

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

RAJYA SABHA
UNSTARRED QUESTION NO.1319
TO BE ANSWERED ON 11TH MARCH, 2025

ADDRESSING THE PDS LEAKAGE

1319 **SHRI YERRAM VENKATA SUBBA REDDY:**

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

- (a) the manner in which Government looks at the Indian Council for Research on International Economic Relation (ICRIER)'s Paper which indicate that PDS leaks costing exchequer ₹ 69,000 crores annually;
- (b) whether it is also a fact that 28 per cent of foodgrains are not reaching the poor and needy;
- (c) whether it also means that Point of Sale Machines at Fair Price Shops since 2016, digital tracking system and linking biometric Aadhaar-based platform have little impact; and
- (d) the details of States, as per the above Paper, where there are high leakages and efforts being made by Government to plug the same?

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.
