

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

UNSTARRED QUESTION NO:2269  
ANSWERED ON:21.07.2009  
MISAPPROPRIATION OF BENEFITS FOR BPL FAMILIES  
Majumdar Shri Prasanta Kumar

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

- (a) whether the Government has received any complaint regarding misappropriation of funds/ benefits diversion of foodgrains meant for Below Poverty Line (BPL) category by the Above Poverty Line (APL) category;
- (b) if so, the details thereof alongwith the percentage of foodgrains lost therein, State- wise;
- (c) the steps proposed to be taken by the Government to check such practice in future; and
- (d) the action taken/proposed to be taken by the Government against those held responsible?

**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),(b),(c)&(d): Targeted Public Distribution System (TPDS) is implemented jointly by Government of India and State/UT Governments with sharing of responsibilities in this regard. Responsibilities for allocation of foodgrains within State/UT, identification of eligible BPL & AAY families based on estimates of Planning Commission, issuance of rations cards to them and supervision over distribution of allocated foodgrains to eligible ration card holders through the fair price shops rest with State /UT Governments.

Complaints as and when received by Government from individuals and organizations, as well as through press reports about leakages/diversion of TPDS commodities are sent to concerned State/UT Governments for inquiry and action.

Government from time to time gets evaluation done of functioning of Targeted Public Distribution System (TPDS). The latest evaluation in 12 states is by the National Council of Applied Economic Research (NCEAR), reports on which were received in November, 2007 and January, 2009.

These reports have indicated diversion of foodgrains under TPDS in some of the States/UTs. However, accurate assessment of quantities of foodgrains diverted is not available.

Public Distribution System (Control) Order, 2001 mandates the State and UT Governments to carryout all required action to ensure smooth functioning of TPDS in the State/UTs. An offence committed in violation of the provisions of this Order is liable for penal action under the Essential Commodities Act, 1955.

During last three years (2006,2007 and 2008) for various malpractices noticed in functioning of TPDS, States/UT Governments have reported arrests/prosecution of 15,553 persons under the provisions of Essential Commodities Act, 1955. Further, detention orders in 442 cases were passed by the State Governments/UT Administrations during this period under provisions of the Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act, 1980.

Government has been regularly taking up with State & UT Governments to streamline TPDS by:-

- (i) continuous review of lists of BPL and AAY families and ensuring timely availability of foodgrains at fair price shops;
- (ii) ensuring greater transparency of functioning of TPDS;
- (iii) improved monitoring and vigilance at various levels, including monthly certification of TPDS commodities delivered to ration cardholders;
- (iv) introduction of new technologies such as Computerization of TPDS operations at various levels, smart-card-based delivery of essential commodities, and
- (v) getting periodically evaluated functioning of TPDS.