

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. There were 2772 PDS outlets in Delhi at the end of March 2007. On an average, each Fair Price Shop handles 1,000 ration cards. The number of ration cards has come down during 2005-2006 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
1	No. of Cards (in'000')	3689	3838	3867	3990	2595	2814
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

4. The quantity of cereals and sugar allotted to Delhi and its distribution through the PDS during 2005-2007 is given in statement 19.2.

Statement 19.2
DISTRIBUTION OF CEREALS (In Qtls.)

S. No	Description	Items					
		Rice		Wheat		Sugar	
		2005-06	2006-07	2005-06	2006-07	2005-06	2006-07
A	QUANTITY ALLOTTED						
1	Above Poverty Line (APL)	2934440	1127190	7030720	3017770	-	-
2	Below Poverty Line (BPL)	424200	445440	1060440	1039200	336360	336360
3	Antyodaya Anna Yojana (AAY)	66600	66600	166560	166560		
B	QUANTITY LIFTED FOR DISTRIBUTION						
1	Above Poverty Line (APL)	540471	954127	2406695	2818334	-	-
2	Below Poverty Line (BPL)	412536	433330	1035653	1022051	318895	315981
3	Antyodaya Anna Yojana (AAY)	62099	66100	160439	166402		
C	PERCENTAGE DISTRIBUTED						
1	Above Poverty Line (APL)	18	84	34	93	-	-
2	Below Poverty Line (BPL)	97	97	98	98	95	94
3	Antyodaya Anna Yojana (AAY)	93	99	96	100		

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 379512 BPL and 59162 Antyodaya Anna Yojna ration cards and 113 Annapurna cards have been issued as on March 2007. 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

ANTYODAYAANNA 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, 59162 cards have been issued to AAY families under the scheme. The Government of India has raised the ceiling for AAY families from 15 % to 30%. The exercise to identify additional AAY families has been started and more families will be covered under the scheme.

ANNAPURNA SCHEME

7. 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 at present there are 113 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 61st round survey, conducted by the Directorate of Economics & Statistics, Govt. of Delhi during July 2004 to June 2005 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

Item	Percentage (Quantity)					
	NSS 59 th round Jan - Dec 2003		NSS 60 th round Jan. - June. 2004		NSS 61 st round July 20 04 – June 2005	
	From PDS	From Other sources	From PDS	From Other sources	From PDS	From Other sources
Rice	1.05	98.95	2.00	98.00	3.05	96.95
Wheat/Atta	1.64	98.36	2.48	97.52	2.76	97.24
Kerosene	35.83	64.17	22.66	77.34	29.09	70.91

The results of the survey (61st Round) reveals that out of total quantity of wheat/atta purchased by the households, nearly 2.76% is from PDS and 97.24% from open market. In case of Rice the percentage of purchase made from PDS is very insignificant. Nearly one-third of the Kerosene needs alone was purchased from PDS outlets. Sugar is being distributed to the BPL card holders only at present.