

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

UNSTARRED QUESTION NO:130

ANSWERED ON:09.11.2010

DIVERSION OF FOODGRAINS

Abdulrahman Shri ;Gowda Shri D.B. Chandre;Ram Shri Purnmasi

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

(a) whether study/survey by various evaluating agencies have indicated diversion and black marketing of foodgrains meant for the Public Distribution System/ Targeted Public Distribution System/ Antyodaya Anna Yojana and other welfare schemes;

(b) if so, the details thereof and the reaction of the Government thereto indicating the number of Public Distribution System personnel and other persons booked for diversion/black marketing of foodgrains during each of the last three years and the current year;

(c) whether the Government proposes to strengthen the Public Distribution System and/or provide direct cash subsidy to check diversion; and

(d) if so, the details thereof alongwith the other corrective steps taken to check diversion of foodgrains?

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) and (b): Evaluation studies on functioning of Targeted Public Distribution System (TPDS) got done by the Department from ORG MARG and Programme Evaluation Organisation (PEO) of Planning Commission had revealed certain shortcomings in the functioning of TPDS such as inclusion/exclusion errors, leakages/diversion of foodgrains, etc. To streamline the functioning of the TPDS, a Nine-Point Action Plan was evolved in 2006, which is under implementation by the State /UT Governments. As a result of implementation of this action plan, 25 State/UT Governments have reported by 30.9.2010, deletion of 178.87 lakh bogus/ineligible ration cards.

Subsequently, concurrent evaluation of TPDS got done from National Council of Applied Economic Research (NCAER) in 12 states has also indicated diversion of foodgrains and inclusion and exclusion errors. The reports of NCAER have been considered in this Department and sent to concerned State Governments for taking necessary action to streamline the functioning of TPDS.

Public Distribution System (Control) Order 2001 mandates the State and UT Governments to carry out all required action to ensure smooth functioning of TPDS.

Further, the State Governments have been empowered to detain any person under the Prevention of Black Marketing and Maintenance of Supplies of Essential Commodities Act, 1980, with a view to preventing him from acting in any manner prejudicial to the maintenance of supplies of commodities essential to the community. The detention orders issued under this Act by the State Governments and as reported by them during the last three years are as under.

Year Detention orders issued

2007 119

2008 162

2009 147

2010 153
(upto
30.9.
2010)

In addition, State Governments/UT Administrations are also taking action under the Essential Commodities Act, 1955. The details of

number of persons arrested, prosecuted and convicted are as under:

Year	No of persons arrested	No of persons prosecuted	No of persons convicted
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2007	6944	4872	1022
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2008	8001	6425	790
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2009	9012	5131	127
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2010	5595	1688	91
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(upto
30.9.2010)

(c) and (d): State Governments of Uttar Pradesh, Haryana and Govt. of NCT of Delhi submitted proposals for direct disbursement of food subsidy in cash instead of distribution of foodgrains to Below Poverty Line (BPL)/Antyodaya Anna Yojana (AAY) families on pilot basis in five districts, namely, Lakhimpur Kheri and Hardoi in Uttar Pradesh, Panchkula and Jhajjar in Haryana and Central District in Delhi. Based on those proposals, a draft scheme has been prepared to test the feasibility of this alternative mode of transfer of food subsidy to BPL/AAY families under TPDS. The draft scheme has been referred to Ministry of Finance(Department of Expenditure) for obtaining the approval of Committee on Non-Plan Expenditure.

Strengthening and streamlining of TPDS is a continuous process. To improve functioning of TPDS, Government has been regularly requesting State/UT Governments for continuous review of lists of BPL and AAY families, ensuring timely availability of foodgrains at fair price shops, ensuring greater transparency in functioning of TPDS, improved monitoring and vigilance at various levels and introduction of new technologies such as Computerization of TPDS operations at various levels.