



PERFORMANCE OF TARGETED PUBLIC DISTRIBUTION SYSTEM IN KARNATAKA

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Abstract: *Targeted Public Distribution System (TPDS) is a part of the Poverty Alleviation Programme of Government of India. This scheme was introduced in 1997. PDS is a rationing mechanism, which entitles, households to specified quantities, selected essential commodities and food grains at affordable prices to BPL, APL and AAY families. The study focuses on Performance of TPDS in Karnataka in recent years and food security supporting an ambitious new Annabhagya scheme was introduced. The scheme consist of brief information on different aspects of Annabhagya Programme working details. So, these programmes present merits and demerits across the states. It throws light on some suggestions policy measures for its better working in Karnataka.*

Key words: *PDS, TPDS, Food security, Annabhagya Scheme*

INTRODUCTION

India is a developing country and most of the people are still living Below Poverty Line, so many programmes were introduced by Government of India during the planning period. Such programmes like poverty alleviation is related to Public distribution System has been most important need for helping poor people of India. Performance of Public Distribution System in recent years working has been very well. Targeted Public distribution system touches the lives of millions of poor people in India. The PDS came into existence as a result of the Bengal famine in 1943 as well as during 1950s and 1960s it worked as a dual mechanism providing price support to producers and at the same time provided food subsidy for consumers. National level food shortages and food price inflation forced the government to generate a surplus of foodgrains during the 1980s and the welfare component of the PDS gained strength. This led to a decline in the incidence of poverty from about 50 percent in the 1960s to about 30 percent in the 1990s. The TPDS was further liberalized in December 2000 and was renamed as Antyodaya Anna Yojana. Under this scheme, the poor was further classified as the poorest among the poor. Supply deficiency



foodgrains is not the only cause of food insecurity but historical evidence shows that famines and food security in India were the result of wrong policy of government. Amartya Sen has pointed it out during the great Bengal famine of 1943. There was no scarcity of foodgrains (Sen, 1999). Public distribution of foodgrains is very essential for removing food insecurity. Taking into consideration the severity, any scheme must efficiently allocate and distribute food for the people at affordable prices. An important component of supply management of essential commodities is the public distribution system and the government provides safety net for the poor on the one hand and fulfils the objectives of growth with justice on the other.

The Public Distribution System involved there are several problems in the implementation and operation of the scheme.

STATEMENT OF THE RESEARCH PROBLEM

Benefits of Public Distribution system was supposed to reach only the needy, but what is happening otherwise, that there are many bogus cardholders. Similarly, while distributing food grains, it was often reported that, food grains to be distributed, has been diverted to open market. In recent years, lack of administrative policies and management of fair price shops level. There are a large number of problems in implementation and operation of the scheme, so these are all the problems faced under the present public distribution system in Karnataka.

NEED FOR THE STUDY

Public distribution system is a one of the important poverty alleviation programmes in India. This scheme is very helpful to especially poor peoples in India. There are large number of people still living Below the Poverty Line. Government of India in recent years has passed the Food Security Bill of September 2013. This act says that, the main objective of 75% of rural population and 50% of urban population was covered. It gets to the needy people. Karnataka state poverty ratio is presently 26.03% and in recent years new annabhagya programme was implemented by Karnataka government under the targeted PDS presently effective of work of across the state. This scheme was one of the ambitious programme, with higher subsidy and cheap rate of foodgrains provided to the poor people. So, the targeted public distribution system was one of the important food security programmes. And, this scheme has been more helpful to the needy people in Karnataka.



METHODOLOGY

The study mainly concentrates on secondary data. The main source of secondary data on Public distribution, Department of Food and Civil supplies report of Government of India and Karnataka, Food Corporation of India report and Economic survey, daily Newspaper, reputed Journals, articles, books, internet, periodicals etc.

OBJECTIVES OF STUDY

- To study the performance of TPDS during recent years in Karnataka.
- To discuss the Annabhagya scheme in Karnataka.

PDS IN INDIA

PDS was introduced during the Second World War. The main goal of the TPDS is food grains to poorest families in remote and rural areas. PDS is a poverty alleviation programme and contributes towards the social welfare of the people which supplied essential commodities like rice, wheat, sugar, kerosene to the people under the PDS at reasonable prices. It is the primary social welfare and antipoverty programme to the Government of India. In India, there is network of more than 5.21 Lakh Fair Price Shops (ration shops) one of the biggest PDS in the world, responsible for distributing more than 160 million families. PDS is currently operated as the joint responsibility of the State and the Central Government. PDS was facing a lot of problem in 1992, the government introduced a Revamped Public Distribution System (RPDS) to reach poorer households with more varieties and quantities of foodstuff at cheaper prices, but it was not effective in June 1997, a targeted public distribution system TPDS was introduced as part of different schemes for the poor, Antyodaya Anna Yojana (AAY) Mid-day Meals, ICDS in children and food for work scheme etc., under this schemes the poor was further classified as the poorest among the poor and others as living-BPL families since 1997 Targeted PDS is intended to target poor people, amount that is spent by the Government should utilize the benefits by purchasing the food grains allotted under the Targeted Scheme.

KARNATAKA

In Karnataka, 62% of income is derived from agriculture. It is the 6th largest states in India which comprises of 30 districts. Its 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 State of Karnataka has tried



to implement computerization model on a pilot basis in different parts of the State to make PDS effective.

Most of the works of PDS are done electronically and details of it are displayed in the Karnataka PDS centres portal. Some of the major Schemes for alleviating poverty and ensuring food security are Annabhagya Yojana, Antyodaya. The agencies that are involved in Karnataka State are FCI, KFCSC & TAPCMS in Karnataka, there are 20,372 FPSs out of which 200 are managed by KFCSC, 8896 by Co-operatives and 11,276 are managed by the individual licenses.

PRESENT STATUS OF PDS NEW ANNABHAGYA SCHEME IN KARNATAKA

One of the important and ambitious programmes introduced Annabhagya scheme in Karnataka government working is very effectively in recent years. It is revised form of the traditional public distribution system of Karnataka with few vital modifications. The programme was officially launched on 10th July, 2013 by the Honourable chief Minister of Karnataka. In brief, the scheme aims to provide 30 kilograms of rice per family per month at the price of Re.1/kilogram to below poverty line (BPL) families across the state. The programme covers a total of 108.98lakh priority households. (87 lakh BPL cardholders and 11.35 lakh Antyodaya Anna Yojana (AAY) beneficiaries across the state. Rice will be distributed through a network of 20.778 public distribution system (PDS) shops. A single person family is eligible for 10 kilo rice, a family with 2persons will get 20 kilos a family with 3 and more number of persons is eligible for 30 kilo rice eligible beneficiaries in additional commodities iodized salt and palm oil in recent years to distribution of buy from the fair price shops. The state food department has collected fingerprints photographs of all ration cardholders and fed the data into a server that links all the machines. To further eliminate fake ration cards, the government has also linked the cards to electricity meter numbers in urban areas and property tax numbers in rural. The PDS runs parallel with the market mechanism to provide sustenance and food security to the people for whom food at market prices are beyond their reach.

Identification of BPL beneficiaries: In the state of Karnataka, at present the family with the income of less than Rs.17000/- in the urban areas and Rs.12000/- in the rural areas per annum is categorized as BPL family. As in other states rice, wheat, sugar and kerosene oil



are distributed through the fair price shops to the beneficiaries under the category of BPL APL and AAY and present status is shown for the period 2008-2015.

Padithara Khatari scheme: This new scheme is one of the important main functioning under the TPDS Annabhagya scheme work through the fair price shops revised modification segment in recent years. Padithara khatari scheme has been introduced in the state during February -2014. Under this scheme availability of foodgrains in fair price shops guarantees from 1st of every month cardholders can draw foodgrains from 1st every month till 10th during 8-00 AM to 8-00 PM (excluding lunch hours between 1-00 PM to 2-00 PM and national holidays). Another rest of the days in the month fair price shops functions between 8-00 AM to 12-00 AM and 4-00 PM to 8-00 PM (excluding Tuesday and national holidays). IT guarantees the foodgrains availability from the first of every month. Otherwise, cardholders are entitling for compensation. So this scheme performance is present work satisfaction under annabhagya scheme.

Table 1. The quantity and rate of food grains that is being distributed in the state under Annabhagya Yojana

S. No.	Category of ration cards	Rice			Wheat			Sugar		
		Scale of issue (kgs)		Rate per kg (Rs.)	Scale of issue (kgs)		Rate per kg (Rs.)	Scale of issue (kgs)		
1	AAY	29			1.00	6		1.00		
			North Karnataka Districts	South Karnataka Districts		North Karnataka Districts	South Karnataka Districts			
2	BPL	Single person	6	8	1.00	4	2	1.00	1	13.50
		Two persons	14	16		6	4			
		Three and above person families	20	24		10	6			

Source: Karnataka Economic Survey 2014-15

The above table shows the category of ration cards and scale of issue of food grains viz., rice, wheat and sugar in kgs at different prices distributed at eligible households. Antyodaya Anna Yojana (AAY) cardholders get 29 kilogram of rice at Rs.1-00. Secondly 6 kilogram of wheat distributed at Rs.1-00 and sugar can be distributed at Rs.13.50 respectively.

In case of BPL cardholders, food grains viz., rice, wheat and sugar distributed in north and south Karnataka districts. In this criteria, firstly 6 kgs of rice can be distributed to single person one family of north Karnataka districts and 8 kgs distributed to two persons related in north Karnataka districts and 14 kilo south Karnataka, 16 kilo distributed to three and



above person families in north Karnataka, 20 kilo and south Karnataka 24 kilo. The criteria under rice ratio, wheat item distribution level in north Karnataka districts single person 4 kilo as south Karnataka districts. Another three and above person families related 10 kilo in north Karnataka districts 6 kilo in south Karnataka districts. So, these are the two items viz., rice, wheat under the Annabhagya Yojane lowest level of price Rs.1-00 distributed. Sugar distributed under this scheme. Among all the above mentioned categories, ration cardholders 1 kilo costs Rs.13.50 per kilogram, above all categories equal price and equal price level distributed. The above table shows the results pertaining to quantity and rate of food grains distributed in the state under the Annabhagya Yojana.

Table 2. Details of number of PDS cardholders in Karnataka

Card type	No. of Card Holders				
	2010-11	2011-12	2012-13	2013-14	2014-15
AAY	1128912	1199700	1118371	1100340	1117034
BPL	8504993	8401792	8715869	8486938	1017034
APL	3996511	3832931	3499056	2767627	1957100
Total cards in the state	13630416	13434423	13333596	12454905	12299632

Source: Karnataka Economic Survey 2014-15

The above table reveals the details regarding the number of PDS cardholders. A total of 1128912 cardholders are having AAY card type during 2010-11, 1199700 cardholders during 2011-12, 1118371 cardholders during 2012-13, 1100340 during 2013-14 and it was 1117034 AAY cardholders during 2014-15. As in case of BPL cardholders, a total of 8504993 cardholders are having BPL card type during 2010-11, 8401792 cardholders during 2011-12, 8715869 cardholders during 2012-13, 8486938 during 2013-14 and it was 1017034 BPL cardholders during 2014-15 have been identified.

With respect to APL cardholders, a total of 3996511 cardholders are having APL card type during 2010-11, 3832931 cardholders during 2011-12, 3499056 cardholders during 2012-13, 2767627 during 2013-14 and it was 1957100 APL cardholders during 2014-15 have been recorded in the state of Karnataka.

MERITS

- It is one of the major programmes of the Government to eradicate poverty in Karnataka.
- If the machines are introduced, ineligible ration cards in the State will go out.



- To reduce misappropriation of PDS supplies, the machine has made sales conditional to secure identification; PDS beneficiaries can access the subsidized goods.
- The scheme is very much helpful to the poor people.
- The machine registers all the information about the goods that is stock and sold every month and it is controlled by the food department.
- It will accelerate growth in different sectors.

PROBLEMS

- In some places bogus ration cards are made use and get extra benefits through this, others suffer by not getting the commodities in time.
- PDS suffer from irregular and poor quality of food grain made available through Fair Price Shops.
- FPSs are not keeping upto their timings. Information boards are lacking in some places, PDS is not covering all rural and hilly areas.
- The storage facilities in India are not upto the mark so that foodstuff which is provided to the beneficiaries is inferior quality food grains, adulterated, spoiled or foul smelling.
- Corruption in ration shop is based on ration employees and black marketers.
- Lack of administration from top to lower level.

SUGGESTIONS

- Government should take measures to avoid corruption and leakages.
- Action has to be taken on defaulters.
- State government should construct more storage god owns so that they can store items for a long time.
- There should be clear cut policies regarding ration cards. All cardholders must be made aware about their rights.
- Vigilance committees should conduct frequent raids to FPSs.
- Social medias like radio and television should be used to give awareness to motivate illiterate people and to inform about the benefits that are available under the PDS.
- The Karnataka Government must see that it reaches only to the needy section of the society through PDS.



CONCLUSION

Targeted Public Distribution System (TPDS) is one of the important poverty alleviation programmes in India. To sum up this study on effectiveness of PDS in Karnataka makes clear that most of the people in Karnataka are dependent on agriculture for their daily livelihood. They are not getting income for their hard work so they have to depend on PDS. It is the largest food entitlement programme in India. This scheme has to help poor people. However, most of them are deprived from various schemes that are available. If it is available, also the quality may not be good. This study also suggests some of the benefits, some suggestions that may bring improvement in PDS.

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