

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

LOK SABHA
UNSTARRED QUESTION NO.444
TO BE ANSWERED ON 24th JULY, 2024

PROBLEM OF FPS DEALERS

444 ADV. ADOOR PRAKASH:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) whether the Government has noted the various issues raised by the Fair Price Shop (FPS) dealers in the country including server related problems, network issues, handling loss and demand for enhancement of dealer margin;
- (b) if so, the details thereof;
- (c) whether the Government will take measures to address their grievances; and
- (d) if so, the details thereof?

A N S W E R
MINISTER OF STATE FOR MINISTRY OF CONSUMER AFFAIRS,
FOOD & PUBLIC DISTRIBUTION
(SHRIMATI NIMUBEN JAYANTIBHAI BAMBHANIYA)

(a) to (d): State governments manage their respective RCMS (Ration Card Management System) and AePDS (Aadhar enabled PDS) systems. In case of network or server issues detected by Government of India, states are notified through system generated emails.

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. As per sub-clause (9) of Clause 9, 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.

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Central Government has no role to play in determining the actual rate of fair price shop dealers' margin/ commission/ honorarium etc. 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 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 w.e.f. April 2022 as per the details given below:

Category of States	Component of FPS margin	Pre-revised norms (Rate in rupee per quintal)	Revised norms (Rate in rupee per quintal)
General States/UTs	Category		
	Transportation & handling	65	70
	FPS Dealers Margin	70	90
	Additional margin	17	21
Special Sates/UTS	category		
	Transportation & handling	100	105
	FPS Dealers Margin	143	180
	Additional margin	17	26

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.

At present, no proposal for further enhancement of margin is under consideration by the Government.
