

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

RAJYA SABHA
UNSTARRED QUESTION NO.2440
TO BE ANSWERED ON 17TH DECEMBER, 2024

SMUGGLING OF PDS FOODGRAINS

2440 **DR. ANBUMANI RAMADOSS:**

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

- (a) whether Government is aware that 28 per cent of the grains supplied by the FCI & State Governments never reached the intended beneficiaries, causing ₹69,108 crore loss between August 2022-August 2024;
- (b) if so, the details thereof, State-wise, foodgrain-wise and year-wise;
- (c) whether Government has taken any steps to address the above issue and to prevent inter-State and intra-State smuggling of PDS foodgrains; and
- (d) if so, the details thereof?

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

(a) to (d): The Targeted Public Distribution System (TPDS) is governed under National Food Security Act (NFSA), 2013 and it is operated under the joint responsibility of the Central and the State/Union Territory (UT) governments. The operational responsibilities for allocation of food grains within the States/ UTs, identification of eligible beneficiaries, issuance of ration cards to them, distribution of food grains to the eligible beneficiaries under TPDS, issuance of license to the Fair Price Shop dealers, supervision over and monitoring of functioning of Fair Price Shops (FPSs) etc. rest with the concerned State/UT Governments.

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The report of 28 per cent food grains do not reach beneficiaries erroneously conflates offtake and distribution. Offtake refers to the quantity of food grains lifted by the States from the Central depots, while distribution represents the delivery of these grains to the beneficiaries. Offtake figures also account for stocks in transit, buffer allocations, operational reserves and stock for OWS (other welfare schemes) which are not immediately distributed to the households. By failing to account for these distinctions, the report's leakage estimates are fundamentally incorrect.

Under the technology driven Public Distribution System (PDS) reforms, ration cards/beneficiaries database have been completely digitized in all States/UTs also 99.8% Ration Cards are seeded with Aadhaar number at national level. Foodgrain distribution is operationalized through 5.41 lakh e-PoS devices, covering nearly all Fair Price shops in the country. These e-PoS devices enable Aadhar authentication of beneficiary during distribution process enabling principle of rightful targeting. About 98% foodgrain distribution is being done through Aadhaar authentication, reducing leakages to ineligible beneficiaries and ensuring rightful targeting.

If any person contravenes any of the provisions of the Targeted Public Distribution System (Control) Order, 2015, he/she shall be liable to punishment under section 7 of the Essential Commodities Act, 1955. Thus, the Order empowers State/UT Governments to take punitive action in case of contravention of the relevant provisions of these Orders.
