARDING SOME MISCELLANEOUS MATTERS

Sl. No.	Topics	Category	Description	Process flow	Special points to be noted
1	Tagging	FPS	In case of death/ termination/suspension of dealer may be tagged with nearby FPS. If any such dealer for tagging is not available then Mahasangha or Co-operative society or a Govt. Owned Company may take the tagging for a period of 6 months initially then if required further 3 months can be extended.	In the supply chain portal necessary tagging may be made for uninterrupted supply of foodgrains to the concerned beneficiaries.	Balance transfer module is to be used for proper transfer of foodgrains to maintain correct online balance.
		Distributor	In case of death/ termination/suspension of distributor may be tagged with nearby distributor. If any such dealer for tagging is not available then Mahasangha or Co-operative society or a Govt. Owned Company may take the tagging for a period of 6 months initially then if required further 3 months can be extended.	In the supply chain portal necessary tagging may be made for uninterrupted supply of foodgrains to the concerned FPSs/ beneficiaries.	Balance transfer module is to be used for proper transfer of foodgrains to maintain correct online balance.
2	Shifting of Shop/ godown	Dealer & Distributor	There is a bar to shift or making alterations in godown except the reasons as mentioned in the control order.	Application by dealer/ distributor - Enquiry & recommendation from district - Decision by Director for shifting/ alteration - After getting approval applicant will deposit requisite fee- LA will take necessary action to give effect.	1) Shifting should be within 1 km (dealer)/20 km (distributor) 2) For any alteration, removal of godown permission is required. 3) In case of emergency shifting within 48/72 hrs LA should be intimated for processing as per norms.

Sl. No.	Topics	Category	Description	Process flow	Special points to be noted
3	Leave	Dealership	Maximum of 30 days may be allowed upon arrangement of alternative person to run the FPS during his absence.	Leave application by dealer stating the unavoidable situation - Arrangement of alternative person- Approval by the LA	1) On expiry of leave allowed the dealer should resume otherwise he is to be treated as suspended. 2) DP is to be started by issuing show cause. 3) If the does not return or intimate any reason within next 15 days termination may be made.