

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

UNSTARRED QUESTION NO:1158
ANSWERED ON:05.03.2013
COMMISSION FOR OPERATING FPS
Upadhyay Seema;Vardhan Shri Harsh

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

(a) the criteria adopted for fixing the commission paid to the agents operating the Fair Price Shops (FPSs) under the Public Distribution System (PDS); and

(b) the details of irregularities reported in the operation of the FPS along with the remedial steps taken in this regard?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a) Targeted Public Distribution System (TPDS) is operated under the joint responsibility of Central Government and State/Union Territory (UT) Governments wherein the operational responsibilities for licensing of Fair Price Shops (FPSs), fixing of their margins, supervision over distribution of allocated foodgrains to eligible beneficiaries through the FPSs, etc. are of the State/UT Governments. Since 2001, State/UT Governments have been given the flexibility in the matter of fixing the margin for FPSs except in the case of Antyodaya Anna Yojana where the end retail price is to be retained at Rs. 2 per kg for wheat and Rs. 3 per kg for rice.

(b) There have been complaints about irregularities in the functioning of the TPDS including irregularities in operation of FPSs in some States/regions in the country. As and when complaints are received by the Government from individuals and organizations as well as through press reports, these are referred to the State/UT Governments concerned for inquiry and appropriate action.

Strengthening and streamlining of TPDS is a continuous process. Government has regularly reviewed and has issued instructions to States/UTs to strengthen functioning of TPDS by improving monitoring mechanism and vigilance, increased transparency in functioning of TPDS, adoption of revised Model Citizen's Charter, use of Information and Communication Technology (ICT) tools and improving the viability of Fair Price Shop operations.