

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

UNSTARRED QUESTION NO:6219

ANSWERED ON:04.05.2010

BLACKMARKETING OF PDS FOODGRAINS

Alagiri Shri S. ;Gangaram Shri Awale Jaywant;Gawali Patil Smt. Bhavana Pundlikrao ;Lal Shri Kirodi ;Rajaram Shri Wakchaure  
Bhausahab;Rama Devi Smt. ;Singh Rajkumari Ratna;Singh Shri Dhananjay ;Sinh Dr. Sanjay;Yadav Shri Dinesh Chandra

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

- (a) whether the Below Poverty Line, Above Poverty Line and Antyodaya Anna Yojana families are not getting subsidized foodgrains, edible oils and pulses through the Public Distribution System (PDS);
- (b) if so, whether the Fair Price Shops owners are reportedly leaking and diverting these items into black market in Delhi and other parts of the country;
- (c) if so, the steps taken to strengthen the Public Distribution System and to check leakages and diversion of foodgrains etc. into black market; and
- (d) the number of PDS personnel and other people booked for the said irregularities alongwith the action taken against such persons?

**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) to (d): Under the Targeted Public Distribution System(TPDS), Government provides foodgrains to State/UT Governments for distribution to Below Poverty Line (BPL) families including Antyodaya Anna Yojana (AAY) families @ 35 kg. per family per month at highly subsidized rates. Allocation to above Poverty Line (APL) families is made on the basis of availability of foodgrains in the Central Pool and the past off-take. Presently, the allocation for APL Category ranges between 10 kg. and 35 kg. foodgrains per family per month at subsidized rates. In order to cushion consumers against price rise in pulses and edible oils, the Central Government also allocates imported edible oil and pulses to the State/UT Governments as per their requirements for distribution to the ration card holders/consumers.

Targeted Public Distribution System (TPDS) is operated under the joint responsibility of the Central and the State/UT Governments. The operational responsibilities for allocation of foodgrains within the States/UTs, identification of eligible Below Poverty Line (BPL) families, issuance of ration cards to them and supervision over and monitoring of functioning of Fair Price Shops rest with the concerned State/UT Government.

Complaints as and when received by the Central Government about malpractices in TPDS, including diversion/leakages of foodgrains, are sent to the concerned State/UT Governments for enquiry and necessary action.

Government has issued directions to State Governments to streamline functioning of TPDS by enforcing provisions of PDS (Control) Order, 2001. Besides this, the Government has also issued instructions to States/Union Territories to strengthen Targeted Public Distribution System (TPDS) by improving monitoring mechanism and vigilance, increased transparency in functioning of TPDS, use of Information and Communication Technology (ICT) tools and improving the efficiency of Fair Price Shop operations.

In respect of malpractices detected under TPDS, the details of persons prosecuted under the Essential Commodities Act, 1955 (EC Act, 1955) and the persons detained under the Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980 (PBM Act, 1980) during 2007 to 2010 are as under:

S.No.	Year	Persons prosecuted under EC Act, 1955	Persons detained under PBM Act, 1980
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1.	2007	4872	119
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2.	2008	6425	162
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3.	2009	5131	147
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For monitoring supplies and securing availability and distribution of essential commodities under TPDS, the Central Government has issued Public Distribution System (Control) Order, 2001. As provided under the said Order, the State and UT Governments are responsible for implementing TPDS and competent to take action against those indulging in malpractices in TPDS by invoking provisions of clauses 8 & 9 of the said Order. Details of action taken by the State & UT Governments from January, 2007 to March, 2010 is at Annex-I.