

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

UNSTARRED QUESTION NO:1913

ANSWERED ON:08.03.2011

LOOPHOLES IN PDS

Banerjee Shri Ambica;Kashinath Shri Taware Suresh;Kumar Shri P.;Muttamwar Shri Vilas Baburao;Ramasubbu Shri S.;Rani Killi Krupa;Shankar Alias Kushal Tiwari Shri Bhisma;Sharma Shri Madan Lal;Siddeswara Shri Gowdar Mallikarjunappa;Singh Shri Radhey Mohan;Sivasami Shri C.;Venugopal Shri P.;Yadav Shri Ranjan Prasad

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

- (a) whether the various malpractices in the implementation of Public Distribution System (PDS) has defeated its objectives and adversely affected the Below Poverty Line (BPL) families;
- (b) if so, the reaction of the Government thereon;
- (c) whether the Union Government had urged the State Governments to plug the loopholes in the PDS and increase the storage capacity in the respective State before the enactment of National Food Security Act;
- (d) if so, the details thereof;
- (e) whether the Government has also made some suggestions/ recommendations for strengthening PDS; and
- (f) if so, the details thereof and the reaction of the States thereto?

Answer

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

(a) to (f): Targeted Public Distribution System (TPDS) is operated under the joint responsibility of the Central and the State/Union Territory (UT) Governments. The Central Government is responsible for procurement, allocation and transportation of foodgrains upto the designated depots of the Food Corporation of India. The operational responsibilities for lifting and distributing the allocated foodgrains within the States/UTs, identification of eligible Below Poverty Line (BPL) families, issuance of ration cards to them and supervision over distribution of allocated foodgrains to eligible card holders through the Fair Price Shops (FPSs) are that of the State/UT Governments.

In order to maintain supplies and securing availability and distribution of essential commodities, Public Distribution System (Control) Order, 2001 has been notified on August 31, 2001 which mandates the State and UT Governments to carry out all required action to ensure smooth functioning of TPDS. An offence committed in violation of the provisions of this Order is liable for penal action under the Essential Commodities Act, 1955. Utilisation Certificates (UCs) for the foodgrains allocated to State Governments are obtained regularly from the State Governments. Review meetings are held with State Governments on functioning of the TPDS. Certain shortcomings/deficiencies have been noticed in the functioning of TPDS. The Evaluation Studies on functioning of TPDS got done by the Department from time to time have revealed shortcomings in functioning of TPDS such as inclusion/exclusion errors, leakages/diversion of food grains, etc.

To streamline functioning of TPDS, in consultation with State Governments, a Nine Point Action Plan was evolved in 2006, which, inter alia, includes continuous review of BPL/AAY lists and to eliminate ghost/bogus ration cards. As a part of implementation of this Action Plan, 26 State/UT Governments have reported by 31.1.2011, deletion of 208.57 lakh bogus/ineligible ration cards.

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 (FPSs), 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.

A Conference of Food Secretaries of States and Union Territories (UTs) and other officials on Best Practices and Reforms in Targeted Public Distribution System (TPDS) was held in July, 2010. In the said conference, it was resolved, among others, to ensure proper identification of beneficiaries, timely distribution of foodgrains, increase viability of Fair Price Shops (FPSs), enhancing storage capacities, use of technology based initiatives in TPDS and increase public awareness.

Government has formulated a Guarantee Scheme for construction of godowns for Food Corporation of India (FCI) as well as for the States undertaking Decentralised Procurement of foodgrains through private entrepreneurs and Central Warehousing Corporation

(CWC) and State Warehousing Corporations (SWCs). For augmenting the storage capacity, the Government has given approval for construction of about 150 lakh tons of additional covered capacity in 19 States of the country under the Guarantee Scheme. The General Managers (Region) of FCI have also been given full powers for hiring of private godowns for short term usage.