CHAPTER IV

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CHAPTER IV
THE SOCIO-ECONOMIC PROGRAMMES

Two decades of dedicated service on the part of any service organisation was bound to have positive impact on the targeted groups and the TNCSC Ltd was no exception to this. Keeping its objectives in view the Corporation had geared up its machinery for the fulfilment of two basic priorities such as, the economic development and social upliftment of people of the State. A perusal of the performance of the Corporation over the last two decades projected a picture that the Corporation had successfully launched nearly a dozen of schemes targeting different sections of the society.

Giving a ranking to the status of these programmes, the Public Distribution System (PDS) and the various mechanisms of controlling and rationing alone stands as the major task for the Corporation and bulk of its organisational task, plan, men and material are engaged in running the first network of the PDS system. Besides the Corporation also had undertaken the minor schemes for the welfare of specific people. While Puratchi Thalaivar M.G.Ramachandran Noon Meal Programme (PTMGRNMP) was meant for the welfare of school going children, WHOPFAR Scheme was devoted for widows, handicapped and old age pensioners, the sathu programmes and Integrated Child Development Scheme (ICDS) were designed for the welfare of the children of the State. Besides there were also specially designed schemes for the Police and Fire Service personnel and Government Institutions. Further, the Corporation had gone to the rescue of the suffering people who were affected by droughts and floods by way of issuing them free food packets,
foodgrains, kerosene, candles, matches etc. The Integrated Tribal Development Project Schemes helped the tribal people living in hilly areas to make available the commodities supplied through ration-shops by the Corporation outlets. The refugees from Sri Lanka also received the essential commodities like rice, dhall etc. at subsidised rates. At times of festivals, rice was issued free of cost to the low income group of families of the State.

These welfare measures were carried out by the Corporation on the instructions of the State Government through statutory orders issued by the Civil Supplies Department. As a governmental agency, the socio-economic programmes of the Corporation had its own limitations. Yet, by carrying out these programmes efficiently for over a period of twenty years and more, the TNCSC Ltd. had made its sound footing in the annals of the history of Tamil Nadu.

The Public Distribution System (PDS)

Food is the basic necessity for the sustenance of life. Considering this importance and suggesting its availability among others the saint poet Thiruvalluvar wrote

அரும் குமாரம் கீழே அூர்வம்சல்
மூட்டை ஆர்வ வள்ளை செம்பாளி
- குருவாண்

Drive from the poor their gnawing pains
if room you seek to shore your gains

(Translation by Yogi Suddhananda Bharathi)
The Directive Principles of State policy as enshrined in the constitution of India, ensures access to adequate food to all the citizens of the country.

The state shall regard the raising of the level of nutrition and the standard of living of its people and the improvement of public health as among its primary duties.

- Article 47 (Constitution of India)

It is the birth right of every single human being to have an access to adequate food which is one of the foremost basic needs of life. Only when all persons have an access to food in adequate quantities to lead an active and healthy life, it is called a society with food security. In other words, food security is primarily a matter of ensuring effective demand rather than a problem relating to food supply. Accessibility to adequate food was achieved by different means physical, economic or by both. While physical access was ensured by effective management of foodgrains, the economic access was available by improving the purchasing power of the people. The policy of the Government of Tamil Nadu was to ensure adequate availability of food articles and essential commodities of acceptable quality at affordable prices to the general public by maintaining an effective PDS, constant monitoring of the prices of certain essential commodities, enforcing various Government Orders and by strengthening the consumer protection movement in the state through statutory and administrative steps.

PDS was a major component of an overall strategy of growth with social justice. PDS was defined as a system though which government was supplying key essential commodities like rice, wheat, sugar, kerosene and edible oils at
reasonable rates to consumers, access to system being universal. The Centre made allocations and States were entrusted with the responsibility of distributing these allocated foodgrains within their territories. It has now become part of our socio-economic structure.

One of the vital measures to effect food control is that its prices should not be too high to take food beyond one’s reach, similarly if the price was too low, there was the possibility of pushing out the domestic farmers from production. Thus to maintain a balance between market force and the public, a Government policy was needed. This was done by offering reasonably higher procurement support price to the producers and by distributing the essential commodities at a lower price to the consumers. The various policies of procurement and prices offered to the essential commodities were dealt with, in the third chapter. The distribution of essential commodities to the consumers in Tamil Nadu was done through PDS.

The public distribution system has been a major instrument for ensuring availability of certain essential commodities at easily affordable prices. It has now become an important constituent of the strategy of the poverty eradication and is supposed to serve as a ‘Safety Net’ for the poor.²


The objectives of the PDS were many and varied. They were to provide food grains and other essential commodities to vulnerable sections of the society at reasonable (subscribed) prices, to have a moderating influence on the open market price of rice and to attempt socialisation in the matter of distribution of essential commodities.3

The objectives also included maximising stability of supplies and securing access to available supplies to all who needed them. In the entire PDS organisational structure of Tamil Nadu, the TNCSC Ltd. was the most important one. The Corporation had shown a tremendous progress in the distribution of essential commodities over the years from 1972. Until September 1987, the Fair Price Shops were managed jointly by the Cooperative societies and the TNCSC Ltd.4 From 1987, the management of the Fair Price Shops was done by the Cooperative societies. There after the TNCSC Ltd. became responsible for the wholesale distribution of essential commodities to the PDS through the retail outlets run by it and the Cooperative Department.

In 1974 Tamil Nadu passed through a critical phase on the food front due to shortfall in the kuruvai and samba paddy area in the Cavery delta and failure of monsoons which was followed by droughts and floods. These factors

WORKING OF PUBLIC DISTRIBUTION SYSTEM

RICE
- P.G.I.

WHEAT
- P.G.I.
- Sugar Mills
- Tamil Nadu Civil Supplies Corporation Issue Godowns
- FMS (TNCSC)

SUGAR
- S.T.C.
- Link Societies

EDIBLE OIL
- R.R.C. Holders
- FMS (Co-operatives)

KEROSENE
- Oil Companies
- Private Wholesalers
- Hand Cart men

Card Holders

Parallel Procurement w.e.f 1993

Traders Levy (Kept in abeyance w.e.f. 31.1.1993)

Open Market Purchase
resulted in less production of paddy. Yet there was steady increase in the offtake of rice in the Public Distribution System. PDS ensured easy availability of essential commodities at reasonable prices to the people. It also had a direct dealing on the day-to-day life of the general public. The successful implementation of the PDS depended upon four factors viz., availability, accessibility, acceptability and affordability.\(^5\)

This PDS insulated the beneficiaries to a very large extent from the adverse effects of inflationary prices of essential commodities. Thus the PDS had an important role to play in the socio-economic development of the poor. The retail outlets set up for the distribution of essential commodities by the Civil Supplies authorities were known as Fair Price Shops (FPS). These shops in Tamil Nadu had a unique distinction of not involving the private agencies. There were two agencies looking after FPS in Tamilnadu from 1973 onwards. In 11 districts, the FPSs were entrusted to Co-operative Societies. In the other four districts of Thanjavur, South Arcot, Dharmapuri and Tirunelveli, new shops were opened and were enlisted to the TNCSC Ltd.

The TNCSC Ltd. took over the functions of the Civil Supplies Department of the Government of Tamil Nadu in the distribution of paddy, rice, wheat, wheat products, sugar etc. It also took over the closing stocks in the godowns and retail shops of the Civil Supplies Department on 1.7.1972 in Madras city, on 1.9.1972 in Coimbatore and on 1.1.1973 in Kanyakumari District. The quantity of commodities distributed during the year 1972-73 were 48,940

M.Ts. of rice, 27,704 M.Ts. of sugar, 2,840 M.Ts. of wheat, 7,339 M.Ts. of wheat products, 287 M.Ts. of pulses, 8,412 liters of kerosene and 1,197 units of baby's invalid food.\(^6\)

In 1972, the total number of retail shops under the control of the Corporation was 36 and the scheme of issue of rice at economic rates to the income group was of Rs.300/- and less per month in Madras city and Coimbatore. The Government stock of rice was distributed to the border Taluks in Kanyakumari district. The economic issue price of Boiled rice was Rs.1.10 and for fine and medium varieties of rice was Rs.1.02 and of raw rice was 1.10 on 16th June 1972. Red wheat was sold at 86 paise per kg and the cost of white was 90 paise per kg up to 31st March 1973. The quantum of rice distributed against the family cards was 1,500 gms per adult per fortnight from 1st Jan 1972. Distribution of Sugar for individual families ranged for one to six kilos per month with reference to the income and size of the family.\(^7\)

The retail shops run by the Corporation became very popular. There was increasing demand from the public for opening more shops. Thus the Corporation increased the number of retail shops to 136 during the period 1973 - 74.\(^8\) Apart from this, the Corporation opened ten mini-departmental stores called "Amudham", where all commodities of consumer appeal were made available at prices much lower than that of the open market. Further the

Corporation under directions of the Government started running a Janatha canteen under the name 'Amudham'. Within a short period of its existence, it proved to be immensely popular and had made profits during January 1977.

The Corporation also undertook the supply of dietary articles to hospitals, medical institutions, prisons, after-care homes, approved schools and vigilance homes under the orders of the Government. The supplies were made available at reasonable and competitive rates to over 180 such institutions for an aggregate value of Rs.50 lakhs per annum. This resulted in substantial savings to the Government Departments. During the unprecedented floods in Madras city, nearly 14 lakhs of food units were prepared by the Corporation during the 11 days when the Civil Supplies Corporation bore the brunt of the feeding programme, organised by the Government of Tamil Nadu. The food prepared was of good quality and received appreciation from the public. Besides meeting the requirements of public distribution within the state, the Corporation sold 12.9.93 M.Ts of paddy and 27075 M.Ts of Rice to the Governments of Gujarat, Maharashtra, West Bengal, Karnataka and Kerala.

During this period, the economic issue price of rice was revised from Rs.1.30 to 1.60 per kg. for super fine variety, from 1.20 to 1.50 for fine rice and Rs.1.10 to 1.40 for medium variety from 1st June to 16th March 1974. The retail selling price of wheat was 90 paise per kg. upto 7th Nov. 1973 and from 8th Nov. 1973, the same was received as Rs. 1 per kg. Diabetic patients were given supply of wheat at the rate of 5 kgs. per month. There was no change in

9. Ibid., p. 6
the distribution of sugar. The total quantities of the commodities sold by the TNCSC Ltd. was 2,603 M.Ts. of paddy, 4,07,168 M.Ts. of rice, 91,449 M.Ts. of sugar, 98,435 M.Ts. of wheat, 48,630 M.Ts. of wheat products, 1,007 M.Ts of pulses, 8,617 M.Ts. of coarse grains, 26,728 M.Ts. of edible oil and 9,958 litres of kerosene.

In order to acquire wheat products a quantity of 3,585 tonnes of wheat was obtained against the State allotment. This was crushed as Atta and distributed through the retail outlets. The Corporation also had purchased a quantity of 4,964 tonnes of pulses namely toor dhall, urid dhall and bengal gram and sold a quantity of 4,095 tonnes in the State. This gave great relief from the scarcity and hike in the prices of pulses for the people of Tamil Nadu. The Corporation also purchased baby foods directly from the distributors in order to remove the hardship caused to genuine consumers.

The year 1974-75 witnessed shortage in food production due to failure of monsoon. The open market prices of rice were very high at Rs.6 to 7 per Madras measure. Therefore, there was growing demand on public distribution. To discuss about the remedy measures the Collectors' conference was held from 26 to 29 July 1974. The position of the PDS in the State was discussed in this conference. The collectors were given powers to open Fair Price Shops in industrial zones and drought areas. The adhoc distribution of rice began from

August 1974 continued up to November 1974. Thereafter it was marketed with the committed PDS. The public distribution was extended to the families within the income group of Rs.301 to Rs.499 in committed areas. The adhoc distribution was extended to families in the income group of Rs.500/- and more in other areas.13

In September 1974, the Government took a policy decision to eliminate all private retailers in distribution of Government stock. This paved the way for the setting up of shops run by co-operatives and the TNCSC Ltd. The TNCSC Ltd. therefore, opened 200 additional shops in Madras city alone. Thus, the total number of the retail shops of the TNCSC Ltd. rose to 356. The total quantity of distribution for the year 1974 - 75 was 2,603 M.Ts. of paddy, 4,07,168 M.Ts. of rice, 91,449 M.Ts. of sugar, 98,435 M.Ts. of wheat, 48,630 M.Ts. of wheat products, 1,007 M.Ts. of pulses, 26,728 M.Ts. of edible oil and 9,958 litres of kerosene.14

The economic issue price of rice was revised from Rs.1.50 to Rs.2.10 for superfine rice from Rs.1.50 to Rs.2.00 for fine rice from Rs.1.40 to Rs.1.90 for medium rice and from Rs.1.30 to Rs.1.80 for coarse varieties from 16th March to 1 December 1974. The selling price of wheat to consumers was Rs.1.40 per kg from 15 April 1974. The retail selling prices of maida and sooji were Rs.2.40 and Rs.2.45 respectively on 1st October 1974.15

During the year 1975, the public distribution was extended to all the areas and also to all the families with an income of Rs.500 and above per month. The whole state was covered by family cards. The economic issue price fixed for superfine, fine, medium and coarse varieties of rice was Rs.2.10, Rs.2.00, Rs.1.90, and Rs.1.80 per kg. from 1 December 1974. These prices were reduced to Rs.1.90, Rs.1.80, Rs. 1.70 and Rs.1.60 for superfine, fine, medium and coarse varieties of rice with effect from 4 August 1975. The prices were once again revised as Rs.1.60, Rs.2.00 and Rs.2.25 respectively of coarse fine and superfine varieties of rice with effect from 11th March 1976.\(^\text{16}\)

The fluctuations in the price of the rice was due to failure of the North-East Monsoon and the resultant drought conditions in the year 1975. There was sharp increase in the off take of wheat during this period due to the high price of rice in the open market. As and when the price of the rice came down, the off-take of wheat also gradually came down. The wheat products taken over by the TNCSC Ltd. during this year became surplus to the requirement. Therefore the open market sales were permitted. The total quantity of commodities distributed during the period 1975-76 was 218 M.Ts. of paddy, 4,86,581 M.Ts. of rice, 1,17,579 M.Ts. of sugar, 4,17,815 M.Ts. of wheat, 48,753 M.Ts. of wheat products, 532 M.Ts. of pulses, 51,732 M.Ts. of coarse grains, 85,867 litres of kerosene and 5,798 M.Ts. of edible oil.\(^\text{17}\) During this period, the TNCSC Ltd. had built up a huge buffer stock of 8.81 lakhs rice

\(^{16}\) *Tamil Nadu State Administrative Report 1975 - 76*, (Madras), pp. 124-25

\(^{17}\) TNCSC Ltd. *Fourth Annual Report 1975-76*, (Madras), p. 28
tonnes. Thanks to the invention of the scientific storage, the Corporation was able to store it for over a year and issued it to the PDS.

The Board can justifiably take pride in the fact that it was mainly because of the massive procurement operations undertaken during the crop season 1975-76 and the effective and vigorous implementation of the Public Distribution System that the very difficult food situation in the State was courageously and capably met. 18

The significant achievement of the Corporation was the adequate supply of essential commodities at reasonable prices even during difficult food situation in the State. The TNCSC Ltd. played an important role in stabilising the price line which was rising high due to drought condition prevailing in some districts by ensuring adequate supply of rice through PDS during the year 1976-77. The Corporation scaled new heights by supplying 90,000 M.Ts of rice per month for 3 months during August to October 1976 through PDS. 19

The quantity of commodities supplied by the Corporation during this year was 6,282 M.Ts. of paddy, 7,83,248 M.Ts. of rice, 1,44,874 M.Ts.of sugar, 71,488 M.Ts. of wheat, 13,982 M.Ts. of wheat products, 1,185 M.Ts. of pulses, 14,004 M.Ts.of coarse grains, 3,621 M.Ts. of edible oil and 16,784 litres of kerosene. 20

18. Speech delivered by the Chairman Thiru. K. Diravium IAS, II Annual General Meeting of the Corporation, 29 July 1978


The PDS issue price of rice was Rs. 1.60 and Rs. 2.00 per kg for common and superfine varieties with effect from 11 March 1976 and of fine variety was Rs. 1.85 per kg with effect from 15.10.76.\textsuperscript{21} The card holders were allowed to draw up any quantity of wheat on family cards. Due to availability of rice in the open market, the off-take of wheat became less in quantity. Wheat products also were available in the open market at reasonable prices. The issue price of sugar was Rs. 2.15 per kg. In Madras city and its belt area and Coimbatore town and its belt area, the scale of supply of Sugar to the card holders was re-fixed. The families with Rs. 300 as monthly income were eligible for 2 kgs., with Rs. 301 to Rs. 499 as monthly income received 4 kgs. of Sugar and the families with Rs. 500 and above as monthly income were supplied with 6 kgs. of sugar. The supply of Sugar in the other urban areas varied from 2 to 5 kgs. and in the rural areas, the scale was generally ranging from 1 to 3 kgs. In any case, minimum of one kg. of sugar was ensured to all families.\textsuperscript{22} Regarding the other essential commodities supplied through PDS by the Corporation, the distribution was 6,282 M.Ts. of paddy, 7,83,248 M.Ts. of rice, 1,44,874 M.Ts. of sugar, 71,488 M.Ts. of wheat, 13,982 M.Ts. of wheat products, 1,185 M.Ts. of pulses, 14,004 M.Ts. of coarse grains, 3,621 M.Ts. of edible oil and 16,784 litres of kerosene.\textsuperscript{23}

\textsuperscript{21} Cooperation, Food and Consumer Protection Department, \textit{Policy Note on Food, Civil Supplies and Consumer Protection}, (Madras, 1998), Table III

\textsuperscript{22} Tamil Nadu State Administrative Report 1976-77, (Madras), p. 80

\textsuperscript{23} TNCSC Ltd., \textit{Fifth Annual Report 1976-77}, (Madras), pp. 32-33
During the year 1977-78, there was a committed system of public distribution in force in Madras and its belt areas, Coimbatore city and its belt areas, Gudalur Taluk of Nilgris district and Kanyakumari district. The popular Government Anna Dravida Munnetra Kazhagam (ADMK) later on changed into All India Anna Dravida Munnetra Kazhagam (AIADMK) founded by Cine Actor M.G. Ramachandran, when assumed power in 1977,\(^\text{24}\) announced the policy of provision of the FPS in each revenue village in Tamil Nadu. The TNCSC Ltd. was entrusted with the responsibility of implementing the scheme in Tirunelveli district. Within a very short time, the Corporation had opened 442 retail shops in all the revenue villages of Tirunelveli district. These shops functioned satisfactorily from the very beginning onwards.

In selecting personnel to run these shops, it was ensured that only local youths were selected and 87.5 percent of the candidates belonged to the scheduled caste and backward class communities.\(^\text{25}\) As a part of this programme, the existing retail shops under PDS also were converted as multi purpose shops wherein other essential commodities required by the public such as pulses, chilies, tamarind, oil were supplied at competitive rates. Even a small range of articles in the categories of beverages, half food, cosmetics and other groceries were also made available for supply through these shops at fair prices.


\(^{25}\) 'Speech delivered by the Chairman K.Diravium IAS', *Third Annual General Meeting of the Corporation*, 29 July 1978, p. 4
The TNCSC Ltd. had lifted a quantity of 10,000 M.Ts. of rice for distribution to public affected by floods under relief scheme. A total quantity of 3,988 M.Ts. was distributed to the public at free of cost.\textsuperscript{26} The Corporation also stabilised the functioning of ‘Amudham Departmental Stores’ in Madras, Tirunelveli and Kanyakumari regions. This was really a boon to the people of these towns. The quantity of commodities issued by the Corporation during this year was listed below. 11 M.Ts.of paddy, 3,65,364 M.Ts. of rice including brokens, 1,49,282 M.Ts. of sugar, 43,227 M.Ts. of wheat, 4,093 M.Ts. of wheat products, 550 M.Ts. of pulses, 2,068 M.Ts.of coarse grains, 2,816 M.Ts of edible oil, 80 M.Ts. of chillies and 38,674 litres of kerosene.\textsuperscript{27}

During the year the PDS issue price of rice per kg. was Rs.1.60, Rs.1.85 and Rs.2.00 for common, fine and super fine varieties respectively. The scale of issue of rice for the period from 1 January 1976 to 31 January 1976 for the families with less than the monthly income of Rs.500 was at the rate of 3 kgs per adult and 2 kgs per child per week and for the families with more than Rs.500/- monthly income, 20 kgs of rice was distributed for a month. This scale was increased to 30 kgs for the period from 1 February 1976 to 31 July 1978. Levy wheat was supplied to the cardholders at Rs.1.40 per kg. There was no quantitative restriction in regard to supply of wheat. Due to the availability of rice in the open market, the off-take of wheat and wheat products was low during this period. The price of levy sugar was increased from Rs.2.15 to 2.30 from I March 1978. The retail price of kerosene ranged from Rs.1.33 to 1.46 per liter during this year.\textsuperscript{28}

\textsuperscript{26} TNCSC Ltd., ‘Director’s Report to the Shareholders’, \textit{Sixth Annual Report 1977-78}, (Madras), p. 8

\textsuperscript{27} TNCSC Ltd., \textit{Sixth Annual Report 1977-78}, (Madras), p. 4

\textsuperscript{28} \textit{Tamil Nadu State Administrative Report 1977-78}, (Madras), pp. 81-82
Shop-A-Village Scheme which was implemented by the Corporation in Tirunelveli district was extended to Thanjavur, Dharmapuri and South Arcot districts during the year 1978-79. All other districts were covered by the co-operatives. The Corporation received Government subsidy for running these shops. A sum of Rs.30.11 lakhs and Rs.59.00 lakhs towards recurring and non-recurring expenditure were received by the Corporation as subsidy for the period 1978-79. The total quantity of Commodities sold by the Corporation was 6 M.Ts. of paddy, 1,04,654 M.Ts. of rice including broken, 8,81,468 M.Ts. of sugar, 17,117 M.Ts. of wheat, 732 M.Ts. of wheat products, 1,050 M.Ts. of pulses, 44 M.Ts. of coarse grains, 628 M.Ts. of edible oil, 85 M.Ts. of chillies, 2,567 M.Ts. of groundnut, 54,218 M.Ts. of cement and 11,279 litres of kerosene.29

The Government of India discontinued the system of levy sugar with effect from 16 August 1978. However, levy sugar was distributed to the cardholders on per capita basis at 425 grams per head per month irrespective of income in both rural and urban areas till the end of 31 August 1978. There was fall in the open market price of sugar after decontrol. As regards the distribution of other commodities there was no change in the scale as well as the price during this year.30

While the total sale of rice during 1978-79 was about 1.05 lakhs M.Ts. the sale was increased to lakhs M.Ts. during 1979-80. The reasons for such a


hike in the sale of rice were many. The Corporation issued 63,359 M.Ts. of rice for *Food for work programme*, exported 30,000 M.Ts. of rice to Kenya, Cuba and Peru and 5,000 M.Ts. of brokens to West Germany; sold 51,400 M.Ts of rice in the open market and distributed 1,60,346 M.Ts. of rice to the consumers of the state through PDS. There was also considerable increase in the sale of edible oil, cement and kerosene. During this year the Corporation sold 5,400 M.Ts of edible oil, 2,53,710 M.Ts of cement and 63,100 kilolitres of kerosene. The Government subsidy to run village shops was increased to Rs.103.08 lakhs.\(^\text{31}\)

The retail price of the wheat products were statutorily fixed. Accordingly, the rates fixed for maida, sooji, atta and bran were Rs.1.90, Rs.1.90, Rs.0.85 and Rs.0.65 per kg. respectively. There was a subsequent revision in the retail price of maida and the revised rate was Rs.1.96 per kg. From 22 November 1979 onwards, the price control on atta and bran was removed. From 17 December 1979 levy sugar was re-introduced and supplied at the rate of Rs.2.85 per kg. Kerosene was supplied on family cards to the public throughout the retail points run by the Corporation and co-operatives due to shortage.

The Corporation had continued to be in the vanguard in implementing the policy directives of the State Government. During this year the Corporation had opened 3,887 shops in all the villages of the four districts allotted to it. Arrangements were made to not only supply rice, sugar, wheat and wheat

31. TNCSC Ltd., 'Director's Report to the Shareholders', *Eighth Annual Report 1979-80*, (Madras), p. 6
products but also other commodities including kerosene, edible oil, pulses, chillies, tamarind and a few articles of cosmetics and toilets. These shops became a welcome addition to the rural life. The Corporation took pride in having contributed to such an achievement in transforming the day-to-day life of the rural people.

During the year 1980-81, the Corporation made a mark in the field of PDS and considerably increased its transactions by selling 2,67,835 M.Ts of rice, 2,58,529 M.Ts. of sugar, 18,794 M.Ts of wheat, 53,923 M.Ts of wheat products, 3,856 M.Ts of pulses, 22,469 M.Ts of edible oil and 2,16,688 M.Ts of cement. The distribution sugar to a quantity of about 2.27 lakhs M.Ts was a record reached by the TNCSC Ltd. during this year. Open-market sale of sugar was also undertaken by the Corporation during this year. In order to ensure free availability of sugar for public distribution, the Corporation imported 15,020 M.Ts. of sugar during August to September 1980. The PDS price of rice per kg. was revised as Rs.1.75, Rs.2.00 and Rs.2.15 respectively of common, fine and super fine varieties with effect from 1 February 1981.32

During the year 1981-82, the Corporation had distributed 7,18,425 M.Ts. of rice, 2,18,020 M.Ts. of sugar, 12,135 M.Ts. of wheat, 90,399 M.Ts. of wheat products, 5,599 M.Ts. of pulses, 45,604 M.Ts. of edible oil, 1,73,803 M.Ts. of cement and 95,300 kilolitres of kerosene. There was overall increase in the sale of rice, wheat, wheat products and edible oil, cement and kerosene during this year. In order to operate, village level fair price shops the Corporation received a sum of Rs.105.35 lakhs as subsidy.33

33. TNCSC Ltd., 'Director's Report to Share Holders', Tenth Annual Report - 1981-82, (Madras) p. 4
The scale of distribution of rice was 20 kgs per card per family irrespective of income and size. This scale continued for distribution of rice upto 31 January 1983. The issue of rice in the PDS had increased substantially during this year. The PDS issue price of rice was revised as Rs.1.75 for common variety with effect from 1 February 1981 and the fine and super fine varieties were sold at Rs.2.00 and Rs.2.15 respectively during this year.34 The open market price of rice per quintal was Rs.193.44 whereas, the PDS issue price was only Rs.175. Levy sugar was distributed to the card holders at 425 grams per month irrespective of the fact that the card holder was residing in the urban area or rural area. There was also no ceiling to the maximum entitlement of a family.

During the year 1982-83 the Corporation sold 8,34,854 M.Ts. of rice, 2,15,603 M.Ts. of sugar, 1,167 M.Ts. of wheat, 78,479 M.Ts. of wheat products, 30,737 M.Ts. of pulses, 41,026 M.Ts. of edible oil, 46,082 M.Ts. of cement and 1,10,588 kilolitres of kerosene.35 The issue of rice in PDS had increased substantially during this year. Levy wheat was distributed to the family cards at a price of Rs.1.55 per kg. upto 6 August 1982 and at Rs.1.75 per kg. upto 20 April 1983 and at Rs.1.87 per kg. thereafter. There was no distribution control of wheat products during this year. Yet, 60 percent of production of Maida and Sooji manufactured were taken over by the TNCSC Ltd. and Co-operatives for supply to cardholder through FPSs and to the bulk customers.36

34. Co-Operation, Food and Consumer Protection Department, n. 2, Table III
35. TNCSC Ltd., 'Director's Report to the Share Holders', Eleventh Annual Report 1982-83, (Madras), p. 4
The total quantity of commodities sold by the Corporation during the year 1983-84 was 8,75,637 M.Ts. of rice, 27,411 M.Ts. of sugar, 2,18,499 M.Ts. of pulses, 57,996 M.Ts. of edible oil, 50,979 M.Ts. of cement 4,669 M.Ts. of coarse grains and 1,20,736 kilo litres of kerosene.\(^{37}\) Regarding the supply of rice, it was confined to the family card holders having a monthly income of less than Rs.1000. In Madras, Madurai and Coimbatore, the cardholders were eligible for four kgs. per adult per month and 2 kgs. per child per month or 20 kgs. per family per month whichever was less. 60 percent of the entitlement was given as rice and the rest 40 percent as wheat to the consumers.

In Nilgris district, each adult was given 6 kgs per month, each child was given 2 kgs. or 28 kgs. per month per card, whichever was less. In all other areas, the scale of supply of rice was 6 kgs. per family card per month.\(^{38}\) The PDS issue price of rice per quintal was Rs.175, Rs.200 and Rs.215 respectively of common, fine and superfine varieties. The retail issue price of wheat to the consumer was Rs.1.87 per kg. The retail price of maida/sooji was Rs.3.05 per kg. There was increase in the allotment of levy sugar by the Government of India. Therefore, the scale of supply was increased from 425 grams to 450 grams per capita per month. The retail price of levy sugar was Rs.3.75 per kg. up to 31 January 1984. The price was revised to Rs.4 per kg. from 1 February 1984. The open market sugar was also purchased and distributed to the card holders at 2 kgs. per card per month at Rs.4.75 per kg. These orders were

37. TNCSC Ltd., 'Director's Report to the Shareholders', Twelfth Annual Report, 1983-84, (Madras), p. 4
effective from 1 March 1984. The retail selling price of palmolein oil up to December 1983 was Rs. 8.90 per kg. and was subsequently increased to Rs. 9.00 per kg. with effect from 2 December 1983. In addition to loose palmolein oil, tinned palmolein oil was also supplied by Ganesh Flour Mill which was a Government of India undertaking and was distributed to the card holders. From February 1984, Refined Soyabean Oil was also supplied by the Government of India to the States. The retail price of this oil was Rs. 10 per kg. 39

The Corporation sold 9,93,140 M.Ts. of rice, 2,37,377 M.Ts. of sugar 69,237 M.Ts. of wheat, 16,056 M.Ts. of wheat products, 36,800 M.Ts. of pulses, 79,093 M.Ts. of edible oil, 74,224 M.Ts. of cement and 1,14,527 kilo litres of kerosene during the year 1984-85 towards PDS and other welfare schemes of the Government of Tamil Nadu. 40 The Corporation was running 4,079 shops in four districts in the state besides 900 retail shops in the urban areas. The retail selling price of rice per kg was Rs. 1.75, Rs. 2.00, Rs. 2.15 of common, fine and superfine varieties.

In a move to make sugar available at fair prices to the consumers and to present the exploitation of the market by hoarders, the TNCSC Ltd. Madras region was selling open market sugar through mobile vans. The mobile vans went all over the city and the response from the public was good. The rate of

40. TNCSC Ltd., 'Director's Report to Shareholders', Thirteenth Annual Report 1984-85, (Madras), p. 4
sugar at Rs.6.20 per kg. sold in polythene bags by the Corporation was cheaper than the open market rate.\(^4\)

During the year 1985-86, the Corporation had considerably increased its activities by selling 12,97,811 M.Ts. of rice, 66,129 M.Ts. of wheat, 12,287 M.Ts. of wheat products, 2,95,114 M.Ts. of sugar, 35,720 M.Ts of pulses, 65,213 M.Ts. of edible oil, 67,558 M.Ts. of cement and 91,291 kilolitres of kerosene.\(^5\)

The Corporation was running, 5,038 FPSs both in rural and urban areas. The scale of supply of rice during this year was 4 kgs per month per adult and 2 kg. per month per child or maximum of 12 kgs. per card per month. The retail selling price of common rice was Rs.1.75 per kg, fine rice Rs.2.25 per kg, and superfine rice Rs.2.50 per kg. The sale of non-rationed commodities was undertaken by the Corporation through 42 Amudham Department Shops in the State. The cardholder who purchased the eligible quantity of 20 kgs of rice per month were allotted one kg. rice free of cost. This scheme was in force from 15 September 1984 to 31 October 1985. This scheme was suspended temporarily with effect from 1 November 1985. The entitlement of rice was also reduced from 20 kgs. per card per family to 12 kgs. per card per month from the same date. However, the scale of supply of 4 kgs. of rice per adult and 2 kgs. of rice per child remained unaltered.\(^6\)

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42. TNCSC Ltd., 'Director's Report to the Shareholders', *Fourteenth Annual Report 1985-86*, (Madras), p. 4

43. Co-operation, Food and Consumer Protection Department, n.2, Table III
During the year 1986-87, there was decline in the sales activities of the Corporation. The total quantity of commodities distributed by this Corporation was 12,21,448 M.Ts. of rice, 2,65,052 M.Ts. of sugar, 18,535 M.Ts. of wheat, 8,668 M.Ts. of wheat products, 35,891 M.Ts. of pulses, 56,899 M.Ts. of edible oil, 45,034 M.Ts. of cement and 88,527 kiloliters of kerosene. During this year, the Corporation was running 4,100 FPSs in the four districts in the State besides functioning 937 retail shops in urban areas. The rice was supplied to the family card holders having a monthly income of less than Rs.1000. The Corporation supplied 3 kgs. of extra rice to the cardholder whose income was below Rs.1000 per month and 12 kgs. of raw rice to the card holders whose income was above Rs.1000 per month from September 1986 onwards as per the Government direction. The retail selling price of common rice was Rs.1.75 per kg., fine rice Rs.2.25 per kg. and superfine rice Rs.2.50 per kg.

It was under the Village-A-Shop Scheme, a substantial expansion of FPSs came and all the 16,000 revenue villages were covered by the FPS. These shops were run by both the Co-operatives and the TNCSC Ltd. There was an important change in the organisational model attempted in 1984. It was decided to transfer the FPSs run by the TNCSC Ltd. to the Co-operatives. The Government Order had mentioned that this proposal was suggested by the Registrar of Co-operative societies through the Commissioner of Civil Supplies.

44. TNCSC Ltd., 'Director's Report to the Shareholders', *Fifteenth Annual Report 1986-87*, (Madras), p. 4

45. G.O. M.S.No. 917 (*Food and Consumer Protection Department*), 25 August 1986

46. G.O.No. 449 (*Food and Consumer Protection Department*), 22 May 1984
The order further had mentioned that, all FPSs run by the TNCSC Ltd. should be handed over to the Co-operatives so that the TNCSC Ltd. could concentrate on procurement and whole sale operations and Co-operatives would be responsible for the retail business.

The reason for such proposal of transfer was that, the functions of the TNCSC Ltd. had increased considerably by 1984, than when it was given the task of running village shops in 1973. Apart from the transactions of paddy and rice, the Corporation had also started procuring, storing and distributing the other essential commodities. And from 1982, the Corporation was entrusted with the work of supplying rice, dhall, and edible oil to the Noon Meals Scheme of the Government of Tamil Nadu. Therefore, it was suggested that the transfer of FPS from the TNCSC Ltd. to Co-operatives would enable the Corporation to look after its functions more effectively. This proposal was discussed in the meeting of the Board of Directors of the Corporation. The Board which felt that the scheme would be an encouragement to the Co-operatives, had agreed to the handing over of all the village level FPSs operated by the Corporation to the Co-operatives. Thus, the actual transfer took place with effect from 1 October 1987. The staff of the Corporation in the FPSs were given the option either to go over to the Co-operatives or to remain in the TNCSC Ltd itself. Those who joined the Co-operatives followed the norms and condition of the concerned Co-operatives only.

The transfer of FPS to the Co-operatives was not only opposed by the employees of the Corporation but also by the various political parties. It was criticised.
not as affective or as responsible to the needs of the people as expected. 47

The capacity of the Co-operatives to efficiently handle the PDS was doubted at the time of taking over of these FPS by them. 48 But the Government was firm on the decision to transfer the FPS to the Co-Operatives. As a result of strong and assertive opposition, for about 1,062 FPS run by the Co-operatives were handed over again to the Corporation by Government Order. 49

The Corporation distributed 14,59,873 M.Ts. of rice, 2,90,438 M.Ts. of sugar, 22,170 M.Ts. of wheat, 5,806 M.Ts. of wheat products, 34,911 M.Ts. of pulses, 81,263 M.Ts. of edible oil, 22,269 M.Ts. of cement and 49,050 kilo litres of kerosene during the year 1987-88. 50 Superfine, fine and common varieties of rice were sold at Rs.2.50 Rs.2.25 and Rs.1.75 per kg. The wheat was sold at Rs.2.05 per kg. up to 24 March 1988 and at Rs.2.20 with effect from 25 March 1988. Levy sugar was sold at Rs.4.85 per kg upto 31 December 1987 and was revised to Rs.500 per kgs with effect from 1 January 1988 upto 31 March 1988. Kerosene was supplied at Rs.2.26 per litre for Madras City and its belt areas, while in all other places the price of kerosene ranged between Rs.2.19 to 2.53 per litre. 51

47. The Hindu, 5 December 1987
48. Indian Express, 5 December 1987
49. G.O. M.S. No.798, (Cooperation, Food and Consumer Protection Department), 29 September 1989
There was no change in as far as rice distribution was concerned. 12 kgs. of rice was distributed to each family per card. There was also no ceiling limit for wheat distribution up to October 1987 after which 20 kgs of wheat per card was distributed. The eligibility for kerosene per card per month was fixed at 10 litres for those residing in Madras City and its belt area and other district headquarters. The Municipalities received 6 litres per card and Township and Town panchayats were getting 5 litres per card. In villages, only 3 litres of kerosene was distributed per card. The price of palmolein was fixed as Rs.29.85 for 2 kg tin, Rs.14.95 for 1 kg. pouch and Rs.13.65 per one kg loose oil. The card holders in Madras and belt area and all district headquarters were supplied with 2 kgs of palmolein oil once in two months or 1 kg. pouch subject to availability. Other areas were allotted with 1 kg. loose oil per month per card.52

The TNCSC Ltd. was issuing rice and other essential commodities under PDS and other schemes at a price lower than the procurement cost. The loss incurred by the Corporation due to the subsidised sale was made good by the Government of Tamil Nadu to the Corporation. During 1987-88, a sum of Rs.100 crores was sanctioned as subsidy to the TNCSC Ltd. by the Government of Tamil Nadu.

The Corporation had come to stay in the field of PDS and considerably had increased its transactions by continuing as the sole nominee of the Government of Tamil Nadu for distribution of essential commodities. During the year 1988-89 it had distributed 15,49,28 M.Ts. of rice, 2,76,503 M.Ts. of

52. Ibid., pp. 112-13
sugar, 15,470 M.Ts. of wheat, 1,687 M.Ts. of wheat products, 34,167 M.Ts. of pulses, 48,657 M.Ts. of edible oil, 13,669 M.Ts. of cement and 13,766 kilo litres of kerosene.\textsuperscript{53}

While there was not much change in the scale of distribution of rice, the quantity of sugar under PDS issued was increased to 500 grams per capita with a maximum ceiling limit of 2 kgs per card per family with effect from 1 October 1989.\textsuperscript{54} Levy sugar was also supplied to hotels attached to recognised educational institutions, orphanages run by the Government and private philanthrophic institutions, working women hostels, provided they were run on no loss no benefit basis. Levy wheat was distributed to all card holders without any ceiling limit from December 1985 to October 1987. This concession was withdrawn from November 1987. One kilo pouches of palmolein were distributed every month to card holders of Madras City and its belt area and the left over quantity if any, was allotted to one or two districts on turn basis.

Under report, during the year 1989-90, 17,00,938 M.Ts. of rice 2,72,442 M.Ts. of sugar, 37,433 M.Ts. of wheat, 5,286 M.Ts. of wheat products, 34,953 M.Ts. of pulses, 14,891 M.Ts. of edible oil, 3,214 M.Ts. of cement and 50,761 kilo litres of kerosene were supplied by the Corporation.\textsuperscript{55} The issue prices of common, fine and superfine were revised as Rs.2.00, Rs.3.00 and Rs.3.50 per

\textsuperscript{53} TNCSC Ltd. ‘Director’s Report to the Share Holders’, Seventeenth Annual Report 1988-89, (Madras), p. 4

\textsuperscript{54} G.O.MS.No. 784, (Co-Operation Food and Consumer Protection Department), 22 September 1989

\textsuperscript{55} TNCSC Ltd. ‘Director’s Report to the Share Holders’, Eighteenth Annual Report 1989-90, (Madras), p. 4
kg with effect from 1 March 1990. The scale of issue of rice was 12 kgs to all
irrespective of the monthly income and size of the family from 1 January 1990
to 31 July 1990.

During 1990-91, option was given to the consumers to purchase 5 kgs
of raw rice apart from the usual allotment of 12 kgs. This scheme was in force
from 1 August 1990 to 31 October 1990. Option to buy raw rice was increased
to 8 kgs from 1 November 1990 and was in force upto 28 February 1992. And
from 1 March 1992 onwards, the distribution of raw rice on optional basis was
withdrawn and the supply of rice was restricted to 12 kgs.\textsuperscript{56}

The year 1990-91 witnessed the sale of 16,36,745 M.Ts. of rice, 2,78,679
M.Ts. of sugar, 1,68,664 M.Ts. of wheat, 2,215 M.Ts. of wheat products, 33,765
M.Ts. of pulses, 42,354 M.Ts. of edible oil and 96,673 kilo litres kerosene
towards PDS and the other welfare schemes of the Government of Tamil Nadu.
The issue price of fine and superfine varieties of rice was reduced to Rs.2.75
and Rs.3.25 per kg. with effect from 1 October 1989. This price was further
reduced to Rs.2.50 per kg. of both fine and superfine varieties of rice from 1
December 1990. An effective drive against the bogus cards was launched
during this year. As a result, 3,44,729 cards were eliminated in all districts.
The total number of cards which was on 1 April 1990 was brought down to
1,26,00,563.\textsuperscript{57}

\textsuperscript{56} Co-operation, Food and Consumer Protection Department, \textit{Policy not on
Food and Civil Supplies and Consumer Protection,} (Madras, 1996)
Table III

\textsuperscript{57} \textit{Tamil Nadu State Administrative Report 1990-91,} (Madras), p. 86
During the year 1991-92, the Corporation was able to sell 19,63,783 M.Ts. of rice, 2,76,457 M.Ts. of sugar, 2,27,824 M.Ts. of wheat, 743 M.Ts. of wheat products, 34,046 M.Ts. of pulses, 20,699 M.Ts. of edible oil and 94,046 kilo litres of kerosene. The issue price of rice was once again increased to Rs.3.50 per kg. for both fine and superfine varieties from 25 January 1992. The final price of common, fine and superfine varieties of rice were at the rate of Rs.2.00 and Rs.3.00 and Rs.3.00 respectively towards the end of 1992.

Presently, the scale of distribution per card per month is at the rate of 4 kgs. per adult and 2 kgs. per child subject to a maximum of 20 kgs. per card per month. Out of this three kgs. are distributed as common variety at the rate of Rs.2.00 per kg. subject to availability and the rest as Grade-A variety at the rate of Rs.3.75 per kg. Similarly, a portion of allotment was issued as boiled rice and the rest as raw rice depending upon availability.

At present the PDS in the state has in its fold an extensive and effective net work of 24,905 Fair Price Shops. Of these 22,663 shops are run by Co-operatives, 1,110 shops by the TNCSC Ltd. and 132 by others. There is atleast one retail shop in every revenue village. Even though 800 cards are prescribed for each shop more than 15,000 shops are run with less than 800


59. Co-operation, Food and Consumer Protection Department, n. 2, Table III

cards, in order to reach the card holders in remote and far-flung areas. The resultant loss is shared by the Government and concerned Co-Operatives.\(^{61}\)

The statement showing procurement price of paddy, issue price of rice from central pool, issue price of rice under PDS, scale of issue, coverage, Annual off-take and subsidy for the period from 1976-77 to 1992-93 is given in the appendix XV for reference. The present scale of supply of essential commodities under PDS is as follows.

**TABLE XXV\(^{62}\)**

**PRESENT SCALE OF SUPPLY OF ESSENTIAL COMMODITIES**

**PUBLIC DISTRIBUTION SYSTEM**

<table>
<thead>
<tr>
<th>Name of the Commodity</th>
<th>Price per Kg/Litre Rs. P.</th>
<th>Scale of Supply</th>
<th>Periodicity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rice</td>
<td></td>
<td>4 Kgs. per Adult and 2 kgs. per child per month subject to a <em>minimum</em> of 12 Kgs. and as per month per card (with effect from 1.6.97).</td>
<td>In one instalment (or) as Card Holders choose.</td>
</tr>
<tr>
<td>Grade A Common</td>
<td>3.75 2.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wheat</td>
<td>5.00</td>
<td>10 Kgs. per card in Chennai City and District Head quarters and other areas 5 kgs. per card / per month.</td>
<td>In one Instalment</td>
</tr>
<tr>
<td>Sugar</td>
<td>11.40</td>
<td>500 gms. per head per month maximum 2 kgs. per card per month</td>
<td>In one Instalment</td>
</tr>
</tbody>
</table>

\(^{61}\) Co-Operation, Food and Consumer Protection Department, *Policy Note on Food and Civil Supplies and Consumer Protection*, (Madras, 1997-98), p. 11

\(^{62}\) Co-operation, Food and Consumer Protection Department, *Policy Note on Food, Civil Supplies and Consumer Protection*, (Chennai, 1998), Table I
<table>
<thead>
<tr>
<th>Name of the Commodity</th>
<th>Price per Kg/Litre Rs. P</th>
<th>Scale of Supply</th>
<th>Periodicity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Palmolein Oil</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 litre pouchd</td>
<td>30.50</td>
<td>Since Government of India allotment varies largely month to month, scale of supply is decided according to the availability</td>
<td>In one Instalment</td>
</tr>
<tr>
<td>1 litre loose</td>
<td>27.50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sooji</td>
<td>8.50</td>
<td>Maximum 2 kgs. per card/per month</td>
<td>In one Instalment</td>
</tr>
<tr>
<td>Maida</td>
<td>8.00</td>
<td>Maximum 5 Kgs per card/per month</td>
<td>In one Instalment</td>
</tr>
<tr>
<td>Kerosene (Depending upon LPG connection per card per month)</td>
<td>Price ranges from Rs.2.80 to Rs.3.10 per litre (Depending upon the distance from oil terminal)</td>
<td></td>
<td>In two instalments</td>
</tr>
</tbody>
</table>

**Puratchi Thalaivar M.G. Ramachandran Noon Meal Scheme (PTMGRNMS)**

Poverty is an all India problem and its abolition has been a major item in the programme of many political parties. But the finding that more than 50 percent of population in Tamil Nadu, as elsewhere in India is now below poverty line though not a surprise is still agonising. In its efforts for the **universalisation of primary education**, the Government of Tamil Nadu found that a large number of children from the poor families either do not join

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the school at all or on being enrolled became drop-outs within a year or two due to the poor economic conditions. To overcome this difficulty suggestions came forward that the provision of a noon meals scheme in the school would become an incentive for the children to join the schools and accordingly efforts were made to implement the scheme in Tamil Nadu.

Political decisions and policy intervention have been very close to the food question in Tamil Nadu more close than at the national level. In the fifties the 'mid-day meals scheme' was implemented; later came the 'Integrated child Development Programme', during 1967 'a measure of rice per rupee' was an important political (food) issue, in the 70's State rice subsidy scheme was a political food strategy.64

It was on 1 July 1982 that another important political and policy intervention in the food economy was made in Tamil Nadu. It was on this day the then Chief Minister of Tamil Nadu, Mr. M.G. Ramachandran launched a special nation building programme popularly known as Chief Minister's Noon Meals Scheme (CMNMS) and Tamil Nadu Government Noon Meals Scheme (TNGNMS). After his demise, this scheme was baptised as Puratchi Thalaivar M.G. Ramachandran Noon Meals Scheme (PTMGRNMS).65 This scheme was specially designed to feed those poor children living in villages and urban areas in order to make the present generation into healthy citizens of tomorrow. The importance of this scheme


65. TNCSC Ltd., Notes on the Activities of the Corporation, (Madras, 1992), p. 17
was mentioned by Chief Minister Dr. M.G. Ramachandran on the eve of starting this project,

This scheme is an outcome of my experience of extreme starvation at an age when I knew only to cry when I was hungry. But for the munificence of a women next door, who extended a bowl of rice gruel to us and saved us from the cruel hands of death, we would have departed this world long ago... To wipe the tears of those women, I have taken up this project.66

This scheme provided the nutritious free meal to 55.96 lakhs of poor children in the age group of 2 to 15 in thousands of child welfare centres and elementary schools in rural areas of the whole state. The beneficiaries were divided into two age groups. The children in the age group of 2 to 4 were catered to in the child welfare centres. Children in the age group of 5 to 15 were catered to in the schools where they were studying. 15,39,069 children were under the age group of 2 to 4 and 58,91,438 children under the age group of 5 to 15 were the beneficiaries of this scheme during the year 1992-93.67

The Government entrusted the work of feeding these children to the TNOSC Ltd. The Corporation distributed the required quantity of rice, dhal and palmolein oil every month to nearly 65,000 feeding centres throughout the nook and corner of the state. The Corporation was distributing the stocks in remote villages even to the hill and forest areas, where there is no transport

66. S. Perumalsamy, Economic Development of Tamil Nadu, (New Delhi, 1985), p. 218
67. Ibid.
facilities by arranging head loads, asses etc. The required quantity of dhal was purchased by the Corporation from open market by calling for tender. The cost of dhal was reimbursed by the collector at Rs.6000 per M.T. to the Senior Regional Managers or Regional Managers on the basis of their claim. The differential cost between the actual price and the cost reimbursed by the Collector was paid by the Government on the basis of the claim by the Head Office. The cost of rice was reimbursed by the Collector at the PDS rate and the subsidy amount for the quantity of rice issued to this scheme was reimbursed by the Government. The cost of oil was reimbursed at the wholesale price on the basis of the claims made by the Senior Regional Manager or Regional Manager. In addition to this, the transport and handling charges at Government fixed rates were also reimbursed by the Collector on the basis of Senior Regional Manager's or Regional Manager's claims.68

The Corporation supplied 24,000 M.Ts of rice, 3,200 M.Ts. of dhal and 350 M.Ts. of edible oil every month to the feeding centres spread all over the State. The stocks were supplied through lorries, based on the indents submitted by the Block Development Officers concerned. The transportation charges and handling charges for transporting the commodities to the Noon Meal Centres were fixed at 1.4 percent and 0.4 percent of the total value of the commodities and borne by the Government of Tamil Nadu.69 The stocks were

68. TNCSC Ltd., Course Material for Training Programme, (Madras, 1990), p. 24
moved from the Taluk Godowns situated throughout the state by the Regional Managers concerned. The consolidated claim for the stocks presented by each Regional Manager was reimbursed in full by the District Collectorate concerned. Transportation of the stocks to the Noon Meal Centres situated in the hilly and tribal areas was entrusted to the transport contractors appointed by the Head Office of the Corporation by calling for tenders.  

Iron fortified salt, manufactured by Tamil Nadu salt Corporation was supplied to the Noon Meals Centres from 1 January 1991. Soya flower in the place of 25 percent of toor dhall was supplied from September 1992 onwards. This quantity was increased to 50 percent of toor dhall with effect from 1 June 1993. Corn Rava was supplied to the Noon Meal Centres during holidays on Saturdays and Sundays for preparation of Corn Rava Uppuma. The soya flower, corn rava and the iron fortified salt were supplied in gunny bags. The edible oil was supplied in loose either in tins or in barrels. The supply of tooth powder to children was discontinued as per G.O.MS.No. 929, Health & Family Welfare Department, dated 31 May 1989.

On the whole, the PTMGRNMP had become the bulk consumer of the PDS in Tamil Nadu. While the PDS was partially subsidised government measures, the Noon Meals Scheme became a fully state subsidised welfare

70. TNCSC Ltd., Short Note about the Furatchi Thalaivar M.G.R. Nutritious Meal Programme, (Madras, n.d.), pp. 1-3

activity. The following statement shows the off take of rice from the TNCSC Ltd. under PDS and PTMGRNMP for the period from 1982 to 1992.

TABLE XXVI

OFF-TAKE OF RICE UNDER PDS & PTMGRNMP BY THE TNCSC LTD. MADRAS (1982 - 92)

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Year</th>
<th>PDS Quantity in Metric Tonnes</th>
<th>PTMGRNMP</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>1982</td>
<td>6,11,557</td>
<td>1,19,843</td>
</tr>
<tr>
<td>2.</td>
<td>1983</td>
<td>6,79,747</td>
<td>1,90,877</td>
</tr>
<tr>
<td>3.</td>
<td>1984</td>
<td>7,00,986</td>
<td>2,19,636</td>
</tr>
<tr>
<td>4.</td>
<td>1985</td>
<td>11,04,777</td>
<td>2,18,646</td>
</tr>
<tr>
<td>5.</td>
<td>1986</td>
<td>9,05,169</td>
<td>2,28,090</td>
</tr>
<tr>
<td>6.</td>
<td>1987</td>
<td>11,87,276</td>
<td>2,31,600</td>
</tr>
<tr>
<td>7.</td>
<td>1988</td>
<td>13,03,402</td>
<td>2,17,930</td>
</tr>
<tr>
<td>8.</td>
<td>1989</td>
<td>14,65,013</td>
<td>2,20,275</td>
</tr>
<tr>
<td>9.</td>
<td>1990</td>
<td>12,99,781</td>
<td>2,32,865</td>
</tr>
<tr>
<td>10.</td>
<td>1991</td>
<td>18,26,824</td>
<td>2,25,815</td>
</tr>
<tr>
<td>11.</td>
<td>1992</td>
<td>15,47,184</td>
<td>1,99,931</td>
</tr>
</tbody>
</table>

While the monthly requirement of rice was 24,000 M.Ts. in 1982-83 the monthly requirement of Dhall was 3,200 M.Ts. and of edible oil was 350 M.Ts. As there was steady increase in the distribution of rice over the years from 1982 to 1992 which is stated in the above mentioned table. There was increase in the supply of dhal also. During the year 1989-90, the quantity of dhal

72. TNCSC Ltd., *Notes on the Activities of the Corporation*, (Madras, 1996-97), pp. 29-30
supplied by the Corporation was 29,690 M.Ts. It was increased to 30,533 M.Ts. in 1990-91 and 29,313 M.Ts in 1991-92.

The supply of edible oil towards this scheme also increased to 4,018 M.Ts. in 1989-90, 2,229 M.Ts. in 1990-91 and 2,108 M.Ts. in 1991-92. As there was no further allotment of palmolein to supplement the already available inadequate quantity, the TNCSC Ltd purchased 200 M.Ts of groundnut oil from Tamil Nadu Oil-Seed Grower’s Co-operative Federation Limited (TANCOF) during July 1992 at the rate of Rs.33,000 per M.T. The Chairman cum Managing Director made a request to the Government to first ratify the purchase of groundnut oil made in 1991-92 and to further issue orders to arrange for the supply of groundnut oil to the Nutritious Meal Programme during 1992-93, only when adequate quantity of palmolein was not available. He also had made another request to increase the price of rice and of dhall to Rs.4,400 per M.T. and Rs.14,000 per M.T. respectively in order to effect supplies under PTMGRNMP for the year 1992-93. The proposals of the Corporation were examined and orders were issued to continue the purchase of groundnut oil and the rates recommended for the purchase of rice and Dhall also got ratified.

The impact of this programme had to be judged only by reckoning the effects on the health, life expectancy and improvement to the general well being of the younger generation and not on a superficial level of arithmetic calculations. The programme had a direct impact on school enrolment. While

73. TNCSC Ltd., Short notes about the Puratchi Thalaivar MGR Nutritious Meal Programme, (Madras, n.d), Annexure I
74. TNCSC Ltd., Letter No.B.1/59828/92, 7.7.1992
75. G.O.M.S.No. 21, (Social Welfare and Nutritious Meal Programme Department), 25.1.1993
the rate of dropouts at the primary school level between the age group of six and eleven was 30 percent in 1980-81,\(^\text{76}\) the drop-out rate during the year 1989-90 was 21.05 percent, 1990-91 was 20.32 and 1991-92 was only 19.31 percent.\(^\text{77}\) The successful implementation this scheme contributed to arresting the drop-out rates and increasing retention of pupils at the primary school level. The steady advancement in the enrolment of children at the primary schooling between 1982-83 and 1992-93 could be seen from the following table.

### TABLE XXVII\(^\text{78}\)

**ENROLMENT OF CHILDREN IN PRIMARY SCHOOLS**

<table>
<thead>
<tr>
<th>Year (1)</th>
<th>Boys (2)</th>
<th>Girls (3)</th>
<th>Total (4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1982-83</td>
<td>25.51</td>
<td>21.22</td>
<td>46.73</td>
</tr>
<tr>
<td>1983-84</td>
<td>26.21</td>
<td>21.85</td>
<td>48.06</td>
</tr>
<tr>
<td>1984-85</td>
<td>26.53</td>
<td>22.39</td>
<td>48.92</td>
</tr>
<tr>
<td>1985-86</td>
<td>27.30</td>
<td>23.12</td>
<td>50.42</td>
</tr>
<tr>
<td>1986-87</td>
<td>28.09</td>
<td>23.68</td>
<td>51.77</td>
</tr>
<tr>
<td>1987-88</td>
<td>28.58</td>
<td>24.14</td>
<td>52.72</td>
</tr>
<tr>
<td>1989-90</td>
<td>29.41</td>
<td>29.41</td>
<td>54.46</td>
</tr>
<tr>
<td>1990-91</td>
<td>29.80</td>
<td>29.80</td>
<td>55.50</td>
</tr>
<tr>
<td>1991-92</td>
<td>30.19</td>
<td>30.19</td>
<td>56.25</td>
</tr>
<tr>
<td>1992-93</td>
<td>30.39</td>
<td>30.39</td>
<td>56.72</td>
</tr>
</tbody>
</table>

The enrollment of children in the schools at the primary level had risen by 21 percent from 46.73 lakhs in 1982-83 to 56.72 lakhs in 1992-93. The

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76. S. Perumalsamy, n. 61, p. 208
78. Ibid., p. 339
number of beneficiaries under this scheme during the year 1992-93 is given in appendix X in order to understand the level of achievement of this laudable programme.

Supply of Essential Commodities to Police and Fire Service Personnel

The State Government introduced the scheme of supplying some essential food commodities to certain police personnel from the rank of the Sub-Inspector of Police, downwards at subsidised rates. This scheme came into force with effect from 1 October 1980. The task of supplying these commodities was entrusted to the TNCSC Ltd. The names of the commodities, quantum of supply per head and the Government subsidy per kg. are given in the following table.

**TABLE XXVIII**

*STATEMENT SHOWING THE NAME OF THE COMMODITY, QUANTUM OF SUPPLY PER HEAD PER MONTH AND GOVERNMENT SUBSIDY*

<table>
<thead>
<tr>
<th>SL No.</th>
<th>Name of the Commodity</th>
<th>Quantum of Supply per head per month in Kilograms</th>
<th>Government subsidy per kilo gram Rs. P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Rice</td>
<td>6</td>
<td>1.00</td>
</tr>
<tr>
<td>2.</td>
<td>Toor Dhall</td>
<td>1</td>
<td>2.50</td>
</tr>
<tr>
<td>3.</td>
<td>Black Gram Dhall</td>
<td>1</td>
<td>2.00</td>
</tr>
<tr>
<td>4.</td>
<td>Palmolein Oil</td>
<td>1</td>
<td>4.10</td>
</tr>
<tr>
<td>5.</td>
<td>Sugar</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

79. G.O.M.S.No. 2474 (Police XIV) Department, 25.9.80

80 Ibid., Annexure I
<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of the Commodity</th>
<th>Quantum of Supply per head per month in Kilograms</th>
<th>Government subsidy per kilogram Rs. P.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Madras City and its belt area</td>
<td>1, 1/4</td>
<td>1.40</td>
</tr>
<tr>
<td>(Other areas)</td>
<td></td>
<td>3/4</td>
<td>1.40</td>
</tr>
<tr>
<td>6.</td>
<td>Wheat</td>
<td>1/2</td>
<td>0.70</td>
</tr>
<tr>
<td>7.</td>
<td>Rava</td>
<td>3/4</td>
<td>0.90</td>
</tr>
<tr>
<td>8.</td>
<td>Maida</td>
<td>3/4</td>
<td>0.95</td>
</tr>
</tbody>
</table>

As far as the supply of rava and maida was concerned, either of these two commodities or both the commodities put together, the quantity did not exceed 750 gms. per head per month. This scheme covered the family members of each police personnel upto a maximum limit of four persons, including the personnel himself. Ration was issued for the bachelor at the rate of one unit; for married persons without children - two units; with one child - three units and with two children - four units. While purchasing the food items, the police personnel bore the difference between the market rate and the Government subsidy for the quantity purchased by them.\(^{81}\)

The Inspector of police prepared an indent consisted the requirements of the police personnel and sent the same to the Corporation godowns sufficiently in advance. The commodities were measured or weighed and distributed to them by the Corporation. The police personnals were given special ration cards in blue colour to avail the commodities on subsidy rates. These cards bore the name, rank and number of the police personnel concerned. An indication as Police Department was printed on the top left

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\(^{81}\) G.O.M.S.No. 2474, (Home Department), 25.9.50, p. 3
hand corner of the card on the front page. They were warned strictly against the misuse of cards and for selling the commodities to others. These cards were issued through the respective Superintendents of Police or Commissioner of Police under whom the personnel were serving.82

The TNCSC Ltd. maintained a separate account, bill books etc for the supplies made under this scheme for easy accounting purposes and for calculating the cost of subsidy to be reimbursed to the Corporation.83 This subsidy was reimbursed by the Director General of Police, Madras from the Police Budget.

This scheme was extended to the personnel working in Fire Service Department from 1.1.1981.84 The Government ordered supply of essential commodities to the Fire Service Personnel from the category of Assistant Divisional Officer down to the category of Fire man at subsidised rates. The government revised the rate of subsidy of the essential commodities supplied to the Police & Fire Service personnel which came into effect from 31 May 1984 onwards. The following table shows the revised rates of subsidy per kg of the commodities supplied to the Police and Fire Service Personnel. The quantum of supply of essential commodities remained un changed.

82. Ibid.
TABLE XXIX

STATEMENT SHOWING THE NAME OF THE COMMODITY AND RATES OF SUBSIDY THE POLICE AND FIRE SERVICE PERSONNEL AS ON 31.5.1984

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of Commodity</th>
<th>Rates of Subsidy per kg. (Rs. P.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Rice</td>
<td>1.10</td>
</tr>
<tr>
<td>2.</td>
<td>Toor Dhall</td>
<td>4.00</td>
</tr>
<tr>
<td>3.</td>
<td>Black Gram Dhall</td>
<td>3.50</td>
</tr>
<tr>
<td>4.</td>
<td>Palmolein Oil</td>
<td>4.50</td>
</tr>
<tr>
<td>5.</td>
<td>Sugar</td>
<td>2.00</td>
</tr>
<tr>
<td>6.</td>
<td>Wheat</td>
<td>0.95</td>
</tr>
<tr>
<td>7.</td>
<td>Rava &amp; Maida</td>
<td>1.50</td>
</tr>
</tbody>
</table>

The scheme was further extended to the personnel in Prison Department also from the year 1990 onwards. The value of supplies to these schemes was around Rs.5 crores annually.

Supplies to Persons Under Widows, Handicapped, Old Age Pensioners' Free Assistance and Relief Scheme (WHOPFAR)

Another scheme sponsored by the government was the scheme to supply 1 kg of rice per week, free of cost rice to poor widows, handicapped persons and 85. G.O.M.S.No. 1108 (Home Department), 31.5.1984
old aged pensioners from November 1981. 86 Again the TNCSC Ltd. took up the responsibility of ensuring uninterrupted supply of rice to these persons. The total value of supplies made by the Corporation worked out to Rs.2 crores per annum. Consequent to the transfer of retail shops of the TNCSC Ltd. to the Co-operatives, the scheme was discontinued from May 1989. Here again, the rice was drawn by the Co-operatives from the TNCSC Ltd. only for this purpose. The scheme was revived once again by the Corporation from October 1990 with same rules and regulations after the handing over of the retail outlets by the Co-Operatives to the TNCSC Ltd. 87

The old age pensioners were eligible for taking meal from Nutritious Meal Centres. Free supply of 1 kg of fine variety of rice per week per head was distributed for those who were not taking meals from the centres. Free supply of half a kg of a fine variety of rice per week per head was made for those who took meals in Nutritious Centres. 88

Supplies to Government Institution

The Government issued orders to the Corporation for the supply of dietary articles to all Hospitals and Medical Institutions under the control of the Director of Medical Education, the Director of Health Services and Family

86. TNCSC Ltd., Notes on the Activities of the Corporation, (Madras, n.d.), p. 18
87. Ibid.
Planning and the Director of Indian Medicines. This scheme was extended to prisons and care homes in the year 1986, under the control of the Inspector General of Prisons. The approved schools, vigilance homes and reception centres run by the Social Welfare Department also were brought under this scheme. Supplies were made to 180 such institutions and the total value of Rs.30 lakhs per month on an average was spent towards this scheme.

Sathu Programme and Integrated Child Development Scheme

The health of the people is an index of the prosperity and well being of a country. It is a paramount importance as a national asset and basis to sustain as well as stimulate optimum levels of efficiency. Improvement of national standards of health has, therefore been accorded high priority in social welfare programmes.

The recognition of public health as one of the most important elements of the socio-economic infrastructure was reflected in the numerous facilities extended for the sick and affected by various schemes enacted for the said purposes by the Government at different times. One of such programmes introduced by the Government of Tamil Nadu was the Nutritious Meal

89. G.O.MS.No. 632, (Health and Family Planning Department), 6.3.76
90. G.O. MS.No. 1601, (Home Department), 3.7.86
91. Government Letter No. 21852/CA/9/76-6, Social Welfare Department
92. S. Perumalsamy, n. 72, p. 343
Programme. The definition of nutrition given in the first edition of the
Encyclopedia Britanica, in 1771 was as follows:

Nutrition in the animal economy, it explains, is
the repairing of the continuing loss which the
different parts of the body undergo..., if the
loss was not repaired by the proper diet,
containing nutritious juices, which being
digested in the stomach and afterwards
converted into cycle, mix with blood and are
distributed through the whole body.\textsuperscript{23}

then the whole body would be destroyed. To avoid such a loss, the State
Government of Tamil Nadu introduced in the Sathu Programme during
February 1987 due to withdrawal of CARE\textsuperscript{24} scheme. This was a centralised
sponsored new scheme of wheat based nutritious programme for children
between 0-2 years of age and pregnant women and lactating mothers. This
scheme was in force in the districts of Tamil Nadu, Madras, Chennai, Anna,
South Arcot, Thanjavur, Trichy, Dindugal, Madurai, Tirunelveli,
Kanniyanerumari, North Arcot, Dharmapuri, Salem, Periyar, Coimbatore and
V.O.Chidambaramar. The Sathu feeding was done to the beneficiaries for 25
days in a month - through Integrated Child Development Scheme centres
(ICDS) in all these districts. The ICDS started in 1975-76 offered

a package of services consisting of
supplementary nutrition, immunisation, health
check-up referral services, nutrition and non-
formal education for the pre-school children
and expectant and nursing mothers.\textsuperscript{25}

93. Ibid., p. 348

94. Centre for American Relief Everywhere.

95. N. Shanthi and Susan Koshi, Nutrition, Tamil Nadu Economy - Some
Selected Aspects, (Madras, 1991), p. 139
The ICDS symbolised the commitment of Government towards its children. It is a well known fact that foundation for cognitive, social, emotional and knowledge development and life long learning are laid only during the early years of a child.  

The early childhood development contributes the foundation of human development. Therefore, the Tamil Nadu Government specifically designed the programme in order to promote holistic development of children under 6 years of age. The unique feature of this programme was that it reached disadvantaged and low income groups of the society. This programme envisaged integrated approach for converging the basic needs for improved child care, early stimulation, health and nutrition. It targeted young children, expectant and nursing mothers and adolescent girls group. The total number of ICDS centres in different districts are given below.

**TABLE XXX**

**STATEMENT SHOWING THE NUMBER OF ICDS CENTRES IN THE DISTRICTS TAMIL NADU AS ON 31.3.1990**

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Name of the Region</th>
<th>No. of ICDS Centres</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Thanjavur</td>
<td>129</td>
</tr>
<tr>
<td>2.</td>
<td>Tirunelveli</td>
<td>59</td>
</tr>
<tr>
<td>3.</td>
<td>Chengai - Anna</td>
<td>285</td>
</tr>
</tbody>
</table>


97. TNCSC Ltd., Course Material for Training Programme, (Madras, 1990), p. 25
<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Name of the Region</th>
<th>No. of ICDS Centres</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.</td>
<td>Madurai</td>
<td>348</td>
</tr>
<tr>
<td>5.</td>
<td>Kamarajar</td>
<td>121</td>
</tr>
<tr>
<td>6.</td>
<td>Trichy</td>
<td>400</td>
</tr>
<tr>
<td>7.</td>
<td>Periyar</td>
<td>84</td>
</tr>
<tr>
<td>8.</td>
<td>Salem</td>
<td>124</td>
</tr>
<tr>
<td>9.</td>
<td>North Arcot</td>
<td>100</td>
</tr>
<tr>
<td>10.</td>
<td>South Arcot</td>
<td>100</td>
</tr>
<tr>
<td>11.</td>
<td>V.O.Chidambaram</td>
<td>90</td>
</tr>
<tr>
<td>12.</td>
<td>Coimbatore</td>
<td>655</td>
</tr>
<tr>
<td>13.</td>
<td>Dindigal Quaid-E-Millath</td>
<td>499</td>
</tr>
<tr>
<td>14.</td>
<td>Dharmapuri</td>
<td>100</td>
</tr>
<tr>
<td>15.</td>
<td>Kanyakumari</td>
<td>93</td>
</tr>
<tr>
<td>16.</td>
<td>Madras</td>
<td>902</td>
</tr>
</tbody>
</table>

|         | Total                    | 3693                |

These 3,693 ICDS Centres were allotted with wheat by the Government of India on free of cost. The TNCSC Ltd. lifted the stock from the Food Corporation of India godown and then distributed to the ICDS centres. In some districts, the women development societies took delivery of wheat from the TNCSC godowns for the preparation Sathu Meal. The monthly requirement of wheat was around 344 M.Ts. of wheat and 76.5 M.Ts of area fried grains.98

Feeding of People Affected by Floods

The TNCSC Ltd., was doing yeoman service to the people of Tamil Nadu not only by distributing various commodities through various welfare schemes but by supplying prepared food in packets during unprecedented flood and drought. The food supplied by the Corporation was of good quality and the cost was reasonable. The service of the Corporation in this regard won the appreciation of both the press and the public.

During floods in November 1976, 1978-79 and 1982-83, the Corporation supplied foodgrains to the flood victims. Lakhs of packets of cooked food were distributed by the Corporation in Madras City during flood in the year 1985-86. The Corporation also assisted the District collectors by supplying essential commodities whenever indentured to relief work. The supply of rice etc. to flood victims through the Corporation storage points as and when it required were based on the orders of Government. The quota or supply, the nominees the through whom the supplies were made, the mode of reimbursement of value of supplies were determined by the same order. The Regional Manager would arrange for the supply and prefer claims for the value of supplies with respective District collectors or the authority specified by the Head Office, based on the authorisation from Head Office.


100. TNCSC Ltd., Accounts Manual, (Madras, n.d.), pp. 103-104
Integrated Tribal Development Project Scheme (ITDP)

The Integrated Tribal Development Project Scheme was sponsored by the Government of India and implemented by the Government of Tamil Nadu with effect from April 1986. Yercaud hills, Kohli hills, Kalrayan hills, Aranuthumalraj and Panchamalai were the Integrated Tribal areas in Salem Districts. Javadhu Hills in Dharmapuri and Panchamalai in Trichy Districts were also grouped under the Integrated Tribal Development areas as specified by the state Government.\(^\text{101}\) The people living in these areas were covered under the scheme and were given ration cards in order to avail rice and wheat at specially subsidised rates. On the whole there were 95 FPS situated in these nine ITDP areas. The card holders were eligible to get 30 kgs of wheat per card per month at subsidised rate of Rs.1.50 per kg. 4 kgs of rice per adult per month and 2 kgs per child per month subject to a maximum of 12 kgs. per card per month was supplied. Since wheat was not lifted by the Corporation from 1.4.88, rice alone was distributed to them.\(^\text{102}\)

Normally only common rice was intended to be issued under this scheme. At times of scarcity of common rice in the FCI depots, fine or superfine varieties of rice was also released. The District Managers of FCI in Madras, Coimbatore, Thanjavur and Cuddalore were instructed to release these varieties by the Regional Office of FCI. The non availability of common

\(^{101}\) TNCSC Ltd., *Course material for Training Programme*, (Madras, 1990), p. 24

\(^{102}\) Ibid.
rice prevailed in South Arcot district from August 1988 onwards. The Central issue prices of common, fine and superfine varieties of rice were Rs.1.60, Rs.1.70 and Rs.1.85 per kg. respectively. The retail price of the common, fine and superfine varieties of rice were the Rs.1.35, Rs.1.95 and Rs.2.10 per kg. respectively towards the supply under the ITDP scheme.\textsuperscript{108}

Supply of rice to Sri Lanka Refugees at Subsidised rates

The TNCSC Ltd. also supplied rice to Sri Lanka Refugees at the rate of 400 grams per adult and 200 grams per child per day at subsidised rate of 57 paise per kg. The balance cost was claimed by the Senior Regional Managers or Regional Managers concerned. Subsidy under this scheme was around Rs.360 lakhs per year. About 2 lakhs beneficiaries were covered under this scheme and about 10,000 tonnes were supplied to them.\textsuperscript{104} This scheme was in existence only in Dindugal Quaid-E-Millath and Madurai Regions alone. Other ration commodities were issued at PDS issue price. The weighed average economic cost of rice was reimbursed by the Government with effect from 28 December 1991 onwards at the rate of Rs.4.78 per kg.\textsuperscript{105} This scheme was extended later to other regions also where Sri Lanka Refugee camps were formed. The Collectors concerned of the regions were in-charge of this scheme.

\textsuperscript{103} Ibid.

\textsuperscript{104} TNCSC Ltd., \textit{Public Distribution System - Review by The Hon'ble Chief Minister}, (Madras, 1995), p. 14

\textsuperscript{105} TNCSC Ltd. \textit{Notes on the activities of the Corporation}, (Madras, 1997), p. 22
Indian Made Liquor Shops (IMFL)

The Corporation entered into the Indian Made Foreign Liquor retail trade in pursuance of the orders by the Government. The Senior Regional Managers and Regional Managers secured buildings in potential areas to run the business at reasonable rent. The necessary arrangements were made for placing orders and to commence the sale of liquor through TNCSC Ltd. outlets from 16 June 1989.

In order to study the business turn-over of purchase, sales, expenditure and commercial results in the IMFL shops, Management Account was maintained by the Corporation every month. This monthly report on the performance was furnished to the Government. The working hours of the shops were fixed as 12 to 4 p.m. and 5 to 9 p.m. Later, the shops were kept opened till 10.30 p.m. by Government order. These shops were insured with M/s. Oriental Insurance Company Divisional Office at 115, Broadway, Madras against burglary and fire. A sum of Rs.57,200 paid towards premium to the Insurance Company and was in force from 27 July 1991 to 26.7.92. These shops were closed from May 1992 when the license period got expired.

106. G.O.No. 230, (Home Prohibition and Excise Department), 15.4.89
108. G.O. M.S.No. 1808, (Labour and Employment Department), 16.10.89
109. TNCSC Ltd., Course Material for Training Programme, (Madras, 1992), p. 41
It is thus seen that the Corporation has assumed a great responsibility in raising the socio-economic conditions of the people of the state by attempting for the eradication of poverty, mal nutrition, scarcity of foodgrains and providing support to the people of the state at large. In other words, acting as the sole agent of the state in this regard, the Corporation is trying to fulfil the motto of the modern state as a Welfare State. The various welfare schemes launched by the Corporation from time to time stands as the testimonies to this end.