

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

RAJYA SABHA
UNSTARRED QUESTION NO.2433
TO BE ANSWERED ON 17TH DECEMBER, 2024

LEAKAGES IN PDS

2433 **SHRI TIRUCHI SIVA:**

Will the Minister of *Consumer Affairs, Food and Public Distribution* be pleased to state:

- (a) the latest PDS exclusion and inclusion error rates, overall and State-wise;
- (b) whether the Ministry has reviewed the recommendations of the High-Level Committee on FCI regarding the introduction of Direct Benefit Transfers (DBT) to counter PDS leakages and whether it intends to expand DBT scheme under NFSA beyond the current pilot locations;
- (c) if not, the reasons for the limited uptake; and
- (d) whether the Ministry has conducted any evaluation of potential savings from a nationwide DBT implementation and its projected impact on reducing subsidy expenditure?

A N S W E R
MINISTER OF STATE FOR MINISTRY OF CONSUMER AFFAIRS,
FOOD & PUBLIC DISTRIBUTION
(SHRIMATI NIMUBEN JAYANTIBHAI BAMBHANIYA)

(a): The Targeted Public Distribution System (TPDS) under the National Food Security Act, 2013 (NFSA) is operated under the joint responsibility of the Central and the State Governments. Under the joint responsibility of the Union and the States, the responsibility for identification of beneficiaries, within the coverage determined for the State/UT rests with the concerned States/UT. Identification of beneficiaries under the Act is under two categories—households covered under Antyodaya Anna Yojana (AAY) which constitute poorest of the poor, to the extent specified by the Central Government and the remaining households as priority households (PHH) to be identified by the State Governments/ UT Administrations as per criteria evolved by them, within the coverage determined for the State/UT.

There is no report from any State/UT regarding exclusion and inclusion error. However, this Department engaged Monitoring Institutions (MIs) of repute for undertaking concurrent evaluation of sample households under NFSA for Phase-II i.e 2020-23. In Phase-II, targeting inclusion-exclusion errors was among one of the themes, covered in the evolution exercise. Reports submitted by the MIs are available in public domain at https://nfsa.gov.in/portal/Concurrent_Evaluation.

(b) to (d): High Level Committee on restructuring of Food Corporation of India in its report, published in January 2015, had recommended for gradual introduction of cash transfers in Public Distribution System.

The Direct Benefit Transfer (DBT) scheme for food subsidy is implemented as per the provisions of the Cash Transfer Food Subsidy Rules, 2015 notified under the NFSA. As per the rules, the scheme is optional for the States/UTs to implement the cash transfer of food subsidy scheme or continue with distribution of foodgrains as per provisions of the NFSA through fair price shops.

At present, the Cash Transfer Scheme in Public Distribution System is operating in the Union Territories of Chandigarh and Puducherry since September, 2015 and urban areas of Dadra and Nagar Haveli since March, 2016.
