

Public Distribution System in Sikkim: A Comparative Analysis with North Eastern States of India.

Sistema de distribución pública en Sikkim: un análisis comparativo con los estados del noreste de la India

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ABSTRACT

Public Distribution System (PDS) is a food subsidy mechanism ensuring everyday essential food and non-food items such as rice, wheat, sugar and kerosene at a subsidised rate and also to insulate poor from rising market prices. In Sikkim, Public Distribution System started in 1978 and was further strengthened by introducing Targeted Public Distribution System (TPDS) in 1997 mainly focusing on the poor. North-Eastern states are geographically isolated and majority of the people have low economic status so Public Distribution System plays a significant role for the sustenance of their livelihood and hence it is important to have a transparency in the system and not letting the poor one's sleep empty stomach. The present paper intends to study the comparative analysis of Public Distribution System (PDS) in North Eastern states of India and its effectiveness in Sikkim. The secondary data has been collected from Ministry of Consumer Affairs, Food and Public distribution. The collected data has been analyzed by using percentage method and ratio analysis. The result of the study discloses that there is a wide gap between the ratio of ration card holders in Tripura (0.22) and Nagaland (0.13) and ratio of beneficiaries between Mizoram (0.98) and Meghalaya (0.30). Tripura is setting a good example in terms of effectiveness of Public Distribution System and has become first state among all the North Eastern states to offer intra state portability to beneficiaries where they can buy grains from any fair price shops in the state thereby making the system flexible. In Sikkim, the maximum

number of people deriving benefits from Public Distribution System are from Priority Household (PHH) category. In North Sikkim, there is a need to increase the number of fair price shops as such one fair price shop is looking after a huge number of beneficiaries.

Keywords: Public Distribution System, Sikkim, North Eastern States, National Food Security Act(NFSA), Fair Price Shops and Targeted Public Distribution System (TPDS).

RESUMEN

El Sistema de Distribución Pública (PDS) es un mecanismo de subsidio de alimentos que garantiza alimentos y artículos no alimentarios esenciales para el día a día, como arroz, trigo, azúcar y queroseno, a una tasa subsidiada y también para aislar a los pobres del aumento de los precios del mercado. En Sikkim, el sistema de distribución pública se inició en 1978 y se fortaleció aún más con la introducción del sistema de distribución pública dirigida (TPDS) en 1997, que se centró principalmente en los pobres. El presente artículo tiene la intención de estudiar el análisis comparativo del sistema de distribución pública (PDS) en los estados del noreste de la India y la eficacia del sistema de distribución pública (PDS) en Sikkim. Los datos secundarios se han recopilado del Ministerio de Consumo, Alimentación y Distribución Pública. Los datos recopilados se han analizado mediante el método de porcentaje y el análisis de razón. El resultado del estudio revela que existe una gran brecha entre la relación de Tripura (0,22) y Nagaland (0,13) en términos de titulares de tarjetas de racionamiento y entre Mizoram (0,98) y Meghalaya (0,30) en términos de beneficiarios. Tripura está dando un buen ejemplo en términos de su efectividad del sistema de distribución pública y se ha convertido en el primer estado entre todos los estados del noreste en ofrecer portabilidad dentro del estado a los beneficiarios donde pueden comprar granos en cualquier tienda de precio justo en el estado, lo que hace que el sistema flexible. En Sikkim, el número máximo de personas que se benefician del sistema de distribución pública pertenece a la categoría de hogares prioritarios (PHH). Es necesario aumentar el número de tiendas de precio justo en el norte de Sikkim y también se debe ampliar la capacidad de almacenamiento para entregar granos alimenticios con regularidad, especialmente durante las fuertes lluvias, ya que la carretera se bloquea donde no hay posibilidad de que se realicen transacciones. Los estados del noreste están geográficamente aislados y la mayoría de la gente tiene un estatus económico bajo, por lo que el sistema de distribución pública juega un papel importante para el sustento de su vida, ya que entrega alimentos esenciales diarios a una tarifa subsidiada y, por lo tanto, el sistema debe funcionar de manera muy rápida. de manera transparente y responsable sin privar a los necesitados de los beneficios y sin dejar que los pobres duerman con el estómago vacío.

Palabras clave: Sistema de distribución pública, Sikkim, Estados del noreste, Ley Nacional de Seguridad Alimentaria (NFSA), Tiendas de Precio Justo y Sistema de Distribución Pública Orientada (TPDS).

INTRODUCTION

Public distribution system (PDS) is a food subsidy mechanism and is a major instrument of Government economic strategy for assuring availability of everyday essential commodities at a subsidised rate to poor. To provide food security to vulnerable sections of society, insulate them from rising market prices and to maintain price stability are the objective of the system with which it began, starting from Second World War. Department of Food and Civil Supply Consumer Affair is responsible for functioning and monitoring the Public Distribution System (PDS) in different states and union territories. It is the duty of Department of Food and Civil Supply Consumer Affair to provide subsidized food grains to poor through a network of Fair Price Shops (FPSs). Public Distribution System (PDS) in India runs by the joint responsibility of Central and State. The Central takes the responsibility of procurement, buffer stock, storage, distribution and transportation while the State is responsible for identifying beneficiaries, issuance of ration cards, monitoring the ration shops and distributing foodgrains to consumers through Fair Price Shops (FPSs) disseminating across the country.

- Background

Public Distribution System(PDS) was introduced in 1939 in Bombay by British Government in the form of rationing system covering only urban areas where there was food deficit. Later, in 1946 as many as 771 cities and towns including other areas suffering from food shortages were covered under the umbrella of PDS. After Independence, India was forced to reintroduce Public Distribution System(PDS) in 1950 in the face of inflationary pressure in the economy. Since then it continued as a deliberate social policy. In 1951, PDS was officially included in the five year plans. The system was essentially urban based in the first five-year plan till then was essentially extended to all rural areas which suffered from chronic food shortages. However, in mid-1960 there was a serious food crises following which Government of India took a deliberate step for food security and improvement in domestic procurement by establishing Food Corporation of India (FCI) and Agricultural Prices Commission in 1965. The establishment of the FCI was marked with the objective to ensure that producer gets Minimum Support Price(MSP) set by the government and protecting both

producer and consumer from the speculative trade. Public Distribution System(PDS) has been in existence since the inter-war period and still has not been fully effective. People living in inaccessible areas like hilly areas, tribal areas, economically backward regions found it difficult to access benefits, resulting in ineffectiveness of the system. As a result of which Government of India introduced Revamped Public Distribution System (RPDS) in 1st January 1992 to improve access in hilly areas, tribal areas, and other inaccessible areas. After that Targeted Public Distribution System (TPDS) was introduced in 1997 with focus on the poor, becoming more effective in reaching poor and also to reduce the burden of the government food subsidy partly. Under Targeted Public Distribution System(TPDS), beneficiaries are divided into two categories Below Poverty Line (BPL) and Above Poverty Line (APL). The BPL beneficiaries are entitled to PDS grains at a highly subsidised rate i.e. 50 percent of the economic cost bear by the Government of India and the APL beneficiaries are entitled to foodgrains at a full economic cost. This price gap between the beneficiaries led to huge exclusion and inclusion errors, thereby, kicking out many needy ones out of the system as has been criticized by many researchers. Since, Public Distribution System is well known for its ineffectiveness, diversion, leakages and mismanagement of the system, recently to bring some improvement into the system National Food Security Act (NFSA) came into effect on July 5, 2013 which aims to ensure "food and nutritional security in human life cycle approach, by ensuring access to adequate quantity of quality food at affordable prices to people to live a life with dignity" (Government of India, 2013). The Act provides a right to food to 75 per cent of the rural population and 50 per cent of the urban population of India.

- Public Distribution System in Sikkim

Sikkim is the smallest state with 6.71 lakh population (2018) in India and is located in the northeastern parts of the country. Agriculture is still the main stay of rural population of Sikkim. More than 75 percent of populations are living in rural areas. The population is increasing in Sikkim and state being a small Himalayan state would find it difficult to feed a growing number of populations with its limited land for cultivation. The State government therefore introduced Public Distribution System(PDS) in Sikkim for providing food security to poor people and also food security at the time of emergency such as floods, earthquake, natural calamities etc.

Public distribution system in Sikkim started in 1978. Distribution of quality grains in time at an affordable price at a prescribed scale is the essence of the public distribution system and should be backed up with proper monitoring system. Targeted Public Distribution System(TPDS) was introduced by Government of India in 1997 which was simultaneously implemented in Sikkim as well, therefore, targeting the poor. In Sikkim, Food Civil Supplies

and Consumer Affairs Department is responsible for implementing Targeted Public Distribution System with a network of 27 departmental godowns and 1333 fair price shops located across the state. The department has the dual duty of procuring and distributing foodgrains as well as monitoring and enforcing regulatory orders of the government. The state government initiated a self-sponsored scheme called Mukhya Mantri Khadya Suraksha Abhiyan (MMKSA) meant for marginally and economically backward classes in September 2004, the cost of which is imputed by the state itself. In July 2013, the state government provided subsidized grains (35 kg/HH/month) to people falling under Antyodaya Anna Yojana (AAY) at free of cost and also households having more than six members were given additional 15kgs of rice/month. Even after so many efforts by the state government to make the system run smoothly and transparently, there are certain issues that persist in the functioning of the system such as not updating or reviewing the list of beneficiaries under Below Poverty Line (BPL) since 2005-2006 till December 2015 which remained unchanged even though the BPL population reduced to 1,04,546 individuals (2006) and further reduced to 50,006 individuals (2011-2012), dual ration cards also exist into the system i.e. beneficiaries were issued dual ration cards both under BPL & APL and were availing double benefits of rice, also diversion of kerosene oil to Department officials took place thereby excluding the actual intended beneficiaries (CAG report, 2016). Government of India enforced National Food Security Act, 2013 (NFSA) to whole of India in July 2013 with the objective of providing food and nutritional security in human life cycle approach, Accordingly, all State Governments were to implement and enforce the National Food Security Act in their respective state and Union Territories with immediate effect. Sikkim implemented and enforced the act from January 2016 after a lapse of 27 months due to some administrative issues. Despite the delayed implementation, the Department had not finalized a list of beneficiaries, point of sale devices was in preliminary stage and strengthening of record system at Fair Price Shop (FPS) level had not been implemented. Instead of issue of printed ration cards to the beneficiaries, a temporary ration cards were made available in plain paper. Thus, delaying in implementation deprived the benefits of the beneficiaries in getting availability of subsidised grains on time. Therefore, this paper is an attempt to study the effectiveness of Public Distribution System (PDS) in Sikkim.

- Public Distribution System in North East India

The economy of North East India is generally characterized by geographical isolation, low per capita income, low capital formation, inadequate infrastructure facilities and communication bottleneck. Majority of the population in these states have low economic

status with limited investment capacity. It is one of the most backward states in India. The purchasing power of the people is not so high and thus the necessity for PDS was felt in the north eastern region where the entitled beneficiaries would be able to purchase foodgrains at a highly subsidised rate. In NER states, some FPS under TPDS are run by various groups like Women's Self-Help Group, Village Panchayats, Urban Local bodies, Self-Help Groups, Cooperatives etc. The major problem in north east is lack of proper infrastructure and storage capacity. As a result of which half of the grains get wasted and are also diverted to open market. Therefore, there is an urgent need to augment the storage capacity to avoid pilferage of food grains.

REVIEW OF LITERATURE

Gupta, A., Mishra, D.K. (2018) in their study provided insights on access, utilization & outcome of PDS functioning in Uttar Pradesh. The study reveals that percentage of household consumption of wheat & rice from PDS is high (2004-05 to 2011-2012). Although APL cards account for largest share in the state but only 11% of APL families purchased from fair price shops in Uttar Pradesh because offtake of rice and wheat is less than 2kg. Utilisation of PDS grains is high among below poverty line (BPL) and Antyodaya Anna Yojana (AAY) as they receive three-fourth of their entitlement at a highly subsidized rate. Also, found that fair price shops charges extra price to consumers to cover their transaction cost and therefore poor families purchased PDS grains at higher rates than the fixed amount.

Overbeck, D. (2016) in his study stated that APL quota on the supply side is an important predictor of leakage in PDS. Misappropriation in the PDS has been aggravated by growing APL allocations, this group of households have a lower demand for the modest quality grains and are less aware of its entitlement thus making it less likely for bureaucrats and employees to behold accountable for pilfering of APL allotments. The study also revealed that when caring about state topups (Tamil Nadu, Andhra Pradesh, Orissa, Madhya Pradesh) the impression of falling leakages between 2004 to 2012 remains invalid.

Gurmaan, G.K. (2016) studied perception of Fair Price Shop dealers towards public distribution system and constraints faced by dealers in running the shops using percentage method analysis and found that one of the factor that influence leakage in system is mainly because of low commission, high transportation and labour charges which induces them to engage themselves into black marketing and earn some amount of profit to compensate loses.

Choithani, C., Pritchard, B. (2015) in their paper accessed Bihar's coupon based PDS in which they stated that high rates of foodgrains leakage persist in the context of coupons.

Households could not use its entire coupon because of maladministration practices which lead to many households receiving expired coupons, often placed corrupt demand by the dealers on beneficiaries requiring two coupons to be submitted in exchange for just one month's allocation. Any complain to block officials about fraudulent practices often backfired them as fair price shop owners would settle the issue in their favour and then act prejudicially against the complainers. Since, protest were met with the threat of "No Ration in the Future" Parag, Dekha, K.R., Sharmah, D. (2014) in their study on PDS performance: North East India Perspective found excess identification of both above and below poverty line households, problem of bogus cards and diverting foodgrains to such cardholders. Inadequate infrastructure and lack of care in storage and handling foodgrains the quality of PDS grains was very poor and half of the grains get wasted, also the information related to adequate quantity entitled to beneficiaries, subsidy price for different cardholders was not made available to consumers and therefore charging higher rates to beneficiaries.

Mahendran, A. (2013) in his study revealed that Targeted Public Distribution System is not covering all rural areas. In certain areas, ration shops are not opening and if opened also, adequate quantity of grains were not made available, low quantity & low quality grains were distributed, there is no prepared scale of food grains, usually old stocks are distributed at ration shops and also the ration shops are at long distance which would lead to high transaction cost to enjoy an entitled subsidy. All this problem is due to weak administrative system & no Vigilance Committee.

G.M, B., Hussian, B.A. (2012) in their paper efficacy of PDS in Kashmir –a microeconomic analysis, attempted to highlight malpractices and corruption involved in PDS in Kashmir. They found that a lot of misappropriation of supplies were found in the system. Since, ration shops get less profit they hide some supply of grains from public and sell those grains at higher price to earn higher profit. Also, supplies are not qualitative and are not provided on time, government lack proper vigilance on these shop owners resulting into black marketing.

Pal, B. (2011) in his study stated that fair price shops are economically non-viable because of low rate of commission. The essential commodity distributed is so meager that it can hardly suffice the need of a family. Consumers have to make repeated visits to ration shops to check whether the rations are available or not which increase their transaction costs if the fair price shops are at distance. Most of the time they come back home empty handed with assurance that ration would be made available in the next week.

Kheera, R. (2011) in her study stated that PDS grains in Rajasthan was not much cheaper than market grains of same quality as a result of which utilization is low. Among

those who have access to the system do not utilize their quota at all and the other half do not utilize their full quota. He also showed that under purchase is mainly due to supply side constraints i.e. diversion to open market, irregular functioning of ration shops, black marketing etc and also due to demand side constraints i.e. Cash flow problems or liquidity constraints which villagers faced in purchasing the full quota. The total cost of monthly PDS quota is Rs 161 which is difficult to arrange at a short notice and since entire quota has to be bought under one installment, villagers often forego some part of their quota. Also, the consumers have to make several trips to the ration shop before they can actually purchase the PDS goods which increases their transaction cost.

STATEMENT OF THE PROBLEM

Over the years, an effort has been continuously laid by the Government of India towards providing food security to large masses of economically weaker sections of society by providing food subsidy but there are still some critical gaps which creates hindrances in the transparency of the system. As such, since its initiation the system has been majorly criticized for being highly leaky and therefore, nearly 47 million people do not meet their full human potential because of chronic hunger or undernutrition (United Nation, India). Today, distribution of food commodities to right beneficiaries is becoming a major problem even after holding a larger stock of grains in Food Corporation of India. However, the functioning of the system varies across different states in India depending upon their respective administrative system. North-Eastern states are geographically isolated and majority of the people have low economic status so Public Distribution System plays a significant role for the sustenance of their livelihood so therefore, an attempt has been made to examine a comparative analysis of Public Distribution System in North- Eastern states of India and to study the effectiveness and adequacy of the existing system in Sikkim.

OBJECTIVES OF THE STUDY

The objectives of the study are as follows:

1. To examine a comparative analysis of Public Distribution System in North- Eastern states of India.
2. To study the effectiveness of Public Distribution System in Sikkim.

METHODOLOGY

- Research Design

The present study is descriptive in nature to study the comparative analysis of PDS in north eastern states of India and to study the adequacy and effectiveness of PDS in Sikkim.

- Data and Sources

To achieve the objectives of the study the data has been collected from secondary sources i.e. from e-PDS portal Department of Ministry of Consumer Affairs, food and Public distribution, India and the population census 2018 from Ministry of statistics and programme implementation. Arunachal Pradesh has been excluded from the study because the data was incomplete and pending so I had excluded Arunachal Pradesh from study.

- Statistical Tool used

The secondary data collected in the present study has been analysed by using simple percentage method and ratio analysis to examine the comparative analysis of PDS in north eastern states of India and to study the effectiveness of PDS in Sikkim

$$\text{Percentage of ration card} = \frac{\text{Total number of ration cards in respective state}}{\text{overall total number of ration card in north east India}}$$

$$\text{Percentage of beneficiaries} = \frac{\text{Total number of beneficiaries in respective state}}{\text{overall total number of beneficiaries in north east India}}$$

$$\text{Ratio analysis of ration card} = \frac{\text{Total number of ration cards in respective state}}{\text{total population (2018) in respective state}}$$

$$\text{Ratio analysis of ration card} = \frac{\text{Total number of ration cards in respective state district}}{\text{total number of fair price shop in respective state district}}$$

(Sikkim)

- Limitation of study

The study is limited to Sikkim and north eastern states as findings cannot be generalized. Also, Arunachal Pradesh has been excluded from the study because the secondary data was not available or up to date in the Ministry of Consumer Affairs Department. The present study looks into only the effectiveness of public distribution system among the eligible beneficiaries who are covered by the Targeted Public Distribution System. Many more aspects of the system have not been looked into. As such, the results of the study are limited.

RESULTS AND DISCUSSIONS

The North Eastern States of India is considered to be one of the most backward regions of a country and is generally characterized by geographical isolation, low per capita income, low capital formation, inadequate infrastructure facilities and communication bottleneck. Majority of the population in these states have low economic status with limited investment capacity. The purchasing power of the people is low and thus to protect the poor from a rising market prices government implemented Public Distribution System in the north east regions. Public Distribution System plays a major role in north eastern states of India by providing them a foodgrains at a highly affordable rate.

1. Comparative analysis of North Eastern States of India

Table 1.1 examines a comparative analysis of north eastern states of India to see the adequacy and effectiveness of PDS in the north east regions. The table explains the percentage of ration cards and PDS beneficiaries found in north eastern states of India. The total number of ration cards available in north east is 8,543,110 lakhs out of which the highest percentage of ration cards are available in Assam (67.7 percent) with 61.84 percent beneficiaries deriving benefits from the public distribution system through a medium of fair price shops. While on the other hand, it is seen that only 1.67 percent (approx.) of ration cards are found in Sikkim with 1.56 percent beneficiaries taking benefits from PDS. This is because population is found to be less in Sikkim compared to other north eastern states of India. Similarly, out of 100 percent only 6.5 percent ration cards with 2.45 percent beneficiaries are found in Meghalaya, 3.2 percent ration cards with 3.1 percent beneficiaries are found in Mizoram, 10.7 percent ration cards with 9.2 percent beneficiaries are found in Tripura, also 6.9 percent ration cards with 6.2 percent beneficiaries are found in Manipur and lastly, 3.3 percent ration card holders with 3.5 percent beneficiaries having access to the public distribution system are found in Nagaland.

Assam is having the highest number of ration card holders along with beneficiaries. Across all the north eastern states Assam holds the highest number of population. However, the huge coverage of the system does not necessarily signify that the system is running smoothly. Very often the dealers or sellers in order to earn a good amount of profit they cheat the customers by making non-availability of grains in the fair price shops and therefore diverting it to the open market by selling at a market rate, by providing less quantity of grains at a rate higher than the prescribed rate to consumers who are not aware of their entitled grains which leads to declining the interest of the consumers towards buying grains from the fair price shops because they do not find much difference between the market rate and the PDS rice, keeping their ration cards unutilized and giving an opportunity to dealers

to get themselves involved more into the trend of leakages. It has been witnessed on 19th August 2019 (north east news) that police seized a huge quantity of PDS rice in Darang district of Assam where 26 different bags weighting 50 kilos of rice which was actually meant for poor beneficiaries of Kalyan Cooperative Society were kept for illegal sale thereby depriving the benefits of needy poor people. Also, some two months back in a similar situation where 44 bags of PDS rice allotted to same cooperative society were seized by locals with the help of police and even then no visible action as per law has been executed. This shows that the government is not putting up any interest in punishing those people who are engaging themselves into the malpractices and by doing so it therefore encourages more corruption and malpractices to take place into the system thereby depriving the benefits and meals of thousands of poor households who are dependent fully into the system for consumption of daily essential food items.

On the other hand, across all the north eastern states in India, Sikkim holds the lowest number of ration cards mainly because Sikkim is a small Himalayan state with less population compared to other north eastern states and therefore the coverage of Public Distribution System(PDS) is low but with respect to its population the people falling under the system is high.

Table 1.2 shows the ratio analysis of ration card holders with respect to population of each north eastern states of India. Although, Assam being one of the most populated state among all the North Eastern states in India the coverage of the system is found to be less compared to that of Tripura. Across all the North Eastern states in India Tripura is setting a good example in terms of adequate functioning of the system as such the state government is putting all its energy and effort to provide food security to people by marching towards extending the Public Distribution System (PDS) services by making availability of not only rice, wheat, and kerosene but also sugar, cooking oil and other essential daily need items through a medium of fair price shops which encourages more of households to take shelter under the umbrella of Public Distribution System and not letting the interest or trust of beneficiaries to fade away. Also, the system has become more flexible by operationalizing intra-state ration card portability for consumers (becoming first among the north eastern states to introduce intra-state ration card portability) which allows them to use their ration card at any fair price shop in the state. This new tempo of Public Distribution System services has not only attracted poor households but has also been able to rise the interest of middle class people who falls under Above Poverty Line to collect items from fair price shops again, keeping the number of ration card holders high in Tripura.

On the other hand, Nagaland holds the lowest ratio of ration card under the Public Distribution System. Since, the monitoring system being weak the periodical review of the ration card holders i.e. addition or deletion of ration card is taking place inappropriately. It has been witnessed on 3rd September 2019 in North East news that the items hardly reach the beneficiaries on time despite the state receiving more than surplus items each month. Due to this reason the people has lost its faith into the system that it would provide them an adequate quantity of grains in appropriate time at an appropriate prescribed scale. There is siphoning and diversion of Targeted Public Distribution System in Nagaland. The state Public Rights Awareness and Action Forum (PRAAF) alleged that in most villages of Nagaland, Antyodaya Anna Yojna (AAY) reaches beneficiaries only once in two or three months and there have been some instances of where rice is sold to the beneficiaries at a higher price in the village, taking advantage of those illiterate people who are unaware of their entitled quota and prescribed rate. It can be concluded that there is not much difference in ratios of ration cards with respect to population census (2018) across all the north eastern states of India but there is a wide gap between the ratio of Tripura and Nagaland.

2. Effectiveness of Public Distribution System in Sikkim

Sikkim is a small Himalayan state and agriculture is the main stay of rural population. Over the years, agriculture has been driven away by secondary and tertiary sector and also with the increase in population the cultivating land is being limited which would lead to food insecurity in future. But the existence of public distribution system in Sikkim has contributed towards providing food grains to people at a subsidised rate and also to meet the emergency need. The table shows the effect and coverage of public distribution system in Sikkim Table 2.1 states that Priority Household (PHH) has the highest number of cardholders 77,553 with beneficiaries accounting to 3,19,105 in Sikkim. The number of Antyodaya Anna Yojna cardholders (poorest of the poor) in Sikkim is 16,500 with 58,024 number of beneficiaries, 90 cardholders with 2,558 beneficiaries are found in Other Priority Household Special (OPH SPL), 35,286 cardholders with 1,21,275 beneficiaries in Other Priority Household General (OPH GEN) and 14,075 cardholders with 50,174 beneficiaries in Non-Priority Household (NPH) having access to PDS in Sikkim.

Among all the four districts of Sikkim (North, South, East, West), East district holds the highest number of PDS population and the reason is very clear that people migrate or tend to settle down in urban areas in search of a good job, for completion of higher education and seeking for many other better facilities thereby keeping the particular area little crowded compared to other areas/regions/district of state. Also, the cost of living is very high in Sikkim, it becomes difficult for the poor ones to manage their monthly expenditure by

purchasing every essential food or non- food items from market at a higher rate. Therefore, public distribution system is playing a significant role into the lives of poor households by providing everyday essential food items at a subsidised rate and it has been found that the people falling under the Priority Household Category are more in Sikkim where by purchasing grains from fair price shops at a subsidised rate helps them to minimize at least a small amount from their monthly expenditure cost.

Table 2.2 shows the district wise number of FPSs, total ration cards (AAY, PHH, OPH SPECIAL, OPH GENERAL, and NPH) and total beneficiaries including all different card holders in different district of Sikkim. The total number of fair price shops in East is 557, West 354, South 348 and North 74. A larger number of ration cards are found in East district 2,42,979 ration cards with 2,42,979 beneficiaries entitled to PDS and the lowest number of ration cards are found in north 9,263 ration cards with 34,968 beneficiaries benefitting from PDS. The total number of Ration cards and beneficiaries in South and West are 34,043 card holders and 1,36,378 beneficiaries in South and 32,416 card holders with 1,36,811 beneficiaries in West. However, it can be concluded from the above table that a larger number of PDS population holding ration cards are found in East among all the districts of Sikkim. Whereas, the lowest number of ration card is found to be in North Sikkim.

Table 2.3 depicts that highest number of ration card holders (67,786), fair price shops servicing the eligible households (557) and beneficiaries (2,42,979) are found in East district and the lowest number of ration card holders (9263), fair price shops (74) and beneficiaries (34,968) are found in North Sikkim. But when we look into the ratio of beneficiaries with respect to total fair price shops in each district it has been found that although the number of households accessing benefits from the system is less in north compared to other districts of Sikkim but it can be said that in North Sikkim one fair price shop looks after 472 beneficiaries or takes the responsibility of providing service to 125 ration card holders. Whereas, East district although holds the highest number of PDS population but one fair price shop takes the responsibility of distributing grains to only 436 beneficiaries which is less compared to that of North Sikkim because of having more number of fair price shops in East Sikkim. This means that in North Sikkim there is a need to enlarge the number of fair price shops for distributing grains to eligible households because by doing so the crowd in the fair price shops at the time of delivering grains could be reduced and also the people need not to stand in long que and could be able to save their time energy. On the recommendation of Central Vigilance Committee (CVC) on Public Distribution System, North district of Sikkim was identified as one of the backward district (CAG report,2016) therefore, government need to be more concerned about the people of North Sikkim who are accessing

the benefits from the system. Due to its geographical location and climatic or weather condition the road sometimes gets blocked specially during heavy rainfall so the storage capacity of fair price shops should be enlarged with proper infrastructure so that they can store grains in their shops with proper maintenance and make availability of grains to people on time, with adequate quantity and at an appropriate scale without any interruptions even during bad weather.

CONCLUSION

The North Eastern States of India is generally characterized by geographical isolation and is considered to be one of the most backward regions of a country. Majority of the population in these states have low economic status with limited investment capacity and the purchasing power of the people is low and thus to protect the poor from a rising market prices government implemented Public Distribution System in the north east regions which provides them foodgrains through a medium of fair price shops at a highly affordable rate. The present study concludes that there is a wide gap between the ratio of Tripura (0.22) and Nagaland (0.13) in terms of ration card holders and between Mizoram (0.98) and Meghalaya (0.30) in terms of beneficiaries. Assam being one of the most populated state among all the north eastern states but the coverage of PDS with respect to its population is less and a corruption and malpractices into the functioning of system are still very significant. Tripura is setting a good example as the government is putting all its effort and energy to run the system adequately. The state saved Rs 63 crores by eliminating 62,000 fake ration cards in 2018 and invested that money in providing sugar subsidy, pulses, tea and salt to eligible households and is marching towards extending the services by providing cooking oil and other essential items into the public distribution system. It is also one of the first state among the north eastern states to offer intra-state portability for ration card holders thus making the system flexible where beneficiaries can purchase their food items from any fair price shop in the state.

In Sikkim, it has been found that the Priority Household holds the maximum number of cardholders and among all the four districts of Sikkim the maximum number of people in East has access to public distribution system, mainly because people migrated or settle down in East district seeking for better job, better education and better facilities keeping the region/district crowded compared to other district and the minimum number of ration cards is found to be in North district. Although, the number of beneficiaries or ration card holders are found to be less in North district but it has been found that one fair price shop looks after a large number of beneficiaries more than that of fair price shops of East, West and

South district of Sikkim. This shows that a number of fair price shops should be increased in North to make the system effective because by doing so it will be more convenient for people to collect grains from the shop as it will become less crowded and also if more number of shops are opened than it will take less time to consumers to reach the shop and collect food items from the shop. Also, the storage capacity should be widened up so that the grains won't be insufficient to consumers specially at the time of blockage of roads, landslides, during heavy rainfall or due to some other natural calamities that takes place uncertainly. Even though the government is trying its best to provide good service to poor households without any kind of disruptions but there are certain errors that are still present inside the functioning of system which needs to be looked upon as it is distracting the system from its objective of providing food security to poor households effectively.

SUGGESTIONS

1. Majority of the population in north eastern states are covered through Public Distribution System (PDS) because of their low economic status. Therefore, adequate quantity of grains should be available at a fair price shops and at an appropriate point of time.
2. Periodical check of ration cards or beneficiary list should be conducted for deletion of ineligible beneficiaries and inclusion of eligible beneficiaries into the system.
3. Number of fair price shops should be increased in North district of Sikkim.
4. Monitoring mechanism should be strengthened to make Vigilance Committee functional in the state Meghalaya.
5. The coverage of public distribution system should be increased in Assam and government should take responsibility of making the system run effectively by activating the Vigilance Committee in supervising and monitoring the functioning of public distribution system therefore keeping the system free from any kind of malpractice and take actions if found anybody involved in diverting grains for illegal sale.
6. There should be proper maintenance of food godowns and also the storage capacity of fair price shops as well as of food godowns should be enlarged with proper infrastructure facilities so that it could feed a large number of population without any disruptions in time specially at the time of heavy rainfall when roads get blocked due to landslides etc.

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Table 1.1: Percentage analysis of ration cards and PDS beneficiaries of North Eastern States of India

Sl. no	States	(NFSA+NON NFSA)			
		Ration cards	Percentage of ration card	Beneficiaries	Percentage of beneficiaries
1	MEGHALAYA	555059	6.497154	988108	2.45477619
2	MIZORAM	270533	3.166681	1239232	3.07864849
3	TRIPURA	913471	10.69249	3703911	9.20169914
4	MANIPUR	589990	6.906033	2477436	6.15474311
5	NAGALAND	284934	3.335249	1401378	3.481471
6	ASSAM	5785615	67.72259	24891267	61.8378654
7	SIKKIM	143508	1.67981	551136	1.56339692
TOTAL		8543110	100	40252468	100

Source: Ministry of Consumer Affairs, Department of Food and Public Distribution System, Government of India.

Table 1.2 - Ratio Analysis of Ration card with respect to population census (2018) of North Eastern States of India.

Sl.no.	States	Population 2018	Ration Card	Ratio
1	ASSAM	34586234	5785615	0.167281
2	TRIPURA	4057847	913471	0.225112
3	MEGHALAYA	3276323	555059	0.169415
4	MANIPUR	3008546	589990	0.196105
5	NAGALAND	2189297	284934	0.130149
7	MIZORAM	1261728	270533	0.214415
8	SIKKIM	671720	143508	0.213643

Source: Ministry of Consumer Affairs, Department of Food and Public Distribution System, Government of India and Ministry of Statistics and Programme Implementation (population census, 2018)

Table 2.1: District wise number of card holders and beneficiaries of PDS in Sikkim

Sl. no.	District	AAY		PHH		OPH SPL.		OPH GEN		NPH	
		Ration Cards	Beneficiaries	Ration Cards	Beneficiaries	Ration Cards	Beneficiaries	Ration Cards	Beneficiaries	Ration Cards	Beneficiaries
1	East	5502	18466	34328	130534	35	1237	19747	64876	8174	27866
2	North	1194	4797	4872	20009	11	94	2268	6952	918	3116
3	South	4561	16230	18030	78314	21	442	8442	30570	2989	10822
4	West	5243	18531	20323	90248	23	785	4829	18877	1998	8370
Total		16500	58024	77553	319105	90	2558	35286	121275	14075	50174

Source: Ministry of Consumer Affairs, Food and Public Distribution System, Department of Food and Public Distribution, Government of India.

Table 2.2: District wise number of FPSs, total ration cards (AAY, PHH, OPH SPECIAL, OPH GENERAL, NPH) and total beneficiaries in different district.

Sl.no.	District	FPSs	MPCs	CCs	Total FPSs	Ration Cards	Beneficiaries
1	East	512	31	14	557	67786	242979
2	West	325	26	3	354	32416	136811
3	South	284	24	2	348	34043	136378
4	North	66	8	0	74	9263	34968
Total		1187	89	19	1333	143508	551136

Source: Food Civil Supply and Consumer Affairs Department, Government of Sikkim and Ministry of Consumer Affairs, Food and Public Distribution System, Government of India.

Table 2.3 Ratio of beneficiaries and ration cards with respect to total fair price shops in each district.

Sl.no.	District	Total FPSs	Beneficiaries	Ratio	Ration cards	Ratio
1	East	557	242979	436.22	67786	121.69
2	West	354	136811	386.47	32416	91.6
3	South	348	136378	391.89	34043	97.8
4	North	74	34968	472.54	9263	125

Source: Food Civil Supply and Consumer Affairs Department, Government of Sikkim and Ministry of Consumer Affairs, Food and Public Distribution System, Government of India.

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