

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

LOK SABHA  
UNSTARRED QUESTION NO. 1599  
TO BE ANSWERED ON 08<sup>th</sup> DECEMBER, 2015

FOOD SUBSIDY

1599. SHRI HARINARAYAN RAJBHAR:  
SHRI HARISH CHANDRA AL/AS HARISH DWIVEDI:  
SHRI LAXMAN GILUWA:  
SHRI BHEEMRAO B. PATIL:  
SHRI KANWAR SINGH TANWAR:  
SHRI PRATAPRAO JADHAV:  
SHRI NINONG ERING:  
SHRI ANOOP MISHRA:  
SHRI PANKAJ CHAUDHARY:  
SHRI K.C. VENUGOPAL:  
SHRI ALOK SANJAR:  
SHRI LAXMI NARAYAN YADAV:  
DR. KIRIT P. SOLANKI:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

(a) whether a recent study has revealed presence of fake cards in the Public Distribution System leading to loss of subsidy, if so, the details and the outcome thereof indicating the number of fake cards detected along with the amount of subsidy allocated and saved, during the last three years, State/UT-wise;

(b) whether the Government has directed the States/UTs to undertake a review of the list of beneficiaries and weed out fake cards, if so, the details thereof and the response of the States/UTs thereto;

(c) whether the Government proposes to integrate Information Technology (IT) tools like Aadhar linkage, Smart Cards, GPRS and Biometric authentication to improve and modernise Public Distribution System (PDS) and if so, the details and the procedure thereof; and

(d) the other steps being taken to improve/modernise the PDS?

A N S W E R  
MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
(SHRI RAM VILAS PASWAN)

(a) & (b): An evaluation study on functioning of Targeted Public Distribution System (TPDS) in six selected States namely, Assam, Bihar, Chhattisgarh, Karnataka, Uttar Pradesh and West Bengal was awarded to the National Council of Applied Economic Research (NCAER) in March 2014 and final report was accepted in the Department in November, 2015. Based on 2011 census and the family size estimates projected over 2015, the study has estimated the number of excess ration cards made in the six target States as per details given below:

State	Excess cards issued (in lakh)
Assam	-
Bihar	33.92
Chhattisgarh	10.84
Karnataka	2.15
Uttar Pradesh	98.39
West Bengal	19.39

Detection and deletion of fake cards does not mean reduction in allocation and savings in subsidy but results in selection of deserving beneficiaries and issuance of ration cards to them leading to better targeting of subsidy.

With an aim to strengthen the TPDS and to curb diversion/leakage, a Nine Point Action Plan was evolved in July 2006 and forwarded to State/UT Governments for implementation by them. The various points of action included undertaking of campaign by State Governments for review of Below Poverty Line (BPL) / Antyodaya Anna Yojana (AAY) lists, to eliminate ghost ration cards.

Further, in terms of the PDS (Control) Order, 2001, dated 31.08.2001, State/UT Governments are to review the lists of BPL and AAY families every year for the purpose of deletion of ineligible families and inclusion of eligible families. The exercise of deletion of bogus/ineligible cards and inclusion of eligible families is a continuous process and State Governments are to periodically carry out the same. The TPDS (Control) Order, 2015 notified on 20.03.2015 also calls for all the necessary action to be taken by State/UT Governments for review of list of beneficiaries and deletion of bogus /ineligible ration cards.

As a result of implementation of Nine Point Action Plan since July 2006, 30 State/UT Governments have reported up to 30.06.2015, deletion of 494.50 lakhs bogus / ineligible ration cards. A statement giving details of bogus/ineligible ration cards deleted state-wise during the last three years and the current year is enclosed as Annex.

(c) & (d): In a continuous endeavour to strengthen and streamline TPDS, the Government has initiated implementation of a plan scheme on 'End-to-end Computerisation of TPDS Operations' during the 12th Five Year Plan (2012-17) to ensure transparency and check leakages in the TPDS system. Under the scheme, financial assistance is being provided to States/UTs on cost sharing basis. The cost is being shared on 90:10 basis with North East States and on 50:50 basis with other States/UTs. Under this scheme, as per reports received, as on 31.10.2015, ration card data digitization has been done in 29 States/UTs, ration card data is available on Web Portal in 27 States/UTs, Online allocation is being done in 16 States/UTs, supply-chain management in 8 States/UTs, Transparency Portal set up in 27 States/UTs, online Grievance Redressal Mechanism in 26 and toll free helpline number has been set up in 32 States/UTs.

As part of beneficiary data digitization, States/UTs have been requested to seed the Aadhaar numbers wherever available so as to weed out the ineligible/bogus/duplicate beneficiaries. As part of Fair Price Shop (FPS) automation at FPS, use of Aadhaar will ensure proper identification of beneficiaries and distribution of foodgrains only to the intended beneficiaries thereby reducing leakage / diversion, etc.

To curb leakages further, under the National Food Security Act, 2013 (NFSA) inter alia, States/UTs have been asked to either do cash transfer of food subsidy under Direct Benefit Transfer (DBT) or install electronic Point of Sale Device (ePoS) at the FPSs.

NFSA, 2013 also encourages progressive reforms in the TPDS.

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## ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO PARTS (a) to (b) OF THE UNSTARRED QUESTION NO. 1599 DUE FOR ANSWER ON 08.12.2015 IN THE LOK SABHA

Statement showing the number of bogus/ineligible rations cards deleted by the State/UT Governments for the last three years and current year

S. No.	STATE/UT	2012	2013	2014	2015	Total
1	Andhra Pradesh \$	191699				191699
2	Arunachal Pradesh					0
3	Assam	86346	50204	6483		143033
4	Bihar					0
5	Chhattisgarh			94209		94209
6	Delhi	57680				57680
7	Gujarat#	407	0	0		407
8	Haryana					0
9	Himachal Pradesh	235				235
10	Jammu & Kashmir	3794				3794
11	Jharkand					0
12	Karnataka	3300000	1977836			5277836
13	Kerala		279			279
14	Madhya Pradesh					0
15	Maharashtra	0	0			0
16	Meghalaya					0
17	Mizoram					0
18	Nagaland	13310				13310
19	Orissa					0
20	Punjab	0	7982			7982
21	Rajasthan					0
22	Sikkim					0
23	Tamilnadu					0
24	Uttar Pradesh	19413				19413
25	Uttarakhand					0
26	West Bengal	3966906	2276085			6242991
27	A&N Islands	8923	1340			10263
28	Chandigarh					0
29	Lakshdweep					0
30	Puducherry	47	17381	161	9370	26959
	Total	7648760	4331107	100853	9370	12090090

# Information upto May, 2014.

\$ Including State of Telangana

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