

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

UNSTARRED QUESTION NO:2959

ANSWERED ON:08.12.2009

HOARDING

Antony Shri Anto; Kanubhai Patel Jayshreeben; Lal Shri Kirodi ; Patil Shri A.T. Nana

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

(a) whether any report of the Planning Commission on hoarding and its impact on prices and availability of essential commodities is under consideration of the Government;

(b) if so, the details thereof and action taken thereon;

(c) whether the Essential Commodities Act, 1955 empowers the Union Government to monitor the utilisation of the funds sanctioned to States/Union Territories for providing foodgrains and other essential commodities for the welfare of the people in each block of the country; and

(d) if so, the time by which the joint inspection team of the Union and State Governments is likely to assess the utilisation of funds in the States as well as certify to the Union Government about the stock position with each shopkeeper/fair price shop in the States?

Answer

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

(a): No, Madam.

(b): Does not arise.

(c) & (d): Section 3 of the Essential Commodities Act, 1955 provides that if the Central Government is of opinion that it is necessary or expedient so to do for maintaining or increasing supplies of any essential commodity or securing their equitable distribution and availability at fair prices, it may, by order, provide for regulating or prohibiting the production, supply and distribution thereof and trade and commerce therein.

In exercise of the powers conferred by Section 3 of the Essential Commodities Act, 1955, in order to maintain supplies and securing availability and distribution of essential commodities under Targeted Public Distribution System (TPDS), Public Distribution System (Control) Order, 2001 has been notified by the Government on 31st August, 2001. An offence committed in violation of the provisions of this Order is liable for penal action under the Essential Commodities Act, 1955.

Clause 5 and 6 of this Order, inter-alia, contain the procedure for distribution of foodgrains by the Food Corporation of India to the State Governments or their nominated agencies and taking delivery of stocks by fair price shops owners from the authorized nominees of the State Governments to ensure that essential commodities are available at the fair price shops within first week of the month for which the allotment is made.

This Order also provides that State Governments will regulate functioning of fair price shops (FPSs). Para 6 of the annexe to the Order prescribes formats for periodical reporting on distribution of foodgrains by fair price shops and State Governments.

As stipulated under PDS (Control) Order, 2001, reports are obtained from State Governments on their monitoring of TPDS under clause 8 and penal action taken under clause 9 for malpractices noticed. Reports in Form 'C' are obtained on distribution of foodgrains and status of ration cards. Utilization Certificates (UCs) for the foodgrains allocated to State Governments are obtained regularly from the State Governments. Review meetings are held with Food Secretaries of State Governments on functioning of TPDS. Area Officers of the Department of Food & Public Distribution also visit the States to monitor the functioning of TPDS in the States.

To make TPDS operations transparent and amenable to public scrutiny by use of provisions of Right to Information Act, 2005, a revised Model Citizens' Charter was issued by the Department of Food and Public Distribution in July 2007 for adoption and implementation by all State/UT Governments.

There is no proposal for sending joint inspection team to State Governments as provisions for monitoring the functioning of TPDS in the States exists in the PDS (Control) Order, 2001.