

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

UNSTARRED QUESTION NO:4121
ANSWERED ON:15.12.2009
DECLINE IN PDS SALES
Rajesh Shri M. B.

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

- (a) whether there has been a decline in the Public Distribution System (PDS) sales over the last five years;
- (b) if so, whether there has been any decline in the offtake of rice and wheat from the Above Poverty Line quota over the same period;
- (c) if so, the details thereof and the reasons therefor;
- (d) whether the Government has conducted a review of the Targeted Public Distribution System in the recent past; and
- (e) if so, the details and outcome thereof indicating the recommendations made in the review report?

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)to(c): Details of offtake of foodgrains (rice and wheat) by State/UT Governments under TPDS for last 5 years are annexed. As can be seen from them, there has been consistent increase in the total offtake of foodgrains under TPDS, though there has been some variation in the offtake under different categories of ration card holders and commodities. Reasons that may contribute to gaps between allocation and offtake of foodgrains in various States/UTs include local production and availability of foodgrains, local food preferences, convenience in purchases, income level of population, variation in demand on account of difference between TPDS issue prices and market prices, and availability of funds with the State/UT Governments, etc.

(d)to(e): The Government, from time to time, carries out evaluation of the functioning of TPDS. The latest evaluation was done by National Council of Applied Economic Research (NCAER) in 12 States i.e. Assam, Bihar, Chhattisgarh, Delhi, Jharkhand, Kerala, Madhya Pradesh, Maharashtra, Mizoram, Rajasthan, Uttrakhand, and Uttar Pradesh.

Reports of the above evaluation have indicated effectiveness of delivery mechanism of TPDS and satisfaction of households regarding quality of foodgrains received. The reports also mention mis-targeting of beneficiaries and diversion of foodgrains under TPDS in some of the States from BPL to APL categories. These evaluation reports have been sent to concerned State Governments for taking necessary action to streamline functioning of TPDS.

The NCAER in its study reports has observed that it would not be possible to improve the TPDS system unless the consumers especially the poorest ones, are made aware of their rights and has made the following main recommendations:-

- i) Mandatory display of main criteria followed for issuing BPL or AAY rationcards,
- ii) Educating of people about their entitlement of foodgrains and issue prices of foodgrains at Fair Price Shops,
- iii) Printing of criteria as well as entitlement and price information on the back of the ration cards,
- iv) Cross checking of identification of BPL and AAY families by multiple authorities,
- v) Setting up a grievance Cell for the poor in every village or in a group of villages to lodge complaints related to TPDS,
- vi) Incentivising honest and efficient village Panchayats as well as Fair Price Shops, and
- vii) Better margin/commission to FPS licensees.