

CHAPTER 19

PUBLIC DISTRIBUTION SYSTEM

1. The public distribution system (PDS) ensure the distribution of essential items such as selected cereals, sugar and kerosene at subsidized prices to holders of ration cards. The PDS also helps to modulate open - market prices for commodities that are distributed through the system. The Department of Food & Civil Supplies, Govt. of Delhi, manage the PDS in Delhi for regulating supply and distribution of, and trade and commerce in, essential commodities with a view to maintain or increase supplies thereof and secure their equitable distribution and availability at fair prices by enforcing the Essential Commodities Act, 1955, and various Control Orders made thereunder.
2. The main items distributed through the PDS are cereals, such as rice and wheat, and essential items such as sugar (only for below poverty line) and kerosene. According to the Department of Food & Civil Supplies there were 3,165 PDS outlets in Delhi in March 2001. Of these, 2,818 outlets were in urban areas and 347 in rural areas. On an average, each Fair Price Shop handles 1,000 ration cards. The number of households in Delhi that have ration cards increased from 23.62 lakh in 1990-91 to 36.89 lakh in 2000-2001.
3. The distribution of ration cards, cereals and sugar units and other relevant data year-wise is given in statement 19.1

Statement 19.1

IMPORTANT INDICATORS OF PDS- DELHI

S.No.	ITEM	1990-91	1998-99	1999-2000	2000-2001
1	No. of Cards (in'000')	2362	3353	3599	3689
2	No. of Cereal Units (in'000')	20312	30721	33090	33948
3	No. of Sugar Units (in'000')	11866	17793	19345	1589 *
4	Fair Price Shop (in number) (i+ii)	3579	3214	3228	3165
(i)	Urban	3299	2811	2853	2818
(ii)	Rural	280	403	375	347
5	No. of Licensed Shops of Kerosene Oil	1840	2342	2372	2501

Note: * Sugar Units of Targetted Public Distribution system (TPDS) cards w.e.f. March 2001

The sharp fall in the sugar units during 2000-2001 is on account of the change in government policy resulting in limiting the issue of sugar under PDS to only those ration card holders who are living below the poverty line. Time series data on PDS may also be seen in Table 19.1.

4. The quantity of cereals and sugar allotted to Delhi and its distribution through the PDS during 2000-2001 is given in statement 19.2.

Statement 19.2

DISTRIBUTION OF CEREALS IN DELHI 2000-2001

(In Tonnes)

Item	Allotted Quantity	Quantity lifted for Distribution	Percentage Distributed
Rice	1,63,320	526.5	0.32
Wheat	5,11,680	4,84,292	1.74
Sugar	1,59,280	1,50,417.2	94.44

As the statement shows, the percentage distributed through the PDS compared with the quantity allotted was 0.32% for rice, 1.74% for wheat and 94.44% for sugar. The poor off-take of grains is attributed to relatively lower prices prevailing in the open market as compared to those under PDS.

TARGETTED PUBLIC DISTRIBUTION SYSTEM

5. The resolve of the Government to reform and improve the PDS by focusing on the poor and needy sections of the society resulted in the launching of the TPDS. The object is to identify the persons/families living below poverty line (BPL) and issue a distinct ration card for selling specified cereal items through PDS outlets at specially subsidized rates viz. half the normal issue price under PDS. Under the scheme BPL families are entitled to get 25kg. foodgrains per month per family. As per the estimates of Planning Commission of India there were about 4.09 lakh BPL families in Delhi in March, 2000. The scheme was initially announced in the year 1997 but could not be implemented in NCT Delhi immediately, mainly for two reasons namely, for want of actual identification of the BPL families and the desire of the Govt. of NCT Delhi to make the scheme more broad based by covering all the Jhuggi ration card holders as beneficiaries of the scheme by taking up the matter with the Govt. of India. However, pending micro level identification of target group, the Government went ahead with the implementation of the scheme in the first phase to the jhuggi families living below the poverty line whose household income was below Rs. 24200 per annum. For this purpose, declarations were obtained from JRC holders to the effect that their income was up to Rs. 24200 per annum and on the basis of declarations received up to 30.6.2001 from about 3.38 lakh families ration cards (approximately 16.47 lakh) were stamped as TPDS and these families are being covered under the scheme.

Statement 19.3

DETAILS OF TARGETED PUBLIC DISTRIBUTION SYSTEM (TPDS)

S.NO.	PARTICULARS	
1.	Income Limit (Rs. Per Annum)	24200
2.	Estimated Number of Persons (in Lakhs)	20.45
3.	Number of Households Targeted (in Lakhs)	4.09
4.	Number of Jhuggi Ration Cards Stamped (in Lakhs)	3.38
5.	Number of persons covered (in Lakhs)	16.47
6.	Quantity of Cereals Supplied Per Household (Kgs/Month)	25

Subsequently steps were taken on a war footing to identify at the micro level the BPL families by inviting applications and giving wide publicity through advertisements in the leading news papers, handbills, posters etc. This exercise is expected to be completed shortly to make TPDS fully operational. These cards will be issued @ Rs. 10 per card to eligible beneficiaries.

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6. The scheme is for the poorest section of population which is unable to get two square meals a day on a sustained basis throughout the year and their purchasing power is so low that they are not in a position to buy foodgrains round the year even at BPL rates. Under the scheme, these families will be provided food grains at the scale of 25 kg. per family per month. This scheme will be limited to 15.33% of the lowest segment of BPL families estimated by Planning Commission, Govt of India at 62,600 families in Delhi. The beneficiaries of this scheme will be identified from among the BPL families. In the first phase, 30285 beneficiaries are identified and ration cards will be issued to them free of cost.

ANNAPURNA SCHEME

7. This scheme envisages supply of foodgrains (10 kg. per head per month) free of cost to destitute people who are more than 65 years of age and not receiving old age pension from the Govt. The coverage is limited to 20% of the persons eligible for getting benefits under the National Old Age Pension Scheme, and their number will be about 8915 under the scheme. The persons covered under this scheme will not be considered for old age pension. In spite of wide publicity, only 406 applications were received under this scheme. 183 cards were distributed to eligible beneficiaries. Perhaps the main reason for the small number of applications is that in Delhi already one lakh persons are getting the benefits of the pension scheme. These cards were issued free of cost.