

Report of the Fact-finding Committee on Complaints Filed by Kisan Adivasi Sangathan, Kesla Regarding Problems and Irregularities in TPDS and Social Security Schemes

1. Background

- 1.1 Between January and March 2004 several complaints were made by the Kisan Adivasi Sangathan (KAS), Rajnarain Smriti Bhawan, Kesla, District Hoshangabad, Madhya Pradesh 461111 to the District Collector and other district officials relating to irregularities in the functioning of PDS and pension related schemes. The complaints urged the district authorities to take action.
- 1.2 Since there was no response from the district administration and no action was taken on the complaints, a petition signed by Shri Phagram, Secretary KAS, was sent to Dr.Mihir Shah (Adviser, National Commissioners to the Supreme Court in the Right to Food case).
- 1.3 The complaint dated 10-Feb-04, listed irregularities in the functioning of the PDS system in Kesla Block of Hoshangabad district, MP, and highlighted instances of failure to comply with the interim orders of the Supreme Court.
- 1.4 The Adviser forwarded the complaint along with a covering letter to the Commissioner, Dr.N.C. Saxena on 19-Feb-04
- 1.5 The Commissioners wrote to the Chief Secretary, GoMP, on 3-Mar-04, requesting him to set up a fact-finding committee comprising government officers, Dr. Mihir Shah or his representatives and Shri Sunil of the Kisan Adivasi Sangathan, Kesla.
- 1.6 In response, Shri U.K. Samal, Principal Secretary, Food, Civil Supplies and Consumer Protection Department, GoMP wrote to the Commissioners on 25-Mar-04 appointing a Committee comprising:
 - Joint Director (Food), GoMP
 - Additional Collector, Hoshangabad District
 - Shri Sunil of Kisan Adivasi Sangathan
 - Dr. Mihir Shah, Advisor, or his representatives
- 1.6 After discussion with all members of the proposed committee, September 2-3, 2004 were chosen as dates for the inquiry.
- 1.7 Dr. Mihir Shah appointed Shri Pramathesh Ambasta and Shri P.S. Vijay Shankar to represent him in the inquiry.

2. Programme of Visit of Committee ¹

- 2.1 On September 2, the Committee visited Seoni Malwa Tehsil, where a *Jan Sunwayi*

¹The Committee would like to place on record its gratitude for the cooperation it received from the District Collector, Hoshangabad and his team of officers during the inquiry.

(Public Hearing) had been organised by KAS. After the hearing, the committee went to a village Nandarwara in the tehsil to look into complaints of irregularities in the functioning of PDS and pension schemes

- 2.2 The Additional Collector, Ms. Alka Srivastava, expressed her inability to join the Committee on the second day. The Committee was therefore accompanied by the SDM Itarsi, Shri Shailendra Singh on the second day.
- 2.3 On September 3, the Committee visited village Ladiya Mau in Kesla block and met with people there. It listened to various complaints of irregularities in the functioning of the PDS and pension schemes.
- 2.4 In the afternoon, the Committee presided over a *Jan Sunwayi* organised by KAS in Kesla block.
- 2.5 In the evening, the committee met with the Collector, Hoshangabad, Shri Hari Ranjan Rao and apprised him briefly of their findings.
Among the government officials who were present with the Committee during the inquiry were:
 - Food Officer, Bhopal, Shri Makarand Dube
 - Food Officer, Hoshangabad, Shri Parteti
 - Assistant Food Officer, Kesla, Shri Sharma
 - Assistant Food Officer, Seoni Malwa, Shri Pagare
 - Food Inspector, Seoni Malwa, Shri Shukla

3. Complaint made by KAS: Main Issues

On the basis of the complaints made by KAS to Dr.Mihir Shah and to the Collector, Hoshangabad at various dates² since February, 2004, and from the briefing made by KAS members to the Committee on site at Hoshangabad, the following points can be highlighted as the main issues of the inquiry:

- 3.1 Non-availability of foodgrains at PDS outlets: BPL and AAY card holders go to the ration shop and are told that there is no stock available and sent back. The KAS pointed out that during the period November - February, the demand for PDS grain is maximum as by this time the kharif stock gets over and the rabi crop is yet to come. The complaint also suggests that hoarding and black-marketing tend to follow scarcity of foodgrains.
- 3.2 Foodgrains not given in instalments: BPL and AAY cardholders are unable to procure grain in instalments from PDS outlets. This means that if they are unable to buy grain on certain days in the requisite quantity (say, due to lack of money) they will not be able to buy grain upto their requirement for the entire month.
- 3.3 PDS shops do not open regularly: PDS shops are scheduled to open on at least two

²See Annexure I for copies of these petitions from the KAS

days in each village. But they do not open even on these prescribed days, causing great inconvenience to families.

- 3.4 Black-marketing of foodgrains: The KAS pointed out that instances of malpractices (such as under-weighting, over-pricing, false entries in ration cards etc.) abound and need to be looked into.
- 3.5 Irregularities and lack of transparency in allotment of PDS shops: PDS shops are allotted to "co-operative societies" floated by private contractors in Itarsi or other bigger towns. While on the face of it, papers are in order, in reality, these are not genuine cooperative societies and are registered using unfair means. Very often, a PDS shop may also change hands between cooperative societies in a shady manner.
- 3.6 Irregularities in disbursements of old-age pensions and social security/maternity benefits: The KAS pointed out that there is irregularity in payment of pensions, maternity benefits etc. There are long delays in payment in direct contravention of the order of the Supreme Court dated 28-Nov-01. In some cases, the amount paid to the beneficiaries is different from that shown in the records.
- 3.7 Redefinition of the scope of pension related schemes: The KAS has pointed out that the scope of the National Old Age Pension scheme was revised in Hoshangabad district with effect from 11-Oct-01. On this date a meeting of the District Planning Committee was held under the chairmanship of the then Minister-in-charge of Hoshangabad district. The Committee decided that the number of old/infirm persons without any social/family support in the district is "too large". It took a decision to exclude all those people from this pension scheme who have land (even though this land may be unable to support them) and those who have children (even though these children may not be able/willing to support them). The KAS has questioned the rationale for this move.
- 3.8 Action taken (if any) by district administration on previously filed complaints: An issue raised by KAS was also regarding what if any action had been taken by the local administration on the complaints filed by them in the past.

4. Findings and Observations of the Review Committee

- 4.1 Non-availability of ration in PDS outlets: This complaint (No.3.1 above) of KAS was found to be well founded and correct. Its roots can be traced to the fact that the amount of grain that should have been available in Seoni Malwa and Kesla blocks was far below the requirement in terms of number of cardholders. Tables 1 and 2 illustrate the situation with respect to Seoni Malwa and Kesla blocks of Hoshangabad district. The figures have been provided by the Assistant Food Officers in-charge of the two blocks.

Total Cardholders:		AAY: 1880	BPL: 13000	
Scheme Grain		Allocation (Qtls)	Actual Allocation	Difference
		Required as per	Received	
		Number		
		of Cards		
BPL	Wheat	3900	3176	(-) 724
	Rice	650	366	(-) 284
AAY	Wheat	564	548	(-)16
	Rice	94	55	(-) 39

**Table 1
Monthly
Quota
and
Release of
Foodgrains in
Seoni
Malwa**

Block, Hoshangabad District, MP

**Table 2
Quota and Release of Foodgrains in Kesla Block, Hoshangabad District, MP**

Cardholders		AAY: 1379	BPL: 12366	
Scheme	Grain	Allocation (Qtls)	Actual Allocation	Difference
		Required as per	Received	
		Number of		
		Cards		
BPL	Wheat	3710	2249	(-) 146
	Rice	618	298	(-) 332
AAY	Wheat	414	356	(-) 58
	Rice	69	27	(-) 42

- 4.1.1 That there are shortfalls is clearly visible from the above tables. What is particularly shocking is that there are shortfalls even in the AAY allocation. Under the Targeted PDS, AAY beneficiaries have been identified as the most vulnerable and weak among the poor and failure to lift and release to PDS shops the entire quota meant for AAY cardholders is indeed a very serious dereliction of duty.
- 4.1.2 Even more serious than the shortfalls in allocation for the AAY category, is the fact that AAY families are getting far below their quota of rations³. This shows that they

³Several such instances were brought to light during the inquiry. Rambharose Mulchand of village Ladiya Mau, Kesla Block (AAY card no. 4892) has stopped going to the ration shop because he has never got any grain from it. A perusal of his ration card showed that there is no entry for the last one year. Similarly, Chandabai w/o Mahesh (AAY Card no. 7224), village Malapat, Tehsil Seoni Malwa reported that she has got only 20 kg of wheat and 2 kg of rice. Nawab Shah of Nandarwara (AAY card no.7167) also reported that the quantity of grain received by him is far below the AAY entitlement. The same story was told by Ashok so Sabulal (AAY card no.7279), village

are not getting priority in the distribution of rations. Presumably, the available quantity is being rationed to distribute something to everyone.

- 4.1.3 Along with the people, their elected representatives⁴ too pointed out that grain in sufficient quantities is never available in PDS outlets.
- 4.1.4 In this connection, the Joint Director, Food and Civil Supplies, GoMP, Shri Chandel⁵ said during the inquiry that provision of additional foodgrains from the state level is not a problem if the district requisitions additional quantities of foodgrains, i.e., if the district makes demands for more grains, the state government will also put up a request with the Centre for more grains, which should then be forthcoming.
- 4.1.5 It needs to be put on record here that the district administration wrote at least once every month between November 2003 and March 2004 to the FCI and the state government at Bhopal to highlight this issue⁶. However, despite these repeated requests, the required quota could not reach the PDS shops in the most critical months.
- 4.1.6 So a situation of artificial scarcity is created simply because the government machinery does not respond fast enough to deal with such situations.
- 4.1.7 The non-availability of FCI rakes was pointed out by some of the officials present as a reason for this low offtake of foodgrains at the district level⁷. Detailed discussions were held on this point with all the officials present. Based on these discussions, the committee came to the conclusion that while the non-availability of FCI rakes for transportation of foodgrains may have been one of the factors explaining shortfall in offtakes during January and February 2004, it does not explain why foodgrains were in short supply both before and after this period.
- 4.1.8 The point to underline here is that no matter how valid an explanation may be, there can be no excuse for failing to address the bottleneck over such long periods of time.
- 4.2. Non-opening of PDS shops and foodgrains not given in instalments: This was also found to be a correct complaint and a major issue during the inquiry. In most cases, shops were open only one or two days in a week.⁸ Nowhere did we find that grain is being given in instalments. Many cases were reported where the BPL and AAY card holders were asked to buy whatever grain was available in one shot since there is no guarantee that they will get grain again during the month. This is a clear case of violation of the Supreme Court Order of 2nd May 2003.

Kheda, Tehsil Seoni Malwa. Ashok said that he has been turned back by the shopkeeper on several occasions on the plea that there is not enough grain.

⁴The submissions to the inquiry committee of Ramprasad Baraskar and Phagram, both elected members of the Janpad Panchayat Kesla, bear testimony to this fact

⁵Also a member of the inquiry committee

⁶See Annexure II for copies of these letters written by the district administration

⁷Non-availability of these rakes as a reason for non-supply of foodgrains has also been cited in the letter written by Shri U.K. Samal to the Commissioners (see Annexure III for a copy of this letter). Rakes come into the picture for transporting grain from Bhopal to the FCI godown in Itarsi.

⁸See, for example, the list of shops and days on which they are open during the week in Kesla block (Annexure IV)

- 4.2.1 The reasons given for this are twofold: first, the stock of foodgrains available is low. So it gets quickly finished within a few days. Second, it is an unviable proposition that the Co-operative Societies, which run the FPS, employ a full-time person to keep each shop open during the entire week. These employees are extremely low paid (Rs. 600 - 700 p.m.). In many cases, one person works in two or more shops at the same time and hence has to divide his/her time during the week accordingly.
- 4.2.2 However, it needs to be borne in mind that even if it is not feasible for shops to remain open every day of the month, they must still be able to supply the full quota of grain to BPL/AAY families and they must also allow these families to break up their monthly offtake into at least 3 or 4 parts. And there can be no excuse for the foodgrain stock not being sufficient in the first place.
- 4.3. Black-marketing/Irregularities in TPDS: As most of the beneficiaries are illiterate, there is very little check on the actual quantities being supplied and prices charged. During the *jan sunwayis*, several people reported that the entries made in their ration cards do not correspond with the quantities they actually received⁹. The price charged for kerosene was uniformly reported to be Rs.10 per litre as against the stipulated control price of Rs.8.82¹⁰. An interesting matter in this regard is a petition¹¹ received by the Committee on 2-Sep-04, from Shri Dharmendra Raghuvanshi, Member, Nagar Panchayat Parishad, Seoni Malwa. The petition says that on 17-Aug-04, the Nayab Tehsildar of Seoni Malwa confiscated 2200 litres of kerosene from Sainath Primary Consumers Cooperative Society, operating in Ward No.15 of Seoni Malwa town, which was being disposed of illegally. However, after this no action has been taken against errant officers. *The petitioners told the Committee that if such a thing is happening in Seoni Malwa town, the fate of remote rural tribal villages could well be understood.*
- 4.4. Cards not made for all people in AAY category: Another issue which emerged with respect to TPDS in Kesla block is that while there is a quota of 413 cards to be distributed under expanded AAY in the block, only 288 cards have actually been

⁹Rup Singh of Baijanpura village, Gram Panchayat Mahna thana, Seoni Malwa Tehsil pointed out that he has only taken rice and sugar from the PDS shop. However on his card (BPL card no. 5543), 60 kgs of wheat was shown as given on 30-7-04. Rup Singh says that he could never have bought 60 kgs at one go even if he wanted to because he never has the required money. Chandabai w/o Mahesh (AAY card no. 7224), village Malapat, Tehsil Seoni Malwa, complained that the PDS shop at Nandarwara has given only 20 kg of wheat but the amount entered in the card is 25 kg. Sushilabai w/o Manohar of the same village (AAY card no. 7241) complained that the shopkeeper charged Rs.15 for 2 kg of rice whereas the price is actually Rs.3 per kg for rice. Rambharose s/o Ramu of Nandarwara village (AAY card no.7109) said that 65 kgs of wheat has been entered in his card between January and August 2004 but the amount he has got has never been more than 20 kg per month. Taturam s/o Ramdayal, village Badchapda, Kesla block (AAY card folio no. 48) said that she has been charged Rs.5 per kg for wheat and the shopkeeper refused to give her wheat at Rs.2 per kg, the correct rate. In his complaint,

¹⁰People at Nandarwara village expressed deep anger and resentment at the fact that price of kerosene was more than the stipulated control price. They also vehemently denied the shopkeeper's defence that he gives them a little more kerosene for the greater price he charges. Similar stories were repeated during the field visit and jan sunwayi in Kesla Block.

¹¹See Annexure V for a copy of the petition

made and distributed.

- 4.5. Selection Process of Societies: The co-operative system is centrally involved in the management of PDS. Societies run shops as well as banks, which finance grain movements. The KAS has alleged that “fraudulent” co-operative societies have been registered, or that the smoothly functioning co-operative societies have been removed and responsibility entrusted to a new “falsely” registered society. As explained below, these allegations were found to be true enough in quite a few cases to warrant a thorough examination by the district administration of the whole process.
- 4.5.1 Tribal women from village Taku in Kesla block recounted their own experience in front of the Committee. Several of these women, who do not know how to read and write, were told that a “general store” would be opened in their village and were thus induced to sign a “petition” for this purpose. They found out later that some contractors from Itarsi used these signatures to register a cooperative society, which would service their village. The women were so incensed at being cheated like this that they forced the PDS shop to close down and petitioned the administration to change the system back to the earlier one. This was later done by the district authorities. The point is that such practices should not be allowed in the first instance.
- 4.5.2 During the visit to village Ladiya Mau, Kesla Block, the Committee was informed by Guliyabai, resident of village Chakpura that earlier the PDS outlet servicing their village was a sub-centre of the Kaala Aakhar Cooperative Society. Now it has changed hands to be managed by the Jai Ambe Mahila Upbhokta Sahkari Samiti, whose head lives in Somukheda. The whole process of changing the society was done in a non-transparent hush-hush manner and the villagers were kept in the dark. The shop, located in Silvani, is now being run by the panchayat *sachiv*, Ramadhar Malviya, and we found that there is huge dissatisfaction in all villages serviced by the shop. Villagers complained that things have worsened with this change of society - ration is not available, shopkeepers are abusive when they go for ration and so on.
- 4.5.3 A similar picture emerged in Ghoghra Raiyat panchayat of Kesla Block. The tribal sarpanch Ganpat Uike made a statement in front of the Committee that he had been made to sign a paper, by which (he was told), another PDS shop would be opened for his panchayat. Later on, it was discovered that the paper had been used to change the management of the erstwhile PDS shop and no new shop had been opened. The point emerging from all these complaints is that co-operative societies which look fine on paper may actually have used all kinds of unfair means to get themselves registered or have control of shops transferred to them.
- 4.5.4 In this connection, attention needs to be drawn to a letter written by the erstwhile SDM of Itarsi (dated 18-Mar-04, no. Q/04/247) dismissing these allegations and other complaints (including non-availability of foodgrains at PDS shops) made by KAS as “politically motivated”. In the light of the findings of this Committee such a view would seem inappropriate. Local administrations should use such complaints as an

opportunity for introspection, impartial self-assessment and swift application of on-course correctives rather than appear in an unseemly haste to make counter-allegations.

- 4.5.5 On this issue it should be remembered that at least 5 agencies/ officials are involved in the process by which co-operative societies are registered and/or shops allotted to them. These are (a) the District Registrar, Cooperatives, (b) the General Manager, Central Cooperative Bank, (c) The Sarpanch/Gram Panchayat (d) the Assistant Food Officer/Food Inspector and, (e) the SDM. Without the approval of the first four and the final clearance of the fifth, it is not possible to change the co-operative society, which is managing a PDS shop. The most serious dereliction of duty here lies with the Assistant Food Officer/ Food Inspector and SDM.
- 4.5.6 A pertinent point in this context is that under the earlier system, the shops were being managed by the Tribal Cooperative Societies. The above examples highlight the fact that now unfair means are being adopted by outsiders to float cooperative societies at the village level.
- 4.5.7 Finally, it needs to be remembered that the Supreme Court order of 2-May-03 unambiguously states that for malpractices/black-marketing or failure to provide grain at the right price, the license of the shop should be cancelled without any laxity being shown.
- 4.6. Supreme Court orders not prominently displayed: It was observed that the orders of the Supreme Court relating to TPDS are not displayed at the PDS outlets. For instance, at Nandarwara, the PDS shop had no board displaying the orders of the Supreme Court. This needs to be strictly enforced by the local administration.
- 4.7. Irregularities in Pension-related schemes: This was another complaint made by KAS, which was found to be true on the ground. There are several types of irregularities and problems:
- 4.7.1 Pensions are not paid on time: Several destitute old men and women, of frail and failing health undertook the demands of a long and arduous journey all the way to the *jan sunwayis* at Seoni Malwa and Kesla only to say that even their meagre pensions of Rs.150 per month were not being paid on time. A detailed discussion with these people and a perusal of the receipts etc. they had with them told a sad and shocking tale of government neglect, indifference and failure. Pensions were paid sometimes after a gap of 4-5 months¹². The matter was discussed with officials present and the

¹²Maujilal Sikdar, an adivasi from Nandarwara reported that he has no son or daughter. He receives his pension once in three months. When the CEO, Janpad Panchayat Seoni Malwa asked him why he had not brought this up during a government-sponsored "*Jain Samasya Nivaran Shivir*", his wife replied that the village chowkidar had not made any announcement regarding the camp. Shukriabai of village Patlai, under Seoni Malwa Janpad Panchayat also reported the same problem. Meerabai of Nandarwara said that she received one payment of Rs.600 four months ago. She said that her pension payments are delayed and irregular. Sumarta w/o Bhaiyalal, of Ladiya Mau village pointed out that she has not received any maternity benefit despite being eligible for it. As the Collector, Hoshangabad, correctly observed, the whole point of a maternity benefit is timely payment because it is during the months before delivery that the expecting mother is not able to go out and work. Further as per Supreme

records of the Janpad Panchayat Seoni Malwa were examined to see if transfers had been made correctly. It was found that the transfers are made by cheques from the Janpad Panchayat to the Gram Panchayats, which is in line with standard and desirable accounting practices. However, the flow of funds from the Janpad to the Gram Panchayats is irregular. For instance, funds for June 2004 were transferred to Nandarwara panchayat only by the 3rd of August 2004. Funds for July 2004 were received at the Panchayat by the end of August. And as of the time of the inquiry, no move had been made to transfer the pension funds for August 2004. Officials pointed out that with the recent computerisation of their records, there were frequent network link failures resulting in delayed approvals and transfer of funds. This is an extraordinary excuse. Technology is meant to facilitate work, not facilitate making excuses for dereliction of duty. It needs to be remembered here that as per the Supreme Court order of 28-Nov-01, old age pensions must be paid by the 7th of every month.

- 4.7.2 Malpractices in pension payments: Several instances of this type were brought to the notice of the Committee. It was observed that in some cases (such as Nandarwara), the pensions were being paid in cash and in the absence of witnesses. A thin notebook was given to each pensioner by the panchayat *sachiv*, which serves as a passbook. Cash payment also seems to be a practice in Chandon village, Chandon Gram Panchayat of Kesla block. However, this practice of payment in cash is an open invitation to corruption and malpractices, as is well known, and all Gram Panchayats must be made to transfer pensions to bank accounts of pensioners. The Collector is advised to take steps to ensure that this happens. In another matter, Ikkobai w/o Saheblal Gond, an adivasi, resident of Village Chandkiya, Gram Panchayat Chandkiya, complained that in order to get a pension after her husband died, she paid a bribe of Rs.600 and Rs.400 to the panchayat sachiv Shyam Singh and the co-operative society manager Ganesh Yadav respectively. Rambati w/o Sukhram, resident of village Dhasai, Gram Panchayat Kesla said that neither does she receive her pension on time nor is the full amount paid to her.¹³

Court orders of 28-Nov-01, the maternity benefit must be paid to the beneficiary 8 to 12 weeks before the delivery. Budhiabai (BPL) w/o Kanak Singh of village Taku, Kesla block, has a gory tale to tell. Her husband was attacked by a bear in the forest and succumbed to his injuries. There is no ambiguity about the fact that this happened, since the event was widely reported in the local press. Moreover, the forest department also gave her some compensation for this accident. However, she has not yet received any compensation under the National Family Assistance Scheme. Again, the Supreme Court order of 28-Nov-01 states that the payment in such cases should be made within 4 weeks of the incident.

¹³With respect to Nandarwara Gram Panchayat, several old age or widow pension beneficiaries not only complained of irregular payment of pension but also of malpractice by the sachiv. When this was brought up by the Committee at Nandarwara village, some of these women after a long time of questioning retracted from their complaint somewhat to say that their only problem is irregular payment of pension. Simultaneously, several village people who are all well above the poverty line and are not pension holders testified in favour of the sachiv and expressed "surprise" that such an inquiry was being made. This could well have been orchestrated by the sachiv, who had got prior news of the impending visit to his panchayat and rushed there at least 2 hours before the Committee members could arrive. The case of Nandarwara panchayat needs to be examined

4.7.3 Dropping of existing pension holders from the pension list: A lot of complaints were received in this regard. As pointed out in Section 3.7 above, these complaints largely relate to changes in policy at the district level, whereby old-age pensioners with some land or with children were summarily dropped from benefits under the National Old Age Pension Scheme. The CEO of the Janpad Panchayat, Kesla, informed the Committee that this was done because in Hoshangabad district, the productivity of agricultural land is assessed to be more than in other parts of the state. However, this is a policy issue, which needs to be re-examined. Despite a higher assessment of average land productivity, the fact is that several old people may actually have land which is very bad. Or they may not be in any position to till their land. Such cases are deserving of pension. It needs to be mentioned here that there are broadly two types of land in Hoshangabad district – (a) land irrigated by the Tawa dam, whose productivity is high and (b) land in the adivasi belt, not part of the Tawa command or which is not receiving benefits from any other irrigation project. Clubbing these two vastly different conditions and treating them as one unit is wrong and fundamentally discriminates against poor adivasis. It is further pertinent to point out here that in its order of 27th April, 2004, the Supreme Court states:

“It seems that some States have discontinued some of the schemes. As an interim measure, till the matter is fully heard in detail, we direct that no scheme covered by the orders made by this Court including the National Old Age Pension Scheme, National Family Benefit Scheme, in particular Annapurna, and National Maternity Benefit Scheme shall be discontinued or restricted in any way without the prior approval of this Court.”

4.7.4 Non-inclusion of eligible persons in the pensioners category: Many cases were reported of deserving people being left out of schemes.¹⁴ Several beneficiaries complained that after the Annapurna scheme was discontinued, their pensions stopped and they were not included in any other scheme.¹⁵ As stated in the Supreme Court order cited above, no scheme covered by its orders, in particular Annapurna, shall be discontinued or restricted in any way without the prior approval of the Supreme

thoroughly by the district administration before any hanky panky is categorically ruled out.

¹⁴ For instance, Kishania w/o Hiralal, a widow, village Khakrapura, Kesla Block, is a 65 year old blind woman. She gets neither old age pension nor does she have an AAY card. She has no relatives. Similarly, Laxmibai of Malappat Kheda, Seoni Malwa block is also an old woman with low eyesight and without any near relatives to take care of her. She is not a beneficiary of the NOAPS. Mathu s/o Dalli, Malappat village, Seoni Malwa, used For instance, Kishania w/o Hiralal, a widow, village Khakrapura, Kesla Block, is a 65 year old blind woman. She gets neither old age pension nor does she have an AAY card. She has no relatives. Similarly, Laxmibai of Malappat Kheda, Seoni Malwa block is also an old woman with low eyesight and without any near relatives to take care of her. She is not a beneficiary of the NOAPS. Mathu s/o Dalli, Malappat village, Seoni Malwa, used to get old age pension but it has been stopped for the last two years. There were several other such cases that were brought to our notice.

¹⁵ Gangabai w/o Kishori village Jhirmal, Kesla Block, was an Annapurna beneficiary. But ever since the scheme was discontinued, she has not been able to access grain from the PDS shop. She has not been included in any other scheme like NOAPS or AAY. Khyal Singh s/o Saiba, Baijenpur, Seoni Malwa Block, was an Annapurna scheme

Court.

- 4.7.5 Petitions for inclusion in BPL/AAY categories: Several persons felt that they should have been included in the BPL/AAY categories but were left out.¹⁶ They submitted petitions to the Committee for a review of their cases. The Committee observed a disturbing lack of awareness of Supreme Court orders among the officials. The Committee informed the officials that the order of the Supreme Court dated 20-Apr-04 states that “... *the Government of India shall issue, within two months, guidelines so that the existing condition of possession of a BPL card for inclusion in AAY category is dispensed with...*”. The officials were requested to follow up on this at the district and the state levels.
- 4.7.6 Non-eligibility of widows above 50: It is odd that widows in the age group of 18 to 49, with adult sons are considered eligible for widow pension but widows above 50 with adult sons are not considered eligible for the same. It is not clear why such discrimination exists against older women, but it is clear that it should not. This is an issue that needs to be reviewed at the level of GoMP and immediate redressive steps taken.
- 4.8. Action taken by local administration on KAS complaints: The KAS, in a meeting with the CEO, Kesla Janpad Panchayat, on 20-Feb-04, had listed 190 cases relating to pension and the PDS system. The KAS had requested the Janpad Panchayat to investigate each pension case and shortlist those which are eligible for pension and further to that, to actually process the cases for payment of pension. On cases not relating to pension, KAS had requested the administration to take suitable action. One of the issues KAS outlined for the committee was regarding what action if any has been taken by the government on these cases. The committee found that for a period of nearly 7 months, until the dates of the inquiry, no action had been taken by the Janpad Panchayat officials to expedite the cases. The new SDM of Itarsi, Shri Shailendra Singh, too expressed his shock at this and said that under no circumstances should the processing of complaints have taken so long.
- 4.8.1 The CEO Janpad Panchayat, Shri Agarwal, provided information on 153 of these cases and said that on the remaining 37 cases, action would be taken soon. At the insistence of the Committee, the CEO Janpad said that a proper listing of all cases brought to its notice earlier and during the course of the Jan Sunwayi would be made under his supervision and action would be taken in a time-bound manner on all reported cases¹⁷.

beneficiary. But after the scheme was stopped, he did not get benefit under any other scheme.

¹⁶ While this involves larger issues of the methodology and conduct of BPL surveys by concerned authorities, a few striking case were noted. Shankarlal s/o Birjalal, Sota Chikli village, Seoni Malwa Block, is a landless migrant labourer. But he has been given an APL card (no. 283) which obviously is of no use to him as the prices to be paid are much beyond his capacity. Sukhlal and Fagu, in village Badchapda, Kesla Block are an old couple who are eligible for AAY card. But they have been given a BPL card.

¹⁷ By the night of September 3, 2004, the CEO had produced an ordered list of all cases brought up at the Jan Sunwayi and presented the same to the Committee. It is hoped that action on this will also be forthcoming soon.

- 4.8.2 When he was asked why it took so long to process the cases listed in February 2004, he said that he was “collecting information”. The said information, mostly on the eligibility of pension cases had simply to be obtained from the Gram Panchayat *sachiv* and in no event should have taken so long.
- 4.8.3 It needs to be highlighted here that for 7 months the Janpad Panchayat did nothing to expedite the process, nor did it inform the complainant (KAS) about the action it was taking and the progress thereof. Shri Phagram of the KAS reported that all their queries were stonewalled by the CEO Janpad Panchayat, who even went so far as to say that “...we are not bound to follow Supreme Court orders...”. However, on hearing about the “inquiry team coming from the Supreme Court”, the information was prepared in less than a day's time. If the same responsiveness had instead been shown towards the people and their elected representatives, there would perhaps have been no need for an inquiry committee.
- 4.8.4 Clearly, there is need for unambiguous instructions down the line in the district administration that all schemes related to social security and compliance with orders of the Supreme Court must be given topmost priority and should be expeditiously dealt with.
- 4.9. Wage employment programmes: Serious matters relating to the non-payment of wages for work done were brought to light during the inquiry. At village Ladiya Mau (Kesla block), the committee was informed by villagers that about 40 people worked on plantation works for the Forest Department in the Silvani Beat during December 2003 to January 2004. Their wages have not yet been paid despite the passage of 9 months. A similar complaint was made by people of Daudi village, Gram Panchayat Ghoghra Raiyat, Kesla Block. They said that they had worked on plantation works for the forest department 2 months ago but were yet to receive payment for the same. Right to work and timely and fully payment for work done are critical to ensuring the right to food. In his statement to the Committee, Shri Phagram also pointed out that similar non-payment of wages in the construction of road and bridges in Koda Panchayat of Kesla block.
- 4.9.1 Needless to say, immediate corrective action on all these complaints is called for. The District Collector should examine these cases and take redressive action.
- 4.9.2 Further, the Collector could also consider undertaking a review, with concerned officials of line departments, of all wage employment works undertaken by all departments in the district in the past one year. Where there are any issues relating to outstanding payments, they should be redressed in a time-bound manner.
- 4.10. Non-awareness of Supreme Court Orders: The level of awareness of Supreme Court orders among officials at the state and district level is very low. This needs to be redressed, both at the state and the district level. An awareness of the Right to Food case and the spirit and context in which these orders have been passed will go a long

The Collector is advised to follow up on this and ensure speedy action.

way in ensuring that government systems work with sensitivity and speed

- 4.11. Mid-day Meal and Anganwadi: During the Jan Sunwayi at Kesla, it was brought to the attention of the Committee that in some of the panchayats the mid-day meal was not running satisfactorily. The daliya provided in several ICDS anganwadi had neither any sugar nor any salt and was thus inedible. This should be looked into and rectified.

5. Recommendations

- 5.1. The state government and the district administration must act pro-actively and in coordination with each other in order to ensure that foodgrain stocks are made available to the district and then lifted by the district in the quantities required by it. In case of temporary problems (such as non-availability of rakes) speedy alternatives must be implemented so that under no circumstances AAY and BPL cardholders are denied ration on the ground that it is not available. This requires a review both at the state and the district level to understand the problems that may arise and the steps that need to be taken to ensure that they do not.
- 5.2. The system of PDS outlets needs to be rationalised so that grain in full quantity is made available to AAY/BPL cardholders, while allowing them to buy grain in instalments. If the meagre profit margins on which these shops operate do not allow them to open for every day of the month, they must still be able to supply the full quota of grain to BPL/AAY families and they must also allow these families to break up their monthly offtake into at least 3 or 4 parts.
- 5.3. The Collector, Hoshangabad is advised to look into the particular complaints of malpractices and irregularities with respect to PDS outlined in the present report and take appropriate action in each case.
- 5.4. It is the recommendation of this Committee that action should be taken to revoke the license of the shop at Silvani.
- 5.5. Further, action should be taken against the shop at Nandarwara after a more detailed inquiry at the level of the District Collector.
- 5.6. In general, it was felt that the entire PDS network needs to be monitored more strictly and proactively by the district authorities.
- 5.6.1 It is also recommended to the Collector that on the basis of the complaints attached and the findings of this report, he should launch a drive in the district to look into questions of irregularities and malpractices afflicting the PDS system in all blocks of the district, including determining the responsibility, if any, of the administration's own officers. This will send the right signals down the line.
- 5.7. The situation pointed to in Section 4.4 of this report that the full quota of 413 cards under Expanded AAY has not yet been covered needs to be redressed immediately.
- 5.8. With respect to the issue of fraudulent societies being registered, as outlined in Section 4.5 of this report, the Collector should examine the role of each of the 5

agencies who are responsible for allocation of PDS shops to cooperative societies and affix responsibility. For future purposes, clear instructions should be given to food officers and inspectors that they should not be seen to be acting unfairly or in a partisan manner in such matters.

- 5.9. Proper flow of funds needs to be assured between various levels of the district administration so that pensions and social security pensions are paid on time to the beneficiaries. The Collector should review the present system so as to carry out the necessary reforms. The condition that payments are made through banks or post offices should be strictly enforced. In exceptional cases where this is difficult for operational reasons, it must be ensured that all payments in cash are made by the Panchayat Secretaries only during Gram Sabha or Gram Panchayat meetings.
- 5.10. The petitions received during the committee's visit to Hoshangabad have been annexed to this report. Another set of petitions received at Seoni Malwa have already been handed over to the ADM, Mrs. Alka Srivastava. The Collector should ensure appropriate action in each case. The outcome of this process, along with the steps being taken by the administration should be communicated to the KAS.
- 5.11. All complaints related to pension schemes should be looked into by the district administration and responsibilities fixed. But this is not enough. Surprise checks and tight monitoring systems should be set up to ensure that the destitute and the most needy are not robbed of the meagre social security assistance that they are being provided with.
- 5.12. The district's interpretation of eligibility criteria for various pension schemes is in contravention of the criteria laid down by the state government. In interpreting the criteria at the district level, holding land and having children have become sufficient grounds for exclusion of many deserving people. This is a clear violation of the section 2(iii) of the rules formulated by the state government. As a general principle, this committee feels that in all targetting, non-inclusion of the deserving is a greater crime than inclusion of the non-deserving. The district administration should urgently take corrective steps to fall in line with the rules laid down by the state government in this regard.
- 5.13. It is finally recommended that the District Collector submit a report to the Commissioners on the action taken by him on all the above points
- 5.14. At the state level it is considered necessary that all Districts are informed immediately of all Supreme Court orders in detail and a system is devised so that future interim orders are also communicated swiftly to the district.
- 5.15. GoMP needs to take cognisance of the order of the Supreme Court dated 27th April, 2004, which states:

“It seems that some States have discontinued some of the schemes. As an interim measure, till the matter is fully heard in detail, we direct that no scheme covered by

the orders made by this Court including the National Old Age Pension Scheme, National Family Benefit Scheme, in particular Annapurna, and National Maternity Benefit Scheme shall be discontinued or restricted in any way without the prior approval of this Court.”

A state-wide review needs to be taken of the decision to limit the scope of coverage under old-age pension schemes

- 5.17. The situation whereby widows of 50 years of age and above with adult son(s) are being denied widow pensions but widows between 18 and 49 with adult sons are considered eligible for pension clearly needs a review to include widows of 50 years or above.