

Study on working of food corporation of India (FCI) & public distribution system (PDS) in relation to food grain procurement and distribution in J&K state

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ABSTRACT

Food Corporation of India (FCI) in J&K is working quite satisfactorily in spite of the difficulties faced by it in terms of storage capacity, procurement and terrorism. The timely food grain availability in the areas of Kargil, Leh and other hilly regions of Kashmir is really a challenging task which FCI (J&K) is doing satisfactorily. The average efficiency of PDS (Jammu) accounts to be 60.53 which is again a good percentage considering the fact that 97.5% of population in the state is Above Poverty Line (APL) and for APL population, the food grain prices in Fair Price Shops (FPS) are pretty similar to that prevailing in the market.

Key words : FCI, Public distribution, Food grain procurement, J&K.

INTRODUCTION

The food production in India has improved to 200 million tones and continues to remain at that level during the last few years. The country which depended upon imported food grains to feed her millions has emerged strong with exportable surpluses. It is credible performance indeed. But it is sad to note that over 300 million of our brethren remain underfed in spite of burgeoning stock of food grains. The deaths in Orissa in 2001 in spite of our overflowing public distribution system are a shameful example where parents were forced to sell their children for food.

So, today, the problem is not mainly related to the inadequacy of food grains but it is concerned with the distribution of the available food grains.

FCI established in 1965 under Food Corporation act 1964 started its functioning from 1st Jan. 1965 as the main agency of the central government. It was formally inaugurated at Madras on 14th Jan. 1965 on Pongal day (New harvest festival, traditionally celebrated in South) by the then Union minister of Food & Agriculture Sh. C Subramaniam with the following main objectives.

- Effective price support operations for safeguarding farmer's interests.
- Distribution of food grains throughout the country through Public Distribution System (PDS).
- Maintaining buffer stock to ensure national food security.
- Public Distribution System (PDS) is the largest distribution network of this type in the world with 4 lakh fair price shops (FPS). The main objectives of PDS are
- Ensuring price stability.
- Achieving an equitable distribution of essential consumer goods.

OBJECTIVES

The specific objective of this work is to determine the efficiency of PDS in relation to food grain distribution in Jammu district and in particular

1. To study the working of FCI in J&K and problems faced by it.
2. To improve the working efficiency of PDS in J&K.

MATERIALS AND METHODS

Secondary data is collected from FCI (J&K) to study its working in Jammu and Kashmir state. Personal interviews were also conducted with the officials of FCI, J&K to know about the problems faced by the FCI (J&K) in terms of food grain distribution in the state. Secondary data is also collected from the Food and Supplies (F & S)

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Department, J&K to evaluate the efficiency of Public Distribution System (PDS) in Jammu district.

ANALYTICAL TECHNIQUE

The data available subjected to tabular analysis for determining the efficiency of PDS. The results have been derived on percentage basis. The reference period of the study is 2001. It takes into account the changes made in the Union budget 2000-2001.

RESULTS AND DISCUSSIONS

Procurement by FCI in J&K

The state being highly deficit in food grains production, there is no significant procurement. The state agencies viz. JAKFED in Jammu and State Food Department in valley mop up whatever surplus food grains are offered by the farmers. Since the prices of food grains are ruling high in the state than the central procurement / support prices as announced by the union government, there have been no distress sale by the farmers.

Allocation to the state

As in other parts of the country, the TPDS was introduced in J&K state w.e.f. 1st June 1997. As per TPDS scheme, the vulnerable section of society are to be provided food grains at the highly subsidized rates i.e. according to this scheme, the central allocation was divided into BPL (Below Poverty Line) and APL (Above Poverty Line). The allocation of food grains under various heads for the year 1999 is presented in the table-1.

The consumers of Kashmir valley have special preference for coarse rice and for catering to their requirements, rice of common variety IR-8 is specifically being moved from U.P. Similarly, the consumers of Jammu have preferences for super fine variety and for them also rice Gr. 'A' is being arranged from Punjab state.

Supplies to Ladakh region

The full year's requirement of Leh and Kargil has been dispatched every year well within limited period of about 100 days beginning from the month of June.

The supply of food grains to the Ladakh region for 2000 is as:

Leh	:	Rice = 575 MT	Sugar = 152 MT
Kargil	:	Rice = 5500 MT	Sugar = 309 MT

Storage Capacity

The present storage capacity in the godowns of J&K is as

Jammu Division	: 52940 MT
Kashmir Division	: 48200 MT

The under construction storage godown capacity is

Jammu Division	- Udhampur district: 50,000 MT
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Kashmir Division - Kishtwar: 2500 MT
Pulwama: 2500 MT
Budgam: 2500 MT
Kupwara: 5000 MT

Problems faced by FCI, J&K

1. Only one rail terminal – at the last station of Northern railway delayed arrival of food grains by several days.
2. Less godown/ storage facility – with capacity of storing food grains of one month stock only.

Table 1 : Application of food items under various heeds.

Item	BPL	APL	Sub total	Additional allocation	Grand Total
<u>Rice:</u>					
Jammu Div	1416 MT	1787 MT	3203 MT	4669 MT	7872 MT
Srinagar Div	3285 MT	10,723 MT	14008 MT	10,331 MT	24339 MT
<u>Wheat:</u>					
Jammu Div.	1374 MT	4140 MT	5514 MT	13390 MT	19204 MT
Srinagar Div.	105 MT	3220 MT	3325 MT	7850 MT	11175 MT
<u>Sugar:</u>					
Jammu Div.			1727 MT		1727 MT
Srinagar Div.			1840 MT		1840 MT

DISTRIBUTION OF FOOD GRAINS BY FCI THROUGH FOOD & SUPPLY DEPARTMENT, J&K

The efficiency of Public Distribution System for the six months (Table 2-7) is evaluated by the data obtained from Food & Supplies department, J&K regarding the amount of food grains taken from FCI by F & S Deptt and the amount of food grains actually distributed to the people by the later.

Table 2: For the month of May 2001

Item	Amount taken from FCI Qt – Kg – g	Amount left with F & S deptt. Qt – Kg – g	Amount Distributed Qt – Kg – g
Wheat	17421 – 30 – 615	3664 – 96 – 000	13756 – 34 – 615
Rice A grade	10460 – 72 – 500	5613– 31 – 000	4847 – 41 – 500
Rice A, BPL	4701 – 52 – 900	1225 – 18 – 000	5476 – 34 – 900
Rice IR	8357 – 90 – 600	2626 – 05 – 000	5731 – 85 – 600
Sugar	14368 – 80 – 360	9054 – 56 – 980	5314 – 23 – 380
Total	55310 – 26 – 975	22184 – 06 – 980	33126 – 19 – 995

Efficiency = 49.95 %

Table 3: For the month of June 2001

Item	Amount taken from FCI Qt – Kg – g	Amount left with F & S deptt. Qt – Kg – g	Amount Distributed Qt – Kg – g
Wheat BPL	16933 – 00 – 000	4282 – 27 – 000	12650 – 73 – 000
Wheat Rel.	49475 – 77 – 950	4299 – 30 – 000	45176 – 47 – 950
Rice A, APL	9634 – 78 – 000	6168 – 30 – 000	3466 – 48– 000
Rice A, BPL	1078 – 19 – 200	974 – 68 – 000	103 – 51– 200
Rice IR, Spl	11089 – 80 – 800	4067 – 68 – 000	7022 – 12 – 800
Sugar	18247 – 40 – 770	12537 – 63 – 000	5709 – 77 – 770
Total	106458 – 96 – 720	32329 – 86 – 000	74129 – 10 – 720

Efficiency = 69.63 %

Table 4: For the month of July 2001

Item	Amount taken from FCI Qt – Kg – g	Amount left with F & S deptt. Qt – Kg – g	Amount Distributed Qt – Kg – g
Wheat APL	14486 – 73 – 800	-	14486 – 73 – 800
Wheat BPL	18006 – 00 – 500	3557 – 21 – 000	1448 – 79 – 500
Wheat Rel.	5952 – 91 – 550	19721 – 20 – 000	-
Rice A	5912 – 72 – 000	5549 – 94 – 000	362 – 78 – 000
Rice, BPL	-	679 – 13 – 000	-
Rice IR, BPL	12146 – 17 – 000	4081 – 27 – 000	8064 – 90 – 000
Sugar	37912 – 78 – 670	13666 – 10 – 000	24246 – 68 – 670
Total	94417 – 33 – 520	47254 – 85 – 000	47162 – 48 – 520

Efficiency = 49.95 %

Table 5 : For the month of August 2001

Item	Amount taken from FCI Qt – Kg – g	Amount left with F & S deptt. Qt – Kg – g	Amount Distributed Qt – Kg – g
Wheat APL	23627 – 31 – 000	3807 – 58 – 000	19819 – 73 – 000
Wheat BPL	16708 – 00 – 000	3920 – 30 – 000	12787 – 70 – 000
Rice, Antodiya	3465 – 00 – 000	987 – 63 – 000	362 – 78 – 000
Rice A, APL	9818 – 71 – 000	6169 – 19 – 000	-
Rice A, BPL	-	215 – 16 – 000	8064 – 90 – 000
Rice IR, BPL	15383 – 36 – 000	4577 – 13 – 000	24246 – 68 – 670
Rice IR, Antodiya	3634 – 00 – 000	1221 – 34 – 000	47162 – 48 – 520
Sugar	3873 – 83 – 000	8343 – 91 – 000	-
Total	76509 – 21 – 000	29242 – 24 – 000	47266 – 97 – 000

Efficiency = 61.70 %

Table 6 : For the month of September 2001

Item	Amount taken from FCI Qt – Kg – g	Amount left with F & S deptt. Qt – Kg – g	Amount Distributed Qt – Kg – g
Wheat APL	-	4253 – 11 – 000	-
Wheat BPL	14704 – 40 – 600	5612 – 92 – 500	9091 – 48 – 100
Wheat Rel.	-	3 – 00 – 000	-
Wheat, Antodiya	3453 – 00 – 000	1256 – 98 – 000	2196 – 02 – 000
Rice A, APL	10370 – 00 – 000	7746 – 94 – 000	26230 – 06 – 000
Rice IR, BPL	8815 – 75 – 400	5495 – 75 – 000	3320 – 00 – 000
Rice IR, Antodiya	3623 – 00 – 000	1488 – 79 – 000	2134 – 21 – 000
Sugar	40038 – 17 – 000	16080 – 29 – 000	23957 – 88 – 000
Total	81004 – 33 – 000	41937 – 78 – 500	58018 – 07 – 500

Efficiency = 71.62 %

Table 7 : For the month of October 2001

Item	Amount taken from FCI Qt – Kg – g	Amount left with F & S deptt. Qt – Kg – g	Amount Distributed Qt – Kg – g
Wheat APL	17692 – 40 – 000	3655 – 54 – 000	14036 – 86 – 000
Wheat BPL	7058 – 16 – 000	5451 – 18 – 000	1606 – 98 – 000
Wheat AAY	3562 – 00 – 000	1883 – 03 – 000	1678 – 97 – 000
Rice A, APL	10456 – 95 – 000	7391 – 61 – 000	3065 – 34 – 000
Rice IR, BPL	15262 – 81 – 806	5396 – 05 – 000	9866 – 76 – 806
Rice IR, AAY	3732 – 81 – 806	1906 – 04 – 000	1826 – 77 – 806
Rice IR, Apurna	4833 – 86 – 194	180 – 34 – 800	4643 – 52 – 194
Sugar	15855 – 49 – 056	12304 – 46 – 000	3551 – 03 – 056
Total	78454 – 49 – 862	38168 – 25 – 000	40286 – 24 – 862

Efficiency = 51.34 %

- Hilly terrain – makes it difficult to distribute food grains to regions like Kargil and Ladakh.
- Terrorism – again one of the major difficulty in distributing the food grains to the various effected regions of the state.

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