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

LOK SABHA UNSTARRED QUESTION NO. 1643 TO BE ANSWERED ON 30TH JULY, 2025

WELFARE OF FAIR PRICE SHOP DEALERS

1643 PROF. SOUGATA RAY:

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

- (a) the details of benefits are being given to fair-price shop dealers in the country;
- (b) whether the Government is aware that the commissions of various items like cereals, sugar, edible oil, kerosene, wheat, rice to Fair Price Shop dealers are on different rates among various States of the country;
- (c) if so, the details of commissions sanctioned for various items among the States of the country;
- (d) whether the Government has any proposal to increase and make uniform such commissions nationwide; and
- (e) if so, the details thereof?

ANSWER

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 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. Therefore, the actual rate of fair price shop dealers' margin may very from State to State.

The Central Government has limited role in determining the actual rate of fair price shop dealers' margin/ commission. 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 form 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 were enhanced w.e.f. April, 2022 as per the details given below:

		Pre-revised		
		norms	Revised	
Category o States/UTs	f Component of FPS dealers' margin		in rupee per quintal) (w.e.f	Central share (in percentage)
		(Till	01.04.2022)	
		31.03.2022)	7	
General Category	Basic margin	70	90	5 0
				50
	Additional margin	17	21	,
Special category	Basic margin	143	180	75
	Additional margin	17	26	

^{*}Note: Special category States include 8 States of North East including Sikkim, Himachal Pradesh, Jammu & Kashmir, Ladakh, Uttarakhand, Andaman & Nicobar Islands and Lakshadweep.

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.

(d) & (e): At Present, no proposal for revision of norms of Central Assistance towards Fair Price Shop dealers' margin is under consideration of the Government.
