

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

UNSTARRED QUESTION NO:1094

ANSWERED ON:20.03.2012

DIVERSION OF FOODGRAINS

Adityanath Shri Yogi;Bavalia Shri Kuvarjibhai Mohanbhai;Dhurve Jyoti;Harsha Kumar Shri G.V.;Kumar Shri P.;Maadam Shri Vikrambhai Arjanbhai;Manjhi Shri Hari;Naranbhai Shri Kachhadia;Pathak Shri Harin;Raghavendra Shri B. Y.;Rajaram Shri Wakchaure Bhausahab;Ram Shri Purnmasi;Rama Devi Smt. ;Singh Rajkumari Ratna;Singh Shri Dushyant;Singh Shri Ravneet;Singh Shri Sushil Kumar;Singh Dr. Sanjay;Vasava Shri Mansukhbhai D.

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

- (a): whether a conference of Food and Agriculture Ministers of States and UTs was held recently to discuss the issues concerning Targeted Public Distribution System (TPDS) and storage;
- (b): if so, the details thereof indicating the issues discussed and the recommendations made to improve storage, check black-marketing and damage to foodgrains during storage alongwith the reaction of the Union Government thereto;
- (c): whether various agencies/authorities have indicated large scale diversion in PDS/ TPDS;
- (d): if so, the details thereof alongwith the number of complaints regarding diversion/black-marketing of foodgrains received and the action taken thereon during each of the last three years and the current year, State-wise;
- (e): whether the Union Government has also received complaints regarding late distribution, overcharging and underweighing from different States;
- (f): if so, the details thereof and the reaction of the Government thereto;
- (g): the steps taken, including computerisation and IT based solution, to strengthen PDS and check such cases; and
- (h): the alternative modes being employed for transfer of subsidy to the beneficiaries?

**Answer**

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

(a)&(b): A two day Conference on Targeted Public Distribution System and Storage with Food & Agriculture Ministers and Secretaries of States/UTs was held on 8th & 9th February, 2012 at New Delhi. Among the various issues discussed, the Conference reviewed the progress relating to creation of storage capacity and time-bound completion of ongoing projects with a view to enhance the storage capacity and avoid damage to stored foodgrains.

Computerization of Public Distribution System (PDS) operations is expected to bring transparency in the functioning of PDS and reduce the incidences of leakages/diversion, black-marketing, etc. of PDS commodities. The Conference discussed regarding expeditious action to be taken by States towards Computerisation of PDS. After detailed deliberations, timelines for accomplishing specific milestones for Computerisation of PDS were recommended.

The proceedings and draft recommendations of the Conference are in the process of finalization.

(c)to(g): This Department has been getting the functioning of TPDS evaluated from different agencies from time to time. Such evaluation studies have revealed certain shortcomings/ deficiencies in the functioning of TPDS, such as inclusion/exclusion errors, leakages/ diversion of foodgrains, etc. The reports received are sent to the States/Union Territories (UTs) concerned for taking necessary remedial measures to remove the deficiencies noticed in the functioning of TPDS.

Complaints as and when received by the Government from individuals and organizations, as well as through press reports about irregularities in functioning of TPDS, including late distribution, overcharging, etc., are sent to State/UT Governments concerned for inquiry and action. The State-wise details of such complaints received during the years 2009, 2010, 2011 and 2012 (upto January, 2012) are at Annexure.

The 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 Computerisation of TPDS operations at various levels.

(h): Proposals have been received by the Government from some State Governments like Bihar, Delhi, Haryana and Uttar Pradesh for direct disbursement of food subsidy in cash to Below Poverty Line (BPL)/Antyodaya Anna Yojana (AAY) families on pilot basis instead of distribution of foodgrains and sugar to them under TPDS. The proposed scheme which is under examination, is to test the feasibility of this alternative mode of transfer of food subsidy to BPL/AAY families under TPDS.