

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

LOK SABHA
UNSTARRED QUESTION NO.2248
TO BE ANSWERED ON 12TH MARCH, 2025

RESERVATION IN ALLOTMENT OF RATION SHOPS

†2248. SHRI RAMASHANKAR RAJBHAR:

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

- (a) whether the Government fulfils the reservation quota of SC, ST, OBC categories in the allotment of ration shops and if so, the details thereof;
- (b) if not, the reasons therefor;
- (c) whether any honorarium is paid to ration shop owners and if so, the details thereof; and
- (d) the measures taken by the Government to check the quality of foodgrains available at ration shops?

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

(a) to (c): The Targeted Public Distribution System (TPDS) is governed under National Food Security Act (NFSA), 2013 and it is operated under the joint responsibility of the Central and the State/Union Territory (UT) Governments. The operational responsibilities for allocation of food grains within the States/ UTs, identification of eligible beneficiaries, issuance of ration cards to them, distribution of food grains to the eligible beneficiaries under TPDS, issuance of license to the Fair Price Shop dealers, supervision over and monitoring of functioning of Fair Price Shops (FPSs) etc. rest with the concerned State/UT Governments.

Clause 9 (4) of the Targeted Public Distribution System (Control) Order, 2015 provides that the State Government shall accord preference to public institutions or public bodies such as panchayats, self help groups, cooperative societies in licensing of fair price shops and management of fair price shops by women or their collectives.

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)	Revised norms (Rate in rupee per quintal)	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	

Clause 9 (7) of the TPDS (Control) Order, 2015 also allow the State Government to 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.

Further, State Governments are free to fix the actual rates, which can be higher than the norms specified in the Food Security (Assistance to State Governments) Rules, 2015. 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.

(d): The Central Government has formulated and issued a Quality Control Manual, in order to maintain the quality standards of foodgrains from procurement to its distribution to the eligible beneficiaries through various social security programmes. State Level Committees have been constituted to deliberate on quality related issues regarding food grains procured and stored for PDS. The Committee will coordinate on such matters and resolve the quality related issues, if any highlighted during the meeting.
