

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

**LOK SABHA**  
UNSTARRED QUESTION NO.4295  
**TO BE ANSWERED ON 26<sup>TH</sup> MARCH, 2025**

**SURVIVAL OF FAIR PRICE SHOPS**

4295. PROF. SOUGATA RAY:

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

- (a) whether the Government is concerned about the non-viable conditions of the Fair Price Shops (FPSs) across the country;
- (b) if so, the steps taken to ensure their viability with a minimum margin of Rs. 50,000 per month per shop;
- (c) the steps taken/proposed to be taken to minimize the harassment of the rationees due to non-availability of network, server down, mis-match of fingerprints etc.; and
- (d) the reasons for not allowing sale of various essential commodities through FPSs for enhancing their viability which helps to check the spiralling prices of such commodities?

**A N S W E R**

MINISTER OF STATE FOR MINISTRY OF CONSUMER AFFAIRS,  
FOOD & PUBLIC DISTRIBUTION  
**(SHRIMATI NIMUBEN JAYANTIBHAI BAMBHANIYA)**

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**(a):** The Public Distribution System (PDS) is operated under joint responsibilities of the Central and State/UT Governments. The operational responsibilities such as licensing and monitoring of Fair Price Shops (FPSs) rest with the respective State/UT Government.

As per sub-clause (9) of Clause 9 of the Targeted Public Distribution System (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.

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), Retail selling of small (5kg) LPG cylinders, Sale of other commodities/ general store items etc.

Further, a Jan Poshan Kendra (JPK) pilot study is being conducted to improve viability of 60 FPSs across 4 cities, i.e. Hyderabad, Ghaziabad, Jaipur and Ahmedabad. 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.

**(b):** 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/ 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 has also been enhanced in April 2022.

Further, 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.

At present, no proposal for further enhancement of margin is under consideration by the Department of Food & Public Distribution, Government of India.

**(c):** To ensure the availability of internet/connectivity for ePoS devices at FPSs in remote locations / shadow/no network areas in some States, the Department of Telecommunications has been requested to resolve the internet/connectivity related issues. Further, the beneficiaries are empowered to lift their entitled foodgrains under One Nation One Ration Card (ONORC) from any FPS having operational ePoS device without facing any internet/connectivity related challenges. The ePoS devices have a functionality to work in offline mode with limited/ no internet connectivity. The ePoS devices have to come periodically to network area to sync the offline ePoS data with PDS online system.

**(d):** As per sub-clause (9) of Clause 9 of the Targeted Public Distribution System (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.

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