

FOOD SECURITY - ROLE OF PUBLIC DISTRIBUTION SYSTEM IN ANDHRA PRADESHVanguru. Naga Satyanarayana*¹Dr. M. Rajasekhara Babu, M.A., M.L., Ph.D²^{*1}Research Scholar, Department of Economics, Acharya Nagarjuna University, Guntur²Retired Principal, VTJM & IVTR Degree College, Mangalagiri.satyanarayana999eco.alc@gmail.com

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ABSTRACT

India is not only an agriculture dominated and food prosperous country but also a developing country. In spite of this, the problem of poverty is increasing to the extent that today, every third person of our country is living under below poverty line. Nearly 70% of the people are living under below poverty line (BPL). Public Distribution System is adopted in India to eradicate poverty and hunger. For the sake of the BPL people government have been implementing various developmental schemes. Most of the schemes are being implemented through Public Distribution System. Food security is essential for a country's growth and in a nation like India where one-fifth of the population is believed to be undernourished it becomes even more important. India's PDS is the world's largest social safety net for food. It operates on the basis of extensive procurement of food grains by the Food Corporation of India on minimum support price terms determined by the Agricultural Prices Commission. Procured product is then distributed through an elaborate national network of Fair Price Shops which sell food grains to poor populations at highly subsidized prices. PDS is run by the coordination of centre and state governments. People accessing PDS for meeting their dietary needs has increased over the years and hence the food and nutritional security of masses has improved. It has made a positive impact on poverty reduction, and nutritional security considerably.

Despite all these certain issues like inaccurate identification of beneficiaries; leakages, inadequate storage capacity, and non-viability of Fair Price Shops makes the system inefficient. To counter these problems governments have taken up various reforms over the years which have led to the system becoming more efficient comparatively. Efficient functioning of PDS is must for making India a food secure nation.

The present paper explores the existing PDS in AP, functioning of agencies like Food Corporation of India (FCI), Central Ware Housing Corporation (CWC) etc engaged in the procurement, transportation, storage and distribution. This paper analyzes the role of PDS for ensuring food security and this study also shows the recent reforms that took place in Targeted Public Distribution System (TPDS).

Keywords: Targeted Public Distribution System (TPDS), Food Corporation of India (FCI), Central Ware Housing Corporation (CWC), Fair Price Shops (FPS), below poverty line (BPL)

INTRODUCTION

Andhra Pradesh is one of the states pursuing a vigorous Public Distribution policy. Among the states, Public Distribution Systems that have tried Public Distribution Systems to cover rural areas are Kerala, Tamil Nadu and Andhra Pradesh. Of these states, Kerala is always deficit, while Tamil Nadu is marginally deficit in years due a bad rainfall. While Andhra Pradesh on the other hand, is a surplus state, encompassing large surplus as well as deficit tracts within its area. It is the government's primary duty to look that all its people should live with maximum quality. The Public Distribution System initially visualizes in terms of checking inflation and protecting vulnerable section from the vagaries of the market mechanism. PDS is an organizational asset of considerable significance improving the nutritional status of poorer groups touching the one of the antipoverty programmes, PDS has a direct bearing on their success. The concept of minimum needs coupled with enlarging scope of PDS, serves to underline its dynamic character: As we move from the regions of primary poverty to a happier position, the system can be used to concretize the quest for "quality of life" as it may be defined from time to time in politico-administrative terms.

REVIEW OF LITERATURE

¹Dutta et al. (2011) compared the public distribution of food in two states, namely Andhra Pradesh and Maharashtra, based on 50th round of National Sample Survey, Household Consumption Survey data. The article concludes that there is a problem in utilization of commodities, targeting of population, magnitude of income transfers and cost effectiveness of food subsidies. A significantly higher number of people use PDS in Andhra Pradesh compared to Maharashtra and the coverage is higher by 30%. Based on the regional disparities it is important to study the success stories and incorporate the best practices to improve the scheme.

²Pal (2011) critically analyzed the functioning of organizations like Food Corporation of India and Central Warehousing Corporation in ensuring procurement, transportation, storage and distribution of commodities provided by the public distribution system. He argues that the current system is extremely corrupt and fails to address issues around shortage of stocks, fake supply entries in ration cards, diversion of commodities for sale to open market, bogus ration cards, irregularity and poor quality of food grains. He advocates technical up gradation and policy reforms to ensure transparency, speed up the process and improve performance to solve the above mentioned problems.

³According to world food summit, 1996 food security is ensured when all people at all times have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life style. The proposed “National Food Security Act” will be an important step in achieving food security and contouring hunger and malnutrition in the country. (2012)

⁴Planning Commission (2010) concentrated on several measures to strengthen the present structure of TPDS notable among them being the introduction of UIDAI Aadhaar and Technology –based reforms initiated by the states. The government has proposed to link the TPDS with the UID Aadhaar scheme and expects that the scheme would play an important role in addressing inclusion / exclusion errors, checking diversion and leakages, assisting food grain management and ensuring accountability.

OBJECTIVES

The following objectives for study are given below.

1. To make a study of existing PDS in AP and the agencies managing PDS an outline
2. To assess the impact of Public Distribution System on food security.
3. To examine the recent reforms that took place in TPDS.

METHODOLOGY

This study has been conducted on the basis of secondary data. The secondary data has been compiled from the Planning Commission, various journals, books, internet sources and other published papers etc.

PUBLIC DISTRIBUTION SYSTEM IN ANDHRA PRADESH

India’s public distribution system (PDS) is perhaps the largest of its kind anywhere in the World. The Public distribution system is among the most important food security programmes of government of India. In fact, the PDS in the country to facilitates the supply of food grains to the poor at a subsidized price. The targeted public distribution system was introduced in the state of Andhra Pradesh and elsewhere in the country in 1997 with a view to eliminate hunger. The PDS supplies essential commodities like rice, kerosene, sugar, palmolein oil, wheat to the poor at subsidized prices. The Telugu Desam was introduced cheap rice at Rs.2 per Kg in the state. The fair price shops are the major outlets under public distribution system. The number of fair price shops are functioning in the state are shown in table-1.

Table -1 Number of fair Price Shops in Andhra Pradesh

Year	Urban	Rural	Total
2007-08	7,285	32,845	40,130
2008-09	6,879	35,758	42,130
2011-12	6,747	37,832	44,579
2012-13	7,393	37,385	44,778
2013-14	4,367	24,325	28,692

Source: GOAP- Socio Economic Surveys

Table -1 show that the number of the total fair price shops has increased by 44778 in 2012-13 over 2007-08, registering an increase of 11.58 percent. Thereafter, the number of fair price shops in A.P has declined to 28692 in 2013-14. The rural fair price shops constituted 84.8 per cent in 2013-14 as against 81.85 percent in 2007-08. During 2013-14, the number of fair price shops has considerably declined due to political compulsion. On an average, each shop has 535 cards / families. There is one shop for every 1965 persons in Andhra Pradesh as against the Government of India norm of one fair price shop for every 2000 persons.

RATIONALIZATION FAIR PRICE SHOPS

Rationalization of existing F.P. Shops has been done to ensure effective functioning of PDS, and enable card holders have easy access to fair price shops without having to travel long distances. **Rural areas:** 400 to 450 BPL and 50 Pink ration cards are attached to each F.P. shop in rural area. **Urban Areas:** 500 to 550 BPL and 250 Pink ration cards are attached to each F.P. shop in urban areas. **Municipal Corporations:** 600 to 650 BPL and 250 Pink ration cards are attached to each F.P. shop in Municipal Corporations. Rations shops, Ration cards and Deepam connections status in the state as on 2013-14 are shown in table -2.

Table – 2 Ration shops, Ration cards and Deepam connections as on 2013-14

District	Ration shops	Ration Cards				Distribution of rice in MTs(White + Rachabanda + AAY)	LPG connections under Deepam scheme
		White	Pink	Rachabanda	AAY		
Srikakulam	1987	681477	58271	111241	52630	11088.234	129964
Vijayanagaram	1352	5430337	0	80469	90111	11038.525	123939
Visakhapatnam	1989	984671	212459	55152	77517	17399.855	215687
East Godavari	2557	1349135	165162	51527	86746	20695.072	261156
West Godavari	2092	1022372	111455	82474	73284	15694.352	242571
Krishna	2145	1066595	166580	84296	70040	16227.736	255187
Guntur	2704	125349	153625	54703	82196	19354.304	258352
Prakasam	2096	780563	86060	41937	52133	12609.019	162170
S.P.S.Nellore	1921	7129000	111299	56939	65929	12602.387	150355
YSR Kadapa	1725	652655	77892	110958	62265	11294.263	155823
Kurnool	2409	994661	73659	79718	60746	17529.874	159062
Ananthapuram	2885	896379	82376	43048	110724	17399.664	221748
Chittoor	2830	878420	135801	30592	90848	15382.288	2445842
Andhra Pradesh	28692	10688214	1032833	883034	975169	198315.573	2581856

Source: GOAP (2014) commissioner, civil supplies

Table - 2 reveals that the highest number of fair price shops are located in Anantapur district (10.05 percent) followed by Chittoor (9.86 percent), Guntur (9.42 percent) and East Godavari (8.91 percent) districts whereas these shops are low in Vijayanagaram district (4.71 percent) followed by Y.S.R Kadapa (6.01 percent) S.P.S. Nellore (6.69 percent), Srikakulam (6.92 percent) and Vishakhapatnam (6.93 percent) districts.

Out of the total white cards (10688214), the highest number (13 percent) of the white cards are found in East Godavari followed by Krishna (9.97 percent), West Godavari (9.56 percent) and Kurnool district (9.30 percent)

whereas the lowest number of white cards are noticed in Guntur district (1.17 percent) followed by Vijayanagaram (5.08 percent), Y.S.R. Kadapa (6.10 percent) and Srikakulam (6.37 percent). The highest number of Pink cards are available in Vishakhapatnam (20.57 percent) followed by Krishna (16.12 percent), East Godavari (15.99 percent) and Guntur district (14.87 per cent). The lowest number of Pink cards is found in Srikakulam (5.64 percent) Kurnool (7.13 per cent), Y.S.R Kadapa (7.54 percent) and Anantapur (7.97 percent). The New white cards issued to BPL families in the Rachabanda Programme. The highest number of new cards issued to the poor Srikakulam (12.59 percent). Y.S.R. Kadapa (12.56 percent), Krishna (9.54 percent) and West Godavari (9.33 percent) district. In A.P, 9.75 lakh Antyodaya Anna Yojana (AAY) cards are in circulation as on 31-03-2014. Out of this, the highest number of cards are found in Anantapur district (11.35 percent) followed by Chittoor (9.31 percent), Vijayanagaram (9.24 percent), and East Godavari (8.89 percent). On the whole, East Godavari and Krishna districts have benefitted more in getting all types of ration cards.

The LPG connections under Deepam Scheme are provided to the women members of the self-help groups (SHGs) in Andhra Pradesh. The highest number of LPG connections is found in the East Godavari district (10.11 percent), followed by Guntur district (10.00 percent), Krishna (9.88 percent) and Chittoor district (9.52 percent) whereas the lowest number is noticed in Vijayanagaram followed by Srikakulam (5.03 percent) and Y.S.R Kadapa district (6.03 percent). On the balance, Vijayanagaram, Srikakulam and Y.S.R districts have not received their due share in the allotment of ration cards as well as LPG connections under Deepam Programme.

AGENCIES MANAGING THE PUBLIC DISTRIBUTION SYSTEM

For the effective functioning of Public distribution system, the following agencies of central and state government are operating for procurement and distribution of essential commodities. They are:

1. Food Corporation of India and State Trading Corporation (FCI & STC)
2. Central and State Ware housing Corporations
3. State Civil Supplies Corporations and Essential Commodities Corporations.
4. Consumer Cooperatives and
5. Fair Prices Shops

The working of these organizations is separately discussed in this chapter. In addition to these organizations, the central and the state governments have created a full fledged department of civil supplies and corporation to ensure the procurement and distribution of essential commodities to the people. The departments at the central and the state level are monitoring production prices and supplies of essential goods and help to alleviate shortages. The departments are also formulating the various schemes for consumer protection. Department of food and agriculture, Industries and foreign trade at the centre and state have a joint responsibility of supporting Public distribution system.

1. Food Corporation of India and State Trading Corporation: The principal Public agencies involved in the procurement and distribution of food grains on behalf of government are the food corporation of India and state trading corporation. On the recommendations of the rural credit survey committee (1954) the food corporation of India was established and started functioning from January, 1965. The purpose of setting up of Food Corporation of India was, according to R.N. Chopra, chairman of food corporation of India, "to securing for itself a commanding position in the food grains trade of the country as a countervailing force to the speculative activities of certain sections of the private trade".

The state trading corporation has been entrusted with the responsibility of import and distribution of edible oils. Mr. Chopra also explained that the other objectives of food corporation of India was to act the main agency for handling food grains on behalf of the Central Government and to function as a major instrument of the state policy in achieving the following objectives.

- i. To procure or acquire a sizeable portion of the marketed surplus at incentive prices from the farmers on behalf of central and state government.

- ii. To ensure timely releases of stocks through the public distribution system so that consumer prices do not rise unduly.
- iii. To minimize inter seasonal and inter regional price variations and
- iv. To build up sizeable buffer stocks of food grains from out of the internal procurement and the imports.

To fulfill these objectives, Food Corporation of India has under taken various market operations like procurement, storage and distribution of essential commodities.

2. Central and State Warehousing Corporation: In 1954, the rural credit survey committee recommended a three tier storage system. In accordance with its recommendations, the food corporation of India and central ware housing corporations were required to create storage facilities at centers of all India importance, the state government and state warehousing corporations at centers of State\district level importance and the rural needs were to be looked after by the cooperatives. Hence, the agricultural produce (Development and ware housing) corporation act was passed in 1956 (subsequently replaced by the ware housing corporation act, 1962) leading to the formation of the central and state warehousing corporations.

The major objectives of warehousing corporation as per the act 1962 are as follows:

- i. Creation of negotiable paper to provide an instrument for expansion of credit through commercial banks for the benefit of all producer dealers and others who might be connected with rural economy.
- ii. Adding to the total of nation's real income by decreasing waste and losses in storage and by promoting and developing ware housing and scientific storage facilities both directly and through state warehousing corporation.
- iii. Assistance in orderly marketing by the introduction of standard grade specification and the ware housing receipt.
- iv. Assistance to Government and Government sponsored organizations in the scheme of price support and price control.
- v. Trading of personal to run ware houses for the whole scheme.

The warehousing corporations add to the national wealth by avoiding qualitative and quantitative losses to goods. Warehousing came into being for helping the farmers with ready finance and to protect them from exploitation by the middlemen immediately after the harvest, when the prices would be too low in the market, An economic and efficient system of transportation and the ware housing also helps the consumers pay comparatively lower price and ensure regular supply of the food grains and other goods in wholesome and proper quality.

A public warehouse is established at a particular place after through investigation and survey of its market potential. The place should be connected by a railway track or by road to ensure convenient and economic transportation of goods. Movement to and from warehouses shall always be quick and regular. Thus, these corporations are the most ideal institutions for building up buffer storage to ensure regular supply to the market or distribution zones.

An outlay of Rs. 259 crores was provided in the sixth five year plan period for creating additional 76.60 lakh tones of storage capacity by central and state warehousing corporations and Food Corporation of India.

3. State Civil Supplies Corporation and Essential Commodities Corporation: In the states, distribution of essential commodities received from or through the central agencies like food corporation of India and state trading corporations is by and large, being handled by the state civil supplies and essential commodities corporations, state level apex consumer cooperative federations and other designated agencies. In some states like Tamil Nadu, Punjab, Kerala, and Andhra Pradesh the civil supplies corporations have opened their own retail outlets also.

The main objectives of these corporations are procurement and distribution of few selected food grains in their respective states. They also function as wholesale agents for supplying essential commodities to all fair price shops in the state through their branches. The essential commodities corporation works as a wholesale dealer in the supply of essential commodities to the fair price shops in rural areas from the procurement agencies. The objective is to ensure regular and prompt supply of essential commodities to the fair prices shops.

4. Consumer Cooperatives: Consumer cooperatives have occupied an important role in the distribution of consumer articles in rural as well as in urban areas. According to K.S. Mathew, Director, ministry of civil supplies and corporation, the consumer cooperatives have been looked upon by the government and the public as reliable agencies for the distribution of not only controlled commodities but also of other essential articles which may from time to time be in short supply due to fluctuations in production or difficulties in movement. They have therefore, been assigned a central place in the scheme of public distribution. It is an integral part of government's policy that consumer cooperatives in rural areas should play a dominant role in the public distribution system and that they should be strengthened organizationally and financially to enlarge their share in the distribution of essential goods. It is to be noted here, that the government accepted in principle that the Public distribution system should be increasingly co-operativized and to achieve this cooperatives are given preference in allotment of new fair price shops.

The main objective of consumer cooperatives is to provide protection to the consumers against exploitation. They are expected to sell goods at fair prices, maintain purity and quality of goods ensure correct weighing and generally setup standards for honest dealings.

Coming to the structure of consumer cooperative in India there has been a four tier system. There was a National Federation and 14 State consumer Cooperative Federations (NCCF) besides 8 states marketing cum consumer cooperative federations (NAFED). There were 481 central/wholesale consumer societies at the district level and 16,348 primary cooperatives at the base level. The district level wholesale societies were also operating 3,690 branches and including about 200 departmental stores and 5,000 industrial cooperative stores. In the rural areas 1,900 primary marketing societies and over 37,000 villages/services cooperatives and other cooperatives were connected with the distribution of consumer articles.

In the seventh five year plan (1985-90) steps are taken to accelerate the growth of consumer cooperatives to enable them to play essential the pivotal role assigned to them in the distribution trade both in urban and rural areas.

5. Fair Price Shops: Since the beginning of the Second World War the fair price shops are operating in India to supply essential goods to the people at the time of scarcity. These fair price shops are organized and controlled by the Government to distribute the essential commodities at reasonable rates. A fair price shop is the main organ of Public distribution system. Fair price shops are operated by the private dealers and cooperative institutions. The objectives of Fair price shops are to distribute the essential commodities at the fair prices fixed by the state authorities from time to time. The main advantage with the Fair price shops is the availability of specified items at government regulated and sometimes subsidized prices.

IMPACT OF PUBLIC DISTRIBUTION SYSTEM ON FOOD SECURITY IN AP

It is now well recognized fact that the availability of food grains is not a sufficient condition to ensure food security to the poor but the necessary condition is that the poor should have sufficient means to purchase food. Hence, PDS subsidized food grain supply to poor, is very important in providing food security. In this context, we want to see how far functioning of PDS is effective, in providing food security to poor household.

Through PDS, food grains such as rice and wheat are supplied at a subsidized price; on an average each household will be receiving 25 kgs of rice. Present section analyses access to PDS in the state of Andhra Pradesh, which is one of the main intervention of state to ensure food security with subsidized lending to poor sections of the society.

The center allocates food grains to states on the basis of the identified BPL population, the availability of food grains stocks, and the quantity of food grains lifted by states for distribution under TPDS. Table - 3, presents allotment and off-take of rice, a major staple food in Andhra Pradesh during several years. It can be observed that, over years, allotment of Rice to Andhra Pradesh has been fluctuating.

From Table - 3 it can be observed that, despite availability of rice through allotment by Centre, state procured a less proportion, which could be witnessed through inverse relationship between increase in allotment of rice by center and declining trends in percentage off-take. Such trend may be due to less storage capacity of state, self-

sustainable stocks with bumper harvest, higher transportation and storage costs, etc. However, access to PDS could be substantiated better through consumption of rice accessed through PDS and income gain analysis.

Table -3 Allotments and off – take of Rice in undivided Andhra Pradesh (in 000 tones)

Years	Allotment	Off-take	% Off take
1998-1999	128	106	83.3
1999-2000	137	112	81.5
2000-2001	161	79	48.8
2001-2002	171	80	47.1
2002-2003	359	105	29.1
2003-2004	343	133	38.7
2004-2005	345	165	47.8
2005-2006	400	191	47.7
2006-2007	432	211	48.8
2007-2008	273	225	82.2
2008-2009	241	221	91.5
2009-2010	295	210	71.2
2010-2011	315	287	91.3
2011-2012	315	260	82.7
2012-2013	295	226	76.7
2013-2014	295	210	71.2

Source: Andhrastat.com

PER CAPITA CONSUMPTION OF FOOD GRAINS

India's biggest challenge still remains ensuring food and nutritional security to its masses. It is the right of every person to have regular access to sufficient and nutritionally adequate food for an active and healthy life. A country can be said to have achieved complete food and nutrition security if each and every person in that country is able to consume an adequate and balanced diet on a regular basis. Gross Domestic Product has increased 4.5 times and per capita consumption has increased 3 times. Similarly, food grain production has increased almost 2 times. However, despite phenomenal industrial and economic growth and while India produces sufficient food to feed its population, it is unable to provide access to food to a large number of people, especially women and children. Sufficient food production is not the only criteria to provide food security in a country and eliminate hunger. Nearly 40 percent of all fruits and vegetables and 20 percent of food grains that are produced rot due to inefficient supply chains and never reach to the consumer markets. The household living below poverty line (BPL) do not have sufficient means to ensure food and nutritional security. NSSO data reveals that BPL households in rural India are spending as high as 70 percent of the consumption expenditure meeting their food requirements and the situation is similar with APL (above poverty line) which spends 50 percent on the same. The urban working class spends nearly 30 percent. The analysis of average per capita intake of Calories, Proteins and Fat per Day Andhra Pradesh are shown in table – 4

Table -4 Average Per-capita intake of Calories, Proteins and Fat per day in AP

Years	Calorie (Cal /day)		Protein (grams/day)		Fat (Grams /day)	
	Rural	Urban	Rural	Urban	Rural	Urban
1972-73	2103	2143	53.0	51.0	21.0	31.0
1983	2204	2009	56.0	50.0	24.0	32.0
1993-94	2052	1992	50.8	49.6	27.2	34.9
1999-2000	2021	2052	49.4	50.8	29.5	41.5
2004-05	1995	2000	49.8	50.9	33.5	43.2
2009-10	2047	1975	50.7	50.8	37.9	43.2
2011-12	2186	2150	53.6	54.2	43.4	49.9

Source: NSSO report No. 540 and 560: Nutritional intake in India, 2011-12

PDS REFORMS

PDS is an important constituent of our food security. Targeted PDS envisages to include the 'really poor' and vulnerable sections of the society and the efficient distribution and allocation of the subsidized grains. The recent reforms that took place in the Targeted Public Distribution System include:

Incorporation of ICT tools: The use of Information and Communication Tools in TPDS has facilitated that every Indian can avail the benefits of this scheme without much problems. This action will try to minimize the bureaucratic influence and enhances the transparency in the system.

Linking of Aadhar with Ration Card: Aadhaar cards have been linked with Ration Cards to ensure, that duplicate and bogus account holders don't crop in.

Diversification of commodities under PDS: The lists of items which are distributed under PDS system have been extended to meet the day-to-day requirements of the ordinary man.

Door to Door Delivery: Provisions of door-to-door delivery has been made to ensure that right amount of material reaches the beneficiary at the right time, at the right place.

Increased Transparency: Records are now available on the web portal of this scheme and hence, the transparency involved in this system has increased.

Use of Innovative Schemes: Innovative schemes like use of Cash Transfer, Food Coupons etc have further increased the relevance of this scheme in the present scenario.

Sustained efforts have resulted in significant reforms in TPDS making it more transparent and leak proof and better targeting of food subsidy. Improvements in main components for this purpose are as follows:-

Activities	May 2014	December -2016 as on 6-12-16
Fair Price Shops automated	5,835	1,76,835
Digitization of Ration Cards	75%	100%
Aadhar seeding of Ration Cards	2%	71.13%
Online allocation of food grains started	9 States/ UTs	29 States/ UTs
Supply chain management computerized	4 States/ UTs	19 States/ UTs
Toll free numbers/ Online grievance redressal system implemented	25 States/ UTs	36 States/ UTs
Direct Cash Transfer in PDS launched	NIL	3 UTs

Source: www.dfpd.nic.in.

Such reforms have greatly increased the relevance of PDS in curbing poverty, though some loopholes still remain, like crashing of sites, lack of infrastructure and inadequately updated data on migration. If these lacunas are filled, the whole system would become more and more efficient. These are positive signs which show us that we are moving in the right direction towards our national goal of achieving food security.

CONCLUSION

Andhra Pradesh State is identified as the "Bejeweled Rice Bowl of India". In Andhra Pradesh, Agriculture plays a crucial role in its economy, with the largest segment of the population being dependent on agricultural sector for employment. Rapid and sustainable growth in agriculture has been identified not only as a key driver for economic development but also for achieving self-sufficiency and ensuring food security to the people.

The Global Hunger Index reveals that nearly 50 percent of Worlds hungry live in India. The PDS has helped to reduce poverty and it improves food security of the poor. The targeted public distribution system aimed at

providing essential commodities to the poor both in rural and urban areas at concessional rates. However, very often PDS is being criticized for its effectiveness and efficiency in achieving its objectives, the government of Andhra Pradesh has been reducing the burden of subsidies on one hand and on the other it has drastically reduced the number of white ration cards during 2013-14. A new study based on NSSO data, has estimated that 46.7 per cent or 25.9 million metric tonnes of the grain (rice and wheat released through the PDS, did not reach the intended beneficiaries in 2011-12. The study further reveals that Andhra Pradesh and Tamil Nadu are among the better performers with 11.1 percent and 12.2 percent leakages respectively. The Shanta Kumar Committee recommendations are completely against the implementation of TPDS and Food Security Act. It wants to reduce the coverage to 40 percent of the population as against 67 percent. The TPDS is no doubt an instrument which reduces poverty and ensures the food security to the millions of helpless poor.

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