

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

**LOK SABHA**  
UNSTARRED QUESTION NO.4343  
**TO BE ANSWERED ON 26<sup>TH</sup> MARCH, 2025**

**FRAUDS IN PDS**

4343. SHRI T R BAALU:

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

- (a) whether attention of the Union Government has been drawn to the news item titled Rs.69,000 crore losses to the Government due to frauds in PDS; Rs. 2000 crore worth rice and wheat vanished published in Tamil Dairy DINAMALAR, Chennai dated 19th November, 2024;
- (b) if so, the details and the facts thereof; and
- (c) the punitive actions being taken to bring the culprits involved in this heinous and unprecedented crime to book?

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

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(a) & (c): 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.

The said news titled 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 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 Aadhaar 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 TPDS (C) Order, 2015, 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.

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