

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

STARRED QUESTION NO:309

ANSWERED ON:19.03.2013

DIVERSION UNDER PDS

Gangaram Shri Awale Jaywant; Kanubhai Patel Jayshreeben

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

- (a) whether the Government has identified the points of leakages/irregularities in storage, transit and final distribution along with the States/areas where such irregularities and diversion of foodgrains in the Public Distribution System (PDS) have been the maximum;
- (b) if so, the details thereof and the steps taken to plug the said leakages;
- (c) whether the Government proposes to progressively involve the Panchayati Raj Institutions and encourage social audit in PDS to bring transparency and root out corruption from the system; and
- (d) if so, the details thereof and the action taken thereon along with the other steps taken /proposed to be taken to check diversion of foodgrains?

Answer

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

(a), (b), (c) & (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE STARRED QUESTION NO. 309 DUE FOR ANSWER ON 19.03.2013 IN THE LOK SABHA

(a) and (b): Evaluation studies on functioning of Targeted Public Distribution System (TPDS) have revealed certain shortcomings/deficiencies in the functioning of TPDS. These include inclusion/exclusion errors in identification of beneficiaries, leakages/diversion at various levels such as intermediate or District level private storage, transportation, Fair Price Shop etc. Statements indicating State-wise details of leakages/diversion indicated in National Council of Applied Economic Research (NCAER) and Institute of Public Administration (IIPA) reports are given at Annex-I & II respectively. The study reports have been sent to the States/Union Territories (UTs) concerned for taking necessary remedial measures and to remove the deficiencies noticed in the functioning of TPDS.

Strengthening and streamlining of TPDS is a continuous process. Government has regularly reviewed and has issued instructions to States/UTs to strengthen functioning of TPDS by improving monitoring mechanism and vigilance, increased transparency in functioning of TPDS, adoption of revised Model Citizen's Charter, use of Information and Communication Technology (ICT) tools and improving the viability of FPS operations.

(c) and (d): The Public Distribution System (Control) Order, 2001 mandates the State and Union Territory (UT) Governments to involve the PRIs in finalizing the list of beneficiaries, monitoring the functioning of the Fair Price Shops (FPSs), inspect FPS records, etc. Guidelines have also been issued by the Department to all States/UTs for greater involvement of PRIs in functioning of the TPDS. These guidelines inter-alia stipulate social audit through formation of an FPS Committee by Gram Panchayat, display of list of BPL beneficiaries at the FPS as well as at the office of Gram Panchayat for public scrutiny, making available the documents concerning PDS in the public domain through the Gram Panchayats, pasting of notices regarding entitlement and prices of foodgrains in the office of Gram Panchayat, involvement of the Gram Sabha in the running of FPS, checking of ration cards for ascertaining its genuineness, etc.

Further, as part of the Nine Point Action Plan evolved in consultation with States/UTs in July 2006 for curbing leakages/diversion of foodgrains, with a view to ensure transparency, States/UTs have been requested to involve elected PRI members in distribution of foodgrains and for giving FPS licenses to Village Panchayats and Urban Local Bodies among others. States/UTs have also been instructed to introduce monthly certification by the concerned village panchayat/urban local body etc. of delivery of allocated TPDS commodities at the FPSs and their distribution to entitled/eligible ration card holders during the allocation month.