

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

UNSTARRED QUESTION NO:1798

ANSWERED ON:22.07.2014

CVC ON PDS

Adityanath Shri Yogi;Gaddigoudar Shri Parvatagouda Chandanagouda;Kachhadia Shri Naranbhai;Mahato Shri Bidyut Baran;Mahto Dr. Banshilal;Pal Shri Jagdambika;Panda Shri Baijayant "Jay"

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

- (a) whether the Central Vigilance Committee (CVC) with Justice D.P. Wadhwa was set up by the Supreme Court of India to look into maladies affecting functioning of Public Distribution System (PDS) and to suggest remedial measures and if so, the details thereof;
- (b) the details of the recommendations/suggestions given by CVC in its report and the steps taken/being taken by the Government for its implementation;
- (c) whether the Government has issued any guidelines/suggestions to the States for strengthening the PDS and ensuring supply of food grains to poor people and if so, the details thereof and the response received in this regard, State/UT-wise;
- (d) the details of food grains lost due to diversion/pilferage from the PDS during each of the last three years and the current year along with its likely impact on the implementation of the National Food Security Act (NFSA); and
- (e) the details and the implementation status of the scheme for digitization of PDS along with the assistance provided for the purpose during the said period, State/UT-wise?

Answer

MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI RAOSAHEB PATIL DANVE)

(a): Yes Madam. In the matter of Writ Petition (Civil) No.196/2001-PUCL versus Union of India, the Supreme Court of India, vide its order dated 12.7.2006 constituted a Central Vigilance Committee headed by Justice D.P. Wadhwa, retired Judge of Supreme Court, assisted by Dr. N.C. Saxena, the Commissioner earlier appointed by the Supreme Court. The committee was to look into maladies which are affecting the proper functioning of Public Distribution System (PDS). The Committee was amongst other things to focus on (a) Mode of appointment of dealers; (b) Ideal commission or rates payable to the dealers; (c) Modalities as to how the Committee, already in place can function better; (d) Modes as to how there can be transparency in allotment of food stock to be sold at the shops.

(b): In pursuance of Hon'ble Supreme Court's order dated 17.09.2012, the CVC submitted a final report to the Hon'ble Supreme Court summarizing its recommendations on functioning of PDS. The Committee has bifurcated its recommendations into long term and short term. The long term recommendations include (i) constitution of Civil Supply Corporation in every State/Union Territory (UT) and (ii) computerization of whole PDS operations. The short term recommendations were on issues namely (i) identification of beneficiaries/inclusion and exclusion errors (ii) storage capacity (iii) transportation of PDS foodgrains (iv) viability of Fair Price Shops (FPSs) (v) accountability and monitoring (vi) allocation of foodgrain on per unit basis (vii) vigilance committee (viii) complaint mechanism (ix) allotment of FPS (x) awareness of beneficiaries (xi) vigilance and enforcement (xii) functioning of FPS (xiii) supply of fortified atta (xiv) elimination of bogus and fake ration cards (xv) electronic weighment (xvi) issuance of ration cards (xvii) implementation of Hon'ble Supreme Court's Order dated 08.05.2002 and 02.05.2003 (xviii) allocation of PDS foodgrain from Centre to States/UTs on the basis of projected population, 2012 (xix) joint sampling (xx) abolition of Above Poverty Line (APL) category and (xxi) special measures for poorest districts in the country. Hon'ble Supreme Court in its order dated 07.01.2013 directed the Central and State/UT Governments to file their response on the report of CVC. The Central Government has filed its affidavits in the Hon'ble Supreme Court inter-alia submitting a roadmap for implementation of reforms in the Targeted Public Distribution System (TPDS).

(c): Strengthening and streamlining of TPDS is a continuous process. To improve functioning of TPDS, Government has been regularly issuing advisories and holding conferences wherein State/UT Governments are requested for continuous review of lists of beneficiaries, improving the offtake of allocated foodgrains, ensuring timely availability of foodgrains at FPSs, greater transparency in functioning of TPDS, improved monitoring and vigilance at various levels, computerisation of TPDS operations, improving the viability of FPS operations, etc. A Nine Point Action Plan for curbing the leakages/diversion of foodgrains under TPDS was evolved in July, 2006 in consultation with the State/UT Governments. Point-wise and State/ UT-wise details of the action taken under the Nine Point Action Plan as reported upto 31.03.2014 are at Annex – I and II respectively.

(d): The Government of India does not have/maintain details of diversion/pilferage. However, no likely impacts on the implementation of NFSA on account of this is anticipated.

(e): The Department is implementing Component-I of the Plan scheme on 'End-to-end Computerization of TPDS Operations' under

12th Five Year Plan (2012-17) on cost sharing basis in all States/UTs. Component-I of the scheme comprises activities, namely, digitization of ration cards/beneficiary and other databases, computerization of supply-chain management, setting up of transparency portals and grievance redressal mechanisms. A total financial assistance of Rs. 248.90 crore has been released to 24 States/UTs upto 30.06.2014 is at Annex-III.