

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

LOK SABHA
UNSTARRED QUESTION NO.3852
TO BE ANSWERED ON 18TH DECEMBER, 2024

LOSS OF SUBSIDIZED GRAINS

3852. SHRI KULDEEP INDORA:

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

- (a) whether attention of the Government has been drawn to a new study that reveals that in spite of digitisation, nearly 28 per cent of India's subsidized grains, intended for the poor are lost due to leakage;
- (b) if so, the total estimated loss being suffered by the exchequer due to this leakage; and
- (c) the steps taken/being taken by the Government to ensure that grains reach to the intended beneficiaries and economic loss to the Government is avoided?

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

(a) to (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 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 operationalised 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.
