

Performance of Targeted Public Distribution System as a Means of Food Security: A Case Study of Kerala State

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Abstract

The Public Distribution System (PDS) in India is the largest food distribution system supplying essential commodities to needy people. PDS is often criticized for its inefficiency in achieving its objectives. This study analyses the performance of Public Distribution System as a means to ensure food security.

Key Words:PDS, TPDS, FPS, FCI, food security.

1. Introduction

Public Distribution System (PDS) in India is an important food security system established since World War Second. Both the central and state government are responsible for the functioning of the PDS. The main objectives of PDS are to maintain price stability, price support to farmers and make food grains affordable to the poor. The central government is responsible for procurement, storage, transportation and bulk allocation of food grains while the state government holds the responsibility for distributing the same to the consumers through the established network of Fair Price Shops (FPSs) also known as Ration Shops. The major commodities distributed through FPS include staple food grains such as Wheat and Rice also Sugar and Kerosene. Through Food Corporation of India (FCI), Central Government procures, stocks and distributes food grains. PDS was a general entitlement scheme to all households. But in June 1997, Government of India launched Targeted Public Distribution System (TPDS), which divides the households into BPL (Below Poverty Line) and APL (Above Poverty Line). More subsidy is given to BPL households to ensure food security in poor families. In 2000 April 1 the special scheme Annapurna was launched. It provides 10Kgs of food grains per month at free cost to senior citizens. In December 2000 the Antyodaya Anna Yojana (AAY) Scheme was introduced. It supports the poorest of the poor. With a strong network covering the entire population, the PDS in Kerala was once a model for other states of India. The change from PDS to TPDS results in high level inclusion exclusion error. This paper studies the functioning of TPDS of Kerala.

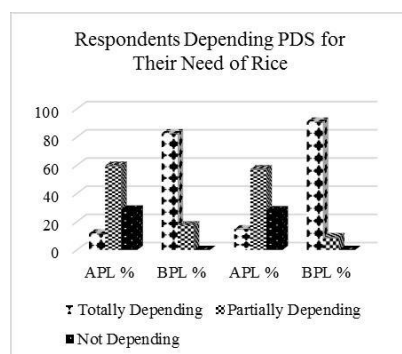
2. Data

Using stratified random sampling method primary data is collected from beneficiaries of TPDS in Palakkad and Ernakulam district of Kerala through field survey. Palakkad is a rice producing district and Ernakulam a pure rice consuming district. Out of the 158 households selected in Ernakulam district 112 are from APL families and 46 from BPL families. From Palakkad a sample of 162 card holders are considered. Among these 162 there are 96 APL and 66 BPL families. Informal discussions with other people were also done to supplement the data.

3. Analysis and Interpretation

Table 1: Respondents depending PDS for their need of rice

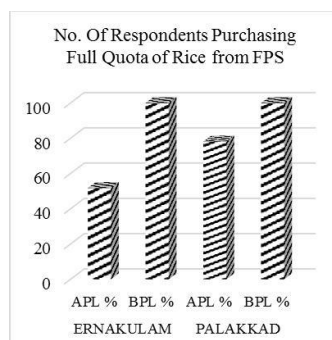
Respondent	Ernakulam				Palakkad			
	APL	%	BPL	%	APL	%	BPL	%
Totally Depending	13	11.61	38	32.61	14	14.6	60	30.91
Partially Depending	67	59.82	8	17.39	55	57.3	6	9.09
Not Depending	32	28.57	0	0	27	28.1	0	0
Total	112		46		96		66	



It is found that in both districts more than 80% of BPL Card Holders depend PDS for their need.

Table 2: Respondents purchasing full quota of rice from FPS

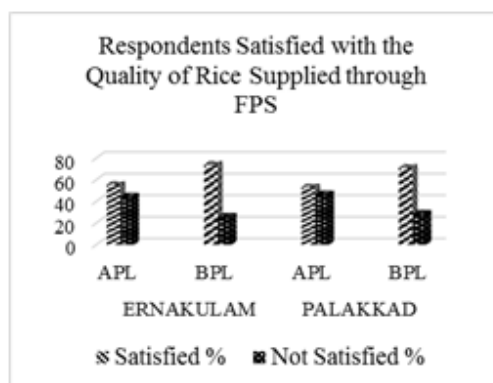
DISTRICT		No. Of consumers	%
ERNAKULAM	APL	58	51.78
	BPL	46	100
PALAKKAD	APL	75	78.12
	BPL	66	100



It can be inferred that 100% of BPL card holders purchase their full quota of Rice from FPS

Table 3: respondents satisfied with the quality of rice supplied through FPS

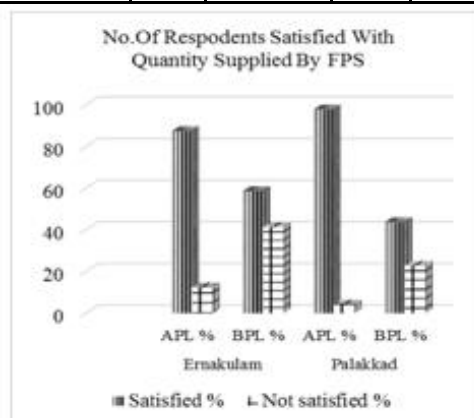
DISTRICT		No. Of CONSUMERS			
		Satisfied	%	Not Satisfied	%
ERNAKULAM	APL	62	55.36	50	44.64
	BPL	34	73.91	12	26.09
PALAKKAD	APL	51	53.12	45	46.88
	BPL	47	71.21	19	28.79



Compared to APL consumers, in both the districts BPL Card holders are more satisfied with the quality of rice supplied from the FPS

Table 4: Respondents satisfied with quantity of rice supplied by FPS

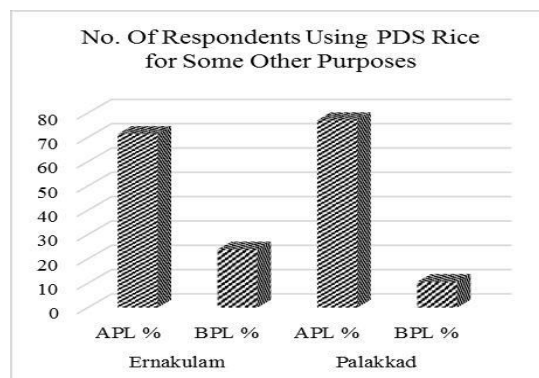
DISTRICT		No. Of CONSUMERS			
		Satisfied	%	Not Satisfied	%
ERNAKULAM	APL	98	87.5	14	12.5
	BPL	27	58.70	19	41.30
PALAKKAD	APL	92	95.83	4	4.17
	BPL	44	66.67	22	33.33



Though most of the APL card holders are not purchasing or using their full quota they say that the quantity supplied through PDS is enough for a family. But BPL Consumers are not satisfied with the quantity.

Table 5: Respondents using PDS rice for some other purposes

DISTRICT		Average quantity of rice in kg
Ernakulum	APL	25
	BPL	5
Palakkad	APL	20
	BPL	3



Those APL consumers who purchase rice from the ration shops are not using it for their dietary need.

Table 6: Quantity of rice each family purchase from open market (per month)

DISTRICT		No. Of CONSUMERS	%
ERNAKULAM	APL	80	71.43
	BPL	11	23.91
PALAKKAD	APL	74	77.08
	BPL	7	10.61

Shows APL families are buying rice from open market for their dietary need.

4. Conclusion

The study shows that TPDS is beneficial to the BPL households of Kerala. They depend much on the commodities supplied through FPS for their daily need. As far as BPL Card holders are considered, TPDS functions well in Kerala. It provides the staple food grain (rice) for consumption at subsidized rate to the vulnerable population of the society.

Most of the APL card holders are not buying their full quota from the ration shops and those minority who buy rice from fair price shops are not using it for their dietary need. Instead they use it to feed cattle and for some other purposes.

5. Suggestion

- Inclusion, Exclusion errors in categorizing BPL and APL should be minimized.
- Since APL Card holders do not depend on TPDS,
- Subsidy can be limited to BPL households only.
- The quantity of rice supplied BPL families through FPS can be increased.

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