

## Public Distribution System and Its Implementation in Sanathpur Village, Uttar Pradesh

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**Abstract:** *The public distribution system (PDS) has been one of the key policy tools of the Government of India (GoI) to provide food security to the people of this country, especially economically weaker population. The aim of this study was to understand Public Distribution System and its implementation in Sanathpur village, Bhadohi district of Uttar Pradesh, India. As one of the criteria for human development, food security is considered a basic necessity in many parts of India. PDS system is the most important medium of government through which food security is ensured at micro level.*

*The Public Distribution System provides food security and assistance through subsidized price of food grains. The Public distribution system (PDS) of Uttar Pradesh (UP), India's most populous state, has long been seen as broken. In light of this, this research uses secondary data to understand PDS accessibility, use, and effect in Sanathpur village. A Public Distribution System (PDS) distributes food grains to a large number of people on a regular basis via a network of Fair Price Shops (FPS). Hence, these FPS also become the first point of connection between the beneficiary and the system. Being the first point of contact and distribution, FPS becomes a very important stakeholder in the overall process and success of the Public Distribution System. The study explores the problems faced by beneficiaries at FPS centers. The study uses a Case study approach to get a complete understanding of the issues faced by the beneficiaries and the context of these.*

**Keywords:** Integrated Child Development Services, NITI Aayog, Public Distribution System, Sanathpur Village

### Introduction

Public distribution system (PDS) is the lifeline of food security in India which involves provisioning of food grains. It plays a crucial role in reducing food insecurity by acting as a safety net by distributing essentials at a subsidised rate. Food Insecurity is a global threat. According to FAO 2020, "The world has not been generally progressing either towards ensuring access to safe, nutritious and sufficient food for all people all year round (SDG Target 2.1), or to eradicating all forms of malnutrition (SDG Target 2.2)" In the middle of this, despite of India having the largest stock of grains across the world, it still has a dubious ground in making its citizen food secure.

National Food Security Act was enacted on the 5th of July 2013, making the public distribution of India shift from the Welfare based approach to a Right based approach. Thus, under the act 75 per cent of the rural population and 50 per cent of the urban population of the nation is legally entitled to get highly subsidized grains. According to the Government of India, the PDS system only intends to assist households in food security, it does not intend on availing complete food requirements of the household. The Mid-Day meal scheme, Public Distribution System, and Integrated Child Development Services are part of NFSA.

The state of Uttar Pradesh is the largest and the most populous state of the country, according to the Census 2011. According to the Multi dimension poverty index 2021 released by NITI Aayog, Uttar Pradesh is the third most poor state of India right after Bihar and Jharkhand, and 44.47 per cent of the population of Uttar Pradesh is still malnourished.

Meanwhile the state has a strong network of Public Distribution System to assist food security; PDS system has got many issues at the local or the village level in terms of execution and fairness despite of the recent technology-based advancements being introduced. The purpose of this study is not only to understand the current PDS system in detail but also to know the issues faced by the beneficiaries on first hand basis. Ultimately, the whole network of 4, 88,403 Fair price shops spread over 79, 70, 49,071 beneficiaries is for

providing food security to the citizen. Hence understanding every issue faced by them is necessary not just to make the system efficient but also just and equitable.

## Methodology

This study is based on Sanathpur Village of Puresanath Gram Panchayat, Bhadohi District of Uttar Pradesh. The methodology of the research is predominantly qualitative, following a case study method. The study analyses both primary and secondary data on PDS in Sanathpur village. The sampling technique used in the study suggests of studying the relevant cases by the means of in-depth unstructured interviews to understand the issues faced by the respondents in a thorough manner.

- Qualitative Method – Qualitative method of research is used in the study due to the subjectivity of the issue in concern and the fact that PDS despite of being a measure by Government still happens to be a sensitive topic.
- Case study – Case study technique is used to explore PDS data and measures in particular context. To understand how the given cases react to the system, the issues faced and finally how do they find their way.
- Secondary Data- Secondary data for the study was collected majorly through two sources (fcs.up.gov.in) and (nfsa.gov.in). These two websites have data relating to number of ration holders, the beneficiaries, their gender, number of units etc. On the supply side data relating to allocation, distribution and residue is available on the site. The same data was used to understand the gender break up of ration card holders and compared at various levels. Similarly, the number of beneficiaries linked per ration card is also compared at various levels.
- Unstructured Interviews – For the primary data unstructured interviews were resorted and information relating to the household, their income, members and their issues with the PDS system was recorded.

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## Overview of Existing Studies

**Structure and Public Distribution System in India:** Most of the government-procured rice and wheat is distributed to domestic consumers through the public distribution system (PDS) and other social welfare programs. The main aim of the PDS is to alleviate malnutrition by raising the food consumption of low-income households. Food items including rice, wheat, as well as non-food items such as kerosene, are sold through fair price shops located throughout the country. Under PDS, the rice and wheat procured by the FCI and state agencies are sold to state governments at an administered price called Central Issue Price(CIP).The regulated price of grains at fair price shops is fixed by each state govt., taking into consideration the costs of intra state distribution. The price of the items charged at fair price shops is lower than the government's cost of procurement, which is calculated as the sum of the MSP and the per unit costs of storage, transport etc. Thus, an amount of money government losses for every unit of commodity that is sells through the PDS. The aggregated value of this loss is called “food Subsidy”, (R Hazarika, 2020).

**Targeted Public Distribution System (TPDS):** Under the TPDS, food grains are distributed to the BPL families at highly subsidized rates. States are required to formulate and implement fool proof arrangements for identification of the poor for delivery the food grains and for its distribution in a transparent and accountable manner at the fair price shop (FPS) level, (R Hazarika, 2020).

Very often beneficiaries report of discrimination in the PDS system at the time of distribution. A study by Pradhan and Rao looks the PDS through the lens of gender and what impacts the access to it, entitlement and quality of service delivery. In the same paper author quote verbatim of beneficiaries where they tell how they are abused upon and humiliated. The impact of power and politics is also taken in account by citing how the Mukhiya of the village decides the distribution of grains and allocation of cards. The paper argues of how FPS becomes the node of interaction between woman and the system and how unsaid rules and existing social systems impact the overall process from here. Pradhan and Rao (2018)

PDS involves a lot power and politics at the local level which is not only cumbersome but poses as a serious challenge. Many technology based advancements are being thought about for the same. Garg and Sundar (2013) closely understand the issues faced by beneficiaries in the PDS system with the help of household

surveys and propose a Smart PDS system to tackle the same. It talks about a technology-based advancement where a beneficiary can not only order grains but track and pay for the same via a cell phone through the mode SMS alerts.

Biometric Signature and ePOS (Electronic Point of Sale) machine was introduced under One Nation One Ration card scheme. This yet again was a technological advancement to lessen the corruption, bogus card and for verification of identity of the ration card holder. Advancements on the same lines could be introduced to curb the discrimination in the system. Kumari and Kumari (2015) in their paper propose of a voucher system in PDS as a cure to the rampant corruption at FPS. The paper talks about a voucher system in which a beneficiary can exchange the voucher for grains at any shop. The study also discusses six ailments of the existing PDS system i.e. Availability, Timing, Overcharge and Under Supply, Bribes, Indifference and role of middlemen.

The study conducted in Sanathpur village explores to understand the issues from the point of view of a beneficiary. All the issues faced by the beneficiary in the PDS system are intended to be studied upon. The study also focuses on the secondary data relating to NFSA on the government portals and tries to compare it at different levels.

### Present Status of PDS

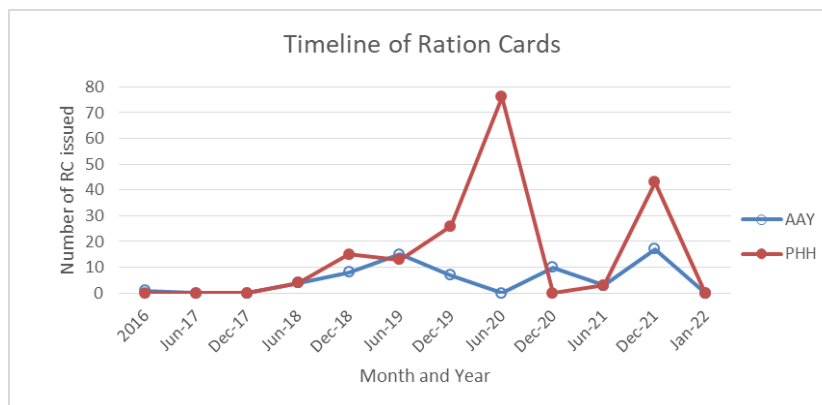
The public Distribution System was introduced at the time of the Second World War to cater to the Nation's food shortages but subsequently underwent many changes and up-gradation. Of these changes and up-gradation, Targeted Public Distribution System (1997) and Antyodaya Anna Yojana (2000) form the latest ones apart of the NFSA act 2013. The Central and State government share responsibilities in this whole system with the help of the Food Corporation Of India. The Central looks after procurement, storage, allocation, and transportation, whereas the State government ensures that these grains reach the beneficiary. This process also includes identifying the eligible family and issuance of Ration Cards.

In the current PDS system of Uttar Pradesh, there are two kinds of beneficiary households, namely Priority Households and Antyodaya Households. The Households which come under the priority list avail ration based on the number of units. One unit represents one family member and five kilograms of grains.

The Antyodaya Households are the poorest of the poor, and such households are entitled to 35 kg of grains per month at the rate of 2 INR per kg for wheat and 3 INR per kg for rice.

The below-analysed data is from the NFSA and UPFCS web portal. The study also follows a backward analysis i.e. from demand to supply.

#### 1. Time line of Ration cards - Sanathpur Village of Puresanath Gram Panchayat



The above chart depicts the number of ration cards (digitally) issued in the respective period in Sanathpur. Here, June 17 represents the number of ration cards issued from January 2017 till June 2017 similarly Dec 2021 represents several ration cards issued between June 2021 and Dec 2021.

We see that the maximum PHH (Priority Households) cards were issued in January 2020- June 2020, whereas the maximum AAY (Antyodaya Households) cards in June 2021- Dec 2021. It is essential to observe that there is no specific month or date to issue Ration cards; hence it is a continuous process.

Timeline of RC in Sanathpur	AAY	PHH
2016	1	0
Jan -June 2017	0	0
Aug 2017-Dec 2017	0	0
Jan 2018-June 2018	4	4
Aug 2018-Dec 2018	8	15
Jan 2019-June 2019	15	13
Aug 2019-Dec 2019	7	26
Jan 2020-June 2020	0	76
Aug 2020-Dec 2020	10	0
Jan 2021-June 2021	3	3
Aug 2021-Dec 2021	17	43
Jan-22	0	0
Total RC	65	180

Table 1.1

## 2. Facts and Figures relating to Ration Cards

Ration Card	AAY		PHH		Total	
	RC	RC Members	RC	RC Members	RC	RC Members
<b>India</b>	2,34,04,025	8,74,16,063	21,41,55,102	70,96,33,008	23,75,59,127	79,70,49,071
Uttar Pradesh	40,92,084	1,31,56,434	3,20,59,765	13,64,11,186	3,61,51,849	14,95,67,620
Bhadohi	38,263	1,07,220	2,70,028	10,97,675	3,08,291	12,04,895
Sanathpur GP	65	250	184	1049	249	1299

Table 2.1

	AAY % of total RC	PHH % of total RC	AAY Members per RC	PHH Members per RC
<b>India</b>	9.85%	90.15%	3.74	3.31
Uttar Pradesh	11.32%	88.68%	3.22	4.25
Bhadohi	12.41%	87.59%	2.80	4.07
Sanathpur GP	26.10%	73.90%	3.85	5.70

Table 2.2

Female HOF	AAY	PHH	% FHOFF in AAY	% of FHOFF in PHH
Uttar Pradesh	33,86,715	3,04,80,211	82.76%	95.07%
Bhadohi	34693	261476	90.670%	96.83%
Sanathpur GP	65	180	100%	98%

Table 2.3

- On the country's level, there are 79, 70, 49, 071 beneficiaries of the PDS system. In Uttar Pradesh, it is 13, 64, and 11,186 and in Sanathpur Gram Panchayat, it is 1299 beneficiaries. (Table 2.1)

- Of the total ration cards, Antyodaya cards form 9.85 % at India level, whereas at Sanathpur Gram Panchayat level it is 26.10%. This could also be understood as an indicator of the poverty as Antyodaya cards are for the poorest of the poor. (Table 2.2)
- The number of beneficiaries linked to a single card is represented by the term 'members' in the above table. The number of beneficiaries per card is more in PHH than Antyodaya at all levels except pan India. Also, the number of PHH beneficiary per card increases drastically if we compare 3.31 at the Nation level to 5.70 of Sanathpur village.
- Female Head of Family or the ration cards that are registered under the eldest female of the family above 18 years (NFSA 2013). In Sanathpur village we see this 100 per cent for AAY cards and 98 per cent for PHH. This was a measure by the government to empower women, and if we trust the motives, then 100 per cent of women of AAY families must have felt empowered by some means.

## Insights from Qualitative Data

There are primarily five types of issues faced by beneficiaries in Sanathpur village. These issues range from assigning ration card to final delivery of grains and the power and politics play in between. These issues are as follows:

- Household being eligible for the ration card, but being rejected.
  - Grains being distributed lesser than allocation
  - Discriminatory grounds
  - Capping the maximum number of units to 5
  - Discriminating treatment at the FPS centre
  - Putting the bio-metric signature every month but not taking grains.
  - Social contact impacting the overall system
- Sameena (Name of the respondent changed for the purpose of confidentiality), is a woman belonging to the OBC category working as a house help with no specific salary but payments in kinds only. Her husband is a daily wage labour. Sameena has three children under the age of 15. With no land or asset whatsoever and a kuccha house, along with a yearly income of less than 60,000 per annum, it was still impossible for her to get a ration card. Every time she applied for it, it got settled with a response of Ration card application rejected. Meanwhile, Sameena complains of no verification done by any government official to check her eligibility.
  - FPS owner also informed beneficiaries wrongly of the number of units allotted on ration cards relating to different households. Chintu Bind, Rama Bind and Panna Bind were told of their units as 4,3, and 4 respectively whereas they are 5,4 and 6 as per the list on the UP FCS website. They have been getting lesser grains for two years without even knowing that it is less. They expressed their rage and contempt over how they are looted 10-15kg of grains every month just because they are not well-read or equipped with technology.
  - Another issue is of capping the number of PHH units to a maximum of 5 during distribution. Suman (Name changed) is entitled to have 8 units according to the government data, but is being provided grains only for 5 units. The FPS owner as quoted by Suman says that "*Kitne Bhi log hon, 25 kg se zyada nahin milega*" ( Translation – No matter how many units are there, you will only get 25 kgs)
  - An Interview with Vinod Vishwakarma (name changed) the Food Supply Inspector at the block level, clarified that there is no such capping on the number of units in PHH for distribution.
  - In the middle of all the interviews, a common response in all the cases where the respondent appears to have lesser, power wealth or influence has faced disgrace at FPS centre of Sanathpur Village. However, such humiliation is not faced by the entire population but only those who are distributed lesser than the allotment. Respondents also quoted instances of being shooed away at FPS centre just because they do not have cordial relations with the Ration dealer or the concerned family.

- The qualitative data also reflects the households entitled to grains but do not consume it, as they consume self- produced grains. These households also reported of putting the bio-metric signature every month at the FPS . They go to the Ration shop each month but their signatures but do not take grains in return. What is important here is that such ration cards do not appear as inactive as the biometric signature is put every month, but in reality, the beneficiary is not taking any benefits. These households also say that they put the signatures so that they have access to PDS if they have any need. However, they report that such need arises once in two years or so.
- Lastly, with the help of non-participant observation during the study, the most common observation was how social contact and capital impact the entire PDS system at the local level. The villagers are bound to behave cordially with the FPS owner if they want grains, to not complain of him, to not demand for their rights.
- Most importantly, if one's social contacts and terms with FPS owner are good, no matter what caste, creed or basti they belong to, it will actually be a 'Fair' price shop but if there are no such terms one will have to face some consequences. During the study, we also saw how scared the respondents were to provide any details relating to distributions and rather conformed on saying that they are very happy with the present Kotedaar, despite of the fact that this was not even the question. Though there were no definable instances of power and politics play, there was a lot to be read by villagers' behavior and between the lines. All in all Public Distribution system at the local level is deeply impacted by local social structures, power and contacts.

## Conclusion

The public Distribution System in Uttar Pradesh is in revitalizing category but still there are some lacunae, which impact the beneficiaries on a day-to-day basis. Since FPS forms the point of contact between the beneficiary and the system, it also proves that the system needs to be strengthened. The control and management of FPS need to improve not in terms of quantity and quality of grains but customer service and discrimination too.

However, in this study, there are certain limitations. Public Distribution System is a complex topic for the people, especially in the rural parts. The importance and sensitivity come from the place of vulnerability, food insecurity and politics involved. This posed a limitation to our study as the respondents were hesitant to share information, facts, and instances where they impacted the system negatively. Many respondents also wanted an assurance that their names would not be disclosed at any cost. This study also does not take the viewpoint of the FPS dealer which is a major stake holder for the issue in concern. This again poses a limitation.

Nevertheless, there were a few common issues observed in all the cases being read and interviewed which were listed above. In the policy recommendations, we will recommend that woman FPS dealers and the Fair Price Shop not be under one hand or the same family for more than five years. To distribute power, Government employees could be employed at FPS centres. Social Audit is considered as a very strong tool, to keep the system in place. Hence, social Audit of PDS at the local level should become mandatory periodically.

ISSUE	RECOMMENDATION
Household eligible but Ration card rejected	Verification of households for Ration card not by FPS dealer or Pradhan. Upon rejection of household proper reason to be furnished along with proofs.
Discrimination	FPS Dealer from marginalised communities and Woman FPS dealers.
Power and Politics at FPS	FPS Dealer to be rotated and not be from the same family in two or three consecutive terms.
Lesser grains distributed	Awareness among people about their entitlements through CSC. Toll free numbers to generate such complaints.

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