

GOVERNMENT OF INDIA
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION

RAJYA SABHA
UNSTARRED QUESTION NO. 1832
TO BE ANSWERED ON 28TH DECEMBER, 2018

IMPACT OF ABBA ON PDS

1832. SHRI RITABRATA BANERJEE:

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

- (a) whether Government has conducted or is aware of any study on the impact of Aadhaar based biometric authentication (ABBA) on public distribution system, if so, details thereof;
- (b) whether Government has recognized that ABBA has often led to increased hassles for poor, such as repeated trips, longer queues and even deaths, if so, steps Government plans to provide relief to the beneficiaries;
- (c) the reasons for insisting on ABBA despite large social costs associated with it;
- (d) whether Government has considered the technology of Smart Cards for disbursement of ration, like in Tamil Nadu, if so, details thereof; and
- (e) if not, reasons therefor?

A N S W E R

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)

(a) to (d): So far no study has been conducted on the impact of Aadhaar based biometric authentication (ABBA) on Public Distribution System (PDS). The National Food Security Act 2013 (NFSA) inter-alia provides for undertaking reforms by application of information and communication technology tools including end-to-end computerization in order to ensure transparent recording of transactions at all levels, and to prevent diversion and leverage of "Aadhaar" for unique identification with biometric information of entitled beneficiaries for proper targeting of benefits under the Act.

With an aim to improve the efficiency and effectiveness of the Public Distribution System (PDS) and to address the challenges such as leakages and diversion of foodgrains, elimination of fake and bogus ration cards etc., this Department in collaboration with all States/UTs is implementing a scheme on 'End-to-End Computerization of PDS Operations' including automation of Fair Price Shops (FPSs) for biometric authentication of beneficiaries.

During the last one year, the number of monthly biometric/Aadhaar authenticated transactions in PDS has increased from nearly 4 crore in October 2017 to about 8 crore in October 2018. Presently, only about 33% ration card holders (about 8 Crore out of nearly 23 Crore ration cards under NFSA) are getting the foodgrains after Aadhaar based biometric authentication distribution.

...2...

Further, the Hon'ble Supreme Court of India in its order dated 26/09/2018 has held that – “it becomes compulsory for those who seeks to receive any subsidy, benefit or service under the welfare scheme of the Government expenditure whereof is to be met from the Consolidated Fund of India. It follows that authentication under Section 7 would be required as a condition for receipt of a subsidy, benefit or service only when such a subsidy, benefit or service is taken care of by Consolidated Fund of India. An added requirement is that such individual would undergo authentication at the time of receiving such benefits etc”. However, the Hon'ble court has also held that – “no genuine beneficiary would be denied of any subsidy due to failure of authentication”. Also, this Department has directed all State/UT Governments to ensure, that owing to failure of biometric/Aadhaar authentication, no genuine beneficiary shall be denied the foodgrains entitled under the PDS, and to ensure this, exception mechanisms have also been provided for.

The Government had earlier piloted a Smart Cards scheme for delivery of essential commodities under TPDS in Union Territory of Chandigarh and Haryana State during the years 2008-09 and 2009-10. The pilot scheme was later subsumed under the scheme on End-to-End Computerization of TPDS operations.
