

END TO END COMPUTERIZATION PROJECT- A NOVEL APPROACH TO KERALA

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ABSTRACT

The Public Distribution System (PDS) is the main plank of India's food management initiatives. The food management aims at procuring food grains from farmers at remunerative prices, distributing food grains to consumers particularly, poor and vulnerable sections of the society at affordable prices and maintaining food buffers for food security and price stability. The public distribution system is an umbrella effort incorporating procurement, movement, stocking and distribution. Kerala had one of the best run and most effective PDS networks in India. Prior to the introduction of targeting, Kerala was the only state in India with near-universal coverage of the PDS. The benefits of the system were equitably spread across income groups in both rural and urban areas. The Civil Supplies Department of Kerala is in a period of Transformation to an IT enabled Public Distribution System under the guidance of National Food Security Act, 2013, in this context the paper attempts to analyse Kerala Civil Supplies Department's new project named End To End Computerization.

KEYWORDS: Public Distribution System, Fair Price Shops, Information Technology, End to End Computerization

INTRODUCTION

In India, Food Security mainly focused on supply of food grains and the medium was Public Distribution System. Public Distribution System (PDS) is a rationing mechanism that entitles households to specified quantities of selected commodities at subsidized prices. In other words, it is an instrument for ensuring availability of certain essential commodities for consumption at subsidized rates to the people, particularly the poor. According to the Ministry of Consumer Affairs, Food and Public Distribution, Government of India, PDS has evolved over time as a major instrument of the Government's economic policy for ensuring availability of foodgrains to the public at affordable prices as well as for enhancing the food security for the poor. It is an important constituent of the strategy for poverty eradication and is intended to serve as a safety net for the poor whose number is more than 330 million and is nutritionally at risk. The commodities distributed under PDS include rice, Wheat, sugar, edible oil and kerosene. The Government of India, through the Food Corporation of India (FCI) established in 1965, procures and stocks food grains and releases every month for distribution through the PDS network across the country.

India has a large program of public food distribution, mainly food grains, through a net work of Fair Price Shops (FPSs) both in rural and urban areas with more than 460 thousand FPS, its reach in rural areas is sometimes better than the market. The programme has evolved with the twin objective of (i) providing incentive prices to the farmer for a sustained supply of food grain and (ii) subsidizing its consumption. Until the seventies the focus of food distribution program was urban and food deficit areas. The welfare focus of the program assumed importance during the eighties and coverage

extended in rural areas, first in the south Indian states and later all over India.

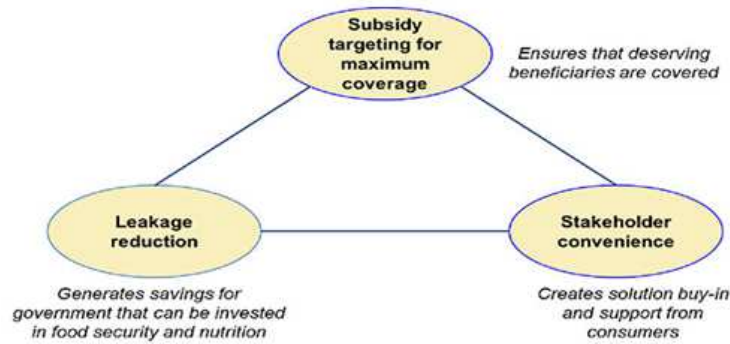
- **Evolution of Public Distribution System in Kerala**

In Kerala, the agricultural production is gear towards cash crops instead of food crops like rice and wheat. Food production is inadequate in Kerala state, where the trend has been dwindling between paddy cultivation and the extension of cultivated area under cash crops. The State had, however, learned to cope with the fact that it was not self-sufficient in food-grain production by maintaining what has often been hailed as the most effective Public Distribution System (PDS) in the country, which ensures access to food grains to almost the entire population using imports from other States. Though the PDS had over the years emerged as the most significant instrument in government policy to moderate open market prices and to ensure food security at the household level by providing food grains at assured prices Public Distribution System was launched in Kerala in 1962 with the implementation of the Kerala Rationing Order. Kerala made pioneering achievements in the implementation of a Universal Rationing System. It is well known that Kerala had one of the best run and most effective PDS networks in India. Prior to the introduction of targeting, Kerala was the only state in India with near-universal coverage of the PDS. The benefits of the system were equitably spread across income groups in both rural and urban areas.

From the year 1992, the Revamped Public Distribution System was introduced in those areas where Drought Prone Area Programme and Dessert Development Programme were in operation. Under this system people were allowed to purchase essential items from the FPS at relatively lower subsidized rates. After, the Chief Ministers' Conference held in July 1996, a revised scheme known as the Targeted Public Distribution System was introduced countrywide with a network of 4.74 lakh Fair Price Shops. Under the Targeted Public Distribution System a two-tier subsidized pricing system is followed. Cardholders are classified as Above Poverty Line (APL) and Below Poverty Line (BPL). The BPL families are entitled to receive the essential commodities at a price, which is very close to the economic cost. BPL families are identified based on the methodology given by Lakdawala Expert Group on estimates of poverty. The TPDS was further extended in December 2000 to include the Antyodaya Anna Scheme. It consists of the identification of 10 million of the poorest families out of the total BPL population of 65.2 million- 'the Poorest of the Poor', and provides them with 25 kg of food grains per family per month at the price of Rs 2 per kg of wheat and Rs 3 per kg of rice.

- **End to End Computerization Project**

The End-to-End computerization project of the Public Distribution System is a revolutionary project that is envisaged to transform the PDS in Kerala and the food security scenario in the entire nation. The Civil Supplies Department is in a period of Transformation to an Information Technology enabled PDS under the guidance of National Food Security Act, 2013. The PDS is an umbrella effort incorporating procurement, movement, stocking and distribution.



Source: www.civilsupplieskerala.gov.in

Chart 1: Objectives of End to End Computerization Project

The objective of the end-to-end computerization in the state is to ensure a transparent, efficient and citizen responsive PDS based on AADHAAR.

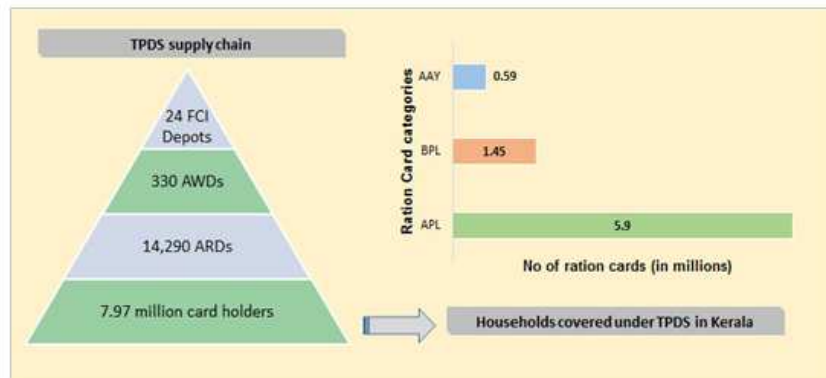
The computerization of PDS largely rests on four pillars- (a) Database digitization of all stakeholders (b) Supply Chain Management (c) Authorized Retail Dealer Automation and (d) Transparency portal and Consumer Grievance Redress Mechanism.

- **Database Digitization of All Stakeholders**

Government of India has decided that in select schemes including the TPDS, the database has to be digitized in standardized core formats developed by Department of Electronics & Information Technology (DEITY). It has been also decided that Aadhaar numbers for each individual shall be entered along with other data. In Kerala the entire stakeholder information up to ration card is in a Unicode database in Malayalam in a database developed by NIC, Kerala State Unit called the RCMS (Ration card management system). Presently the entire RCMS is being reworked for renewal of the ration card with issue of pre-populated forms and simultaneous inorganic seeding of AADHAR alongside enabling online data updation. This process is coupled with priority population validation by a ranking mechanism of poverty shall be concluded with a comprehensive social audit in Panchayats and Municipalities Details like Aadhar Number, photograph, Residence Number, Bank details, Mobile Number, Electricity/Water/Gas consumer numbers, etc. have been collected through pre-populated forms generated from the existing RCMS database for the citizens of Kerala through the 9832 photo camps setup by the Department for adding these details to the RCMS.

- **Supply Chain Management**

Supply-Chain computerization of the entire TPDS operations would cover monitoring of food grains allocation, storage and movements starting from the base depots of FCI till the FPS. The information related to the supply-chain has to be made available in public domain through the Transparency Portal. The portal would have different dashboards catering to the varying information needs of various stakeholders involved in TPDS operations.



Source: www.civilsupplieskerala.gov.in

Chart 2: TPDS Supply Chain

The above chart depicts the current status of Public Distribution System network in Kerala.

- **ARD Automation**

Authorized Retail Dealer (ARD) automation is the most important and challenging link in the entire TPDS value chain reforms because of its direct interface with beneficiaries and its dependence on ARD dealers. The goal of ARD automation is to make operations at the ARD more transparent and more difficult to misreport by closing the information loop on the movement of food grains through the TPDS supply chain. This has a profound impact on the performance of the entire system and ARD automation is essential to realize the benefits of better beneficiary identification and supply chain automation. ARD automation has to be designed to ensure that only rightful beneficiaries can access food grains from the TPDS thereby safeguarding their rights under the National Food Security Act. The system must also increase convenience for the beneficiary as well as the Fair Price Shop dealer.

- **Transparency portal and Consumer Grievance Redress Mechanism**

As per the guidelines issued by the Government of India for the End-to-End Computerization of the entire Public Distribution System, an effective grievance redressal mechanism should be put in place by all States/UTs. This grievance redressal mechanism should include SMS, email, or other suitable technology which can be used for timely resolution of the citizen/beneficiary grievances, giving feedback to supervising authority, public, etc. Grievance redressal process takes care of the grievances filed by the PDS beneficiaries and various private dealers / agents involved in the Public Distribution System process. In Kerala, toll free helpline numbers 1967 and 1800-425-1550 have been established and communicated throughout the state. Online grievance registration mechanism is also present on the state portal.

CONCLUSIONS

Hope the End to End Computerization will be a successful experience for effective PDS in Kerala and can be taken as an example for the rest of India.

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