

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

UNSTARRED QUESTION NO:1599

ANSWERED ON:08.12.2015

Food Subsidy

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

- (a) whether a recent study has revealed presence of fake cards in the Public Distribution System leading to loss of subsidy, if so, the details and the outcome thereof indicating the number of fake cards detected along with the amount of subsidy allocated and saved, during the last three years, State/UT-wise;
- (b) whether the Government has directed the States/UTs to undertake a review of the list of beneficiaries and weed out fake cards, if so, the details thereof and the response of the States/UTs thereto;
- (c) whether the Government proposes to integrate Information Technology (IT) tools like Aadhar linkage, Smart Cards, GPRS and Biometric authentication to improve and modernise Public Distribution System (PDS) and if so, the details and the procedure thereof; and
- (d) the other steps being taken to improve/modernise the PDS?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI RAM VILAS PASWAN)

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(a) & (b): An evaluation study on functioning of Targeted Public Distribution System (TPDS) in six selected States namely, Assam, Bihar, Chhattisgarh, Karnataka, Uttar Pradesh and West Bengal was awarded to the National Council of Applied Economic Research (NCAER) in March 2014 and final report was accepted in the Department in November, 2015. Based on 2011 census and the family size estimates projected over 2015, the study has estimated the number of excess ration cards made in the six target States as per details given below:

State

Excess cards issued

(in lakh)

Assam

-

Bihar

33.92

Chhattisgarh

10.84

Karnataka

2.15

Uttar Pradesh

98.39

West Bengal

19.39

Detection and deletion of fake cards does not mean reduction in allocation and savings in subsidy but results in selection of deserving beneficiaries and issuance of ration cards to them leading to better targeting of subsidy.

With an aim to strengthen the TPDS and to curb diversion/leakage, a Nine Point Action Plan was evolved in July 2006 and forwarded to State/UT Governments for implementation by them. The various points of action included undertaking of campaign by State Governments for review of Below Poverty Line (BPL) / Antyodaya Anna Yojana (AAY) lists, to eliminate ghost ration cards.

Further, in terms of the PDS (Control) Order, 2001, dated 31.08.2001, State/UT Governments are to review the lists of BPL and AAY families every year for the purpose of deletion of ineligible families and inclusion of eligible families. The exercise of deletion of bogus/ineligible cards and inclusion of eligible families is a continuous process and State Governments are to periodically carry out the same. The TPDS (Control) Order, 2015 notified on 20.03.2015 also calls for all the necessary action to be taken by State/UT Governments for review of list of beneficiaries and deletion of bogus /ineligible ration cards.

As a result of implementation of Nine Point Action Plan since July 2006, 30 State/UT Governments have reported up to 30.06.2015, deletion of 494.50 lakhs bogus / ineligible ration cards. A statement giving details of bogus/ineligible ration cards deleted state-wise during the last three years and the current year is enclosed as Annex.

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(c) & (d): In a continuous endeavour to strengthen and streamline TPDS, the Government has initiated implementation of a plan scheme on 'End-to-end Computerisation of TPDS Operations' during the 12th Five Year Plan (2012-17) to ensure transparency and check leakages in the TPDS system. Under the scheme, financial assistance is being provided to States/UTs on cost sharing basis. The cost is being shared on 90:10 basis with North East States and on 50:50 basis with other States/UTs. Under this scheme, as per

reports received, as on 31.10.2015, ration card data digitization has been done in 29 States/UTs, ration card data is available on Web Portal in 27 States/UTs, Online allocation is being done in 16 States/UTs, supply-chain management in 8 States/UTs, Transparency Portal set up in 27 States/UTs, online Grievance Redressal Mechanism in 26 and toll free helpline number has been set up in 32 States/UTs.

As part of beneficiary data digitization, States/UTs have been requested to seed the Aadhaar numbers wherever available so as to weed out the ineligible/bogus/duplicate beneficiaries. As part of Fair Price Shop (FPS) automation at FPS, use of Aadhaar will ensure proper identification of beneficiaries and distribution of foodgrains only to the intended beneficiaries thereby reducing leakage / diversion, etc.

To curb leakages further, under the National Food Security Act, 2013 (NFSA) inter alia, States/UTs have been asked to either do cash transfer of food subsidy under Direct Benefit Transfer (DBT) or install electronic Point of Sale Device (ePoS) at the FPSs. NFSA, 2013 also encourages progressive reforms in the TPDS.

ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO PARTS (a) to (b) OF THE UNSTARRED QUESTION NO. 1599 DUE FOR ANSWER ON 08.12.2015 IN THE LOK SABHA

Statement showing the number of bogus/ineligible rations cards deleted by the State/UT Governments for the last three years and current year

S. No.	STATE/UT
2012	
2013	
2014	
2015	
Total	
1	Andhra Pradesh \$
191699	
191699	
2	Arunachal Pradesh
0	
3	Assam
86346	
50204	
6483	
143033	
4	Bihar
0	
5	Chhattisgarh
94209	
94209	
6	Delhi
57680	
57680	
7	Gujarat#
407	
0	
0	
407	
8	Haryana
0	
9	Himachal Pradesh
235	
235	
10	Jammu & Kashmir
3794	
3794	
11	Jharkand
0	
12	Karnataka
3300000	

1977836
5277836
13
Kerala
279
279
14
Madhya Pradesh
0
15
Maharashtra
0
0
0
16
Meghalaya
0
17
Mizoram
0
18
Nagaland
13310
13310
19
Orissa
0
20
Punjab
0
7982
7982
21
Rajasthan
0
22
Sikkim
0
23
Tamilnadu
0
24
Uttar Pradesh
19413
19413
25
Uttarakhand
0
26
West Bengal
3966906
2276085
6242991
27
A&N Islands
8923
1340
10263
28
Chandigarh
0
29
Lakshdweep
0
30
Puducherry
47
17381
161
9370
26959

Total
7648760
4331107
100853
9370
12090090
Information upto May, 2014.
\$ Including State of Telangana
