



# A PUBLIC DISTRIBUTION SYSTEM: A COMPARATIVE STUDY OF BPL CARD USERS AND NON USERS OF BPL CARDS

(With special reference to Modankap region,  
Bantwal Taluk, Karnataka)

**Dr.M. Dhanabhakya<sup>1</sup>**

<sup>1</sup>Associate Professor, School of Commerce, Bharathiar University, Coimbatore, Tamil Nadu, India.

**Mangalalatha L.Fernandes<sup>2</sup>**

<sup>2</sup>Research Scholar, Research & Development Centre, Bharathiar University, Coimbatore,  
Tamil Nadu, India.

## ABSTRACT

**E**very human being in this world need basic needs i.e food, shelter and clothing to sustain and to live a normal life. In India there are people who are deprived of these basic needs. At times they have to depend on others for their daily bread. In this regard Public Distribution System (PDS) is expected to help large number of the population which is below poverty line to achieve food security. PDS is the largest distribution machinery in the world. It is said that PDS distributes commodities worth more than Rs.15,000 crores and about 16 crore families. It has close links with food security for the vulnerable segment of population. Public Distribution System is considered as a strong weapon in the hands of the Govt. for providing food and non food items to the poor and downtrodden. This study analyses why all BPL card holders are not making use of their cards when they get free rice, wheat and other commodities at subsidized price. If the ration card is not made use then the reasons behind it, opinions of both BPL cardholders who make use and do not make use of the BPL cards and ultimately some suggestions for effective use of BPL ration cards by all those who have it to alleviate poverty through Public Distribution System.

**KEY WORDS:** Food Security, Beneficiaries, Card holders, Public Distribution System

## INTRODUCTION

The developing Country like India, millions of people suffer from hunger and malnutrition. In spite of different programmes by the Govt. hunger ratio has not come down. In some parts of India people still starve for food. Food Security of India has close link with the Public Distribution System (PDS). It is a National Food Security System established by Govt. of India under the Ministry of Consumer Affairs, Food and Public Distribution and managed jointly with the

State Govts. in India. Its main aim is to ensure food to all the poor, especially the vulnerable sections of the society. It is recognized as a permanent feature of the strategy to control price, reduce fluctuations and achieve equitable distribution of essential goods. It is a means to distribute essential commodities to a large number of people through a network of Fair Price Shops (FPS) on a recurring basis. The commodities distributed include food and non food items.



The major stake holders are Central Govt., State Govt., Food Corporation of India (FCI) and Fair Price Shops. PDS is a social welfare and the anti poverty programme of the Govt. of India. It was first started in England. Its main objectives are:

1. Maintaining price stability.
2. Rationing the commodities during scarcity.
3. More attention to the welfare of the poor
4. A check on private trade.

PDS in India has not improved much. Its benefit reaches only to 30% of the targeted group. Many studies reveal that the majority of the people are not making use of commodities from ration shops because of its poor quality or hesitance of the ration dealers to supply such inferior quality goods. There should be newness in PDS so that more and more people get benefit from this system.

### NEED OF THE STUDY

Human beings can survive with any deprivation but not of biological deprivation such as food and water. In spite of good economic performance, India is one country which has the highest levels of malnutrition in the world and there are other countries also. The Global Hunger Index (2010) ranks India at the bottom with 67<sup>th</sup> position (out of 88 countries) with a GHI of 23.70, and this index characterizes the "alarming food security situation". According to food and Agricultural Organisation, India alone accounts for 400 million poor and hungry people. A large section in India are deprived of their basic need of food. In this regard Public Distribution System has to do a lot. Its services must reach to the concerned people directly.

### REVIEW OF LITERATURE

An article in Times of India (2009) stated that the Supreme Court of India set up the Justice D.P Wadhwa Committee in 2006 for a reality check on the health of the working of the Public Distribution System. Justice Wadhwa in his report submitted to the Supreme Court said: "PDS is inefficient and corrupt. There is an unholy nexus between the transporters, fair price shop owners and officials of the department of food and civil supplies".

A Planning Commission study (2005) finds that about 58% of the subsidized food grain issued from the central pool does not reach the BPL families because of identification errors, non transparent operation and corrupt practices in the implementation of the Targeted Public Distribution System. There are errors of wrong inclusion of bogus cards and non BPL households. Only 57% of the BPL households are covered by it. Over 36% of the budgetary subsidies on food is siphoned off by the supply chain and 21 % reaches to the targeted group. The FPS are generally not viable because of low income

and they remain in business through leakages and diversions of subsidized grains.

Chandanshiv M.M & S.S Narwade (2013), write that majority of poor people could not buy from FPS because of low income. PDS alone cannot satisfy the food requirement of the people. They must provide employment opportunities. Then they can make use of the programs like PDS. Divided families are deprived of ration cards. Price lists were not put up on the board, so it led them to pay more than its price.

### BPL card holders in Modankap, Bantwal:

A study is conducted on PDS in Modankap, Bantwal. It is a semi-urban area in Dakshina Kannada District. It is inhabited by 411 villages total population is 1,69,416 families of which 51,481 families possess BPL cards.

### The following are the objectives of study:

1. To assess and to evaluate the benefit received by the BPL Card Holders.
2. To find out the reasons from BPL Card holders for not making use of their cards.
3. To offer appropriate suggestions to PDS in order to make it more effective.

**BPL card holders:** These Below Poverty Line (BPL) cards are given to the families whose annual income is less than Rs.12, 000 in rural areas, and it is less than 17,000 in urban areas. During the year 2005-06 the State government conducted an intensive house to house survey to select the genuine beneficiaries for this scheme. On this survey the process of ration cards are brought under e-governance by capturing bio-metric photography. After the completion of this process the permanent, (photographed and laminated) cards are issued to the beneficiaries.

### Benefits for the BPL Card holders in Modankap:-

The card holders of Antyodaya Anna Yojana get benefit of rice 29 Kgs, wheat 6 Kgs free of cost, Palm oil one ltr at Rs.25/-, salt one Kg at Rs.5/-, Kerosene oil 4/5 ltrs at Rs.18 per ltr (benefit per card). The beneficiaries of BPL card holders get rice 4 Kgs, wheat one kg both are free of cost (benefit per person). The card holders of APL also get a benefit of rice 13 Kgs at Rs.15/-, wheat 2 Kgs at Rs.10/- .Those who have AAY and BPL card holders get rice 5Kgs at Rs.15/-, wheat 3 Kgs at Rs.10/- other benefits they get but they have to bear the cost.

## RESEARCH METHODOLOGY

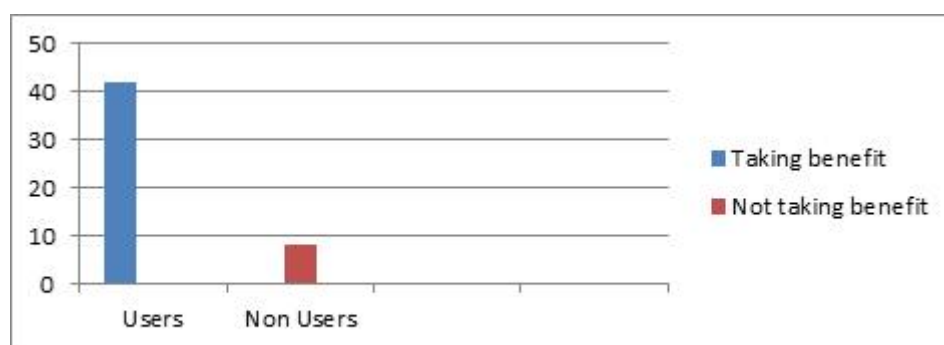
Descriptive and analytical study was conducted based on primary data. Data have been collected from 50 BPL cardholders of Modankap, Bantwal Taluk, and Karnataka using random sampling method of structured questionnaire. The response sheets were taken back for scoring and consolidation. The test scores were then consolidated to facilitate computer analysis of the data using SPSS programme.

**Secondary data** is collected from various sources like books, journals, magazines, websites etc.

## ANALYSIS AND INTERPRETATION

1. Chart Showing BPL cardholders—those who make use of the cards and those who are not making use of the ration cards.

BPL card	Taking benefit	Not taking benefit
Users	42	00
Non Users	00	08

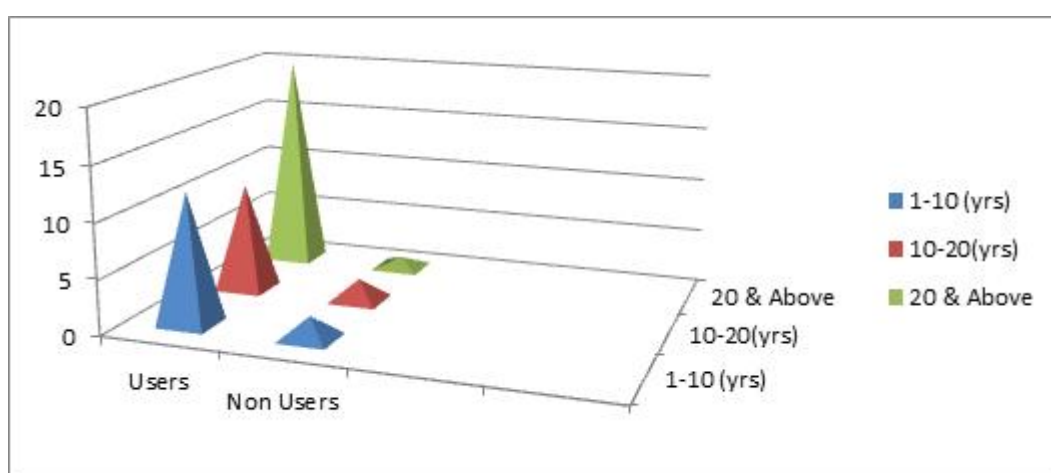


From the above graph it is clear that most of the BPL card holders are making use of the FPS to buy the commodities and also get benefit from the commodities where it is free of cost. There are few BPL card holders

not making use of the benefits from FPS .They say the commodities are of poor quality and time and days are not suitable for them to buy their ration.

2. Table showing usage of Fair Price Shop by the BPL card holders.

BPL card	1-10 (Years)	10-20 (Years)	20& above
Users	12	10	20
Non users	02	02	01

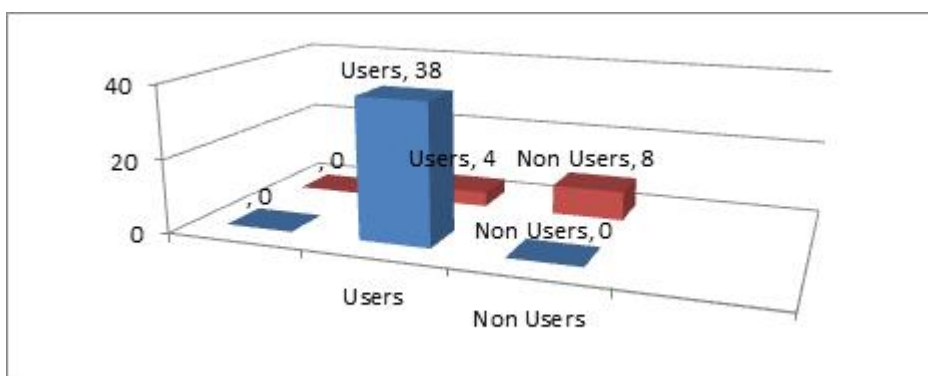


From the graph it is clear that BPL card holders are making use of FPS from many years but some of the BPL card holders are not taking the benefits that they get

from Govt. Some of them get the commodities but they sell in the open market or to their neighbors.

3.Table showing families received benefit from PDS.

BPL card	Received benefit	Not received benefit
Users	38	04
Non users	00	08



Most of the beneficiaries say that their standard of living has improved because of the benefit that they get from PDS. They could save their earnings. Few of the BPL card holders are not happy with the quality of commodities that they get.

**Hypothesis:-**

Ho: There is no significant difference between BPL card holders taking benefit and those not taking benefit.  
 H1: There is significant difference between BPL card holders taking benefit and those not taking benefit.

One-Sample Test						
	Test Value = 0					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Do you get good quality ration items from the ration shop-Beneficiaries of BPL	13.696	41	.000	2.524	2.15	2.90

The t- test attributes that the P value is less than 0.05 this null hypothesis is rejected and it is said that there is significant difference in the opinion of those who make use of it and those who do not make use of it.

**Hypothesis:-** HO: There is no significant difference in the satisfaction level of usage of card holders and non Usage of BPL card holders.

H1: There is no significant difference in the satisfaction level of usage of card holders and non Usage of BPL card holders.

One-Sample Test						
	Test Value = 0					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Are you satisfied with the functioning of FPS in your place-Beneficiaries OF BPL	18.111	41	.000	1.333	1.18	1.48

As the significant difference is less than 0.05 the null hypothesis is rejected. There is significant difference in the satisfaction level of those who use BPL cards and those who do not use it.

**Challenges faced by PDS:-**

1. Disappearance of PDS commodities before they could reach the ration shops.
2. Leakages in transportation.

3. Problem of maintaining cleanliness in storing and distribution of food grains in Fair Price Shops.
4. Govt. may not be aware how many families are currently active.



## **Suggestions received from BPL card holders:-**

1. Details of commodities and its prices should be displayed on the notice board in Fair Price Shops (FPS).
2. Vigilance committees should frequently visit the FPS to monitor the functioning of FPS.
3. PDS should be linked with employment guarantee programmes.
4. Increased use of social media to communicate information about PDS to its beneficiaries.

## **CONCLUSION**

The study highlights that many of the BPL card holders are making use of ration commodities. The beneficiaries are happy that they need not pay for some commodities like rice and wheat and other commodities are available at reasonable price. At the same time they suggest that the quality of sugar has to be improved, quantity of kerosene should be increased, keep up to the correct weighing. There are some BPL card holders not making use of the benefit from the ration shop because of various reasons. They are: their houses are far away

from the ration shop; quality of some commodities is not good, the commodities given are less than the allotted quota, time and the days for buying ration are not suitable to them. If PDS works sincerely keeping in mind the betterment of the poor people and informing them time to time about the arrival of commodities it will be a great help to them. The need of the hour is to have a major shakeup in PDS, that is those who are in administration and those who work under them have to work hand in hand in order to achieve the desired results.

## **REFERENCES**

1. A Mahedran (2013), "Targeted Public Distribution System in Food Grains: An Effective Method for the Tribals of Rural Karnataka (India)", *Journal of Business Law and Ethics*, vol.1.no.1, Dec.
2. Chandanshiv M.M & S.S Narwade (2013), "An Evaluation of PDS in Maharashtra –A case study", *Southern Economist*, vol 52, June 1, Pg 13-18.
3. Sarika Suri (2014), *Public Distribution System: An Arrangement for Food Security in India*, ZIJEMR, vol.4 (2)2, pg 39-46.
4. T.P.Vijumon (2015), "Public Distribution System: A Phenomenon of Drainage", *Southern Economist*, vol 53, January 1, Pg 25-28.