

Public Distribution of Essential Commodities in Tamil Nadu

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Abstract—The PDS (Public distribution System) network in India is executed by the accomplishment of certain steps which include procurement, storage, movement, distribution and sale of food grains. It works with the prime intent to procure food grains from the farmers at remunerative price, thereafter distributing them to the consumers at affordable price through a network of FPS (Fair Price Shops) or ration shops. The FPSs play an important role in the retail distribution of essential commodities under PDS and the success of distribution system to a greater extent depends on the working of FPSs. This paper deals with the perceptions and problems faced by Fair Price Shops dealers with the functioning of FPSs in three districts of Tamil Nadu.

Index Terms—Public Distribution System, Fair Price Shops, Tamil Nadu.

I. INTRODUCTION

Public distribution system is a poverty alleviation program and a direct intervention to ensure regular supply of essential consumer goods at cheap and subsidized prices and contributes towards the social welfare of the people. Essential commodities like rice, wheat, Sugar, kerosene are supplied to the people under the PDS at reasonable prices. PDS in India works through a wide network of fair price shops (FPS) to distribute food grains at a subsidised rate. The availability of FPS across the country is a major concern in efforts to improve the service level of the overall TPDS.

II. OBJECTIVES OF THE STUDY

- To discuss the role of administrative mechanism of public Distribution System in Tamil Nadu.

- To examine the different types of ration cards and ration commodities distributed under the Public Distribution system in selected districts of TamilNadu.

III. PUBLIC DISTRIBUTION SYSTEM IN INDIA

PDS in India was widely criticized for its failure to serve the population below the poverty line, its urban bias, negligible coverage in the states with highest concentration of rural poor and lack of transport and accountability. In 1997, the Govt. of India launched a revised scheme of distribution known as the Targeted Public Distribution System (TPDS) to benefit the poor and to keep the budgetary food subsidies under control to the desired extent. One of the foremost objectives of the TDPS is to insulate the poor from rising market prices for food grains Under TPDS, food grains were distributed as a two-tier delivery system to households below poverty line (BPL) and above poverty line (APL), with each BPL family receiving a set quota of food grains per month at heavily subsidized prices. The TPDS is an important instrument of policy aimed at reducing poverty through the mechanism of delivering desired requirements of food grains at highly subsidized prices to the population below the poverty line. In addition to TPDS, Govt. of India initiated a number of schemes to further support the deprived such as Antyodaya Anna Yojana, Annapurna scheme, Sampoorna Gramin Rozgar Yojana, midday meal scheme, wheat based nutrition programme etc. All these schemes are used primarily to make the TPDS more focused and targeted towards the poor, to increase their employment opportunities, and to help

to reduce the overstock of food grains in the central reserves.

In 2022 as per official data, the State has 35,169 fair-price shops including 10,279 part-time shops. At least 6,978 PDS shops are functioning in rental buildings. During the first phase, 756 shops have been selected for being moved to new buildings. “All the new PDS shops that are under construction will also be beautified.”

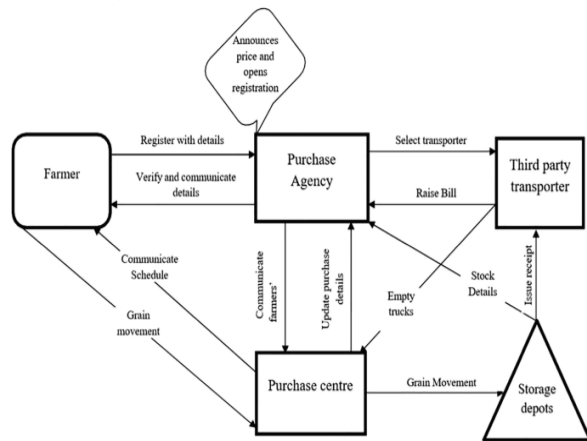


Fig. No.1 PDS Procurement Network

In the distribution process, nine main groups of actors can be identified: The Ministry of Consumer Affairs, Food and Public Distribution (MCAFPD), the State Government Food and Civil Supply Department (SFACSD), the District Food and Civil Supply Department (DFACSD), the FCI Head Office (FCIHO), the FCI Regional Office/sales office (FCIRO), the FCI Division/District Office (FCIDO), again the storage depots, the Fair Price Shops (FPS), and the cardholders.

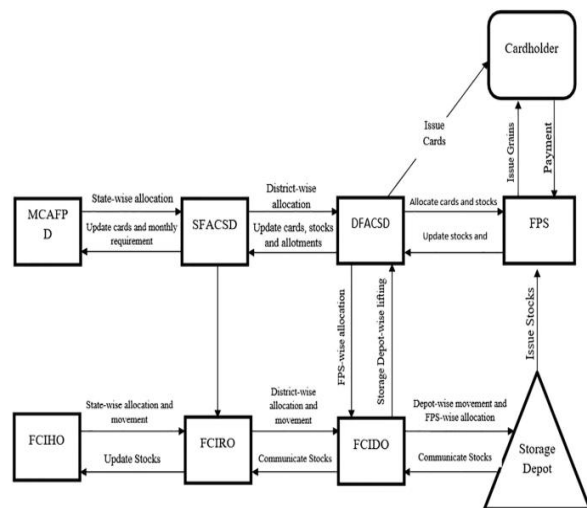


Fig. No.2 PDS Distribution Network

At the national government level, the Ministry of Consumer Affairs, Food and Public Distribution (MCAFPD) is responsible for the state-wise allocation of goods based on their assessment of updates on cards received from the state governments.

IV. PDS IN TAMILNADU

The Government of Tamilnadu is implementing PDS since the year 1964. The scheme Village Shop Programme was introduced by the State with the intention to have one shop for one village in order to feed essential articles to rural public. Subsequently the scheme was converted into PDS with the intention of providing essential commodities to the public both in rural and urban areas at concession rate. Since the introduction of TPDS from 1.6.1997 the universal PDS is in operation in Tamil Nadu with the Antyodaya Anna Yojana and the expanded Antyodaya Anna Yojana schemes. Under the universal PDS there is no discrimination of families on APL and BPL lines based on income.

The unique feature of PDS in this State is Tamilnadu Civil Supplies Corporation, Cooperatives and women SHGs govern the entire network. No private dealer is allowed to run FPS. Also, the Government guidelines show that no family cardholder is to travel more than 2 kms to reach FPS.

V. FAIR PRICE SHOPS

The Public Distribution System is implemented through 33,222 fair price shops functioning under the various agencies are as follows:-

S1.No	Agency	Full-Time	Part-Time	Total
1	Tamil Nadu Civil Supplies Corporation	1,178	277	1,455
2	Cooperatives (Under R.C.S)	23,727	9,100	32,827

3	Other Co-operatives	314	162	476
4	Women fair price shops, including Self Help Groups	370	41	411
	TOTAL	25,589	9580	35,169

Data: Secondary Data

Tamil Nadu Civil Supplies Corporation procures rice and other essential commodities required for public distribution system from Food Corporation of India and through tenders. Distribution of commodities through fair price shops is being carried out by Tamil Nadu Civil Supplies Corporation and the Cooperative societies.

In Tamil Nadu, all ration cards were converted to digital smart cards in 2017. In the state, biometric authentication of electronic point of sale- ePOS devices have already been operationalised. All the existing ePOS devices were upgraded and integrated with biometric finger print reader. This was done in all fair price shops under Public distribution system.

Tamil Nadu Civil Supplies Corporation lifts essential commodities from Food Corporation of India and stores them in 284 operational godowns located all over the state. From the Tamil Nadu Civil Supplies Corporation operational godowns, stocks are moved by lead Cooperative Societies / self lifting societies and delivered at the doorsteps of fair price shops. Similarly, Sugar is moved by Tamil Nadu Civil Supplies Corporation from the respective Cooperative / Private Sugar Mills and distributed through its operational godowns. Tamil Nadu Civil Supplies Corporation also procures various other essential commodities for Special Public Distribution System directly from the market through tenders and also through designated Government of India agencies. Tamil Nadu Civil Supplies Corporation and Cooperatives lift kerosene from wholesale dealers of the oil companies.

VI. TAMIL NADU CIVIL SUPPLIES CORPORATION (TNCSC)

Tamil Nadu Civil Supplies Corporation (TNCSC) is functioning as the, storage and distribution agency under the Public Distribution System. TNCSC was incorporated on 24th April 1972 under the companies Act.1956. Later, in 1975 it was converted as a Stated owned public Undertaking. The main functions of the TNCSC are procurement of essential commodities, storage, movement of stocks to godowns and transporting the stocks to fair price shops. It also procures and distributes pulses and other commodities required for the various welfare schemes of the Government.

TNCSC is the wholesale agent for moving commodities like Rice, Wheat from the depots of Food Corporation of India and sugar from sugar mills to 212 operational Godowns and to distribute it to Public Distribution System outlets owned by TNCSC.

VII. ROLE OF COOPERATIVES IN TAMIL NADU

In Tamil Nadu no private persons are permitted to run the Fair Price Shops. The Fair Price Shops are run mostly by the Cooperative Societies like Primary Agricultural Cooperative Societies (PACS), Consumer Cooperatives and Marketing Societies or by the Tamil Nadu Civil Supplies Corporation. Very limited numbers of shops are run by the Women Self Help Groups. Hence the Cooperatives play a predominant role in the functioning of Public Distribution System. PDS came under the Cooperatives in 1987. The Shops under Cooperatives are controlled by Joint Registrar of Co-operatives in the District. He is assisted by Deputy Registrar (PDS),Co-operative Sub-registrar (PDS) controls the liftment and distribution at the block level.

The details of family cards in circulation in Tamil Nadu are as follows:

S1. No.	Type of Card	Commodities Entitled	No. of Cards
1.	PHH	All Commodities including Sugar	76,99,940
2.	PHH-AAY	All Commodities including 35Kgs of Rice	18,64,600

3.	NPHH	All Commodities including Rice	90,08,842
4.	NPHH-S	Sugar Option Card (All Commodities except Rice)	10,01,605
5.	NPHH-NC	No Commodity	41,106
TOTAL			1,96,16,093

Data: Secondary Data

VIII. CONCLUSION

The Government of Tamilnadu took all efforts to ensure the availability, accessibility and affordability of essential commodities to the poor. Hence, universal PDS is in operation in this State and the Cooperatives are given much importance in the distribution system. Further, the involvement of women SHGs in the distribution network ensures safety, transparency, and accessibility and above all reduced the transaction cost. Hence, this channel of distribution can be promoted.

While national-level policy decisions aim to foster inclusivity and empower the underprivileged, the execution by implementing agencies and stakeholders often reflects their adherence to parochial customs. Therefore, it is imperative to consider cultural connotations when formulating policies, ensuring they resonate effectively with diverse communities.

The analysis of PDS performance reveals key insights into its role in ensuring food security among marginalised communities in India. Emphasising the importance of tailoring PDS services to meet the needs of the communities, we need to acknowledge female respondents play a critical role in household food management and interact significantly with the PDS. The analysis also suggests correlations between household size and financial dynamics, with larger households exhibiting higher expenses and lower savings relative to smaller ones. Policy recommendations include enhancing gender sensitivity within the PDS, optimising ration allocations for smaller family units, implementing tailored interventions for vulnerable communities, and developing strategies to improve savings, particularly for low-income households. Overall, these insights underscore the need for continuous improvement in the PDS.

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