

GOVT. OF NCT OF DELHI
OFFICE OF THE ADDITIONAL COMMISSIONER / APPELLATE AUTHORITY
DEPARTMENT OF FOOD, SUPPLIES AND CONSUMERS AFFAIRS
K - BLOCK, VIKAS BHAWAN, I.P. ESTATE, NEW DELHI - 110002.

No.: Spl.Com./AA/FPS Appeal/F&S/2026/225

Dated: 01/4/2026

APPEAL NO. 04/2022

In the matter of:

M/s Namo Store
FPS No.9300, Circle-35 (Najafgarh)
Plot No. 1, Khasra No. 45/11 & 12,
Najafgarh Park, Najafgarh,
Delhi - 110 043.

Through Mrs. Indu Jain, Prop.

Versus

The Assistant Commissioner (South-West)
Department of Food Supplies & Consumer Affairs,
GNCT of Delhi.

ORDER

1. This Order shall dispose-off the Appeal dated 12-01-2022 filed by the appellant, Mrs. Indu Jain Prop. of FPS No. 9300 (M/s Namo Store), Circle-35 (Najafgarh), Plot No. 1, Khasra No. 45/11 & 12, Najafgarh Park, Najafgarh, Delhi - 110 043, for Review of Order dated 01-01-2022 issued by the Assistant Commissioner (South-West)/Licensing Authority, under Clause 6 of Delhi Specified Articles (Regulation of Distribution) Order 1981.
2. The Brief Facts of the case are as under:-
 - i. That the license of FPS No. 9300 was allotted to the appellant, Mrs. Indu Jain on 01-09-2016.
 - ii. And that an Inspection was carried out by the FSO & FSI of Circle-35 (Najafgarh) on 29-09-2021.



- iii. And that at the time of inspection dated 29-09-2021, as much as 372.7 Kg of sugar was available in physical stock against only 07 kg as per record. However, detailed inspection could not be completed due to non-availability of FPS record and FPS licensee on that date.
 - iv. And that since the Inspection could not be completed on 29-09-2021, the business premises of FPS-9300 (Namo Store) under Circle-35 was sealed by the inspecting team.
 - v. And that upon request and subsequent approval of Secy-Cum-Commissioner, F&S, the business premises of FPS-9300 was de-sealed on 08-11-2021 to complete the inspection. The inspecting team includes the officers who conducted inspection and has sealed the business premises of FPS-9300 on 29-09-2021.
 - vi. And that during inspection dated 08-11-2021, it was reported that seal of the FPS was found tampered-with.
 - vii. And that total variation of SFA, as reported after inspection dated 08-11-2021 was 796.75 Kg [Wheat - 486.3 Kg (Short), Rice - 298.15 kg (Excess) & Sugar 12.30 kg (Excess)].
 - viii. And that a Suspension Order dated 23-11-2021 was issued by the Asstt. Commissioner (South-West)/Licensing Authority.
 - ix. And that the Asstt. Commissioner (South-West)/Licensing Authority issued the Cancellation Order dated 01-01-2022 since the appellant failed to submit satisfactory reply towards variation and other allegations.
 - x. And that FSO, Circle-35, vide letter dated 21-12-2021, requested SHO, Baba Hari Das Nagar for lodging of FIR in the matter of variation and tampered seal.
3. The appellant, in her instant Appeal has stated the following, while seeking relief in the instant appeal-
- i. That the license for FPS-9300 (Circle-35) was granted by the Department on 01-09-2016 and is valid upto 31-08-2022.
 - ii. And that the FPS of the appellant was first inspected on 29-09-2021. The appellant was in Kartik Medical Centre for her treatment. The appellant is suffering from "Blood-Cancer". The FPS was open at the time of inspection but the record was in her custody. The FPS was sealed by the officers due to appellant's absence.
 - iii. And that the appellant requested Assistant Commissioner (South-West) for opening of the seal on 01-10-2021.
 - iv. And that a team of 4 officers came on 08-11-2021 to de-seal the FPS of the appellant.
 - v. And that after the inspection of 08-11-2021, the appellant had received a Suspension Order dated 23-11-2021 from the respondent referring to inspections dated 29-09-2021 and 08-11-2021 upon noting variation in the stock of Wheat, Rice & Sugar.



- vi. And that In reference to the recovery memo prepared while conducting inspection dated 08-11-2021, the officers had stated, "*we also carried out physical verification of the stock of SFA's lying inside the business premises in the presence of said Mrs. Indu Jain. The detail of stock of SFA's are as under:-*". However, in this regard physical inspection of the stock lying in the shop was not done. Weight of each bag lying in the shop was not done. Weight of 144 bags of Wheat and 43 bags of Rice was taken with the average of 50 kg each, which is wrong. The appellant was in Hospital on 08-11-2021 and the inspecting officers had already completed recovery memo before her return. Statement was also got written by someone and the appellant was made to sign on the same. The appellant was not satisfied with the inspection hence she had registered her written complaint on 09-11-2021 before Addl. Commissioner, Food & Supplies.
- vii. And that in the cancellation order dated 21.01.2022, the respondent has cancelled the license on the following grounds:
"And whereas the reports of the visiting team as well as the reply filed by the FPS has been considered along with facts and circumstances of the matter produced before the undersigned. The comments of FSO as well as FSI and the documents given by them with reference to the reply of FPS have also been duly considered. As regard quantum of variation of SFA the submissions of FPS are not found satisfactory."
Before cancelling the license, the respondent did not make available copies of the reports of the FSO and FSI to the appellant, due to which the appellant could not submit a reply to those reports. In this manner, based solely on the arbitrary reports, a one-sided decision was taken and the appellant's license was cancelled. The appellant was not given any opportunity to present her case by the respondent.
- viii. And that the appellant has been a patient of blood cancer for quite some time. Her husband is not educated enough to run the shop properly. The appellant was not given a full opportunity of hearing. Providing the reports of the FSO and FSI to the appellant by the respondent was mandatory in this case, which was not complied with.
- ix. And that before cancellation of the license, the opportunity of hearing that was given to the appellant and the allegations mentioned in the notice were clearly explained in writing by the appellant with all facts. However, the respondent merely wrote that the reply was not satisfactory and cancelled the license. No reason was mentioned as to why the reply was not satisfactory. The license cancellation order was issued solely on the basis of the reports of the FSO and FSI.
- x. And that on the inspection dated 29.09.2021, the stock of sugar was shown as 3.727 quintals, and upon opening the seal during inspection, the same stock was found to be 12.30 kilograms. Both these inspections are contradictory.
- xi. As per the provisions of the Control Order, appeals are to be filed only after depositing the penalty amount imposed. The appellant contacted the respondent's office, but they refused to accept the security amount of ₹10,000. Therefore, the appellant is filing the present appeal within the prescribed limitation period.

4. In addition to the above grounds, the appellant has also added the following to the grounds of appeal-



- i. That the inspecting officials did not comply with Clause 25(2) of the Control Order, which mandates that two independent witnesses must be present at the time of inspection. However, in the Entry-cum-Search-cum-Recovery-cum-Counting-cum-Weighment Memo dated 08.11.2021, the signatures of only one witness, namely Shri Ravi, S/o Shri Raj Kumar, appear, whereas there should have been two witnesses. Clause 25(2) of the Control Order is a mandatory provision. Non-compliance with this clause by the inspecting officials clearly indicates that the inspection proceedings were not conducted in the prescribed manner and were improper. In this context, the Hon'ble Court of Kolkata has held in W.P. No. 1999 of 2009 titled Arun Aggarwal vs. The State of West Bengal & Ors is referred. In the said judgment, Clause 25(2) has been discussed in detail, and reference has also been made to judgments of the Hon'ble Supreme Court as well as to the Constitution of India. The judgment was passed in favour of the appellant, and it has been clearly held that the clause is mandatory and not merely directory.
- ii. And that a serious allegation has been leveled against the appellant that on 08.11.2021, at the time of opening the sealed shop, the seal was found tampered with. This allegation is false, incorrect, and knowingly made against the appellant. There is no mention whatsoever of seal tampering either in the recovery memo or in the statements of the appellant. This allegation has been made later only to cover up the mistakes of the inspecting team.
- iii. And that if the shop seal had in fact been tampered with, the inspecting team ought to have immediately informed the police, which was not done. On the contrary, the appellant called the police station on 08.11.2021, even though the inspecting officials did not provide her a receiving copy on that day.
- iv. And that In this regard, the appellant also submitted a written complaint to the Additional Commissioner (F&S) on 09.11.2021. The inspection conducted on 08.11.2021 continued till 8:00 PM.
- v. And that the appellant is a patient of blood cancer. Despite being a woman licensee and suffering from blood cancer, the inspecting officials harassed the appellant excessively during the inspection. Although a time of 11:00 AM was communicated over the phone, the inspection team arrived at 2:30 PM and the inspection continued until 8:00 PM.
- vi. And that the appellant was not allowed to go home to take her medicines, eat food, or even take rest. She was repeatedly threatened that if she left the shop, it would be sealed again. Regarding this conduct, the appellant submitted a written complaint to senior officers on 09.11.2021.
- vii. And that the respondent has not decided the appellant's case on its merits. Instead, the decision has been taken solely on the basis of the inspecting team's report.
- viii. And that during the inspection conducted on 08.11.2021, no physical verification of stock was carried out. At the time of inspection, there were a total of 187



bags of wheat and rice lying in the shop. The inspecting officials did not physically weigh each bag, even though the recovery memo states: "We also carried out the physical verification of the stock of SFAs lying inside the business premises." Whereas, in reality, no physical verification was done. The weight of each bag was recorded uniformly at 50 kg per bag, which is incorrect.

- ix. And that the appellant objects that if, on 08.11.2021, the shop seal was found tampered with, then why was an FIR not lodged with the police on the same day? And Why was the FIR lodged only on 21.12.2021? This clearly shows that the allegation of seal tampering is false and an afterthought.
 - x. And that Violation of Clause 25(2) of the Control Order, failure to conduct physical verification of stock, and allegations of seal tampering are all afterthoughts. All these points clearly establish how a woman blood cancer patient was wrongly implicated by hatching a conspiracy against a fair-priced shopkeeper.
5. The appellant, during the course of hearing has contended that she has not broken the seal and that the stock was not varied. In support, she submitted that entire stock lying at the FPS was transferred after cancellation and this matched the stock prior to the cancellation.
6. The respondent, in lieu, submitted a CD containing video and photos of inspection dated 29-09-2021 before the sealing of the FPS and photos of inspection procedure before and after the de-sealing of the FPS on 08-11-2021 alongwith their point by point counter-reply.
7. Thus, the claim of the appellant is broadly based on only following points-
- i. That the report of inspecting team is biased and that she has not broken the seal and has not manipulated with the stock lying at the FPS.
 - ii. And that the inspection was conducted while taking 50 kg as average weight of the bag of wheat and rice and not done physical weighing of all the respective bags [187 total (144 bags of wheat) and (43 bags of rice)] available at the FPS at time of inspection.
 - iii. And that there is no difference in the physical stock with that of the record since all the stock lying in the FPS was eventually transferred to other FPSs at the time of de-linking and linking of cards.
 - iv. And that the inspection memo carry signatures of only one (1) independent witness instead of 2 (Two), violating clause 25(2) of the Control Order.
 - v. And that she is patient of blood-cancer and her husband is not educated enough to run the FPS.



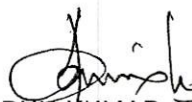
8. After hearing contentions of the parties, examining their written submissions and perusing other relevant records placed in the case file, it is noted that:-

- i. In the cancellation order dated 01-01-2022, it is mentioned that the seal of FPS was found tempered at the time of de-sealing and also the arrangement of FSA inside the FSA was found different. However, it is surprising that despite this, no FIR for this act was lodged by the concerned official.
- ii. In the cancellation order dated 01-01-2022 it is also mentioned that the FSO-Circle-35 vide letter dated 21-12-2021 has requested SHO, PS Baba Hari Das Nagar for lodging FIR for variation of stock and tempering of seal, however, during hearing the respondent was unable to produce any relevant document in this regard.
- iii. The appellant has submitted that she is the patient of blood cancer and on the date of inspection i.e. on 29-09-2021 she went to hospital and has submitted documents related to her visit. However, at the time of visit of Inspection team, the FPS was found open. In such situation, the inspection team should have conducted the inspection, and should not have resorted to sealing. This further casts serious doubts on the manner of sealing.
- iv. Further, the quantity of shortage on 29-09-2021 (day of inspection and sealing) and the quantity of shortage on 08-11-2021 (day of re-inspection and de-sealing), as mentioned in the cancellation order dated 01-01-2022 is hugely different. This difference makes the entire inspection doubtful and suspicious.
- v. Further, there is great mismatch between the variation shown in the Cancellation Order dated 01-01-2022 and the Stock Transfer Order dated 14-12-2021.
- vi. The appellant's reply wasn't considered adequately, and cancellation order was passed without mentioning the ground of cancellation.

Therefore, keeping in view of principle of natural justice, fair and impartial adjudication, the Order of Assistant Commissioner (South-West) dated 01-01-2022 is set aside. The application is allowed on the ground of benefit of doubt and the Licence/Authorisation in respect of M/s. Namo Store, FPS No.9300, Circle-35 (Najafgarh), Plot No. 1, Khasra No. 45/11 & 12, Najafgarh Park, Najafgarh, Delhi - 110 043 is restored. The respondent is directed to reinstate the license within 15 days.

Ordered accordingly.

Parties be informed.


(ARUN KUMAR JHA)
Addl. Commissioner (F&S)/
Appellate Authority

No.: Spl.Com./AA/FPS Appeal/F&S/2026/885

Dated: 01/4/2026

Copy to:

1. The Asstt. Commissioner (South-West), F&S Department, GNCT of Delhi.
2. Mrs. Indu Jain of M/s Namo Store, FPS No.9300, Circle-35 (Najafgarh), through Asstt. Commissioner (South-West).
3. Mrs. Indu Jain of M/s Namo Store, FPS No.9300, Circle-35 (Najafgarh), Plot No. 1, Khasra No. 45/11 & 12, Najafgarh Park, Najafgarh, Delhi - 110 043, Delhi - 110 093. M.No. - 98103 07021.
- ✓ 4. SSA (IT), F&S Deptt., K-Block, Vikas Bhawan, New Delhi with the direction to upload the Order on Departmental website.



(ARUN KUMAR JHA)
Addl. Commissioner (F&S)/
Appellate Authority