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

LOK SABHA STARRED QUESTION NO. 446 TO BE ANSWERED ON 2ND APRIL, 2025

COMMISSION TO RATION DEALERS

†*446. SHRI SUNIL KUMAR:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether the Government proposes to provide honorarium to the dealers of Public Distribution System across the country;
- (b) if so, the details thereof and the time by which the said scheme is likely to be implemented;
- (c) if not, whether the Government proposes to implement at least 'One Nation One Commission' scheme considering the financial condition of the said dealers to ensure uniformity in commission earned by the dealers;
- (d) if so, the details thereof; and
- (e) whether the Government proposes to increase the commission and fix a minimum commission rate for the said dealers in view of inflation and if so, the details thereof?

ANSWER

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION AND MINISTRY OF NEW AND RENEWABLE ENERGY (SHRI PRALHAD JOSHI)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE STARRED QUESTION NO. 446 FOR ANSWER ON 02.04.2025 IN THE LOK SABHA.

(a) to (e): The Targeted Public Distribution System (TPDS) 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.

The Central Government has limited role 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 were enhanced w.e.f. April, 2022 as per the details given below:

| Category of States/UTs | Component of FPS dealers' margin | Pre-revised norms (Rate in rupee per quintal) Till March, 2022 | Revised norms (Rate in rupee per quintal) w.e.f April, 2022 | Central share (in percentage) |
|---------------------------|----------------------------------|--|--|----------------------------------|
| General Category | Basic margin | 70 | 90 | 50 |
| | Additional margin | 17 | 21 | |
| Special category | Basic margin | 143 | 180 | 75 |
| | Additional margin | 17 | 26 | |

However, 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.