

**GOVERNMENT OF INDIA  
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION  
LOK SABHA**

UNSTARRED QUESTION NO:1326  
ANSWERED ON:14.07.2009  
FUNCTIONING OF FAIR PRICE SHOPS  
Gaddigoudar Shri P.C.

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

- (a) the details of the commodities being supplied to Above Poverty Line and below Poverty Line families separately through Fair Price Shops (FPSs) indicating the quantum and price thereof;
- (b) the mechanism of operation of the FPSs;
- (c) whether a number of FPSs have closed down owing to the lack of viability;
- (d) if so, whether the Government proposes to revamp the FPSs by modifying the norms and adding new commodities for making these shops viable; and
- (e) if so, the details thereof and the action taken thereon?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a): Under Targeted Public Distribution System (TPDS) Government allocates wheat, rice, coarse grains and sugar to State/UT Governments for distribution to ration card holders through Fair Price Shops (FPSs) and subsidized Kerosene oil (SKO) through Kerosene dealers.

Allocations of foodgrains for Antyodaya Anna Yojna(AAY) and Below Poverty Line(BPL) families are made @ 35 kg per family per month for 6.52 crore families. However, allocations for APL category are made depending upon the availability of stocks of foodgrains in the Central Pool. From 01.02.2001, allocation of levy sugar to States/UTs is being made only for BPL/AAY families, except for NE States, hilly States and island territories for which the allocation is being made for coverage of BPL as well as APL families.

The Central Issue Prices (CIP) of foodgrains (wheat, rice and coarse grains) are given below:

APL			BPL			AAY		
Wheat	Rice	Coarse	Wheat	Rice	Coarse	Wheat	Rice	Coarse
(Gr.A)	Grains	Gr.A)	(Com/	grains	(Com/	grains	grains	grains
			Gr.A)		Gr.A)			
6.10	8.30	4.50	4.15	5.65	3.00	2.00	3.00	1.50

The retail issue price of levy sugar under TPDS in the country is Rs.13.50 per kg. since 1.3.2002. The prices of TPDS Kerosene Oil vary from State to State depending upon the Sale Tax and Dealer's commissions.

(b): As provided under the Public Distribution System (Control) Order, 2001, State Governments regulate functioning of Fair Price Shops (FPSs). For each FPS, a licence is issued and certain number of ration card holder families attached to it. The State Governments issue foodgrains to Fair Price Shop licensees which they distribute to the attached rations cards holders.

(c),(d)&(e): Information about closure of any FPS due to non viability etc. is not available. To make the fair price shops economically viable, the State Governments/UT Administrations have been advised to allow FPS licensees to enlarge basket of commodities by allowing sale of non-PDS items of daily use as per local requirement. It has been reported by 23 State/UT Governments that the FPS owners are selling non-PDS items like edible oil, pulses, vanaspati ghee, milk powder, baby food, soaps, exercise books, butter, tea, iodised salt and tooth paste, etc.

The earlier ceiling limit fixed on commission to be paid to FPS licensee per quintal of foodgrains has also been relaxed since August,

