

**A  
BILL**

*to provide for registration of godowns in the  
Province of Khyber Pakhtunkhwa.*

**WHEREAS** it is expedient to provide for the registration and regulation of godowns in the Province of Khyber Pakhtunkhwa, ensuring a comprehensive system regarding stable supply and availability of goods and for matters connected therewith and ancillary thereto;

It is hereby enacted by the Provincial Assembly of Khyber Pakhtunkhwa as follows:

**CHAPTER-1  
PRELIMINARY**

**1. Short title, extent, application and commencement.**---(1) This Act may be called the Khyber Pakhtunkhwa Registration of Godowns Act, 2021.

- (2) It shall extend to the whole of the Province of Khyber Pakhtunkhwa.
- (3) It shall apply to all forms of godowns used for storing of goods.
- (4) It shall come into force at once.

**2. Definitions.**---In this Act, unless there is anything repugnant in the subject or context,-

- (a) **“Appellate Authority”** means the Secretary to Government, Industries, Commerce and Technical Education Department;
- (b) **“authorized officer”** means an officer authorized by the Licensing Authority under section 14 of this Act;
- (c) **“goods”** mean goods as defined in the Sale of Goods Act, 1930 (Act No. III of 1930);
- (d) **“Government”** means the Government of Khyber Pakhtunkhwa;
- (e) **“licensee”** means a person or legal entity to whom a license for the purpose of establishing and operating godown is granted by the Licensing Authority under this Act;
- (f) **“Licensing Authority”** means the Director Industries and Commerce, Khyber Pakhtunkhwa;

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- (g) **“person”** means an individual, a company, a firm or an association etc. registered under the relevant law for the time being in force;
- (h) **“godown”** means a premises used for storing goods including, warehouse, cold storage or depot used for storing of goods;
- (i) **“prescribed”** means prescribed by rules; and
- (j) **“rules”** mean rules made under this Act.

## CHAPTER-II LICENSING

**3. Establishment or operation of godown.**---No person shall establish or operate a godown unless he has a valid license granted by the Licensing Authority under this Act.

**4. Power to grant license.**---The Licensing Authority shall grant license to a person for establishing and operating of a godown.

**5. Procedure for grant of license.**---(1) Any person, who intends to establish a godown, shall apply to the Licensing Authority, for the grant of license in the prescribed manner:

Provided that a person who is already operating a godown without a license shall within thirty days from the commencement of this Act file an application to the Licensing Authority for the grant of license and in case of non compliance, such person shall be dealt in a manner as provided in section 11 of this Act.

(2) The application for grant of license shall be accompanied by such fee, documents and details, as may be prescribed.

(3) The Licensing Authority may, after making such enquiry, as it may deem appropriate, grant license to a person in the manner as may be prescribed.

**6. Period of license and its renewal.**---(1) The license granted under this Act, shall be valid for a period of one year and shall be renewable every year, on payment of such fee, as prescribed for the grant of license.

(2) Application for renewal of license shall be made within thirty days prior to the expiry of license. On delaying the renewal of license, late payment charges shall be paid in the prescribed manner.



**CHAPTER-III**  
**COMPLIANCE WITH OTHER RELEVANT LAWS**

7. **Compliance.**---If any person has established or intending to establish or is operating a godown without compliance with the relevant laws or is found causing health hazard, the Licensing Authority or authorized officer, as the case may be, may pass an order directing such person to stop the violation or remove the deficiencies and may also seal the godown.

**CHAPTER-IV**  
**RESPONSIBILITY OF LICENSEE**

8. **Responsibilities of the licensee.**---It shall be the responsibility of the licensee to make arrangements for-

- (a) cleanliness of the premises of the godown and also provide for spittoons, safety equipment, latrines and urinals;
- (b) maintain temperature and environment conducive for storage of goods;
- (c) observance of sanitary and phytosanitary measures and other measures necessary for safe storage of goods;
- (d) observance of other laws relevant to the goods stored in the godown;
- (e) maintain and produce record of books, accounts and record relating to the goods stored in or removed from the godown and to furnish such information relating thereto as and when required by the Licensing Authority;
- (f) compulsory vaccination and inoculation and health certificate of workers;
- (g) water and solid waste management;
- (h) maintenance of proper infrastructure, fencing and fire safety equipment; and
- (i) security for stored goods.

**CHAPTER-V**  
**INSPECTIONS AND PUNISHMENTS**

9. **Inspections.**---The Licensing Authority or authorized officer, as the case may be, may inspect any godown to ensure whether the provisions of this Act and rules are complied with or otherwise.



**10. Fine, sealing and cancellation of license.**---(1) If, during inspection, a licensee is found to be violating the provisions of this Act and the rules, the Licensing Authority or the authorized officer, as the case may be, shall impose fine which may extend to five hundred thousand rupees or seal the godown or both.

(2) If during inspection and subsequent enquiry, it is established that the goods are being stored for hoarding and profiteering, the Licensing Authority or authorized officer, as the case may be, shall confiscate the goods and refer the case alongwith confiscated goods to the Deputy Commissioner, in case of hoarding, and to the Director Industries and Commerce, Khyber Pakhtunkhwa, in case of profiteering, for further proceedings under the laws relating to prevention of hoarding and profiteering for the time being in force.

**Explanation:** It will be the sole responsibility of the Licensing Authority or the authorized officer, as the case may be, to satisfy itself reasonably as to whether the goods are being stored for hoarding or profiteering.

(3) In addition to the actions under sub-section (1) and (2), the Licensing Authority may, after giving an opportunity of being heard to the licensee, cancel the license.

**11. Sealing of a godown without license.**---(1) If any person is involved in the operation of a godown without license, the Licensing Authority or authorized officer, as the case may be, may either pass an order directing such person to stop operation of such godown or seal the godown, as the case may be.

(2) Any person who contravenes any such order passed under sub-section (1), shall be punished with imprisonment for a term which may extend to one year or with a fine which may extend to five hundred thousand rupees or with both.

**12. Power of obtaining information and entry.**---(1) For the purpose of giving effect to the provisions of this Act, the Licensing Authority or authorized officer, as the case may be, may-

- (a) by order in writing require any person to furnish such information in his possession relating to installation or operation of a godown, as may be specified in the order; or
- (b) enter or search the premises and take action as may be necessary.

(2) Any person who obstructs the Licensing Authority or the authorized officer, as the case may be, while conducting duties under this Act, shall be punishable under section 186 of Pakistan Penal Code 1860, (Act XLV of 1860).



**CHAPTER-VI**  
**APPEAL**

**13. Appeal.**---(1) Any person aggrieved by an order, passed by the Licensing Authority or authorized officer, as the case may be, may prefer an appeal within thirty days from the date of the order to the Appellate Authority.

(2) The Appellate Authority may pass any order, as it may deem fit, after affording an opportunity of being heard to such person. The order of the Appellate Authority on appeal shall be final.

**CHAPTER-VII**  
**MISCELLANEOUS**

**14. Delegation of powers.**---The Licensing Authority may, by general or special order and subject to such conditions, as may be specified in the order, authorize any officer of the Directorate of Industries and Commerce, Khyber Pakhtunkhwa to exercise such powers and perform such functions and duties in respect of such area or areas of the Province of the Khyber Pakhtunkhwa as specified in the order.

**15. Power to authorize.**---The consumer court established under the Khyber Pakhtunkhwa Consumer Protection Act 1997 (Khyber Pakhtunkhwa Act No. VI of 1997), shall on a complaint in writing, made by the Licensing Authority or the Authorized officer, as the case may be, take cognizance of any offence punishable under this Act.

**16. Indemnity.**---No suit or other legal proceeding shall lie against the Appellate Authority, the Licensing Authority or an authorized officer, as the case may be, in respect of anything done or intended to be done in good faith under this Act and the rules made thereunder.

**17. Act not in derogation of any other laws.**---The provisions of this Act and rules made thereunder shall be in addition to and not in derogation of any other laws for the time being in force.

**18. Power to make rules.**---Government may, by notification in the official Gazette, make rules for carrying into effect the provisions of this Act.

**STATEMENT OF OBJECTS AND REASONS**

The provincial Government has approved the "Provincial Commerce and Trade Strategy of Khyber Pakhtunkhwa, 2019-23" for promotion of commerce and trade in the province. One of the objectives of the strategy is to develop a commercial governance framework for different sectors of commerce and trade in the province. Storage and warehouse is one of the important sectors of the commerce.

  
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Currently there is no legal framework for regulation/registration/licensing of godowns and of the goods stored in the godowns in the province. This regulatory deficit promotes unfair commercial practices such as profiteering and hoarding as evident from the recent sugar crisis. Furthermore the regulation of godowns will contribute to avoiding disasters such as the recent Beirut (Lebanon) explosion.

Based on the above mentioned facts and in order to ensure a comprehensive system regarding stable supply and availability of goods, smooth function of the market and addressing the menace profiteering and hoarding, it is necessary to bring a law providing for the registration and regulation of godowns.

The Bill seeks to achieve the above mentioned objectives.



**MINISTER-IN-CHARGE**

Peshawar,  
dated the: 27 / 05 /2021.

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