

AS INTRODUCED IN THE RAJYA SABHA
ON 8TH DECEMBER, 2023

Bill No. CVII of 2022

THE SHOPKEEPERS' WELFARE BILL, 2022

A

BILL

to provide for setting up of a Shopkeepers' Welfare Fund and a Board that shall administer the Fund for the welfare of Shopkeepers and for penalizing the derogatory use of the word 'dukaandari' in order to uphold the dignity of shopkeepers and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Seventy-third Year of the Republic of India as follows:—

1. (1) This Act may be called the Shopkeepers' Welfare Act, 2022.

Short title and commencement.

(2) It shall come into force at once.

5 2. In this Act, unless the context otherwise requires,—

Definitions.

(a) "appropriate Government" means in the case of a State, the Government of that State and in all other cases, the Central Government;

(b) "Board" means the Shopkeepers' Welfare Board established under section 4;

(c) "Fund" means Shopkeepers' Welfare Fund set up under section 3;

(d) "prescribed" means prescribed by rules made under this Act;

(e) "Shopkeeper" means any person who is engaged in the sale of goods either by retail or wholesale or where services are rendered to customers and includes an office, a store room, godown, warehouse or workhouse or workplace.

Shopkeepers' Welfare Fund.

3. (1) The appropriate Government shall, by notification in the Official Gazette, set up a Fund to be known as the Shopkeepers' Welfare Fund for the purpose of welfare of shopkeepers.

(2) The Fund shall consist of contributions from Central Government and the State Governments in such ratio, as may be prescribed.

Shopkeepers Welfare Board.

4. (1) The Fund shall be administered by a Board to be called the Shopkeepers Welfare Board, consisting of—

(a) a Chairperson to be appointed by the Central Government;

(b) one representative from each State Government as may be prescribed; and

(c) two representatives from the Retailers Association of India.

(2) The salary and allowances payable to, and other terms and conditions of the service of Chairperson and other members of the Board shall be such as may be prescribed.

Utilisation of the Fund.

5. (1) The Board shall determine the purposes for which the Fund shall be utilized.

(2) Without prejudice to the generality of the provisions of sub-section (1), the Fund shall be utilized for the following purposes:—

(i) payment of old-age pension at the rate of ten thousand rupees per month after the shopkeeper has attained the age of sixty years and is incapable of performing his job on account of physical illness, infirmity or incapacity;

(ii) free healthcare facilities for the shopkeepers and their dependent family members at the designated Government and other hospitals;

(iii) free insurance cover to shopkeepers; and

(iv) free housing facilities for shopkeepers.

(3) The Board shall have such number of employees and such number of offices in the country, as may be prescribed.

(4) The terms and conditions of service of employees of the Board shall be such, as may be prescribed.

Punishment and penalties.

6. Whoever intentionally insults or intimidates with an intent to humiliate a shopkeeper in any place within public view through the use of the word "Dukaandari" in a derogatory manner or in a manner wherein it is used to draw a comparison with malpractices done by organisations or individuals or services or activity shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to one year and with fine, or both.

Central Government to provide funds.

7. (1) The Central Government shall, after due appropriation made by the Parliament by law in this behalf, provide funds for the effective implementation of the provisions of this Act.

(2) The appropriate Government shall, after due appropriation made by the Parliament or the Legislature of a State, as the case may be, provide adequate fund to the Board.

Act not to be in derogation of other law.

8. The provisions of this Act shall be in addition to and not in derogation of any other law for the time being in force providing for matters dealt with in this Act.

9. (1) The appropriate Government may, by notification in the Official Gazette, make rules for carrying out the purposes of the Act. Power to make rules.

5 (2) Every rule made under this section by the Central Government shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both the Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be;

10 So, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

(3) Every rule made by the State Government under this section shall be laid as soon as may be after it is made, before each House of the State Legislature where it consists of two Houses, or where such Legislature consists of one House before that House.

STATEMENT OF OBJECTS AND REASONS

A retail merchant or tradesman who owns or operates a small store or shop is referred to as a shopkeeper. In India, there are more than seventy million small merchants who collectively control almost ninety per cent. of India's retail trade. The small trader or shopkeeper has had a significant impact on the Indian economy because it is the direct point of contact between buyer and seller and can be found anywhere. In 2020, the retail market size in India was 883 billion US dollars, which in the year 2018, was around 950 billion US dollars. Due to pandemic, there is a slight shift in the retail market size. Nevertheless, the market is growing with time and is expected to reach as high as 1750 billion US dollars by the year 2026. The major contributor of retail market in India is the shopkeeper, who can be found at each turn of the society. Due to the variety of the products which these shops sell, it is estimated that the contribution of these shops account for 75 to 78 per cent. of the consumer goods market.

2. However, during the time of pandemic, the shopkeepers had to face challenges ranging from shortage of labour to shortage of supply. Not only that due to shortage of supply and strict lockdown, some small shopkeepers faced financial crunch which severely affected their savings. The supply chain and distribution mechanisms of Fast Moving Consumer Goods (FMCG) companies and distributors are paralysed, but there is definitely a lag due to shortage of manpower. Reverse migration of labourers has led to a 15 to 20 per cent. shortage of manpower, resulting in delays in products reaching the stores.

3. When the economic and physical lockdown happened, the street corner shopkeepers had to shut down their shops within a matter of few hours. Thus, they were in for an abrupt closure. Shopkeepers also did not have any idea as to when their shops would reopen as the lockdown period was extended in phases. The shopkeepers like small business owners had to figure out how to initiate business in the short to medium term. This uncertainty to a great extent affects the profit of shopkeepers.

4. Furthermore, there have been instances where shopkeepers have been treated disrespectfully and have been demeaned by the buyers. There have been instances of the word *dukandaari* being used as an accusation or insult. Such usage is derogatory to the shopkeepers' community which is an important cog in the wheels of the economy. However, the law does not permit such behaviour against any person, and the shopkeeper has the same right. Thus, shopkeepers have the right to be treated with utmost dignity and respect.

5. Keeping in mind, the difficulties faced by the shopkeepers during the pandemic and in general, this Act provides for the establishment of a welfare fund for shopkeepers, which can be used as specified in the provisions of Act. It also stated that the members of the Welfare Board shall be held responsible for the proper execution of funds. This Act also provides for the punishment of anyone who attempts to use the word "*Dukaandari*" in a derogatory manner. Thus, in a nutshell, this Act provides shopkeepers with a sense of security in times of need.

Hence, this Bill.

ASHOK KUMAR MITTAL.

FINANCIAL MEMORANDUM

Clause 3 provides for setting up of a Shopkeepers' Welfare Fund for welfare of shopkeepers. Clause 4 provides for constitution of a Board for administration of the Shopkeepers Welfare Fund. Clause 7 provides that the Central Government shall provide adequate Funds to the Board for effective implementation of the provisions of the Bill. The Bill, if enacted, will involve expenditure from the Consolidated Fund of India.

2. It is estimated that a sum of three hundred crore rupees is likely to be involved out of the Consolidated Fund of India per annum.

3. A non-recurring expenditure of two hundred crore rupees is also likely to be involved.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 9 of the Bill empowers the Central Government to make rules for carrying out the purposes of the Bill. Since the rules will relate to matters of detail only, the delegation of legislative power is of a normal character.

RAJYA SABHA

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(Dr. Ashok Kumar Mittal, M.P.)