

# Public Distribution System (PDS) reforms in Chhattisgarh

Vikas Sheel, IAS  
Secretary,  
Government of Chhattisgarh

# Structure

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- A bit about PDS –
  - Why?
  - How?
- Status in 2004
- Reforms phase – 1
- Reforms phase – 2
- Current Status
- Lessons

# Public Distribution System

- Setup in 1955 through E.C. Act.
- Distribution of **subsidized rations** food-grains (rice & wheat), sugar & kerosene to **identified poor** through **licensed** Fair Price Shops (FPS)
- National Food Security Act, 2013 – implementation through PDS.

# PDS – How?

- Beneficiary is given a ration card.
- Attached to a particular shop.
- Government Agency procures.
- Shops buy from the Agency and sell to the beneficiary, every month.

# PDS – How?

- Shop and Agency keep records of stocks and sales.
- Monitoring by District Administration & officials of Food & Civil Supplies Department.

# Problems - 2004

- Diversion/leakages –
  - Limited reach
  - Fake ration cards
  - Unviable FPSs
- Inefficiencies –
  - Delay in monthly allocation
  - Delay in lifting and transportation
- Lack of accountability at all levels
  - Lack of community participation
  - Lack of transparency

# The trigger

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- The party in power lost a prestigious Assembly by-election.
- The Chief Minister Dr. Raman Singh acknowledged
  - “We lost because PDS was not up to mark”

# Chhattisgarh

- A new state – Nov 1, 2000.
- Population 25.9 million (2011)
- 9<sup>th</sup> largest in area
- >50% area under forests
- Poverty – 42.52%
- Ethnic population – 32 % + SC population 12%



# Chhattisgarh PDS 2004

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- 20000 villages – 6000 rural shops.
- 2.1 million beneficiaries.
- 800,000 poorest of the poor – (AAY).
- A sense of hopelessness and cynicism.

# PDS reforms Phase - 1

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- Legal reforms
- Structural reforms
- Financial reforms
- Use of IT and End-to-End computerization of TPDS

# Legal reforms

## De-Privatization –

- Cancellation of privately run 2,872 FPS.
- Shops to be run only by PRIs, SHGs, PACS\LAMPS, FPCs or urban local bodies.
- New PDS Control Order issued in December, 2004.

# Structural reforms

1. Outreach increased – 1 shop per Panchayat.
1. Improved upward linkages – Decentralized Procurement of rice.
2. Doorstep delivery – CGSCSC to transport directly to all FPS. Elimination of middle level lead agencies.

# Financial reforms

- Improving viability of FPS –
  - Interest-free working capital loan of Rs 75000. Payable in 20 years in EMIs.
  - 1 month stock on credit (except kerosene).
  - Commission on food-grains and kerosene increased.

# Expansion of PDS

- Coverage extended to 1.4 million extra families
- Iodized salt introduced in PDS
- States own subsidy bill - \$ 300 million.
- Stakes – raised.

# End-to-End Computerization of PDS

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- Computerization of ration cards
- Computerization of supply chain management.
- Computerization of FPS – COREPDS. (Phase – 2)

# Ration card database

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- Database prepared in 2007.
- Only cards printed from the database (with hologram & barcode) – recognized as valid cards.



# Computerization – back end

- Shop-wise allocation on the basis of data in ration card database and distribution norms.
- All receipts and dispatches in\from procurement\distribution centers through online web based application.
- Collection and data entry of sales data for each shop by 15<sup>th</sup> of previous month.

# Computerization – back end

- Generation of delivery orders and truck challans for each shop.
- 2 months buffer stock at each distribution center.
- All information in public domain –
  - SMS alerts, stock position, movement data etc.
  - Call center.

# Transparency & Community Participation

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- “Jan Bhagidari” portal.
- Truck dispatch information through SMS.
- Chawal utsav (Rice Festival).
- Call center.
- All trucks colored yellow.



# जन भागीदारी

## खाद्य, नागरिक आपूर्ति एवं उपभोक्ता संरक्षण विभाग



"खाद्य विभाग से संबंधित शिकायत करने के लिये निःशुल्क नंबर 1800-233-3663 पर फोन करें"

नागरीक अधिकार पत्र

सूचना का अधिकार

सामान्य जानकारी

SMS पंजीयन करें

संपर्क सूत्र

### सार्वजनिक वितरण प्रणाली : राशन कार्ड

राशनकार्ड हितग्राहियों की विस्तृत जानकारी  
राशनकार्डों की ग्राम/वाड़ वार कार्डवार जानकारी  
राशनकार्डों की उ.मू. दुकानवार कार्डवार जानकारी  
जाति/संवर्ग वार राशनकार्डों की जानकारी  
जिलेवार कुल दुकानों की संख्या राशन कार्ड  
Range अनुसार

### लागिन

यूजर आईडी

पासवर्ड

लागिन

USER पंजीयन करें

पासवर्ड भूल गये ?

### 2010-11 की धान खरीदी की जानकारी

किसानों का विवरण

धान प्राप्ति व जारी का विवरण

धान खरीदी की दैनिक जानकारी

संग्रहण केन्द्र में धान प्राप्ति व जारी का वि

मिल आवेदनों की सूची

अनुमति की विवरण

### सार्वजनिक वितरण प्रणाली : उ.मू. दुकान

उचित मूल्य दुकान की सूची  
जिलेवार शहरी एवं ग्रामीण दुकानों की संख्या  
उचित मूल्य दुकान के अनुसार राशन कार्डों  
जानकारी (ग्रामीण)  
उचित मूल्य दुकान के अनुसार राशन कार्डों  
जानकारी (शहरी)

### शिकायत का विवरण

शिकायत  
क्रमांक

विवरण देखें

### 2009-10 की धान खरीदी की जानकारी

किसानों का विवरण

धान प्राप्ति व जारी का विवरण

धान खरीदी की दैनिक जानकारी

संग्रहण केन्द्र में धान प्राप्ति व जारी का वि

मिल आवेदनों की सूची

अनुमति की विवरण

### सार्वजनिक वितरण प्रणाली : आबंटन

विस्तृत आबंटन विवरण  
सार्वजनिक वितरण प्रणाली का आबंटन  
कल्याणकारी योजना का आबंटन  
जिलानुसार आबंटन  
प्रदायकेन्द्रवार आबंटन  
दुकानवार राशनकार्ड एवं आबंटन

### अधिसूचनार्थ एवं शासन आदेश

प्राशासनिक प्रतिवेदन  
मुख्यमंत्री खाद्यान्न सहायता योजना (हिन्दी)  
मुख्यमंत्री खाद्यान्न सहायता योजना (अंग्रेजी)  
मुख्यमंत्री खाद्यान्न सहायता योजना- संशोधन  
मुख्यमंत्री खाद्यान्न सहायता योजना- संशोधन  
सार्वजनिक वितरण प्रणाली

### जन भागीदारी

खाद्य विभाग से संबंधी शिकायत एवं  
निःशुल्क काल करें।

1800-233-3663



Awards Recieved for the  
Project

"राज्य के गरीब परिवारों को राशन वितरण में पारदर्शिता एवं जन भागीदारी शासन की सर्वोच्च प्राथमिकता है।"

Disclaimer

All efforts have been made to make the information as accurate as possible.

Department of Food, Civil Supplies & Consumer Protection or NIC, will not be responsible for any inaccuracy.





Directorate of Food - Windows Internet Explorer

http://cg.nic.in/rationcard/RationCardDetails.aspx

File Edit View Favorites Tools Help

McAfee

TV & Video Califo... Questions & Answers Watch Sports Online

Brothersoft Go Search Ask Save Video Record Audio Convert Play Settings Tell a Friend Options

Favorites Directorate of Food



सार्वजनिक वितरण प्रणाली एवं मुख्यमंत्री खाद्यान्न सहायता योजना के राशनकार्डधारी हितग्राहियों की जानकारी  
जिला - बिलासपुर, वि.ख./नगर - तखतपुर, ग्राम पंचायत-चिचिरदा, ग्राम-चिचिरदा के राशन कार्ड

स.क्र.	मुखिया का नाम	पिता/पति का नाम	जाति	राशन कार्ड का रंग	राशन कार्ड क्रमांक	सदस्यों की संख्या	मोबाईल नम्बर
1	अजय कौशिक	गरीबा	अन्य पिछड़ा वर्ग	केसरिया	40020403360127		
2	अनुजराम	फागूराम	अनुसूचित जाति	स्लेटी	40020403360067		
3	अनंद बाई	भागवत	अन्य पिछड़ा वर्ग	लाल	40020403360003		
4	अनूपा बाई	भरतलाल	सामान्य	पीला	40020403360068		
5	अमृतबाई	दाउराव	सामान्य	केसरिया	40020403360260		
6	अशोक	अमोली	अनुसूचित जाति	स्लेटी	40020403360069		
7	असरूदास	ईश्वर	अन्य पिछड़ा वर्ग	पीला	40020403360070		
8	आजूराम	आशाराम	अनुसूचित जाति	स्लेटी	40020403360128		
9	इतवारा	फेकूराम	अन्य पिछड़ा वर्ग	पीला	40020403360071		
10	इतवारी	पोमन	अन्य पिछड़ा वर्ग	केसरिया	40020403360129		
11	इतवारी	पोमन	अन्य पिछड़ा वर्ग	केसरिया	40020403360004		



# Transparency & Community Participation

## Yellow trucks carrying PDS commodities





# 2009 - 2011

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- The ruling party wins general elections for a second term.
- The CM acquires the title – “The Monk with rice”
- PDS food basket diversified –
  - Inclusion of black gram in tribal areas.

# Phase - 2

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- Impending elections 2013.
- Chhattisgarh Food & Nutrition Security Act.
  - Coverage almost universal.
  - Double fortified salt introduced
  - Pulses introduced
- COREPDS – Beneficiary empowerment.



# Beneficiaries in Chhataisgarh in PDS

S. No.	Particulars	TPDS Status as per Gol	MKSY	NFSO	CFSA
1	AAY	7.19 lakhs	11.00 lakhs	7.19	16.00 lakhs
2	Priority Households	11.56 lakhs	25.00 lakhs	84% in rural & 56 % in urban	39.00 lakhs
3	General Households (APL)	27.00 lakhs	18.00 lakhs	0	5.00 lakhs
4	Excluded households	9.25 lakhs	2.00 lakhs	22% of population	6.00 lakhs








## CFSA – entitlements in PDS

S. No.	Food item	Quantity (monthly)	Price
<b>1</b>	<b>Food grains</b>		
	<b>1. AAY</b>	<b>35 kg</b>	<b>Rs. 1 per kg</b>
	<b>2. Priority House holds</b>	<b>35 kg</b>	<b>Rs. 2 per kg</b>
	<b>2. General households</b>	<b>15 kg</b>	<b>&lt; 50% of MSP</b>
<b>Only for priority households</b>			
<b>2</b>	<b>Iodized salt</b>	<b>2 kg</b>	<b>free</b>
<b>3</b>	<b>Pulses (non-scheduled areas)</b>	<b>2 kg</b>	<b>Rs. 10 per kg</b>
<b>4</b>	<b>Chana (scheduled areas)</b>	<b>2 kg</b>	<b>Rs. 5 per kg</b>

Sugar @ 1 kg per card per month and kerosene –  
have been excluded from CFSA

# PDS in Chhattisgarh - 2013

**Challenge to distribute every month-**

-  **180, 000 tons of Rice**
-  **28,000 tons of Wheat**
-  **15.5 million liters of kerosene**
-  **11,000 tons of iodized salt**
-  **10,000 tons of black gram**
-  **7000 MT of pulses**
-  **4500 tons of sugar, per month**  
**to 6 million cardholders**

# Centralized Online Real-time Electronic PDS - COREPDS



Department of Food & Civil Supplies  
Government of Chhattisgarh

# COREPDS - Objectives

- To reduce Diversion.
- To make the FPS accountable to beneficiary.
- To improve Service Delivery by incentivizing better performance -
  - weed out nonperforming FPS.

# COREPDS – Issues being addressed

- Non-availability of sales transaction data at the FPS.
- Problems at FPS –
  - Under-weightment.
  - Overcharging.
  - Multiple trips – 1 for each commodity.
  - Shop is not regularly open.
  - Behavior of the FPS salesman

## From 'Development as Freedom', p 27

"A person produces the same commodities in the same way and ends up with same income and buys the same goods, she may still have very good reason to prefer the scenario of free choice over that of submission to order"

--- Amartya Sen

# COREPDS – Unique Features

- Portability - Beneficiary has the choice to pick up her rations from the shop of her choice.
  - Introduced competition among FPS for market share of RC holders (customers).
  - Negotiating position of the beneficiary becomes much stronger vs FPS.
- Beneficiary gets a printed receipt for cash paid by her for purchases.



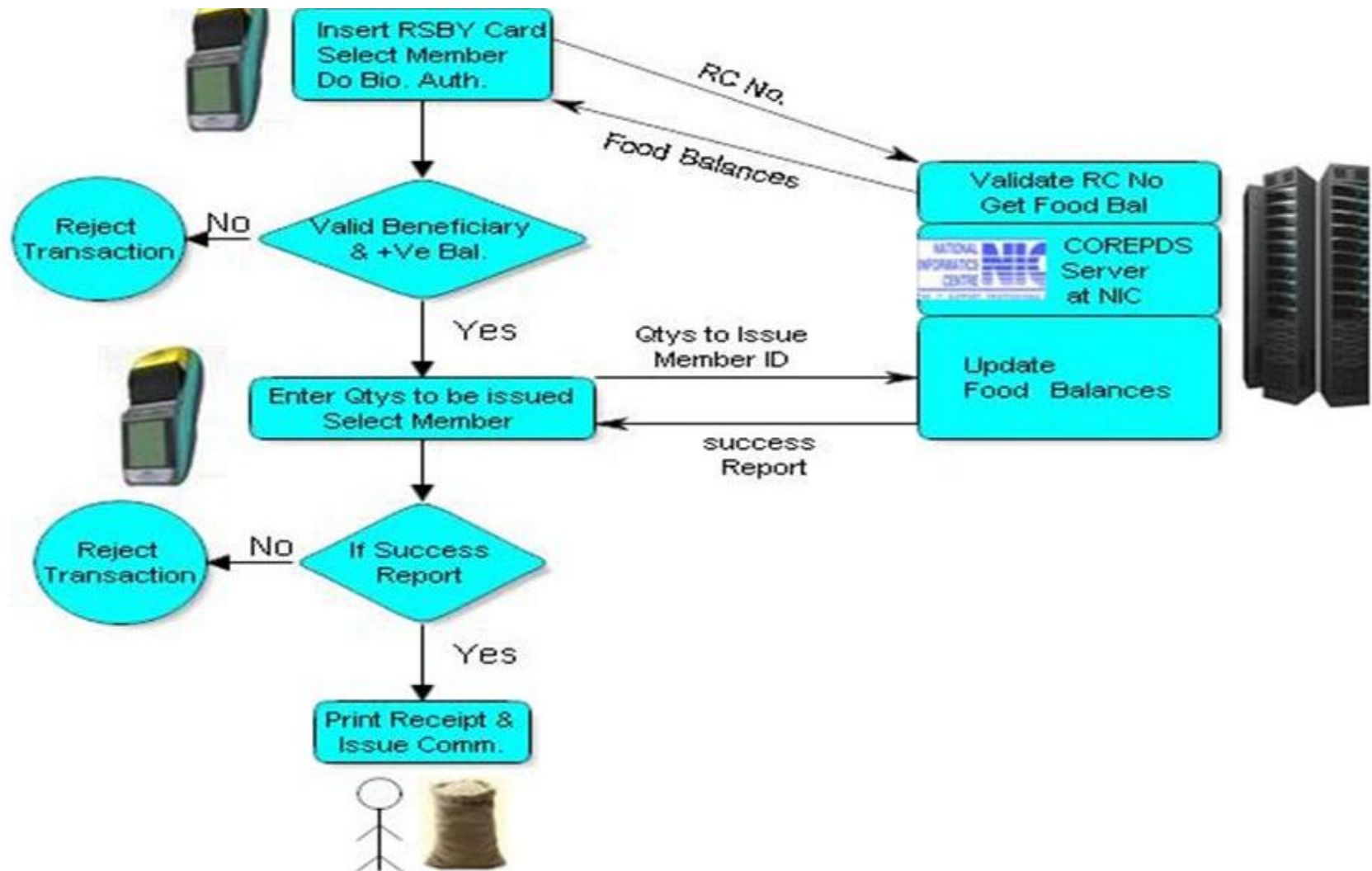
# COREPDS - Features

- Multiple instruments.
- Works on mobile GPRS connectivity.
- Works in online as well as offline mode.
- Step-by-step, menu driven user friendly interface in PoS device

# COREPDS - Model

- Every FPS has a PoS device.
- Every beneficiary has a/an –
  - Smart Ration Card – non-biometric (on\offline)
  - Mobile phone – non – biometric (online)
  - RSBY smart card – biometric (in on\offline mode)
  - Aadhar number – biometric (in online mode).
  - Ration Card – (on\offline)

# COREPDS - Model



# COREPDS - Model

- All sales transactions at the FPS to be recorded through PoS device only.
  - Physical verification of distribution.
- Monthly sales statement of any FPS to be generated only from the server (for the purpose of calculating entitlements for next month)
- All stock receipts to be acknowledged by FPS through PoS device only.
  - Physical verification of receipts.

# COREPDS - Outcomes

Improvement in beneficiary satisfaction –

1. 24.37 % migration – more convenience.
1. Reduction in number of trips per month – from 4-5 to 1.8 (avg).

Incentivizing better performing FPS' –

1. 25% FPS sold rations to > 100% beneficiaries.
2. 18 shops tendered resignations.

# COREPDS - Outcomes

Reduction in leakages –

1. Physical verification of distribution – directly with ration card holder – 3 shops suspended.
2. Physical verification of receipts – 1 transporter blacklisted & 4 shops suspended.
3. Distribution reduced. Savings –
  - Foodgrains – 5 % in BPL, 40% in APL
  - 30% in Kerosene

# COREPDS - Status

- Functional in 300 FPS in Raipur, Durg, Rajanadgaon and Mahasamund cities and 40 rural shops in Mahasamund, since March 20<sup>th</sup>, 2012. Total cost Rs. 98 lakhs. (Rs 60000 per FPS).
- Live status at – (in public domain)  
<http://cg.nic.in/pdsonline/corepds/>

# Lessons

- Political Commitment
  - Chief Minister's leadership – only constant
- Public Proclamation of a guarantee
  - Rice festival – 7<sup>th</sup> of every month.
- Political stability
  - The reforms were a contributing factor.
  - The ruling party won the general election in 2013 for a third term – thanks to CGFSA.



# Thank you

[iamvikassheel@gmail.com](mailto:iamvikassheel@gmail.com)