

## ***Executive Summary***

The Targeted Public Distribution System (TPDS) was introduced in June 1997 with focus on the poor and under it the States are required to formulate and implement foolproof arrangements for identification of the poor and delivery of foodgrain in a transparent and accountable manner at the Fair Price Shops (FPS) level. The Antodaya Anna Yojana (AAY), launched in December 2000, is a step further in the direction of making TPDS aim at reducing hunger amongst the poorest segments of BPL<sup>1</sup> population and the vulnerable sections of society.

This performance review on the Public Distribution System in Assam is aimed at reviewing the efforts of the State Government to bridge the gaps in the distribution system as envisaged, and highlight the areas and issues of concern which need to be addressed for successful and efficient achievement of the objectives of the Public Distribution System.

The performance review has brought out several positive points relating to issue of ration cards to BPL and AAY families and lifting of foodgrain meant for AAY beneficiaries. **(Paragraph 5.1 and 6.1.3)**

There were however, many areas of concern and issues which require needful action of the State Government. Foremost among these is the identification of beneficiaries, which was done by Block Development Officers (Rural) and Circle Officers (Urban) instead of involving Gram Panchayats (Rural) and Nagar Palikas (Urban). Household survey was not conducted for APL<sup>2</sup> beneficiaries and BPL survey and census conducted by GOA was not taken into consideration. **(Paragraphs 4.1 and 4.2)**

### ***Recommendation***

***Proper survey to ascertain the actual number of household/beneficiaries in the State needs to be conducted.***

Foodgrain were provided to APL beneficiaries even without ration cards while ration cards were also issued unauthorisedly by the societies to APL beneficiaries in rural areas. **(Paragraphs 5.2 and 5.3)**

### ***Recommendation***

***The Department should streamline the issue of ration cards including retrieving the unauthorized cards to check diversion of commodities to open market.***

The consumers were overburdened owing to higher selling price of PDS items than the price approved by the Government. There was also a large discrepancy not only

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<sup>1</sup> Below Poverty Line.

<sup>2</sup> Above Poverty Line.

with respect to approved scale but also in the scale of allocation amongst the rural and urban families. **(Paragraph 7.2)**

**Recommendation**

***The Government should ensure distribution of foodgrain to the beneficiaries at the prescribed scale and at the approved price.***

Considering the distribution at the end level as the ultimate objective, short allocation and lifting of foodgrain at different levels had the cascading effect of reducing the scale of distribution to the beneficiaries and was also likely to jeopardize the effective functioning of the system. **(Paragraphs 6.1.1, 6.1.3 and 6.1.4)**

**Recommendation**

***Lifting and distribution of foodgrain needs close and effective watch to check diversion of foodgrain to open market and to ensure availability of foodgrain at right scale to the beneficiaries.***

Infrastructure is an area where the State fared badly as the financial assistance to the State was not utilized optimally for construction of storage godowns, purchase of mobile vans and establishment of Village Grain Banks.

**(Paragraphs 8.2, 8.3 and 8.4)**

**Recommendation**

***There is an urgent need to put in place adequate infrastructure facilities to ensure availability of foodgrain to the targeted beneficiaries as envisaged.***

Transportation cost of AAY rice was not reimbursed in a timely manner resulting in huge backlog of payments to FP Shop owners and Societies/Co-operatives. Non-payment of transportation cost to GPSSs/FPSs was one of the contributing factors of short-lifting of PDS commodities and resultant short distribution to the poorest section of beneficiaries, thus adversely effecting smooth implementation of PDS in the State. **(Paragraph 3.2)**

**Recommendation**

***A suitable mechanism should be put in place to address the issue of reimbursement of transportation cost of AAY rice as per norms of PDS.***

The quality of foodgrain distributed remained questionable due to absence of quality control mechanism. **(Paragraph 11.7)**

**Recommendation**

***Necessary quality control checks needs to be ensured to assess the quality including nutritional value of foodgrain distributed.***

Documentation at FPS, GPSS/WSCCS, sub-divisional level and monitoring through reports and returns, functioning of vigilance committees, inspection of FPSs etc., were far from satisfactory. **(Paragraphs 10.4, 10.5 and 11.1)**

### ***Recommendation***

***The State Government should ensure periodic system of reporting and monitoring regular inspection and meeting of vigilance committees at State, district/sub-division, GPSS and FPS levels.***

More than 50 *per cent* of the FPSs, as revealed in test-check, failed to lift PDS commodities on time resulting in delay in distribution of commodities to the beneficiaries. **(Paragraph 10.4.1)**

### ***Recommendation***

**Timely distribution of foodgrain should be ensured.**

## **Conclusion**

**Public Distribution system (PDS) is one of the most important functions of the State Government which helps in providing food security to a large number of consumers. The implementation of PDS in the State, however, suffered due to non-finalisation of the beneficiaries lists after proper survey to ascertain the actual number of household/beneficiaries in the State, unauthorized ration cards in the system, short-allocation and lifting of foodgrain, delayed distribution of foodgrain, charging of higher retail price, undue benefit to flour mills etc. The allocation and lifting of PDS commodities were not done on the basis of actual position of authorized ration card holders. Foodgrain were provided to APL beneficiaries without ration cards. The consumers were overburdened owing to higher selling price of PDS items than the price approved by the Government. There were inadequate/improper storage facilities causing storage loss of foodgrain and affecting the chain and timeliness of distribution and quality of foodgrain.**

**Considering the distribution of PDS items at the end level, short-allocation and lifting of foodgrain at different levels had the cascading effect of reducing the scale of distribution to the beneficiaries. The Department failed to optimally utilize financial assistance for construction of storage godown, purchase of mobile vans and establishment of Village Grain Banks. Quality of foodgrains distributed remained questionable due to absence of quality control mechanism. Monitoring was lax leading to improper documentation at FPS, GPSS/WSCCS, sub-divisional level, absence of mandatory checks by Vigilance Committee, Departmental Officers and Special Area Officers.**