

# Essential Commodities Control (Authorization) Act, 2017 (1961)

Date of Authentication and Publication

2017.11.6 (February 17, 1961)

## Amendments

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| 1. Some Nepal Acts Amendment, Repeal and Continuation through rearrangements Act, 2019 | 2019.11.30 (April 2, 1963)  |
| 2. Essential Commodities Control (Authorization) (First Amendment) Act, 2030           | 2030.12.11 (March 24, 1974) |
| 3. Some Nepal Acts Amendment Act, 2048   | 2049.1.8                    |

## Act No 28 of 2017

### An Act made to provide for Authorization to control Essential Commodities

**Preamble:** Whereas, it is expedient to authorize for harsh control, from time to time as per necessity, on the distribution, sale or trade of food items and goods and commodities which are essential for daily consumption, use and feeding \*to maintain comfort of the general people in the society.

Be it enacted by His Majesty the King pursuant to Article 93 of the constitution of Nepal, 2019(1961).

1. **Short Title, extent and Commencement:** (1) This Act may be called "Essential Commodities Control (Authorization) Act, 2017 (1961)".
  - (2) This Act shall come into force all over Nepal.
  - (3) This Act shall come into force immediately.
- ♦2. **Definitions:** In this Act, unless the subject or context otherwise requires,-
  - (a) "Essential Commodity" means any of the following commodities:-
    - (1) Paddy, rice, maize (corn), wheat, millet, barley and their flour, *maida* or other identical food items,

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\* Amended by Some Nepal Acts Amendment, Repeal and Continuation through rearrangements Act, 2019.

♦ Amended by First Amendment.

- (2) *Rahar* (yellow lentil), *mugi*, *mas* (black lentil) lentil, gram, pea, soybean and flour made therefrom and other identical food items,
- (3) Linseed, mustard seed, *sarsiyumI* (yellow mustered seed) sesame seed and other oilseed and all kinds of oil,
- (4) Milk or any other food item made from the milk,
- (5) Sugarcane, molasses, sugar or other identical substances,
- (6) Cotton or woolen clothing's, cotton and wool,
- (7) Raw jute and goods prepared out of it,
- (8) Kerosene, Petrol, Diesel and all types of lubricant,
- (9) Iron and goods made from the iron,
- (10) Cement, bricks, zinc plate etc. which are essential for the construction works,
- (11) Means of transportation and tire, tube and parts essential for such means of transportation,
- (12) Salt,
- (13) Medicines,
- (14) Any other goods or commodities as so prescribed by the Government of Nepal, from time to time, by a notified order.

(b) "Notified order" means an order published in Nepal Gazette.

♦3. **Power to control production or distribution of essential commodities:** (1)

Government of Nepal may, if finds it necessary or appropriate, to increase or maintain distribution or cause to distribute or to make available of any essential commodity in low cost, control or regulate the production, distribution or trade of such essential commodity in the prescribed area by a Notified Order.

(2) Without prejudice to the generality of powers conferred by Sub-section (1), such order particularly may provide for any of the following matters:

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♦ Amended by First Amendment.

- (a) To regulate or control the storage, distribution, trade or consumption of any of the essential commodities upon issuing a license or by using any other method,
- (b) To control in increasing of the prevalent cost of any essential commodity without the approval of the officer so prescribed by a Notified order or to control the sale or to fix the cost of purchase of any essential commodity,
- (c) To restrict a person who denies to sell any essential commodity which is generally kept for sale,
- (d) To compel a person who is holding any essential commodity, to sale such essential commodity as a whole or any prescribed portion or share of it to the Government of Nepal or any person or class (group of persons) or in any particular area in prescribed condition,
- (e) To regulate or restrict the commercial or economic transaction of any of the essential commodities in case it is necessary to do so in the interest of the general public,
- (f) To collect news (information) or data for the purpose of regulating or prohibiting any or all the matters mentioned here above,
- (g) To order any person, who holds, distributes or is engaged in trading of any essential commodity, to update the records and ledger (documents of transaction) and to submit those records and ledger for inquiry or to cause to submit news (information) or details,
- (h) To cause to collect the deposit amount as prescribed for the pursuance of any condition (restriction) mentioned in the license or the license fee *per se* and to confiscate the deposit amount, in case any of the condition of the license is violated and to designate any officer for the same,
- (i) To search upon entering specially into the godown, moter vehicle, boat or aeroplane for any relevant or supplementary matters or to

confiscate any commodity if the person engaged in the search finds that the order has been violated or going to be violated regarding any commodity in the course of the search,

- (j) To determine the commodities to be confiscated as a penalty for any violation of the order,
- (k) Any other incidental matters which are related to this Section.

- ♦4. **Penalties for violating the order:** (1) If, anyone acts against an order issued pursuant to Section 3, such person shall be punished with an imprisonment up to five years or fined an amount up to Fifteen Thousand Rupees or the cost of the essential commodity related to the offense whichever amount is higher or with the both.

Provided that, a person, who does not update or submit the news (information), data record or detail including the quantity report or ledger or does not inform pursuant to the order as mentioned in the order, within the time frame mentioned in the order pursuant to Clause (f) and (g) of Sub-section (2) of Section 6, shall be punished up to one year of imprisonment or fined up to Three Thousand Rupees.

(2) If any commodity related with the offense committed against the order pursuant to Section 3 has been prescribed to be confiscated in the order issued under the said Section, such commodity shall be confiscated.

5. **Regarding attempt and abetment:** If anybody attempts or..... to violate the order issued pursuant to Section 3 such act shall be considered to be the violation of the order.
6. **Penalties for giving false statement:** Whoever commits the following offense shall be punished with the fine of ♦Ten Thousand Rupees or imprisonment of up to Three years or with the both:-

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♦ Amended by First Amendment.

- (a) If somebody, who has been ordered to provide statement or inform pursuant to Section 3, gives false statement or records false statement as an witness or gives false information knowingly or having sufficient reasons for knowing it.
- (b) If, any ledger, paper of any calculation, account, deed of transaction, agreement or calculation or any paper pursuant to the order is found to have been kept falsely or fraudulently.

<sup>TM</sup> **6A. Penalties to the offense committed by the body corporate or company:**

(1) If the person committing offense against this Act is a body corporate or a company except if it is proved that he or she was unknown to the offense or he /she had tried the best to prevent from such offense, the Director, Manager or any other Officer or person, who is in a position to control the activities of the body corporate or the company, shall be punished for such crime.

(2) Notwithstanding anything contained in Sub-section (1), in case, it is proved that the offense was committed knowingly or recklessly by the Director, Manager or any other Official of the body corporate or a company such Director, Manager or Official shall also be liable for the punishment pursuant to this Act.

<sup>♦</sup> **7. Adjudicating Authority:** (1) Chief District Officer shall have the jurisdiction to trial and dispose of the case which is a punishable offense under this Act.

(2) Chief District Officer shall follow the procedure and exercise the powers as mentioned in <sup>Σ</sup>Special Court Act, 2059 while hearing the case pursuant to Sub-section (1).

(3) <sup>♥</sup>Court of Appeal shall hear the appeal against the decision made by the Chief District Officer pursuant to Sub-section (1).

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<sup>TM</sup> Inserted by First Amendment.

<sup>♦</sup> Amended by First Amendment.

<sup>Σ</sup> Amended by Special Court Act, 2059

<sup>♥</sup> Amended by Some Nepal Acts Amendment Act, 2048

<sup>TM</sup>7A. **Government to be the Plaintiff:** Government of Nepal shall be the plaintiff in the cases pursuant to this Act.

8. **Delegation of Authority:** ♦(1) Government of Nepal may delegate some or all powers conferred to it by this Act to any Officer by a Notified order.

(2) Without prejudice to the generality of the powers conferred by Sub-section (1), Government of Nepal particularly may provide for powers on any of the following matters,-

- (a) To conduct search of any house, camp, boat, cart or aero plane.
- (b) To take into custody or to order or cause to order to submit any commodity, which, the Officer finds it appropriate that there are reasonable grounds to believe that such commodity has been used in the course of committing any offense against this Act.
- (c) To arrest the person, whom, the Officer finds it appropriate that there are reasonable grounds to believe that such person has committed an offence against this Act.

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9. **Protection of action taken in good faith:** No suit or any other legal proceeding shall lie against any person in respect of anything which is, in good faith, done or intended to be done pursuant to the order made under Section 3.

10. **Informant shall receive commission:** The informant, who supplies information about committing any act which is in against of the order issued by

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<sup>TM</sup> Inserted by First Amendment.

♦ Amended by First Amendment.

× Deleted by First Amendment.

**Note:**

1. The following word has been changed by Nepal Law (Amendment) Act,2024

"Adhikrit" instead of "officer"

the Government of Nepal pursuant to this Act, shall receive a commission of Twenty percent of the amount in case any amount confiscated and the same percent of the fine so collected, in case the accused is convicted from the final decision.

11. **In case of inconsistency with Prevailing Nepal Law**: This Act shall apply on matters mentioned herein and in other the prevailing laws shall apply.