

The working of public distribution system in India: (With special reference to Karnataka)

¹Dr. M Dhanabhakya, ² Mangalalatha L Fernandes

¹ Associate Professor, School of Commerce Bharthiar University Coimbatore.

² Research Scholar, Research & Development Centre, Bharthiar University Coimbatore.

Abstract

Food security stands as a fundamental need, basic to all human needs and the organization of social life. Food security for a country means sufficient quantity of commodities produced, stored and made available especially for the people of under privileged. In spite of taking measures to eradicate poverty in India nearly 800 million people suffer from malnutrition. It is the right of every person to have regular access to sufficient and nutritionally adequate food for an active and healthy life. In spite of taking all the measures to improve the agriculture in India, still we are lagging behind in improving the standard of living in India. PDS in India has been one of the most crucial elements in food policy and food security system in the country. It is the largest distribution network of its kind in the world. Over the years PDS is working for the betterment of people. The present study examines whether PDS is reaching the poor people and also its effectiveness. The study suggests methods to make improvements in PDS.

Keywords: Food Security, Food Sufficiency, Effectiveness and PDS

Introduction

India is a fast developing country. It is rich in its resources. At the same time most of our people depend on Agriculture for their daily sustenance. Mahatma Gandhi said "India lives in her villages". In India nearly 70% of people live in the villages. However, technologically India has grown, but for food the country has to depend on agriculture. There is a sickening thought in the mind of modern man that farming is below human dignity. That is why man has failed to respect the farmers. They are not bothered whether the farmer is alive or dead. Farmers' suicide has not touched the conscience of the nation. When every nation gets food for its people there begins the journey to prosperity. Food security means sufficient quantity of essential commodities produced, stored properly and made available to all the people without any discrimination. India is still facing this problem. Many are deprived of basic needs. Even though it is the right of every person to have regular access to sufficient and nutritionally adequate food all are not getting food easily specially the poor. In this regard Public Distribution System is an important component to supply essential commodities. To tackle the qualitative and quantitative aspects of the food security problem Govt of India has relied on the food based safety net called Public Distribution in India. (PDS)

Importance of the study

Human beings can survive with economic, social and political deprivation but not with food and water. Food is one of the basic requirements for human beings. In spite of good economic performance, India is facing the problem of malnutrition in the world and there are reports of hunger and starvation from different parts of the Country. According to Food and Agricultural Organization, India alone accounts for 400 million poor and hungry people. A large section of Indian population has limited access to food. The FAO Report on state of food insecurity in the world (2006) confirms that no country

in the world come close to India in terms of absolute number of people living in chronic hunger. We want hunger free India. Therefore, a strong Public policy is required in India. Benefits of PDS should go directly to those food consumers who earn most of their income to be spent on food.

Review of Literature

India grows enough food and its GDP has more than doubled since 1991, 48% of children under the age of five years are malnourished in India, which is over one third of the world's 150 million malnourished under fives. Also over half of all women aged between 15 and 49 years are anemic, and 30% of children are malnourished in Asian countries.

According to report by Washington based International Food Policy Research Institute (2008) India, the world's largest food grain producer, also has the World's largest hungry population. The Programme Evaluation Organization Study (PEO2005) revealed that during 2003-04, out of an estimated subsidy of Rs.7,258 Crore under Targeted PDS, Rs.4,123 Crore did not reach any consumer but was shared by agencies involved in the supply chain.

Gulati and Krishnan (1975) ^[3] under took a major study of PDS in India and came out with a proposal to maximize the benefit for the economically vulnerable sections. According to them the economically vulnerable sections consisted of the entire urban households and the non cultivating rural households, including the agricultural laborers'. This group covered 53.6% of the population for ensuring the objective, it was that 50.6% of the net cereal output of the country has to be channelized through the PDS. This was found to be not feasible and later on it was sealed down to about 30%. Gulati and Krishnan also studied the levy procurement system and found it to be inequitable in its spread of the burden on the farmers.

Arvind Gupta (1977) ^[4], examined the policy development aspects of the PDS in the country. He found that the economically vulnerable section suffered severe erosion in

their real incomes during 1967-75 which caused a reduction in their physical consumption of food grains. In spite of the expected role of the PDS at the conceptual level and the actual role at the operational level, he advocated "direction approach" for protecting the economically vulnerable section under which the Govt will supply the entire needs of the economically vulnerable sections at affordable prices. After examining the practical aspects he finally suggested a PD System coverage of 30% of the rural population and 10% of the urban population. He however, did not seriously study the question of Govt subsidy involved in such a system.

Raja Purohit (1978) [5], the researcher, investigated the problems of the Public Distribution System of Karnataka were investigated by the researcher. The segments of the population who consumed less than the State average quantity of cereals were treated as the target group for the study. The study suggested the exchange of superior cereals like rice and wheat with coarse cereals like jowar, ragi and bajra through open market operations and distribution of coarse grains through the PDS. For ensuring economic viability of the PDS the study suggested: i) kind payments in all public works programme; and ii) introduction of credit card system by the Co-Operatives"so that card holders may lift the grains now and pay later".

Singh V.K (1991) [6], studied the PDS in Bihar. He found a number of serious deficiencies in the system. He prescribed a package of measures to improve the working of the system. He emphasized the important contribution of the PDS towards poverty alleviation in rural areas.

Objectives

1. To assess the working of PDS in Karnataka with special reference to Bantwal taluk.
2. To examine whether people make use of the different schemes that are available in PDS.
3. To seek the opinion of Authorities, beneficiaries and the dealers regarding PDS.
4. To offer some suggestions for the improvement.

Public Distribution System in India

PDS is a poverty alleviation programme and contributes towards the social welfare of the people by supplying essential commodities like rice, wheat, sugar, kerosene to the people under the PDS at reasonable prices. It is one of the programmes of Govt of India. PDS is a national food security system, established by the Govts of India, under the Ministry of Consumers Affairs, Food and Public Distribution and managed jointly with the state Govt in India. Its main aim is to ensure food security to all the poor, especially the vulnerable sections of society. Its aim is to provide essential commodities to a large number of people through a network of Fair Price Shops (FPSs).

The Major stake holders in PDS are

Central Govt is Responsible for purchase of food grains, transporting them to principle FCI godowns and fixing quantity and price of food grain to be distributed to BPL families.

State Govts are Responsible for identification of BPL families and issuing ration cards.

Fair Price Shops are the Last link in the distribution channel to actual customers.

PDS in Karnataka

Karnataka is the 6th largest state in India.62% of the income comes from agriculture. Karnataka is the 9th largest state population wise and comprises of 30 districts. Karnataka's total land area is 1, 91,791 Sq. Km and it accounts for 5.83% of the total area of the country as per 2011 report. The present status of poverty is 23.06% as per 2014 NSSO report and present number of Fair Price Shop is 21027.Karnataka state has tried to implement computerization model on a pilot basis in different parts to make PDS effective and transparent.

Some of the major schemes for alleviating poverty and ensuring food security are Annabhagya Yojana, and Antyodaya, the agencies involved in Karnataka are FCI,KFCSC and TAPCMS.FPSs are the final link in PDS. In Karnataka there are 20,372 FPSs out of which 200 are managed by FKCS, 8896 by CO-Operatives and 11,276 are managed by the individual licensees.

In Karnataka at present the family with the income of less than Rs 17,000 in the urban areas and Rs.12, 000 in the rural areas per annum is categorized as BPL family.

As per Karnataka Govt order the following category of persons/families are treated as APL:

- Family includes a member who pays income tax.
- All Govt employees.
- Regular employees of Co-operative Societies.
- Professional workers Doctors, lawyers, C.A etc.
- Business men other than petty traders.
- Owners of land dry or wet exceeding 7.5 acres.
- Employees of autonomous institutions.
- Family which includes a person who owns a vehicle exceeding 100 C.C. Owner-drivers of one auto rickshaw are excluded.
- Employees of aided or unaided Schools or Colleges (excluding employees of unaided kannada Schools)
- Registered contractors, APMC traders, commission agents etc.
- Families deriving income from Let out house property.
- Employees of Multinational Companies.
- Families paying electricity bill of Rs.450/-per month on an average.

Research Methodology: The study is conducted on PDS in Bantwal (Bantwal is a taluk in Dakshina Kannada district, Karnataka, India. It is also a town by the same name. The adjacent township of B. C. Road (Bantwal Cross Road) serves as the commercial center. Bantwal town is reverentially called as Vatapura Kshetra by some communities. It is situated on the banks of River Nethravati on the National Highway - 73, 25 km east of Mangalore.)

The data is collected from two sources

Primary source of data: It is the first hand information which is directly collected from the concerned authority. Primary data was collected through interview. Some specific questions were asked to him. He was contacted personally and information's were collected orally and also in writing.

Secondary source of data: It is collected from various sources like books, journals, magazines, data from various study, websites etc.

Analysis and discussion: In Bantwal taluk there are 118 Fair Price Shops. Card holders are divided as BPL and APL. The number of beneficiaries in BPL are 51,481 and number of

beneficiaries in APL are 28,762. In an attempt to ensure food security to its people, the Govt of Karnataka launched pro-poor programme named 'Annabhagya Yojana'.

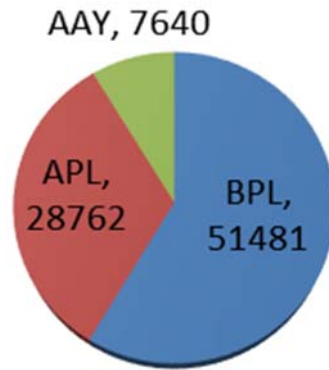


Table: shown of different benefits, its quantity and price AAY cardholders

Card	Items	Quantity	Rate(Rs)
AAY	Rice	29 (Kg)	Free
	Wheat	6 (Kg)	Free
	Palm Oil	1(lt)	25
	Salt	1(kg)	5
	Keroene	4(lt)	18

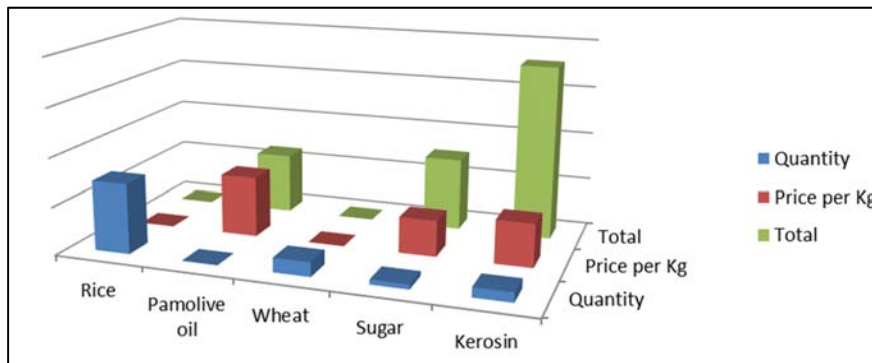


Table: shown of different benefits, its quantity and price to BPL cardholders

Card	Items	Quantity	Rate(Rs)
BPL	Rice	04(Kg)	Free
	Wheat	01(Kg)	Free
	Palm Oil	1(lt)	25
	Salt	1(kg)	5
	Kerosene	4(lt)	18

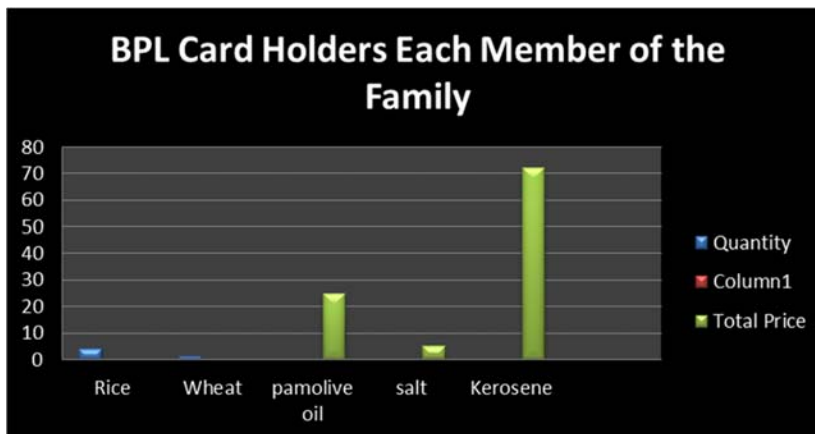
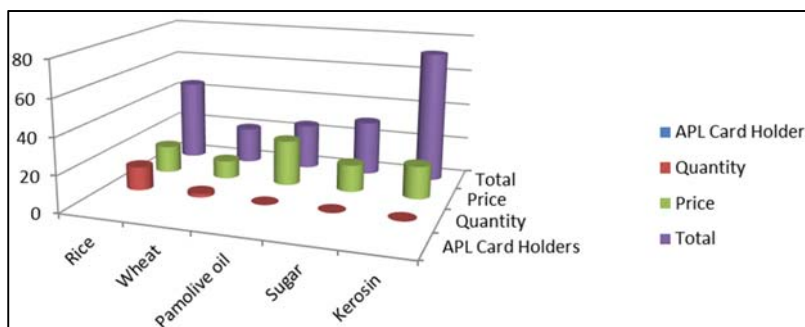


Table: shown different benefits, its quantity and price to APL cardholders

Card	Items	Quantity	Rate(Rs)
APL	Rice	13(Kg)	15
	Wheat	02(Kg)	10
	Palm Oil	1(lt)	25
	Salt	1(kg)	5
	Kerosene	4(lt)	18



From the above table it is clear that the card holders of Antyodaya Anna Yojana get benefit of rice 29 Kgs, wheat 6 Kgs free of cost, Palm oil one ltr at Rs.25/-, salt one Kg at Rs.5/-, Kerosene oil 4/5 ltrs at Rs.18 per ltr. The beneficiaries of BPL card holders get rice 4 Kgs, wheat one kg both are free of cost. The card holders of APL also get a benefit of rice 13 Kgs at Rs.15/-, wheat 2 Kgs at Rs.10/-. Those who have AAY and BPL card holders get rice 5Kgs at Rs.15/-, wheat 3 Kgs at Rs.10/-. other benefits they get but they have to bear the cost.

According to the rule ration shops has to be kept open throughout the month. Timings morning 8.00 am to 12.00 noon then 4.00 pm to 8.00 p.m. In order to get the benefit from ration shops they have to produce application, house tax receipt, and electricity bill. Though the card holders get the above benefits they are not totally happy and have expressed the following complaints. They are:

- Items are sold for higher rate.
- Low quality products.
- Difference in weight age.

Challenges for PDS

1. Leakage of food grains while in transportation, distribution and theft.
2. The Govt may not be aware that how many families are currently active.
3. Quality of food grain that is available in FPSs may not be good.

4. FPSs may not be keeping up to their timings. Timings may not be suitable for the workers.
5. The storage facilities in India may not be up to the mark so that food stuff that is provided to the beneficiaries are spoiled, adulterated or foul smelling.

Suggestions for improvement

1. "A Right to food" this has to be taken quiet seriously. This awareness should be given to people and at the same time Govt has to help people in this regard.
2. All cardholders must be made aware about their rights.
3. Govt should take action on those who are making use of the products for their benefit.
4. Farmers can be encouraged in agriculture by granting extra benefits and reasonable price for their products. In this way shortage of food grains can be reduced.
5. Karnataka Govt has to see that good quality of commodities reaches to the needy section of the society.
6. Better to introduce biometric system in all the Fair Price shops.

Conclusion: The study on Evaluation of the working of PDS highlights here that the PDS has been a major instrument for ensuring availability of certain basic commodities. To some extent it has been achieved its objectives specially catering food cereals to the poor(BPL).In fact, there are other factors which take them away from their main aim. Those problems

can be solved by improving the administration of PDS, minimizing targeting errors, ensuring regular supply to the dealers and consumers. Majority of the beneficiaries were also dissatisfied about the quality of food grains. It was observed that information about the arrival and other related informations are not displayed on the board. PDS if it is more effective and transparent then many will get benefit from this system.

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