

Public Distribution System

5.47 The Public Distribution System (PDS) has evolved as a major instrument of the Government's poverty eradication programme and is intended to serve as a safety net for the poor.

5.48 PDS with a network of about 4.74 lakh Fair Price Shops (FPS) is perhaps the largest distribution network of its type in the world. It is operated under the joint responsibility of the Central and State Governments.

Targeted Public Distribution System

5.49 PDS, as it stood earlier, had been widely criticised for its failure to serve the population below the poverty line, its urban bias and negligible coverage in the States with the highest concentration of the rural poor. In June 1997 the targeted PDS was introduced. This system follows a two tier subsidised pricing

structure for BPL and APL families. Under the TPDS, special cards are issued to BPL families and foodgrains are sold to them at highly subsidised prices. Keeping in view the surplus stocks of foodgrains, the allocation of foodgrains has been increased to 35 kg per family per month from April 1, 2002, for households covered under Antyodaya, APL and BPL families for a period of one year.

5.50 In order to make TPDS more focused and targeted towards the poor population, the Prime Minister launched the "Antyodaya Anna Yojana" (AAY) on December 25, 2000. AAY targets one crore poorest of the poor families out of a total of 6.52 crores BPL families covered under TPDS. These identified families are currently being provided 35 kg. foodgrains per family per month at a highly subsidized price of Rs. 2 per kg. for wheat and Rs.3 per kg. for rice.