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**STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS
AND PUBLIC DISTRIBUTION (2021-2022)**

SEVENTEENTH LOK SABHA

**MINISTRY OF CONSUMER AFFAIRS, FOOD
AND PUBLIC DISTRIBUTION
(DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION)**

{Action Taken by the Government on the recommendations/observations contained in the Twelfth Report of the Committee (17th Lok Sabha) on “Strengthening of Public Distribution System – Augmenting use of Technological Means and Implementation of ‘One Nation, One Ration Card’ Scheme” pertaining to the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution)}



**LOK SABHA SECRETARIAT
NEW DELHI**

December, 2021/ Agrahayana, 1943 (Saka)

SEVENTEEN REPORT

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AND PUBLIC DISTRIBUTION (2021-2022)**

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Presented to Lok Sabha on 7.12.2021

Laid in Rajya Sabha on 7.12.2021



**LOK SABHA SECRETARIAT
NEW DELHI**

December, 2021/ Agrahayana, 1942 (Saka)

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Composition of the Standing Committee on Food, Consumer Affairs and Public Distribution (2021-2022):-

Shri Sudip Bandyopadhyay, Chairperson

Lok Sabha

2. Dr. Farooq Abdullah
3. Shri Girish Bhalchandra Bapat
4. Shri Shafiqur Rahman Barq
5. Shri G. S. Basavaraj
6. Ms. Debasree Chaudhuri
7. Shri Sunny Deol
8. Shri Anil Firojiya
9. Shri Selvam G.
10. Shri Rajendra D. Gavit
11. Shri Sanganna Amarappa Karadi
12. Shri Bhagwant Mann
13. Shri Khagen Murmu
14. Shri Mitesh Rameshbhai (Bakabhai) Patel
15. Shri Subrat Pathak
16. Smt. Himadri Singh
17. Smt. Kavita Singh
18. Shri Nandigam Suresh
19. Shri Saptagiri Sankar Ulaka
20. Shri Rajmohan Unnithan
21. Shri Ve.Vaithilingam

Rajya Sabha

22. Shri Satish Chandra Dubey
23. Smt. Roopa Ganguly
24. Shri K. G. Kenye
25. Dr. Fauzia Khan
26. Shri Hishey Lachungpa
27. Shri Rajmani Patel
28. Shri Sakaldeep Rajbhar
29. Dr. Anbumani Ramadoss
30. Shri Ramji
31. Shri G.K. Vasani

LOK SABHA SECRETARIAT

- | | | |
|--------------------------------|---|------------------|
| 1. Shri Pawan Kumar | - | Joint Secretary |
| 2. Dr. Vatsala Joshi | - | Director |
| 3. Shri G.Guite | - | Deputy Secretary |
| 4. Shri Dong Lianthang Tonsing | - | Under Secretary |
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INTRODUCTION

I, the Chairperson of the Standing Committee on Food, Consumer Affairs and Public Distribution (2021-2022) having been authorized by the Committee to submit the Report on their behalf, present this Seventeenth Report on Action Taken by the Government on the Recommendations/ Observations contained in the Twelfth Report of the Committee (17th Lok Sabha) on “Strengthening of Public Distribution System – Augmenting use of Technological Means and Implementation of ‘One Nation, One Ration Card’ Scheme” pertaining to the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution).

2. The Twelfth Report was presented to Lok Sabha and laid in Rajya Sabha on 19th March, 2021. The Government has furnished replies indicating Action Taken on the recommendations contained in the Report on 28th September, 2021.

3. The Report was considered and adopted by the Committee at their sitting held on 01 December, 2021.

4. An analysis of the action taken by the Government on Recommendations/ Observations contained in the Report is given in **Appendix II**.

5. For facility of reference and convenience, the Observations/Comments of the Committee have been printed in thick type in the text of the Report.

NEW DELHI;
01 December, 2021
10 Agrahayana, 1943 (Saka)

SUDIP BANDYOPADHYAY
Chairperson,
Standing Committee on Food,
Consumer Affairs and Public Distribution.

REPORT

CHAPTER - I

This Report of the Standing Committee on Food, Consumer Affairs and Public Distribution deals with the action taken by the Government on the Recommendations/Observations contained in the Twelfth Report of the Committee (17th Lok Sabha) on “Strengthening Public Distribution System - Augmenting use of Technological Means and Implementation of 'One Nation, One Ration Card' Scheme”, pertaining to the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution).

1.2 The Twelfth Report was presented to Lok Sabha and laid on the Table in Rajya Sabha on 19th March, 2021. It contained 18 recommendations/observations. Action taken replies in respect of all the 18 recommendations/observations contained in the Report have been received and these have been categorized as follows:-

(i) Recommendations/Observations which have been accepted by Government :

Para Nos.: 1,2,3,6,8,10,11,12,13,14,15 and 18

(ii) Recommendations/Observations which the Committee do not desire to pursue in view of Government's replies :

Para Nos.: 4,5,9,16,17

(iii) Recommendations/Observations in respect of which replies of Government have not been accepted by the Committee :

Para No.: Nil

(iv) Recommendations/Observations in respect of which interim replies of Government have been received :

Para No. : 7

1.3 The Committee desire that action taken notes on the Recommendations/Observations contained in Chapter I and final replies in respect of recommendation for which only interim reply has been given by the Government, should be furnished to the Committee expeditiously.

1.4 The Committee further emphasize that utmost importance should be given to the implementation of Recommendations/ Observations accepted by the Government. In case where it is not possible for the Government to implement the recommendations in letter and spirit for any reason, the matter should be reported to Committee in time with reasons for non implementation.

1.5 The Committee will now deal with action taken by the Government on some of the recommendations/ observations.

A. FUNDS UNDER IM-PDS

(Recommendation Serial No. 1)

1.6 The Committee in their Original Report observed/recommended as follows:-

“The Committee note that to sustain the reforms brought in the functioning of Targeted Public Distribution System (TPDS), the Department has started “Integrated Management of Public Distribution System” (IM-PDS), approved for implementation in all States/UTs with a total outlay of Rs. 127.30 Cr. w.e.f. April 2018 for a period of two years. The validity of the scheme has been extended up to 31.03.2022 without escalation in the total project cost. Upto December 2020, the facility for portability of ration card under One Nation One Ration Card (ONORC) Scheme has been seamlessly enabled in 32 States/UTs, namely – Andaman & Nicobar Islands, Andhra Pradesh, Arunachal Pradesh, Bihar, Chandigarh, Dadra & Nagar Haveli and Daman & Diu, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Karnataka, Kerala, Ladakh, Lakshadweep, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Puducherry, Punjab, Rajasthan, Sikkim, Tamil Nadu, Telangana, Tripura, Uttar Pradesh and Uttarakhand. Funds to the tune of Rs.50,96,49,566 have been released under the Scheme. Assam (which received Rs.88,80,000 during the Financial Year 2018-19) and Chhattisgarh (which received Rs. 92,35,200 during the Financial Year 2019-20) have not on boarded the portability grid. The Committee desire the Government to also look into the requirements of Ladakh, Chandigarh and Puducherry and release funds for these States/UTs, if required. Also funds utilization by States/UTs including the States of Assam and Chattisgarh should be scrupulously scrutinized and utilization certificates obtained from all recipients of the funds.”

1.7 The Ministry in its action taken reply has stated as under:-

“At present the facility for portability of ration card under One Nation One Ration Card (ONORC) plan has been seamlessly enabled in 34 States/UTs. (Delhi and West Bengal are the latest to enable the same from July, 2021 and August, 2021 respectively). This Department is vigorously pursuing States of Assam and Chhattisgarh to enable ONORC at the earliest depending upon their technical readiness. The proposal of UT of Ladakh for release of funds under “Integrated Management of Public Distribution System” (IM-PDS) scheme is under consideration. Further, this Department has requested UTs of Chandigarh and Puducherry to submit their proposals for release of funds under IM-PDS scheme as per requisite conditions mentioned in Administrative Approval of the scheme. So far Utilization Certificates for amount of Rs. 23.11 crore has been received from States/UTs. State of Chhattisgarh has submitted Utilization Certificate for amount

of Rs.85,83,975/- out of total funds released Rs.92,35,200/-. This Department is pursuing State of Assam to furnish Utilization Certificate at the earliest.”

1.8 The Committee in their original report emphasized the need for scrutiny of funds utilization by the States of Assam and Chhattisgarh and obtaining utilization certificates from all recipients. The Department of Food and Public Distribution has stated that Utilization Certificates (UC) for amount of Rs.23.11 crore had been received from States/UTs out of the total amount of Rs.50,96,49,566/- released under the scheme which means UCs of an amount of about Rs.27.85 crore are yet to be received from the States/UTs. The Department has further stated that the State of Chhattisgarh, which has not onboarded the Integrated Management of Public Distribution System (IM-PDS), has submitted Utilization Certificate for amount of Rs.85,83,975/- out of total funds to the tune of Rs.92,35,200/ released to that State during the Financial Year 2019-20. Another State which also has not onboarded the IM-PDS, *viz* Assam also received Rs.88,80,000 during the Financial Year 2018-19, but has still not furnished UC for the same. In the reply, the Government has mentioned having pursued the State of Assam to furnish UC for the total amount of Rs.88,80,000/- while the reply is silent on the case of the State of Chhattisgarh which also has not furnished UC for an amount of Rs.6,51,225/-. Thus, the Ministry needs to apprise the Committee in this regard. As regards the recommendation for looking into the requirement of the UTs of Ladakh, Chandigarh and Puducherry, the Ministry has replied that it requested the UTs of Chandigarh and Puducherry to submit their proposals for release of funds under the IM-PDS. The Committee desire the Government to furnish the complete status of furnishing of UC by all beneficiary States/UTs and also convince the States of Assam and Chhattisgarh to onboard the IM-PDS without any loss of time.

B. GRIEVANCE REDRESSAL

(Recommendation Serial No. 14)

1.9 The Committee in their Original Report observed/recommended as follows:-

“The Committee note that with the setting up of toll-free number/online grievance redressal systems and the existence of District Grievance Redressal Officers (DGROs) and State Food Commissions (SFCs), States/UTs are able to effectively address the grievances related to foodgrain distribution under the National Food Security Act, 2013 (NFSA). They also note that the States/UTs of Delhi, Goa, J&K, Kerala, Manipur, Nagaland and Puducherry have designated some statutory body to function as State Food Commission and rest of the States/UTs have independently constituted State Food Commission. While appreciating the position of grievance redressal at the District

and State levels, the Committee desire the Union Government to ensure that States/UTs should keep the channels for grievance redressal open and accessible to the public at all times. The DGROs and SFCs should also be made to identify and keep record of the flaws in the system that come to their notice, if any, which would be used in any event of revision of the system in future.

1.10 The Ministry in its action taken reply has stated as under:-

“All States/UTs have operationalised toll free helpline nos. 1967/1800-series for registration of beneficiaries’ complaints and grievance and their effective redressal under TPDS.”

1.11 The Committee in their original Report recommended that District Grievance Redressal Officers (DGROs) and State Food Commissions (SFCs) should be made to identify and keep record of the flaws in the grievance redressal system in the implementation of the National Food Security Act, 2013 (NFSA) for use in the event of revision of the system in future. The Department in its action taken reply has stated that all States/UTs have operationalised toll free helpline nos. 1967/1800-series for registration of beneficiaries’ complaints and grievance and their effective redressal under TPDS. While appreciating the existence of the helpline numbers, the Committee once again express their zeal to concurrently keep on record the lacunae that surfaced in the course of implementation of the grievance redressal system of the One Nation, One Ration Card Scheme.

C. VIGILANCE COMMITTEES

(Recommendation Serial No. 15)

1.12 The Committee in their Original Report observed/recommended as follows:-

“Every State Government is required to set up Vigilance Committees State, District, Block and FPS levels with regard to implementation of NFSA consisting of such persons as may be prescribed by the State Government giving due representation to the local authorities, the Scheduled Castes, the Scheduled Tribes, Women and Destitute Persons or Persons with Disability and meetings held at least once every quarter at all levels. However, there have hardly been any regular meetings of the State level Vigilance Committees except that of the State of Gujarat, that too 3 meetings per year (during the 7 year period from 2012-13 to 2018-19) out of 4 meetings in a year mandated by the TPDS Control Order, 2015. Arunachal Pradesh had such meeting only once in 2016-17, Assam had such meeting only once in 2017-18, Bihar had twice in 2015-16, Chhattisgarh had 7 times in 2012-13 and 8 times in 2013-14, Karnataka had thrice in 2017-18 and once in 2018-19, Kerala had thrice in 2012- 13, twice in 2013-14

and once in 2014-15, Manipur had once each in 2012-13 and 2013-14, Nagaland had 4 times each in 2014-15 and 2015-16, Sikkim had once in 2013-14, Tamil Nadu and Uttar Pradesh had 4 times in 2018-19. In rest of the States/UTs no State level Vigilance Committee meeting had ever taken place during the said 7 years. This speaks volumes about poor vigilance at the State level. Even the few States that held State Level Vigilance Committees meetings, the meetings were held irregularly. For example, though Chattisgarh held such meeting in excess of the mandated 4 times in 2012-13 and 2013-14, discontinued thereafter, Nagaland held such meeting 4 times each in 2014-15 and 2015-16, and didn't continue thereafter. Similarly, Tamil Nadu and Uttar Pradesh held the meetings 4 times each in 2018-19 only. The Committee, therefore, strongly recommend that the Department of Food and Public Distribution should monitor regularly and ensure timely and regular convening of not only State Level Vigilance Committee meetings, but also at the District, Block and FPS levels so that NFSA beneficiaries actually reap the benefits of the welfare schemes of the Government. “

1.13 The Ministry in its action taken reply has stated as under:-

“National Food Security Act, 2013 (NFSA) provides that

(i). For ensuring transparency and proper functioning of the Targeted Public Distribution System and accountability of the functionaries in such system, every State Government shall set up Vigilance Committees as specified in the Public Distribution System (Control) Order, 2001, made under the Essential Commodities Act, 1955, as amended from time to time, at the State, District, Block and fair price shop levels consisting of such persons, as may be prescribed by the State Government giving due representation to the local authorities, the Scheduled Castes, the Scheduled Tribes, women and destitute persons or persons with disability.

(ii). The Vigilance Committees shall perform the following functions, namely:—
(a) regularly supervise the implementation of all schemes under this Act; (b) inform the District Grievance Redressal Officer, in writing, of any violation of the provisions of this Act; and (c) inform the District Grievance Redressal Officer, in writing, of any malpractice or misappropriation of funds found by it.

Targeted Public Distribution System (Control) Order, 2015 provides that the State Government shall set up vigilance committees for the Targeted Public Distribution System at the State, District, Block and fair price shop levels as per the provisions of the Food Security Act to perform functions as specified in the said Act. Meetings of the vigilance committees shall be held at least once every quarter at all levels and the date and periodicity of the meeting shall be notified by the State Governments and given wide publicity. The State Government shall send a report annually to the Central Government on the functioning of vigilance committees.

Further, Department of Food and Public Distribution is regularly writing to States/UTs Government for convening of Vigilance Committees meetings at regular intervals.”

1.14 The Committee, in their original report, recommended that the Department of Food and Public Distribution should monitor regularly and ensure timely and regular convening of not only State Level Vigilance Committee meetings, but also at the District, Block and FPS levels so that NFSA beneficiaries actually reap the benefits of the welfare schemes of the Government. In reply the Department, *inter alia*, stated that it is regularly writing to States/UT Governments for convening of Vigilance Committee meetings at regular intervals. While appreciating the Department for regularly writing to States/UTs with regard to convening of Vigilance Committees meetings, the Committee desire that the detailed report on such meetings may be asked from the States/UT Administrations for a more effective monitoring of the same.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation Serial No. 1

“The Committee note that to sustain the reforms brought in the functioning of Targeted Public Distribution System (TPDS), the Department has started “Integrated Management of Public Distribution System” (IM-PDS), approved for implementation in all States/UTs with a total outlay of Rs. 127.30 Cr. w.e.f. April 2018 for a period of two years. The validity of the scheme has been extended up to 31.03.2022 without escalation in the total project cost. Upto December 2020, the facility for portability of ration card under One Nation One Ration Card (ONORC) Scheme has been seamlessly enabled in 32 States/UTs, namely – Andaman & Nicobar Islands, Andhra Pradesh, Arunachal Pradesh, Bihar, Chandigarh, Dadra & Nagar Haveli and Daman & Diu, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Karnataka, Kerala, Ladakh, Lakshadweep, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Puducherry, Punjab, Rajasthan, Sikkim, Tamil Nadu, Telangana, Tripura, Uttar Pradesh and Uttarakhand. Funds to the tune of Rs.50,96,49,566 have been released under the Scheme. Assam (which received Rs.88,80,000 during the Financial Year 2018-19) and Chhattisgarh (which received Rs. 92,35,200 during the Financial Year 2019-20) have not on boarded the portability grid. The Committee desire the Government to also look into the requirements of Ladakh, Chandigarh and Puducherry and release funds for these States/UTs, if required. Also funds utilization by States/UTs including the States of Assam and Chattisgarh should be scrupulously scrutinized and utilization certificates obtained from all recipients of the funds”.

REPLY OF THE GOVERNMENT

“At present the facility for portability of ration card under One Nation One Ration Card (ONORC) plan has been seamlessly enabled in 34 States/UTs. (Delhi and West Bengal are the latest to enable the same from July 2021 and August, 2021 respectively). This Department is vigorously pursuing States of Assam and Chhattisgarh to enable ONORC at the earliest depending upon their technical readiness. The proposal of UT of Ladakh for release of funds under “Integrated Management of Public Distribution System” (IM-PDS) scheme is under consideration.

Further, this Department has requested UTs of Chandigarh and Puducherry to submit their proposals for release of funds under IM-PDS scheme as per requisite conditions mentioned in Administrative Approval of the scheme. So far Utilization Certificates for amount of Rs. 23.11 crore has been received from States/UTs. State of Chhattisgarh has submitted Utilization Certificate for amount of Rs.85,83,975/- out of total funds released Rs.92,35,200/-. This Department is pursuing State of Assam to furnish Utilization Certificate at the earliest.”

Comments of the Committee

(Please see Para No.1.8 of Chapter I of the Report)

Recommendation Serial No. 2

“The main objective of the One Nation One Ration Card (ONORC) scheme is to introduce nation-wide portability in the distribution of foodgrains under the National Food Security Act, 2013 (NFSA), i.e. eligible ration card holders/beneficiaries covered under NFSA shall be able to lift their entitled foodgrains from any Fair Price Shop (FPS) of their choice anywhere in the country, by using their same/existing ration card after biometric/Aadhaar authentication on electronic Point of Sale (ePoS) device at the FPS. So far 32 States/UTs have onboarded the national portability grid. The Committee note that the National Informatics Centre (NIC) being central technical partner of the Department for the implementation of technology driven schemes for Public Distribution System reforms is supporting the Department through technical manpower for development of software applications/modules, software utilities, mobile applications and various other technical aspects of the scheme. The Committee, therefore, recommend that NIC should be asked to take measures to rope in ordinary citizens in verification of the stocks at FPSs and working of the ePOS machines attached therewith. The Committee hope that the remaining States/UTs will be joining the Scheme at the earliest so that the beneficiaries under the NFSA are able to lift the foodgrains entitlement from any FPS in any State/UT across the nation by using their existing ration card after biometric/Aadhaar authentication.”

REPLY OF THE GOVERNMENT

“The said recommendation is already provided for under the Chapter XI of the National Food Security Act (NFSA), 2013 and mandates all State/UT Governments to conduct periodic social audits on the functioning of the Targeted Public Distribution System including the fair price shops. Accordingly, the States/UTs are periodically instructed to conduct the social audits in this regard.

28. (1) Every local authority, or any other authority or body, as may be authorised by the State Government, shall conduct or cause to be conducted, periodic social audits on the functioning of fair price shops, Targeted Public Distribution System and other welfare schemes, and cause to publicise its findings and take necessary action, in such manner as may be prescribed by the State Government.

Further, NIC is only a technical body and does not possess expertise in conducting such social audits of stocks at the FPSs, functioning of the FPSs, etc.

At present the facility for portability of ration card under One Nation One Ration Card (ONORC) plan has been seamlessly enabled in 34 States/UTs and beneficiaries under the NFSA are able to lift the foodgrains entitlement from any FPS in any State/UT across the nation by using their existing ration card after biometric/Aadhaar authentication.”

Recommendation Serial No. 3

“The Committee note that under the National Food Security Act (NFSA), 2013, identification of 100% of intended beneficiaries is completed in 15 States/UTs and that identification in other States/Union Territories is at various stages of completion. The Committee also note that the process of identification and deletion of bogus/ineligible/multiple ration cards, is aided by the digitization of ration cards database and further supported by Aadhaar based de-duplication of ration cards/beneficiaries. They desire that the functions of identification/de-duplication may be coordinated with various Divisions/Departments of the Government that are custodians of related matters including land records. For this the tool/data base used in identification of beneficiary by States/UTs should be got linked to such data as available elsewhere with potential to help in determining the income of the beneficiary family. As the population census is being prepared in the current year or the next, the Committee desire that the Government should finalise the list of eligible households taking into account COVID-19 pandemic and lockdown of the economy resulting in dislocation of families, reverse migration and change in income level of many families in various States/UTs across the country.”

REPLY OF THE GOVERNMENT

“The Targeted Public Distribution System (TPDS) under the National Food Security Act, 2013 (NFSA) is operated under the joint responsibility of the Central and State/Union Territory (UT) Governments. Under the Act, it is the responsibility of the State Government to identify— (a) the households to be covered under the Antyodaya Anna Yojana to the extent specified by the Central Government, in accordance with the guidelines applicable to the said scheme; and (b) the remaining households as priority households to be covered under the Targeted Public Distribution System, in accordance with such guidelines as the State Government may specify.

Thus, the responsibility for identification of eligible households/ beneficiaries, and issuance of their ration cards rests with the concerned State Government and the criteria for identification of the beneficiaries under the Priority Category may vary from the State to State.

This Department in pursuant to the provisions of the TPDS (Control) Order, 2015 under the National Food Security Act (NFSA), had issued instruction to all States/UTs to regularly undertake the verification and deletion of ineligible/bogus ration cards/beneficiaries. As the addition and deletion of ration cards/beneficiaries is a continuous process, and due to the computerisation and implementation of information technology in PDS operations from 2013 onwards, the States/UTs are able to detect and delete the duplicate, ineligible, ghost ration cards, besides de-duplication due to Aadhaar seeding, detection of deaths, permanent migration of beneficiaries etc. Against the deleted/cancelled ration cards, the States/UTs are periodically including new eligible and left-out households and are regularly issuing new ration cards up to their respective

ceiling of NFSA population coverage leading to achievement of 'Rightful Targeting' of beneficiaries or food subsidy."

Recommendation Serial No. 6

"National Informatics Centre is supporting the Department of Food and Public Distribution through technical manpower for development of software applications with regard to implementation of One Nation, One Ration Card Scheme. They also note that the Department has difficulty in implementing Aadhaar based biometric transactions and that nearly 13,000 FPSs in the country are in chronically poorly connected areas. They also note the fact that States have been advised for making alternative arrangements like Data Cards/ Mobile Hotspot for ensuring better internet connectivity which has been pursued with Department of Telecom (DoT). The Committee appreciate the fact that Department has advised all States/UTs that genuine beneficiaries/ households shall not be denied from their entitled foodgrains under NFSA only on the ground of not possessing an Aadhaar number, or due to any technical failure of ePoS device. The Committee desire that NIC may be asked to develop a device or mobile application for use of FPS dealers in such areas which may facilitate recording of transaction offline for eventual uploading of all sale transactions to centralized ePoS servers or central repository. The Committee also desire the Government to consider the possibility of taking advantage of the fifth generation mobile technology for this purpose."

REPLY OF THE GOVERNMENT

"Facility of recording offline FPS transactions for eventual uploading of all sale transactions to centralized ePoS servers of the State/UT is available in the software for ePOS devices and this facility is now available across all ePoS devices. Further, the concerned States have been asked to coordinate with CSC e-Governance Ltd for availing the fibre internet connectivity under the BharatNet project."

Recommendation Serial No. 8

"In the implementation of the National Food Security Act, 2013 and One Nation One Ration Card Scheme, FCI undertakes movement of foodgrains from FCI depots in procuring /surplus regions to FCI depots in consuming /deficit regions and that lifting and movement of foodgrains from FCI depots to State/UT depots for issue to PDS is being done by the respective State/UTs. The Committee are, however, constrained to note that the Union Government has no information about procedure on re-bonding of foodgrains in Fair Price Shops (FPSs). The Committee, therefore, desire that the Union Government should have a relook at the issue with a view to issuing a broad guidelines applicable uniformly across all the States/UTs, to be followed in reloading foodgrains stocks in FPS and the payment thereof, invariably suggesting a minimum intervening time between communication of the requirement of FPS dealer, who may need a good measure of independence in the matter, to delivery/lifting. Also districts/places of a State/UT with preponderance of migrant workers should be accurately identified for use in logistic planning. The Committee feel that such an arrangement is necessary as the new dispensation empowers beneficiaries with portability of entitlement."

REPLY OF THE GOVERNMENT

“The ePoS application software and the backend Aadhaar enabled PDS (AePDS) system developed by the NIC, has enabled the commodity-wise grain-accounting and day to day transparency in the closing stock position of each FPS – centrally maintained by the States/UTs on their respective servers.

Further, through the use of online allocation system in the backend, the States/UTs are able to push the FPS-wise monthly allocation of foodgrains to ePoS devices of every FPS, according to the number of AAY households and PHH beneficiaries attached to them. Thereafter, the ePoS application software is capable of receiving the foodgrains (i.e. acknowledging the receipt of foodgrains from State Godown) online with the biometric authentication of the FPS dealers and updates the opening stock back in the ePoS/AePDS (FPS automation) servers. The closing balance of foodgrains of previous month (before the receipt of new allocation) is already accounted for, at the time of generating fresh monthly allocation orders, from the backend Online Allocation system at the State HQ for all the FPSs.”

Recommendation Serial No. 10

“The Committee note that 91% of the total available Fair Price Shops (FPSs) in the country as on 18.12.2020 are equipped with electronic point of sale (ePOS) device. A look at the snapshot of the portability transactions under the One Nation, One Ration Card (ONORC) Scheme shows an encouraging rate in intra-State transaction whereas there is low rate of inter-State transaction due to the Covid-19 related restrictions imposed by many States on biometric authentication of beneficiaries and lack of awareness on part of beneficiaries. The Committee also note that regular time-to-time reviews of the implementation/rollout of ONORC scheme at the level of Hon’ble Minister of CA,F&PD with State Food Ministers and at the level of Secretary (DFPD) and Joint Secretary with State Food Secretaries for resolution of challenges/bottlenecks have been undertaken. The Committee also note that the Government has stepped up efforts for wide-publicity, awareness generation and identify top migrants sending/receiving districts and collaborate with concerned DCs/DMs, industry associations, civil societies, NGOs, etc. in such districts to undertake focused awareness generation in those districts / identified places apart from Media campaign through FM and Community radio channels across the States/UTs implementing ONORC. While appreciating the efforts of the Government, the Committee desire that information in this regard may also be communicated on the Registered Mobile Numbers of beneficiaries and also prominently displayed on the Fair Price Shops.”

REPLY OF THE GOVERNMENT

“The Department had prepared the Information, Education and Communication (IEC) material including the specimens for Posters & Banners which have been shared with all States/UTs and had requested them to put up the posters/banners, etc. at all respective Fair Price Shops for creating awareness about ONORC among all NFSA beneficiaries. Besides, the Mera Ration mobile app provides a feature to all

beneficiaries to view their last few transactions, including portable transaction done under ONORC, anytime and anywhere easily.

Further, States/UTs have been advised to undertake multi-modal wide publicity and awareness generation about ONORC plan including through SMS on the registered mobile numbers of the beneficiaries.”

Recommendation Serial No. 11

“Under the National Food Security Act, 2013 (NFSA), Rice, Wheat and Coarse grains are distributed to the beneficiaries at highly subsidised prices of Rs. 3, 2 and 1 per Kg. respectively. The Committee also note with appreciation the fact that atta is being distributed in J&K, Sikkim and Tripura and fortified atta is distributed in Haryana and West Bengal. Such practice, the Committee hope, would ease the problem of NFSA beneficiaries, who are poor and unable to manage the time and resources for grinding/milling wheat into flour. The Committee, therefore, desire that the Government should give option to beneficiaries in all States/UTs under NFSA to receive wheat or atta within entitled quota, as per beneficiary’s preference.”

REPLY OF THE GOVERNMENT

“The Government has already provided an option to States/UTs for distribution of Wheat Flour (Atta) in lieu of wheat to ration card holders under NFSA, 2013.”

Recommendation Serial No. 12

“The Committee observe that under the One Nation One Ration Card (ONORC) Scheme, any member of a beneficiary family may withdraw required quantity of foodgrain (within entitled quota) from any Fair Price Shop (FPS) of their choice after biometric/Aadhaar authentication on an electronic Point of Sale (ePoS) device and the remaining quantity of entitled foodgrains may be lifted by other family members as per the TPDS Control Order 2015. A beneficiary family may draw their full entitlement of foodgrains in more than one installment. The Committee are of the view that the poor and illiterate beneficiaries in remote rural areas may be made aware of the Schemes. The Committee, therefore, recommend that the Order should be communicated in simple language preferably in local dialect of the beneficiary through her/his Registered Mobile Phone number and also prominently displayed on Fair Price Shops.”

REPLY OF THE GOVERNMENT

“The Department has instructed all States/UTs to communicate the provisions of ONORC to the beneficiaries in local languages and also to sensitise the FPS dealers for informing the beneficiaries about the same. Besides, the Mera Ration mobile app which has currently been rolled out in Hindi, English and 10 other regional languages provides a feature to all beneficiaries to view their last few transactions, including portable transaction done under ONORC, anytime and anywhere easily. Further, States/UTs have been advised to undertake multi-modal wide publicity and awareness generation

about ONORC plan including through SMS on the registered mobile numbers of the beneficiaries.”

Recommendation Serial No. 13

“The Committee observe that the Department issued directions under Section 38 of the National Food Security Act, 2013 (NFSA) to all the States/UTs stating, *inter alia* that disability as separate criteria within the eligibility criteria may be identified by all States/UTs for inclusion of persons with disability, subject to exclusion criteria, for coverage under NFSA; preference be given to disabled person who happensto be at par with general candidate/person; a database of disabled persons covered under NFSA shall be created/ maintained separately and suitable mechanism of monitoring and reporting accordingly be put in place for compliance; no disabled person otherwise eligible should be denied on the ground that the State has exhausted its upper limit under NFSA; and that all States/UTs shall ensure and direct the concerned District Administration to put in place an appropriate mechanism and whole machinery may be mobilised in a mission mode for compliance of these directions. States/UTs of Lakshdweep, Madhya Pradesh, Uttar Pradesh, Telangana, West Bengal and Rajasthan have submitted their action taken reports while rest of the States/UTs have been reminded to do the same. The Committee, while appreciating the steps taken by the Government, recommend that the Ministry should vigorously pursue the rest of the States/UTs to furnish status of action taken by them on the directions issued by the Union Government. The Committee also desire that the Ministry may consider setting up an inter-ministerial co-ordination committee to make productive use of data available elsewhere in implementation of the NFSA and One Nation One Ration Card Scheme.”

REPLY OF THE GOVERNMENT

“The matter for inclusion of disabled persons as beneficiaries under the NFSA is being vigorously pursued with the States/UTs at all levels in the Department through letters, Video Conferences and telephonically also.”

Recommendation Serial No. 14

“The Committee note that with the setting up of toll-free number/online grievance redressal systems and the existence of District Grievance Redressal Officers (DGROs) and State Food Commissions (SFCs), States/UTs are able to effectively address the grievances related to foodgrain distribution under the National Food Security Act, 2013 (NFSA). They also note that the States/UTs of Delhi, Goa, J&K, Kerala, Manipur, Nagaland and Puducherry have designated some statutory body to function as State Food Commission and rest of the States/UTs have independently constituted State Food Commission. While appreciating the position of grievance redressal at the District and State levels, the Committee desire the Union Government to ensure that States/UTs should keep the channels for grievance redressal open and accessible to the public at all times. The DGROs and SFCs should also be made to identify and keep record of the flaws in the system that come to their notice, if any, which would be used in any event of revision of the system in future.”

REPLY OF THE GOVERNMENT

“All States/UTs have operationalised toll free helpline nos. 1967/1800-series for registration of beneficiaries’ complaints and grievance and their effective redressal under TPDS.”

Comments of the Committee

(Please see Para No.1.11 of Chapter I of the Report)

Recommendation Serial No. 15

“Every State Government is required to setup Vigilance Committees State, District, Block and FPS levels with regard to implementation of NFSA consisting of such persons as may be prescribed by the State Government giving due representation to the local authorities, the Scheduled Castes, the Scheduled Tribes, Women and Destitute Persons or Persons with Disability and meetings held at least once every quarter at all levels. However, there have hardly been any regular meetings of the State level Vigilance Committees except that of the State of Gujarat, that too 3 meetings per year (during the 7 year period from 2012-13 to 2018-19) out of 4 meetings in a year mandated by the TPDS Control Order, 2015. Arunachal Pradesh had such meeting only once in 2016-17, Assam had such meeting only once in 2017-18, Bihar had twice in 2015-16, Chhattisgarh had 7 times in 2012-13 and 8 times in 2013-14, Karnataka had thrice in 2017-18 and once in 2018-19, Kerala had thrice in 2012- 13, twice in 2013-14 and once in 2014-15, Manipur had once each in 2012-13 and 2013-14, Nagaland had 4 times each in 2014-15 and 2015-16, Sikkim had once in 2013-14, Tamil Nadu and Uttar Pradesh had 4 times in 2018-19. In rest of the States/UTs no State level Vigilance Committee meeting had ever taken place during the said 7 years. This speaks volumes about poor vigilance at the State level. Even the few States that held State Level Vigilance Committees meetings, the meetings were held irregularly. For example, though Chattisgarh held such meeting in excess of the mandated 4 times in 2012-13 and 2013-14, discontinued thereafter, Nagaland held such meeting 4 times each in 2014-15 and 2015-16, and didn’t continue thereafter. Similarly, Tamil Nadu and Uttar Pradesh held the meetings 4 times each in 2018-19 only. The Committee, therefore, strongly recommend that the Department of Food and Public Distribution should monitor regularly and ensure timely and regular convening of not only State Level Vigilance Committee meetings, but also at the District, Block and FPS levels so that NFSA beneficiaries actually reap the benefits of the welfare schemes of the Government.”

REPLY OF THE GOVERNMENT

“National Food Security Act, 2013 (NFSA) provides that

1. For ensuring transparency and proper functioning of the Targeted Public Distribution System and accountability of the functionaries in such system, every State Government shall set up Vigilance Committees as specified in the Public Distribution System (Control) Order, 2001, made under the Essential Commodities Act, 1955, as amended from time to time, at the State, District, Block and fair price shop levels consisting of such persons, as may be prescribed

by the State Government giving due representation to the local authorities, the Scheduled Castes, the Scheduled Tribes, women and destitute persons or persons with disability.

2. The Vigilance Committees shall perform the following functions, namely:—
 - (a) regularly supervise the implementation of all schemes under this Act;
 - (b) inform the District Grievance Redressal Officer, in writing, of any violation of the provisions of this Act; and
 - (c) inform the District Grievance Redressal Officer, in writing, of any malpractice or misappropriation of funds found by it.

Targeted Public Distribution System (Control) Order, 2015 provides that the State Government shall set up vigilance committees for the Targeted Public Distribution System at the State, District, Block and fair price shop levels as per the provisions of the Food Security Act to perform functions as specified in the said Act. Meetings of the vigilance committees shall be held at least once every quarter at all levels and the date and periodicity of the meeting shall be notified by the State Governments and given wide publicity. The State Government shall send a report annually to the Central Government on the functioning of vigilance committees.

Further, Department of Food and Public Distribution is regularly writing to States/UTs Government for convening of Vigilance Committees meetings at regular intervals.”

Comments of the Committee

(Please see Para No.1.14 of Chapter I of the Report)

Recommendation Serial No. 18

“The Committee note that the Direct Benefit Transfer (DBT) system gives the option to beneficiaries to buy foodgrains of their choice, diversify food options depending on dietary preferences while it leads to Government savings due to high administrative burden and costs on account of procurement, storage and distribution of foodgrains through Fair Price Shops. The Committee have also been informed about beneficiaries ending up spending higher cost in accessing DBT than erstwhile PDS due to distance, multiple visits, and higher waiting time for cash withdrawal each month. The Committee also note that there were reports of inadequate availability of the foodgrain in the open market. The system of DBT is in operation in Union Territories of Chandigarh, Dadra & Nagar Haveli (Urban) with significant female headed households and Puducherry. Given the fact that the provision mandating the eldest woman who is not less than eighteen years of age, in every eligible household, shall be Head of the household for the purpose of issue of ration cards, for all States/UTs implementing NFSA is applicable in DBT Cash system too, misuse of the cash by a male member of the family is not likely. The Committee, therefore, desire that the Government should make a feasibility study on introducing DBT Cash as per suitability, in urban areas, while allowing PDS infrastructure to function for the benefit of migrant beneficiaries

hailing from rural areas to obtain their foodgrain entitlement under NFSA in urban areas.”

REPLY OF THE GOVERNMENT

“The scheme of cash transfer of food subsidy is implemented as per provisions of the Cash Transfer of Food Subsidy Rules, 2015, notified on 21.08.2015 under the National Food Security Act, 2013 (NFSA) which inter alia provides food subsidy in cash directly into the bank accounts of entitled households to enable purchase of entitled quantity of foodgrains from the open market. The scheme can be taken up in identified areas, subject to fulfillment of certain conditions on the level of preparedness of the State/ Union Territory for its implementation like complete digitisation and de-duplication of beneficiary database, seeding of bank account details and Aadhaar number, if available, in the digitised beneficiary database, ensuring adequate availability of foodgrains in the open market and identification of a State agency, having a separate bank account, to receive the cash subsidy from the Central Government for the entitled households and to transfer the due amount of subsidy into the bank accounts of entitled households through Public Financial Management System. Identified area is defined under the Rules as State or Union Territory or any specified area within the State or Union Territory for which there is a written consent of the State Government for implementation of the scheme. The States/Union Territories can either opt to implement the cash transfer of food subsidy scheme or distribute foodgrains as per provisions of NFSA through the network of fair price shops. Thus, the Cash Transfer Scheme is optional for the States/ Union Territories.”

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES

Recommendation Serial No. 4

“The Committee observe that as on 9.12.2020, 4,93,121 FPSs which is 91.6% of total 5,38,411 FPSs in the country are automated by installing electronic Point of Sale (ePoS) devices for transparent distribution of foodgrains under TPDS. They are happy to note that in 23 States/UTs, 100% of FPSs have been automated. However, the Committee are concerned that no FPS is operational on ePOS in Assam and NCT of Delhi. Moreover, West Bengal that already achieved 100% FPS Automation, has not started biometric authentication. All these drawbacks still linger even after Department had convened multiple meetings/Video Conferences with concerned stakeholders and also sent number of letters from the level of Hon’ble Minister of CA,F&PD, Secretary (FPD) and Joint Secretary (BP&PD). They desire that the issue of Aadhaar seeding and FPS automation in Assam, Delhi and West Bengal be sorted out at the highest level so that the aim to empower all migrant beneficiaries in such States may be realized under the ONORC Scheme at the earliest.”

REPLY OF THE GOVERNMENT

“UT of Delhi has achieved 100% Aadhaar seeding in Ration Cards and reported 100% FPS automation with installation of ePoS devices for transparent distribution of foodgrains under TPDS. Govt of West Bengal also reported that Aadhaar seeding of all ration cards is being taken up aggressively in the State by organising special drives for Aadhaar seeding including door to door campaign for the same. West Bengal already achieved 100% FPS Automation and started biometric authentication. Delhi and West Bengal have enabled ONORC w.e.f. July and August 2021 respectively.

The State of Assam is also focusing on Aadhaar enrolment of its population and currently Aadhaar enrolment has increased to about 68.90% of the population and Aadhaar seeding in Ration Card has been completed in 28.3% Ration Cards. However, there are 28 lakh persons in the State whose Aadhaar enrolment is on hold due to an ongoing litigation in the Hon’ble Supreme Court. The State has opened around 5000 Aadhaar enrolment centres and is encouraging the people to go for Aadhaar enrolment. The State plans to complete Aadhaar enrolment of all persons in the State (except the above mentioned 28 lakhs person) by the end of this year. For FPS automation, the State Govt has placed an order for installation of ePOS devices at all FPS and is targeting to complete the installation of Epos devices in its FPSs by 31-Dec-2021.”

Recommendation Serial No. 5

“In order to acquire and install the requisite electronic Point of Sale (ePOS) devices in Fair Price Shops (FPSs), to facilitate implementation of the One Nation, One

Ration Card Scheme, the State Governments of Rajasthan, Tamil Nadu, Odisha and Andhra Pradesh procure and maintain the devices through a vendor under State Purchased Model; in Karnataka, Chhattisgarh and Gujarat FPS owner procures and maintains the same under Owner Purchased Model; and rest of the States/UTs have adopted the System Integrator Model for complete rollout of FPS automation. A look at the status of FPS automation as on 9 December, 2020 shows that there is 100% automation in States that adopt the State Purchased Model, which is an encouraging sign. The devices in Chattisgarh which adopted Owner Purchase Model are not compatible for performing biometric authentication. The Committee feel that in the States/Union Territories where FPS Dealers/Owner Purchase Model is adopted, compatibility of the devices for performing the required functions should be ensured.”

REPLY OF THE GOVERNMENT

“This Department with the help of technical partner NIC prepared the minimum technical specifications for ePoS devices to be installed in Fair Price Shops (FPSs) ensuring the compatibility of the ePoS devices for performing all required FPS functions. These minimum technical specifications for ePoS devices have been shared with all States/UTs.

Further, Govt of Chhattisgarh has started replacing old ePoS devices with new devices which adhere to the minimum technical specifications and which is likely to be completed in next few months.”

Recommendation Serial No. 9

“The Committee observe that under the National Food Security Act (NFSA), 2013, while Antyodaya Anna Yojana (AAY) households, which constitute poorest of the poor are entitled to 35 kg of foodgrains per family per month, Priority Households (PHH) are entitled to 5 kg of foodgrains per person per month at a uniform rate of Rs. 3/2/1 for rice, wheat and coarse grains respectively. They also note that: (i) Fair Price Shops (FPSs) have the option to issue paper/e-receipt to beneficiaries with details of commodities issued and balance remaining etc.; (ii) all States/UTs have set up toll-free helpline numbers 1967/1800 series and that States/UTs have been requested on 26 June 2020 to operationalize the 14445 shortcode/ toll-free number for One Nation One Ration Card (ONORC) and utilize the same for information dissemination/awareness about ONORC scheme. The Committee desire the Government to make arrangements wherein all mobile phone numbers of all members of the beneficiary family are registered which may be used to notify them of the stock position in FPS frequently visited by them. Also instead of leaving it to the FPS owners or State/UT Governments, vital information such as the beneficiary's entitlement, ration drawn and ration still in the balance, be got conveyed at all the Registered Mobile Numbers of the family by short messaging service (SMS) notification.

REPLY OF THE GOVERNMENT

“Under the PDS reforms including digitisation of ration cards data, the States/UTs were also advised to undertake the seeding of mobile numbers of ration card holders

with their ration cards. Further, as part of the computerisation of the supply chain management the States/UTs provision was made for sending SMS notification to the FPS dealers and some registered beneficiaries attached to the FPSs regarding the dispatch of foodgrains from the State Godowns and receipt of the same at the FPSs. However, in view of the cost considerations of sending bulk SMSs, the feature is in use in only some States/UTs. However, under the One Nation One Ration Card (ONORC) plan, the Department has introduced a mobile application, namely 'Mera Ration', which besides providing features for maximum utilisation of the ration card portability, also facilitates the beneficiaries to know their ration card entitlements, recent transactions, available/balance foodgrains, status of Aadhaar seeding with ration card, provide feedback to State/UT, etc. anytime and anywhere from the convenience of their mobile phones."

Recommendation Serial No. 16

"In the operation of Targeted Public Distribution, State/UT Governments or their nominated agencies lift the stocks of foodgrains from the depots of Food Corporation of India (FCI), which has a total storage capacity of 409.49 Lakh Metric Tonne (LMT), against the allotment orders issued by the Government of India and distribute the same to the end consumers through their retail distribution network like Fair Price Shop (FPS), Co-operatives, etc. The FCI has implemented the Depot Online System (DOS) application, to automate all the operations at FCI Depots with the vision to transform the food supply chain management through innovative use of technology for ensuring transparency, reliability and efficiency of procurement, storage and distribution operations. Currently, the application is functional in FCI owned depots across the country and is also being rolled out in hired godowns of FCI. The stock position and related details are available at all levels, in the form of reports and dashboard. The Committee also note the Government has approved action plan for construction of 100 LMT capacity Silo that apart from Silos with a capacity of 8.25 LMT at 16 Locations are being put to use and Silos with capacity of 21.50 LMT at 43 Locations are under various stages of implementation,. The Committee note that apart from better preservation of foodgrain and enhancing shelf-life, Silos will bring flexibility and improve overall efficiency which will ultimately reduce losses. As such, they desire that the Government should, while ensuring modernization of storage facilities, accelerate the construction of such Silos and improve the efficiency level in existing storage facilities in the interest of the nation. Also the Government should ensure automation of FCI operations through efficient application of Depot Online System (DOS) in FCI owned and hired godowns. They desire that such measures should be taken in right earnest to ensure that losses are minimised to the extent possible. The Committee also desire that vehicles transporting foodgrains should be tracked with GPS device."

REPLY OF THE GOVERNMENT

"Steel Silo storage with bulk handling facility is highly mechanized and modernized way of storing of foodgrains in bulk. It ensures better preservation of foodgrains and enhances its shelf life. In order to upgrade and modernize the storage facilities, Government of India chalked out an Action Plan for construction of steel silos on PPP (Public Private Partnership) mode in the country. In 2007-09, silos with capacity of 5.50 LMT were constructed under circuit model. After 2016, Silos with capacity of

10.625 LMT have been completed and put to use and 19.125 LMT silo capacity is under various stages of implementation.

Earlier silos with Railway siding were considered. In order to fast track the progress of construction of steel silos, DFPD accorded “in-principle approval” on 30.01.2020 for construction of silos under the Hub and Spoke model as proposed by FCI, excluding the capacity which has been completed or is under construction/tender process. Hub and Spoke model allows for rail movement between Hub silos and road/rail movement between spoke silos or Hub-spoke silos. Land for roadside silos is relatively easily available, as compared to land along rail side tracks. Further, tender documents and list of locations for 108.375 LMT capacity of silos in PPP mode under Hub & Spoke model has been sent to DFPD for appraisal and approval. Currently, the DOS application is functional in 557 FCI owned and 1682 hired depots. The entire gamut of operations, including storage, quality, sales etc. have been captured in the application and the users in the field offices are performing operational transactions through the application, in both owned and hired godowns of FCI, across the country.”

Recommendation Serial No. 17

“The Committee observe that with greater infusion of technology and structural reforms and process re- engineering undertaken by the States/UTs for efficient implementation of Targeted Public Distribution System (TPDS) operations, it has become necessary to keep the States/UTs, districts and sub-district level functionaries and other officials associated with Public Distribution System (PDS) abreast with the changes and latest happenings in PDS operations across different parts of the country, so that they can be active and informed participants in the process of change in view of the fact that there are several new initiatives in the areas of data analysis, viability of Fair Price Shops (FPSs), portability of ration cards, dashboarding of data/reports, social audits, oversight and monitoring mechanism under the National Food Security Act, 2013 (NFSA), etc. which need to be understood clearly and properly practiced as a routine. With these objectives, financial assistance @ Rs. 500/- per trainee per day with a maximum assistance per training programme of Rs. 50,000/- and the maximum duration of the training programmes being five working days, is provided by the Central Government. In spite of the COVID-19 outbreak, online training has been imparted to 50 participants from 5 North Eastern States – Manipur, Mizoram, Nagaland, Sikkim and Tripura and for over 35 participants from UT of Jammu & Kashmir. The Committee also note that the Integrated Management of Public Distribution System (IM-PDS) scheme also includes activities like Improving the quality of implementation by introducing data security and information standards/benchmarks and providing handholding support to States/UTs and facilitating cross-learning and sharing of best practices among States/UTs. Besides, the Committee also note that the National Informatics Centre (NIC) State manpower train the State technical officers and other field level functionaries for smooth implementation of ONORC Scheme. The Committee, therefore, recommends that training programmes, be it real time or online, should be continued with the view to ensuring hassle free operation of the technology driven food distribution system. In addition to this, emphasis should also be given on handholding support to FPS dealers by introducing a scheme of incentive for every visit and support

given to FPS by the technical officers or field level functionaries for smooth implementation of ONORC Scheme.”

REPLY OF THE GOVERNMENT

“This Department has been regularly conducting in-depth trainings of State/District level officials and all FPS Dealers through Video Conferencing / Webcasting / Webinars. So far, more than 1,50,000 FPS dealers, District Supply Officers, Field Functionaries and State level officers of 30 States/UTs have attended training sessions conducted by this Department. To facilitate engaging and interactive virtual training for stakeholders a learning management system (LMS) with modules on ONORC, NFSA, Supply Chain Management, etc. has been created. Each module has interactive videos and an assessment component. The functionality of certification post successful completion of the training modules is also available on LMS. Further, the Department is in the process of developing e-training modules for online training of PDS functionaries in States/UTs.”

CHAPTER IV

**RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH
REPLIES OF THE GOVERNMENT HAVE NOT BEEN
ACCEPTED BY THE COMMITTEE**

- NIL -

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH INTERIM REPLIES OF THE GOVERNMENT HAVE BEEN RECEIVED

Recommendation Serial No. 7

“As per the ‘ Food Security (Assistance to State Government) Rules, National Food Security Act, 2013, for every quintal of foodgrain sold, the Fair Price Shop (FPS) dealer earns a margin of Rs. 70(+ Rs.17 as additional margin for sale through electronic point of sale device in General Category States with Central share of 50% and Rs. 143 (+ Rs.17 as additional margin for sale through point of sale device in Special Category States with Central share of 75% and that the matter of increasing the margin would be re-considered by the Expenditure Finance Commission for the next cycle of the Finance Commission and also to get a third party evaluation done. The fair price shops are an important part of the system to ensure food security for more than 80 crore poor people in the country. The Committee, therefore, recommend that the matter may be treated as urgent and decision in this regard may be taken at the earliest possible duly following the prescribed procedures.”

REPLY OF THE GOVERNMENT

“In order to revise the norms of expenditure towards intra-State movement & handling of foodgrains and fair price shop dealers’ and central share as specified in the Food Security (Assistance to State Governments) Rules, 2015, a note for Expenditure Finance Committee (EFC) has been sent to Department of Expenditure through Finance Division of this Department. However, the matter is pending as the Department of Expenditure has advised that all the EFC notes of the Department would be considered together. Other EFCs of the Department are under finalisation.”

**NEW DELHI;
01 December, 2021**

**SUDIP BANDYOPADHYAY
Chairperson,**

CONFIDENTIAL

**MINUTES OF THE THIRD SITTING OF THE STANDING COMMITTEE ON FOOD,
CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2021-2022) HELD ON
WEDNESDAY, 01 DECEMBER, 2021**

The Committee sat from 1500 hrs. to 1645 hrs. in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Sudip Bandyopadhyay - Chairperson

Members

Lok Sabha

2. Dr. Farooq Abdullah
3. Shri Girish Bhalchandra Bapat
4. Ms. Debasree Chaudhuri
5. Shri Anil Firojiya
6. Shri Khagen Murmu
7. Shri Mitesh Rameshbhai (Bakabhai) Patel
8. Smt. Kavita Singh
9. Shri Ganesan Selvam
10. Shri Saptagiri Ulaka
11. Shri Rajmohan Unnithan
12. Shri Ve. Vaithilingam

Rajya Sabha

13. Shri Satish Chandra Dubey
14. Smt. Roopa Ganguly
15. Shri Ramji

SECRETARIAT

1. Shri Pawan Kumar - Joint Secretary
2. Dr. Vatsala Joshi - Director

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2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee convened to consider and adopt the draft Report on Action Taken by the Government on recommendations/observations contained in XXXXX XXXXX

XXXXX XXXXX (i) 12th Report (17th LS) on the subject “Strengthening of Public Distribution System – Augmenting use of Technological Means and Implementation of ‘One Nation, One Ration Card’ Scheme” pertaining to Department of Food and Public Distribution XXXXX XXXXX XXXXX XXXXX.

Thereafter, the Committee took up for consideration the Draft Report. After due deliberations, the Committee unanimously adopted the said Action Taken Report without any amendment/modification and authorized the Chairperson to carry out verbal and consequential changes, if any, therein.

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The Committee then adjourned.

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Matter does not relate to the Report.

(Vide Para No. 4 of Introduction of the Report)

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE OBSERVATIONS/RECOMMENDATIONS CONTAINED IN THE FIRST REPORT OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2019-20) (SEVENTEENTH LOK SABHA)

(i) Total number of Recommendations: 18

(ii) Observations/Recommendations which have been accepted by the Government :

Para Nos.:- 1,2,3,6,8,10,11,12,13,14,15 and 18

(Chapter – II, Total - 12)

Percentage : 66.66%

(iii) Observations/Recommendations which the Committee do not desire to pursue in view of the replies received from the Government :

Para Nos. 4,5,9,16 and 17

(Chapter – III, Total - 5)

Percentage : 27.77%

(iv) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration :

Para Nos. NIL

(Chapter – IV, Total -Nil)

Percentage : 0

(v) Observations/Recommendations in respect of which the interim replies of the Government have been received.

Para Nos.:- 7

(Chapter – V, Total - 1)

Percentage : 5.55%