

PUNJAB FAIR PRICE SHOPS (FACTORIES) RULES, 1971

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**PUNJAB
FAIR PRICE SHOPS (FACTORIES)
RULES, 1971¹**

No. 10-55 (L-11)/69, dated 18-8-71--Rules framed in exercise of powers confer by Section 17 of the Punjab Fair Price Shops (Factories) Ordinance, 1971 (Punjab Ordinance No. XIII of 1971)

CHAPTER I

Preliminary

1. Short title and application.— (1) These rules may be called the Punjab Fair Price Shops (Factories) Rules, 1971.

(2) They shall apply to such factories or class of factories to which the Ordinance applied.

2. Definitions.—

In these rules, unless there is anything repugnant in the subject or (context:--

- (a) "Factory" means a factory to which the Ordinance applies;
- (b) "Forms" means a form appended to these rules;
- (a) "Inspector" means inspector of the area concerned;
- (b) "Ordinance" means the Punjab Fair Price Shops (Factories) Ordinance, 1971;
- (c) "rules" means the Punjab Fair Price Shops (Factories) Rules, 1971; and
- (d) "Workers' representative" means a member of a Managing Committee representing the workers

CHAPTER II

Constitutions Of Managing Committee

3. Time-limit for constituting Managing Committee.— In every factory a Managing Committee shall be constituted within one month from the date of the application of the Ordinance to the factory or the expiry of the term of a Managing Committee or the dissolution of a Managing Committee, as the case may be.

4. Nomination of members of Managing Committee.— (1) The Chief Inspector shall serve a notice in writing on the employer of a factory and in case such factory has a collective bargaining agent, on the collective bargaining agent thereof, requiring them to nominate their respective members of the Managing Committee, within one week of the receipt of such notice.

(2) The notice under sub-rule (1) shall be issued by the Chief Inspector:--

- (a) in case of the first Managing Committee of a factory, within one week of the application of the Ordinance to that factory;
- (b) in case of the expiry of the term of a Managing Committee within one week of the expiry of the term; and
- (c) in case of the dissolution of a Managing Committee within one week of its dissolution.

(3) If the employer or collective bargaining agent or both fail to nominate their respective members to the Managing Committee within a period of one week of the receipt of the aforesaid notice, the Chief Inspector shall nominate the member on behalf of the employer or collective bargaining agent or both, as the case may be, within one week of the expiry of the said period.

5. Voters' lists for election of workers' representatives.— (1) Where there is no collective bargaining agent in a factory, the employer thereof shall within one week of the application of the Ordinance to the factory or the expiry of the term of a Managing Committee or the dissolution of a Managing Committee, as the case may be--

- (i) inform the Inspector that there is no collective bargaining agent in his factory;

- (ii) cause a list of voters to be prepared in which shall be included the name of every worker of his factory, his parentage, age, section or department, ticket number, date of employment in the factory and the place in which he is employed and send it to the Inspector: Provided that the names of the workers dismissed by the employer shall not be included in the list, and
- (iii) display a list of voters prepared under & clause (ii) at or near the main gate of the factory.

(2) Any worker aggrieved by a list of voters displayed under sub-rule (1) may appeal to the Inspector within seven days of the display of the list, and the decision of the Inspector on such appeal shall be final.

6. Competence of collective bargaining agent.— For the purpose of the rules, collective bargaining agent means a collective bargaining agent which is not restrained by any Court or other competent authority to act as such.

7. Election Programme.— (1) The Inspector shall within one week from, the receipt of information under sub-rule (1) of rule 5 fix programme for election of workers representatives giving time, place and date for--

- (a) receiving nominations from candidate seeking election as workers representatives;
- (a) withdrawing nominations;
- (b) publishing of final list of voters and candidates for election as workers' representatives;
- (d) holding of the secret ballot within one week of the closing date for receiving nominations in case there are more nominations than the number of vacancies for workers' representatives; and
- (e) counting of votes and announcement of results of election.

(2) The Inspector may require the employer to display the election programme at or near the main gate of his factory and the employer shall immediately comply with the directions given by the Inspector in this behalf.

8. Eligibility for voting, election, etc.— Every worker whose name appears in the voters list referred to in sub-rule (1) of rule 5 shall be--

- (a) eligible to be elected as workers' representative;
- (b) entitled to vote at the poll in the election of the workers' representatives; and
- (c) entitled to propose or second the candidature of any worker eligible for election as workers' representative.

9. Nominations for election.— (1) The Inspector shall--

- (a) receive nomination paper in Form 'A' which shall be signed by the candidate to whom it relates and the voter proposing him and seconding him and give a receipt therefor to the candidate stating therein the date and time of receipt of the nomination paper; and
- (b) scrutinize on the day following the last day fixed for filing the nomination papers, the nomination papers in the presence of such of the candidates and their proposers as may be present and reject those Forms which are found by him to be invalid for the reason that the candidate is ineligible to take part in the election under these rules.

10. Scrutiny of nominations and election of unopposed candidates.— (1) If the number of candidates, whose nomination papers have been found valid, is--

- (a) equal to the number of vacancies for workers' representatives, the candidates shall be forthwith declared by the Inspector to be duly elected;
- (b) less than the number of such vacancies, the candidate or candidates, as the case may be, shall forthwith be declared by the Inspector to be duly elected and fresh nominations shall be invited and election held for the remaining vacancies in accordance with these rules; or
- (c) more than the number of such vacancies, voting shall take place on the date fixed for the election.

11. Voting in election.— (1) The election shall be held on the date, time and place notified by the Inspector under these rules.

(2) The Inspector shall on the said date--

(a) place at the polling station set up for the purpose ballot boxes duly sealed in the presence of the representatives of the contesting candidates as to receive therein the ballot papers;

(b) conduct the polling at the polling station at which the representatives of the contesting candidates shall have the right to be present; and

(c) ensure that no persona canvasses for votes within fifty yards of the polling station.

(3) The voting shall be held by secret ballot. The ballot paper shall be in Form 'B' and it shall be issued by the Inspector against the list of voters. He shall score out the names of all those voters who have been issued the ballot paper after the scrutiny.

(4) A worker shall be allowed to mark against as many names on the ballot papers as there is the number of vacancies of workers representatives.

Illustration

If there are two vacancies for workers' representatives, a worker shall be entitled to mark the ballot paper against not more than two names. If he marks twice against the same, he shall be deemed to have cast only one vote.

12. Result of election: After the conclusion of the polling and in the presence of such of the representatives of the contesting candidates as may be present, the Inspector shall--

(a) open the ballot boxes and count the votes;

(a) declare, after the conclusion of the counting of votes such number of candidates as may be equal to the number of vacancies in the election who have secured the highest number of votes as having been elected as wokers' representatives; and

(b) in case of a tie between two or more candidates securing equal number of votes, declare that candidate to be elected to the Managing Committee who wins by draw of lots held in the presence of the said candidates or their representatives:

Provided that if the election relates to more than one vacancies, he shall not declare any such candidate as elected to the Managing Committee as has secured less votes than a candidate who has secured more votes but has not been so declared.

13. Employer to make arrangements for election without interfering therewith.— The employer shall make all arrangements and provide all facilities in connection with the elections and bear all expenses incidental thereto but shall no interfere with or in any manner influence the workers in relation to the election.

14. Casual vacancies.— In the event of the office of Chairman or any member for the Managing Committee falling vacant, on account of his ceasing to be employed in the factory, death or resignation, the vacancy shall be filled, for the remaining portion of the term of the holder of such office, in the manner specified in the Ordinance and these rules for the election or nomination as the case may be.

15. Chief Inspector to decide election disputes.— Save as provided in sub-rule (2) of rule 5, the Chief Inspector, may, either on appeal or otherwise, decide any matter relating to or in connection with the election under this Chapter and his decision thereon shall be final.

CHAPTER III

Nomination of Chairman of Managing Committee

16. Nomination of Chairman of Managing Committee.— (1) The employer shall, within one week of the nomination or election, as the case may be, of all the members of the Managing Committee convene a meeting at the factory premises, and ask them to nominate their Chairman.

(2) In case the members unanimously nominate a Chairman, a copy of their resolution to that effect shall be immediately sent by them to the Inspector, the Chief Inspector and the employer. If they fail to unanimously agree to the nomination of the Chairman, a report to that effect shall be made by the employer in Form 'C' and sent to the Inspector, and the Chief Inspector within forty-eight hours.

(3) On the receipt of a report in Form 'C', the Chief Inspector shall nominate such person as he deems fit to be the Chairman.

CHAPTER IV

Meetings of and the Transaction of Business by the Managing Committee

17. First meeting and ordinary meeting of Managing Committee.—

(1) The Chairman shall, within one week of the assumption of his office, convene the first meeting of the Managing Committee.

(2) If for any reason the first meeting is not convened by the Chairman within the prescribed period, the employer shall convene such meeting within one week of the expiry of the said period.

(3) The ordinary meeting of the Managing Committee shall be held twice a month on which fixed dates as may be determined by Managing Committee in its first meeting.

18. Election of Secretary, Managing Committee and his functions.— (1) At the first meeting of the Managing Committee, one of its members shall be elected by show of hands, as Secretary of the Managing Committee.

(2) The Secretary shall be responsible for, among others, the following matters:-

(a) Summoning of meetings

(b) Issuing of agenda to the members.

(c) Keeping of record of the minutes of the meeting.

(d) Conveying directions of the Managing Committee to the manager of the fair price shop and his assistants.

(e) Correspond on behalf of the Managing Committee.

(f) Performing such other functions as the Managing Committee may, from time to time, direct.

19. Special meetings of Managing Committee.—

Any two of the members of the Managing Committee may, by prior notice in writing of three days to all other members and Chairman of the Managing Committee and the employer, call a special meeting which shall deliberate on the agenda circulated along with such notice.

20. Chairman to preside over the meetings of the Managing Committee.— The Chairman shall preside over the meetings of the Managing Committee. In case he is unable to attend any meeting of the Managing Committee due to his illness or otherwise, the members attending the meeting may, by a majority vote, elect one of them to be the acting Chairman for that meeting and in case the members are equally divided over the question of the election of the acting Chairman, the question shall be decided by drawing of lots.

21. Quorum.— The quorum for a meeting of the Managing Committee shall not be less than half of the total number of its members.

22. Minute Book.— The proceedings of the Managing Committee shall be recorded in writing in the form of Minutes in the Minute Book and such minutes shall be presented by the Secretary of the Managing Committee at its next meeting for approval by the members.

23. Decisions.— The Managing Committee shall, as far as possible resolve unanimously on the items of the agenda especially these specified in clauses (9) to (d) of sub-section (1) of Section 11 of the Ordinance; but wherever difference of opinion occurs among the members, the decision of the majority shall prevail and in case the members are equally divided, the Chairman or the member presiding over the meeting as the case may be, shall have a casting vote.

24. Chairman of Managing Committee to be treated as a member thereof for certain purposes.— For the purposes of rules 18, 21 and 23 the Chairman or the acting Chairman, as the case may be, shall be deemed to be a member of the Managing Committee.

25. Notification of decisions regarding fair price shop.— The Managing Committee shall notify, from time to time on the notice board of the factory as well as on a board set up for the purpose outside the fair price shop, extracts of its decisions about the quantity of such essential articles as shall normally be available for sale to a worker in a month, the timings of opening and closing of the shop, mode of payment and such other matters as it thinks proper to

display.

CHAPTER V

Management of Fair Price Shop

26. Employers' responsibility regarding fair price shop.— The employer shall be responsible for the proper management of the fair price shop and its stores. He shall manage the shop, at his own cost, through a manager and such other assistants, as he may deem necessary.

27. Workers' Card for essential articles.— (1) The employer shall issue card in Form 'D' to each worker in his factory specifying the worker's name, token number, date of employment, names of the members of his family, their age and quantity of each article which the worker shall be entitled to purchase at the shop each month as the case may be:

Provided that the worker shall surrender such card on his ceasing to be a worker in the factory:

Provided further that in the event of a worker's card being lost, misplaced or destroyed a new card shall be issued by the employer on payment of fifty paises (Rs. 0.50) by the worker:

Provided also that in case the space on the old card is exhausted and it becomes necessary to issue a new card, the employer shall issue to its holder a new card free of any charge.

(2) No worker shall be issued any article by the manager of the fair price shop unless the worker presents his card on the counter and corresponding entries of articles supplied to him either on cash or credit are made therein.

28. Registers.—The Manager of fair price shop shall--

- (a) maintain a purchase register in Form 'E' in relation to the articles purchased for the shop;
- (b) maintain a stock register in Form 'F' showing daily transaction and stocks; and
- (c) issue a cash memo, in Form 'G', to each worker for the articles sold to him.

29. Sale on credit.— No article shall be sold on credit, only when the purchasing worker has signed the receipt in Form 'H' consenting to the lump sum deduction of the price of the article mentioned in that receipt from his wages.

30. Annual Statement of account and stock.— The employer shall prepare or cause to be prepared concise statement of accounts and stocks as on the 30th day of June every year and submit a copy thereof to the Managing Committee, the Inspector and the Chief Inspector.

CHAPTER VI

Miscellaneous

31. Duties of Chief Inspector, Inspector and other Officers.— Subject to the other provisions of these rules, the Chief Inspector, Inspector or any other person authorized by the Chief Inspector in writing in this behalf, may within the local limits for which he is appointed or authorized--

- (a) enter, with or without assistance of persons, in the service of the Government or any municipal or other public authority as he thinks fit, any fair price shop or its stores or office or any building or premises where the stocks, documents, registers of such shop are kept or maintained;
- (b) make such examination of the premises and of any registers or documents, and collect such evidence as he may deem necessary for carrying out the purposes of the Ordinance or the rules; and
- (c) exercise such other powers as may be necessary for carrying out the purposes of the Ordinance or the rules:

Provided that no one shall be required under this rule to answer any question **or to** give any evidence tending to incriminate himself.

32. Powers of Managing Committee.— The Managing Committee may.—

- (a) **prescribe, from time to time, any register or document to be maintained by the employer in relation to the working of the fair price shop; and**

(b) requires from the employer such periodical information as it considers fit, in order to carry into effect the provisions of the Ordinance or the rules.

33. **Production of record for inspection:** The employer shall be responsible for proper maintenance of all registers and records prescribed by or under these rules and shall produce or cause to be produced the same for inspection of the Managing Committee when so desired by it.

Form "A"

Name of the factory.....
nominate Mr./Miss/Mrs.....
(here enter the name of worker's representative eligible for election as a candidate for election to the Managing Committee).

Date.....
Signature of the seconder..... Signature of the proposer.....
Name of the seconder..... Name of the proposer.....

.....
Card No. of the seconder..... Card No. of the proposer

Token. No. of the seconder..... Token No of the proposer

.....
I agree to the proposed nomination.....
Date Signature of the candidate.....
Name of the candidate.....
Card No. of the candidate.....
Token No. of the candidate.....

FORM "B"

[See rule 11 (3)]

BALLOT PAPER

<i>Name of the candidates</i>	<i>Identity symbol</i>	<i>Space for making</i>
1.....		
2.....		
3.....		
4.....		

FORM "C"
[See rule 16 (2)]

Name and Name and address of the factory
.....
.....

To

.....
(there write the address of the Inspector, the Chief Inspector).

Dear Sir,

It is regretted to inform you that at the meeting held on in pursuance of sub-rule (1) of rule 16 of the Punjab Fair Price Shops (Factories) Rules, 1971 to nominate a Chairman, it has not been possible for the members of the Managing Committee to unanimously agree to the nomination of any person as Chairman. This report is, therefore, sent to you for necessary action.

Yours faithfully,
(.....)
Signature of the employer.

Date and time of the despatch of the report.

FORM "D"
(1)
[See rule 27 (1)]
FAIR PRICE SHOP CARD

Card No.....

Name and address of the factory

.....

Certified that Mr./Miss/Mrs.....Token/Card No.....
employed in this factory as.....in.....

Department/section and drawing Rs.....p.m. whose date of employment in the
factory is.....is entitled to purchase the following essential articles from the
fair price shop of the said factory in the following quantities each week/month:-

1. Wheat. 2. Pulses. 3. Wheat Flour. 4. Vegetable Ghee. 5. Coarse Cloth.
6. Laundry Soap. 7. Sugar.

The verified list of his family members is as under:—

	<i>Name</i>	<i>Age</i>	<i>Relationship with the worker</i>
1.			
2.			
3.			
4.			

Signature of the employer.

(2)

No. and date of Cash Memo	Description of goods purchased	Value of goods purchased	Shop-Manager/ Salesman
------------------------------	--------------------------------------	--------------------------------	---------------------------

(3)

No. and date of Cash Memo	Description of goods purchased	Value of goods purchased	Signature of Shops Manager/Sales man
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(4)

1. This card is non-transferable.
2. Renewal of card shall be made on surrender of this card. In case of loss, misplacement or destruction of the card, a duplicate shall be issued on payment of fifty paise after necessary verification.
3. The loss or misplacement of this card must be reported to the Manager of the fair price shop immediately.
4. In case of misuse, the card is liable to be cancelled.
5. Please check your balance and purchased articles at the counter, before taking delivery. The management shall not be responsible for any complaint in this connection.
6. Please stand in queue to avoid unnecessary inconvenience.
7. All complaints and suggestions must be addressed to the Managing Committee of fair price shop.

FORM 'E'
Purchase Register

[See rule 28 (a)]

Serial No.	Name of the article	Quantity indented with date	Quantity received with date	Quantity procured without indent spot with date	Price ex-factory whole sale	Cost of incidentals
1	2	3	4	5	6	7

FORM 'F'

[See rule 28(a)]

Stock Register for.....

(here enter the name of article)

Date	Opening stock	Total sales	Balance	Fresh receipt	Closing balance
1	2	3	4	5	6

FORM 'G'
[See rule 28(c)]

CASH MEMO

No.....

Dated.....

FAIR PRICE SHOP

Name and address of the factory

.....

.....

Certified that Mr./Miss/Mrs.....Fair Price Shop Card.....

No..... was sold the following articles on cash/credit for the value

Name and description of the articles sold	Rate	Value	
		
		Rs.	Paisa
	Total		

Signature of the Manager of
the Fair Price Shop.

FORM 'H'

[See rule 29]

Receipt of Goods Purchased on Credit

Name and address of the factory

.....

.....

I do hereby voluntarily and willingly consent to the deduction of any amount in lump sum from my wages/pay which may be outstanding against me for having purchased on credit from the Fair Price Shop.

Dated.....

Signature of worker.....

Designation.....

Token No.....

Shop/Department in which.....
employed at present.

¹ Punjab Govt. Gaz., Extr., August 25, 1971, p. 1027.

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