

CHAPTER 19

PUBLIC DISTRIBUTION SYSTEM

1. The public distribution system (PDS) ensures 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, manages 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. There were 2546 PDS outlets in Delhi at the end of March 2008. On an average, each Fair Price Shop handles 1,000 ration cards. The number of ration cards has come down during 2006-2007 when compared with the previous year due to weeding out of APL cards.
3. The distribution of ration cards, cereals and sugar units and other relevant data (year-wise) is given in statement 19.1.(Time series data on PDS may also be seen in Table 19.1)

Statement 19.1

IMPORTANT INDICATORS OF PDS

S.No.	ITEM	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
1	No. of Cards (in'000')	3689	3838	3867	3990	2595	2814	2803
2	No. of Cereal Units (in'000')	33900	38400	39320	39100	25430	28968	**
3	No. of Sugar Units (in'000')	15900*	2000	1900	2230	2201	1587	**
4	Fair Price Shop (in number)	2975	2953	3131	3114	2731	2772	2546
5	No. of Licensed Shops of Kerosene Oil	2508	2521	2528	2475	2443	2443	2346

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

** No cereal/sugar units system under PDS is prevailing in GNCT of Delhi.

4. The quantity of cereals and sugar allotted to Delhi and its distribution through the PDS during 2006-2008 is given in statement 19.2.

Statement 19.2

DISTRIBUTION OF CEREALS

(In Qtls.)

S. No	Description	Items					
		Rice		Wheat		Sugar	
		2006-07	2007-08	2006-07	2007-08	2006-07	2007-08
A	QUANTITY ALLOTTED						
1	Above Poverty Line (APL)	1127190	1871640	3017770	3792370	-	-
2	Below Poverty Line (BPL)	445440	393231	1039200	910112	336360	364794
3	Antyodaya Anna Yojana (AAY)	66600	118262	166560	295648		
B	QUANTITY LIFTED FOR DISTRIBUTION						
1	Above Poverty Line (APL)	954127	1656865	2818334	3550935	-	-
2	Below Poverty Line (BPL)	433330	387474	1022051	902481	315981	294413
3	Antyodaya Anna Yojana (AAY)	66100	112672	166402	282679		
C	PERCENTAGE DISTRIBUTED						
1	Above Poverty Line (APL)	84	100	93	99.34	-	-
2	Below Poverty Line (BPL)	97	99.85	98	100	94	80.71
3	Antyodaya Anna Yojana (AAY)	99	99.26	100	98.62		

BPL SCHEME

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 in 2001. 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. In Delhi families with income of Rs24,200 per year or less were identified as living below poverty line. As

per the estimates of Planning Commission of India there were about 22.93 lakh BPL persons in Delhi in 2004-05.

In NCT of Delhi 229666 BPL and 150235 Antyodaya Anna Yojna ration cards and 109 Annapurna cards have been issued as on March 2008. Under the scheme BPL families are entitled to get 25kg. Wheat and 10kg. rice per month per family. It consists of 25 kgs of wheat and 10 kgs of rice for wheat eaters and vice versa for rice eaters @ Rs.4.65 per kg for wheat and Rs 6.15 per kg for rice. Under the scheme 4.38 lakh cards have been prepared.

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)	22.93
3.	Number of BPL /AAY Ration Cards (in Lakhs)	4.38
4.	Quantity of Cereals Supplied Per Household (Kgs/Month)	35

ANTYODAYA ANNA YOJNA

- 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 35 kg. per family per month at the rate of Rs.2 for wheat / rice This scheme was initially limited to 15.33% of the lowest segment of BPL families estimated by Planning Commission, Govt of India at 62,600 families on the basis of certain socio- economic factors . At present, 30% of BPL cards have been issued to AAY families under the scheme.

ANNAPURNA SCHEME

- This scheme envisages supply of food grains (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 is fixed at 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 and in 2008 there are 109 beneficiaries. Perhaps the main reason for the small number of beneficiaries is that most of the persons prefer to get monthly pension rather than 10 kg wheat. Moreover, persons prefer AAY scheme wherein they get 25 kg of wheat at Rs. 2/- and 10kg of rice at Rs. 3/- and there is no restriction on pension.

OFFTAKE FROM PDS & OTHER SOURCES

The Popularity of PDS can be measured in terms of the proportion of purchases made from PDS vis-à-vis open market. During the NSS 63rd Round Survey, conducted by the Directorate of Economics & Statistics, Govt. of Delhi during July 2006 to June 2007, data on off take from PDS and other sources was collected in respect of certain selected items of daily use.

Statement 19.4

Off-take from Public distribution system and other sources in Delhi

(Quantity in %)

Item	Percentage (Quantity)					
	NSS 61 st round July 2004 – June 2005		NSS 62 nd round July 2005 – June 2006		NSS 63 rd round July 2006 – June 2007	
	From PDS	From Other sources	From PDS	From Other sources	From PDS	From Other sources
Rice	3.05	96.95	5.18	94.82	9.24	90.76
Wheat/Atta	2.76	97.24	5.35	94.65	12.79	87.21
Kerosene	29.09	70.91	57.18	42.82	52.16	47.84

The results of the survey (63rd Round) reveals that out of total quantity of wheat/atta purchased by the households, nearly 12.79% is from PDS and 87.21% from open market. In case of Rice the percentage of purchase made from PDS is very insignificant. Nearly half of the Kerosene needs alone was purchased from PDS outlets. Sugar is being distributed to the BPL card holders only at present.