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

UNSTARRED QUESTION NO:130
ANSWERED ON:09.11.2010
DIVERSION OF FOODGRAINS
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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

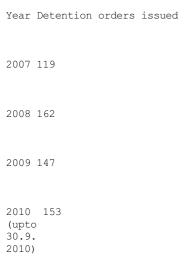
MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION(PROF. K.V. THOMAS)

(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.



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

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Year No of persons No of persons arrested prosecuted convicted

2007 6944 4872 1022

2008 8001 6425 790

2009 9012 5131 127

2010 5595 1688 91 (upto 30.9.2010)
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(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.