The concept of Public Distribution System in the country was evolved around 1942 due to shortage of foodgrains during the 2nd World War and Government intervention in distribution of food started. This intervention of Government in distribution of foodgrains in the food scarcity period and, thereafter, continued in major cities, towns & certain food deficit areas. This policy of Public Distribution System/Rationing System has undergone several changes with every lap of the Five Year Planning System in the country. The Seventh Five Year Plan assigned to it a crucial role by bringing the entire population under Public Distribution System and became a permanent feature in the country’s economy.

The Government of India fulfills certain objectives of food security through Public Distribution at an affordable price. In the present scenario, Public Distribution System strives to meet the twin objectives - the price support to the farmers for their product and maintenance of stocks. It is against these stocks procured under price support that every month Government releases a prescribed quantity, in each State for distribution under Public Distribution System. This mission of the Government of India is brought into the reality at the operational level by FCI. The Sales Division communicates the said allocation to its Regional Offices. On receipt of sub-allocation from the State Government, the Regional Offices issue the instructions to the District Offices for releasing the stocks to the respective State Government /their nominees on prepayment basis at district level.

TARGETED PUBLIC DISTRIBUTION SYSTEM (T.P.D.S.)

Public Distribution System was widely criticized for its failure to serve the population below the poverty line, its urban bias, negligible coverage in the States with the highest concentration of the rural poor and lack of transport and accountable arrangements for delivery. Realizing this, the Government of India introduced the TPDS scheme w.e.f. 1.6.1997 (w.e.f. 1.5.1997 for the states of Tripura, Haryana and Gujarat) to streamline the PDS by issuing special cards to the families below the poverty line (BPL) and selling essential articles under PDS to them at a specially subsidized prices with better monitoring of the delivery system. The families belonging to above the poverty line were categories as APL families.

During the year December, 2000, Government of India decided to issue rice and wheat at the rate of Rs. 3/- per Kg. And Rs. 2/- per Kg., respectively to the poorest of the poor population out of the earlier identified BPL population and were categories as Antyodaya families.
Hence, w.e.f. the year December, 2000, the TPDS has three categories of families viz. APL, BPL, and AAY families. There are different category-wise Central Issue Prices under TPDS.

**PDS under NFSA**

Under NFSA, up to 75% population of Rural and up to 50% population of Urban areas may be identified as eligible households for food security. The eligible households will be identified in two categories –

i. Households covered under Antyodaya Anna Yojana (Identified to the extent as may be specified by the central government for each state in accordance with the guidelines of Antyodaya Anna Yojana Scheme launched by Central government on 25th December 2000)

ii. Priority Households (to be identified in accordance with such guidelines as the State Government concerned may specify)

The households covered under Antyodaya Anna Yojana shall be entitled to get 35 Kg. of foodgrains per household per month. Every person belonging to priority household shall be entitled to get 5 kg. of foodgrains per person per month. The said foodgrains will be provided at the prices of Rs. 3 per Kg. for rice, Rs. 2 per Kg. for wheat and Rs. 1 per Kg. for coarsegrains.

NFSA has been implemented in all the 36 States/UTs.

**Role of FCI in PDS**

The role of Food Corporation of India is to ensure supply of foodgrains to the States/UTs as per the allotment made by the Government of India at the applicable Central Issue Prices. The stock of foodgrains under PDS is issued through joint sampling method. Further, FCI has no control over the stock once lifted and taken out of FCI premises.

The responsibility of distributing the foodgrains to the targeted beneficiaries through Fair Price Shops rests with the respective State/UT Government.

**PRICING**

The Government of India, Ministry of CA,F&PD has been fixing Central Issue Prices of wheat and rice from time to time which is uniform throughout the country. The present Central Issue price of wheat and rice effective from 1.7.2002 are as under:-
<table>
<thead>
<tr>
<th>Commodity</th>
<th>APL</th>
<th>BPL</th>
<th>AAY</th>
<th>NFSA</th>
<th>Other than NFSA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
<td>610</td>
<td>415</td>
<td>200</td>
<td>200</td>
<td>610</td>
</tr>
<tr>
<td>Rice</td>
<td>830</td>
<td>565</td>
<td>300</td>
<td>300</td>
<td>830</td>
</tr>
</tbody>
</table>

In case, the Common Rice is issued in the States of J&K, Himachal Pradesh, Sikkim, Uttaranchal and NE States, the applicable price is Rs. 795/- per quintal for APL Category only.

The NFSA came into force w.e.f. 05.07.2013 and the period of three years from its commencement ended on 04.07.2016. The issue prices of Rs. 1/2/3 per Kg. of coarsegrain/wheat/rice were however continued upto March 2017 and then upto June 2017 & June 2018. The Ministry has now decided to continue with these prices upto 30.06.2019.

**VALIDITY**

Govt. of India is allocating foodgrains (wheat and rice) under Targeted Public Distribution System on monthly basis and issues allocation order for the financial-year wise and makes further revision, if any, from time to time.

Ministry during 28th July 2014 has revised the instructions to streamlining of procedure regarding issuance and revalidation/extension of validity period for lifting of foodgrains under TPDS. The validity period for lifting of allocated foodgrains under TPDS will be 30 days for each allocation month separately, starting from 1st day of the month preceding the allocation month and ending on last day of the month preceding the allocation month. For example, the validity period for the allocation for April will be from 1st March to 31st March.

Ministry has made it mandatory for State and UT Govt. to deposit the cost of foodgrains to FCI so much in advance so that the lifting is completed by end of the previous month. Further, Ministry vide letter dated 29.04.2019 has withdrawn the power delegated for extension of 15 days each by General Manager(Region) & Executive Director(Zone). Ministry has decided that States/UTs have to adopt suitable mechanism and remove all bottlenecks as soon as possible in order to ensure that the complete quantity of foodgrain is lifted within the normal validity period; failing which no 2nd extension of 15 days from September 2019 and no 1st extension of 15 days from December 2019 onwards would be granted by FCI.
QUALITY CONFIRMATION

The foodgrains stocks are lifted by the State Government/their nominees. Before issue of the stocks, they are allowed to inspect the stocks and get themselves satisfied about the quality. The stock of foodgrains proposed to be issued to the State Governments, Fair Price Shops, Cooperatives etc. is jointly inspected to ensure that the stock conform to the standards for such issues. A representative sample is drawn in the presence of the authorised representative of the agency taking delivery. This sample is well mixed and divided into three equal parts and these samples are sealed jointly. One of such jointly sealed sample is given to the authorised presentative taking delivery, one is sent to FCI District Office and one is retained in the depot from where the delivery is effected. Samples of issued foodgrains are retained for a period of 3 months in token to quality released.

Besides above, the recipient is also required to furnish a certificate to the FCI depot to the effect that he is satisfied with the quality of foodgrains issued.