

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

RAJYA SABHA
UNSTARRED QUESTION NO. 2606
TO BE ANSWERED ON 11TH AUGUST, 2026

PILFERAGE AND BLACK MARKETING OF RATION UNDER PDS

2606 SHRI CHANDRAKANT DAMODAR HANDORE:

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

- (a) the quantum of subsidized foodgrains diverted or leaked into the open market from the Targeted Public Distribution System (TPDS) during the last three years, State-wise;
- (b) the number of inspections conducted, licenses suspended and criminal cases filed against Fair Price Shop dealers for hoarding and Black marketing of foodgrains during the said period;
- (c) the total number of fake, duplicate or ghost ration cards detected and cancelled nationwide following Aadhaar deduplication efforts; and
- (d) the policy measures formulated to prevent biometric authentication failures from being manipulated by corrupt middlemen to deny genuine beneficiaries their legal food security entitlements?

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 (NFSA), 2013 is operated under the joint responsibility of the Central and the State/ Union Territory (UT) Governments. Central Government is responsible for procurement, allocation and transportation of foodgrains up to the designated depots of the Food Corporation of India (FCI). The operational responsibilities for allocation of foodgrains within the States/ UTs, identification of eligible beneficiaries, issuance of ration cards to them, distribution of foodgrains to eligible beneficiaries under TPDS, issuance of license to Fair Price Shop dealers, supervision over and monitoring of functioning of FPSs, etc., rest with the concerned State/ UT Governments.

No specific report of leakage/diversion of PDS foodgrains has been received. However, as and when such complaints/grievances are received from any source, they are sent to State/UT Governments concerned for inquiry and appropriate action.

(b): An offence committed in violation of the provisions of TPDS (Control) Order, 2015 is liable for penal action under the Essential Commodities Act, 1955. State/ UT Governments are empowered to take punitive action in case of contravention of relevant provisions of these Orders.

As per sub-clause 10 of clause 10 of TPDS (Control) Order, 2015, a Statement showing results of action taken as reported by the State/ UT Governments from 2023 to 2025 is as under:

Year	Number of Inspections	Number of raids conducted	Number of persons arrested/ prosecuted/ convicted	Number of FPS Licenses suspended/ Cancelled/ Show cause notices issued/ FIR Lodged
2023	286522	27192	9145	2430
2024	38965	5528	209	2895
2025	199491	22093	5822	8201
Total	524978	54813	15176	13526

(c): A dedicated de-duplication and beneficiary verification exercise, using Aadhaar and PDS data analytics, has facilitated the identification of ineligible and duplicate beneficiaries. As a result, 5.95 crore beneficiaries (excluding landholding cases) were flagged for verification, of which the concerned States/UTs have deleted 2.35 crore ineligible or duplicate beneficiary records.

(d): All States/UTs have been advised vide this Department's letter dated 24.10.2017 that no genuine beneficiary/household shall be denied from receiving entitled quota of subsidized foodgrains due to failure of biometric/Aadhaar authentication due to network/connectivity/linking related issues, other technical reasons or poor biometrics of the beneficiary.

Further, multiple authentication modes have been provisioned under the Public Distribution System (PDS), including Single Finger, Fusion Finger, IRIS, and Aadhaar-based OTP authentication. In cases where authentication by one household member fails, other eligible family members linked to the ration card are permitted to authenticate and draw foodgrains. Additionally, a nominee facility has been provided in exceptional cases, allowing beneficiaries to authorise another individual to lift ration on their behalf. The e-PoS devices have a functionality to work in offline mode with limited/ no internet connectivity. The e-PoS devices are required to periodically connect to the network to synchronize offline transaction data with the PDS online system.

These measures ensure no eligible beneficiary is denied their entitled foodgrains.
