

GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION

RAJYA SABHA
STARRED QUESTION NO.242
TO BE ANSWERED ON 12TH AUGUST, 2025

DIGITISED FPS WITH EPOS

242: SHRI BABURAM NISHAD:

Will the Minister of Consumer Affairs, Food and Public Distribution be pleased to state:

(a): the details including number and percentage of Fair Price Shops (FPS) across the country that have been digitised and have electronic Point of Sale (ePoS) devices installed so far;

(b): whether the Ministry has conducted an impact assessment of digitisation of FPS, particularly in terms of plugging leakages and improving beneficiary experience;

(c): if so, the findings of such assessment; and

(d): the steps being taken to ensure viability of FPS and expansion of services beyond foodgrain distribution?

A N S W E R
MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION AND
MINISTRY OF NEW AND RENEWABLE ENERGY
(SHRI PRALHAD JOSHI)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (d) OF THE STARRED QUESTION NO. *242 DUE FOR ANSWER ON 12.08.2025 IN THE RAJYA SABHA REGARDING.

(a): As part of the technology driven Targeted Public Distribution System (TPDS) reforms, with the aim to enhance transparency and improve efficiency in the TPDS, ration cards/beneficiaries database have been completely digitized (100%) in all States/UTs. Further, for better tracking of foodgrains distribution, nearly 5.41 Lakh (99.6%) out of total 5.43 Lakh Fair Price Shops (FPSs) in the country have been automated by installing ePoS devices for the distribution of foodgrains in a transparent manner (electronically) through biometric/ Aadhaar authentication of beneficiaries.

(b) & (c): This Department engaged Monitoring Institutions (MIs) of repute to undertake concurrent evaluation of the implementation of National Food Security Act, 2013 (NFSA) in different States/UTs for Phase-I (2018-20) and Phase-II (2020-23). Reports submitted by the MIs are available in public domain at https://nfsa.gov.in/portal/Concurrent_Evaluation.

(d): Targeted Public Distribution System (TPDS) under the National Food Security Act, 2013 (NFSA) is operated under the joint responsibility of the Central and the State/UT Governments. The operational responsibility including issuance of licenses to Fair Price Shops (FPSs), supervision and monitoring of the functioning of Fair Price Shops etc., rest with the concerned State/UT Government.

As per sub-clause (7) of clause 9 of the TPDS (Control) Order, 2015, the State Government shall fix an amount as the fair price shop owner's margin, which shall be periodically reviewed for ensuring sustained viability of the fair price shop operations.

Central Government has no role to play in determining the actual rate of fair price shop dealers' margin and payment thereof to FPS dealers. The Central Government only provides the assistance to States/UTs for meeting the expenditure towards intra-State movement & handling of foodgrains and fair price shop dealers' margin under the NFSA in accordance with the provisions of Food Security (Assistance to State Governments) Rules, 2015 (as amended from time to time) which inter-alia provides for norms of expenditure and pattern of central sharing. In order to ensure viability of Fair Price Shops, the norms of FPS Dealers margin was enhanced as per the details given below:

Category of States	Component of FPS margin	Pre-revised norms (Rate in rupee per quintal) (upto 31 st March, 2022)	Revised norms (Rate in rupee per quintal) (w.e.f. 1.4.2022)
General Category States/UTs	Transportation & handling	65	70
	FPS Dealers Margin	70	90
	Additional margin	17	21
Special category States/UTs	Transportation & handling	100	105
	FPS Dealers Margin	143	180
	Additional margin	17	26

Special category states includes Sikkim, Himachal Pradesh, Jammu & Kashmir, Ladakh, Uttarakhand, Andaman & Nicobar Islands, Lakshadweep and seven north east states.

However, the State Governments are free to fix the actual rates, which can be higher than the norms specified in the rules. Central assistance will be limited to the rates specified in the Rules or the actual average rates for the State as a whole, at which the expenditure was actually incurred by the State Government, whichever is lower.

Also, it has been the endeavor of the Government to improve the financial viability of Fair Price Shops (FPSs) by providing additional business avenues to FPS dealers and enhancing beneficiary experience through the provision of value-added services at FPS. To improve the financial viability of FPSs, Government of India has requested all State/UT Governments to take up initiatives through FPSs such as providing Common Service Centre (CSC) services, Banking services through tie-up with banks/ corporate Banking Correspondents, Banking and citizen-centric services of India Post Payment Bank (IPPB), Sale of other commodities/ general store items etc.

As per sub-clause (9) of Clause 9 of the TPDS (Control) Order, 2015, the State Government shall allow sale of commodities other than the foodgrains distributed under the TPDS at the fair price shops to improve the viability of the fair price shop operations.

Further, a Jan Poshan Kendra **pilot study** is being conducted to improve viability of 90 FPSs across 5 cities, i.e. Hyderabad, Ghaziabad, Jaipur, Ahmedabad & Indore. The Government of India has undertaken this **pilot study** to enhance the financial viability of FPS dealers while focusing on improving nutritional outcomes of the beneficiaries.

Further, to address the skill development challenges, the department has imparted capacity building training through the Ministry of Skill Development & Entrepreneurship (MSDE) to boost the confidence of FPS owners and equip them with the essential entrepreneurship skills required for venturing into new business avenues.
