

## CHAPTER - 15

# PRICES AND FOOD SECURITY

### CONSUMER PRICE INDEX

Consumer Price Index Number is a broad indicator of inflationary trend. The latest data available show that in Kerala the consumer price index went up by just 2 points (base: 1998-99=100) in 2003 compared to the same period in 2002, from 114 point in August 2002 to 116 point in August 2003. (Table 15.1). This was primarily contributed by the increase in prices of oil and oilseeds. Among the seventeen selected centres, indices of eight centres fell below the State average of 116 points. The highest index was recorded at Kollam (122 points), followed by Thiruvananthapuram (121 points). The lowest index was registered at Meppady and Punalur (113 points each). Based on Consumer Price Index, the annual rate of inflation went up by 1.75 per cent in 2003 (up to August), compared to the corresponding period in 2002. The month-wise movements of Consumer Price Indices are shown in Appendix 15.1. Movements of index are rather within a small range of 111-124 points. Increases are generally

higher in second quarter, than in the first quarter. Indices at Munnar and Meppady fell by one point and three points respectively in August 2003, compared to those in the same period in the previous year. Indices at Thiruvananthapuram and Kasaragod recorded the highest increases of 7 points each during the same period.

### Retail Prices

15.2. The average retail prices of essential commodities as at the end of December, from 1998 to 2003, are shown in Table 15.2. When the prices of eighteen essential commodities in 2003 (upto September, the latest month for which data are available) were subjected to review, it is seen that the prices of as many as six items recorded negative growth, ranging between 0.1 per cent and 30 per cent compared to the same period in 2002. This was more pronounced among items under pulses group. Barring redgram, prices of all other items

**Table 15.1**  
**Annual Average Consumer Price Indices in Selected Centres of Kerala:2000-2003\***  
**Base1970=100(up to 9/ 2001)      Base1998-99 =100(from 10/2001)**

Centres	Year						Percentage Change Over Previous Year		
	2000	2001#	2001	2002*	2002#	2003*	2001	2002#	2003*
1.Thiruvananthapuram	1108	1146	1152	115	1198	121	3.97	4.54	5.22
2. Kollam	1105	1146	1152	116	1196	122	4.25	4.36	5.17
3. Punalur	1060	1094	1100	113	1122	113	3.77	2.56	0.00
4.Pathanamthitta**				113		118			4.42
5. Alappuzha	1109	1149	1156	113	1181	115	4.24	2.79	1.77
6. Kottayam	1105	1153	1160	115	1190	116	4.98	3.21	0.87
7.Mundakayam	1075	1111	1116	112	1139	115	3.81	2.52	2.68
8. Munnar	1071	1117	1123	115	1151	114	4.86	3.04	-0.87
9. Ernakulam	1060	1102	1109	115	1135	117	4.62	2.99	1.74
10.Chalakydy	1124	1168	1175	113	1198	115	4.54	2.57	1.77
11.Thrissur	1082	1122	1127	114	1146	115	4.16	2.14	0.88
12. Palakkad	1093	1135	1142	112	1177	116	4.48	3.70	3.57
13. Malappuram	1084	1123	1130	114	1167	117	4.24	3.92	2.63
14.Kozhikode	1081	1122	1128	113	1141	115	4.35	1.69	1.77
15. Meppady	1150	1192	1198	115	1220	113	4.17	2.35	-1.74
16.Kannur	1078	1124	1129	114	1148	116	4.73	2.14	1.75
17.Kasaragod**				112		117			4.46
State Average	1092	1134	1140	114	1167	116	4.40	2.91	1.75

\*Average from January to August. # Average from January to October      \*\* New Centres

Source:- Department of Economics and Statistics

**Table- 15.2**  
**Average Retail Prices of Essential Commodities 1998-2003**

Commodities	Unit	Prices at the end of December(Rupees)							%change over Previous Year				
		1998	1999	2000	2001	2002*	2002	2003*	1999	2000	2001	2002	2003*
1	2	3	4	5	6	7	8	9	10	11	12	13	14
<b>Cereals</b>													
1. Rice(red) OM Matta	Kg	12.58	13.90	13.34	12.20	12.90	13.40	13.74	10.49	-4.03	-8.55	9.84	6.51
<b>Pulses</b>													
2. Green Gram	Kg	26.96	26.70	26.11	30.29	30.37	30.32	29.02	-0.96	-2.21	16.01	0.10	-4.45
3. Black gram spilt ( without Husk)	Kg	31.96	34.71	42.57	35.38	32.89	29.59	25.06	8.60	22.64	-16.89	-16.37	-23.81
4. Red gram	Kg	22.75	21.05	19.88	19.98	25.6	29.41	25.77	6.15	-5.56	0.50	47.20	0.66
5. Dhall	Kg	41.50	33.63	29.35	29.7	31.32	31.03	30.57	-18.96	-12.73	1.19	4.48	-2.39
<b>Other Food Items</b>													
6.Milk (cow)	Litre	12.00	13.04	12.93	12.96	12.58	13.04	13.04	8.67	-0.84	0.23	0.62	3.66
7.Egg (Hen Nadan)	Dozen	25.37	26.70	29.14	27.70	26.20	26.55	26.17	5.24	9.14	-4.94	-4.15	-0.11
8.Sugar	Kg	15.12	14.99	15.19	15.17	14.61	13.31	14.63	-0.86	1.33	-0.13	-12.26	0.14
<b>Oil and Oil seeds</b>													
9. Coconut Oil	Kg	59.21	61.13	35.04	46.23	51.15	60.53	66.83	3.24	-42.68	31.93	30.93	30.65
10. Ground Nut Oil	Kg	51.50	49.70	48.05	50.14	56.17	59.43	64.78	-3.50	-3.32	4.35	18.53	15.33
11. Refined Oil (Postman)	Kg	75.11	64.34	61.34	60.32	64.72	76.06	89.68	-14.34	-4.66	-1.66	26.09	38.57
12.Coconut(without Husk)	100 Nos	548.93	616.79	357.14	461.96	481.26	575.27	618.39	12.36	-42.10	29.35	24.53	28.49
<b>Spices &amp; Condiments</b>													
13.Corriander	Kg	27.07	26.32	36.68	39.3	34.61	37.64	43.05	-2.77	39.36	7.14	-4.22	24.39
14.Chillies (Dry)	Kg	69.17	50.29	41.01	44.68	45.63	51.55	53.79	-27.30	-14.75	8.95	15.38	17.88
15.Onion (small)	Kg	16.70	9.95	13.00	15.82	16.65	18.89	11.65	-40.42	30.65	21.69	19.41	-30.03
<b>Tubers</b>													
16. Topioca	Kg	4.43	5.43	5.68	4.79	5.71	5.96	6.04	22.57	4.60	-15.67	24.43	5.78
17.Potato	Kg	13.54	9.16	8.91	12.84	11.6	10.28	9.06	-32.35	-2.73	44.11	-19.94	-21.90
<b>Fruits &amp; Vegetables</b>													
18.Banana (Green)	Kg	10.68	11.36	13.21	11.01	11.71	10.78	14.67	6.36	16.29	-16.65	-2.09	25.28

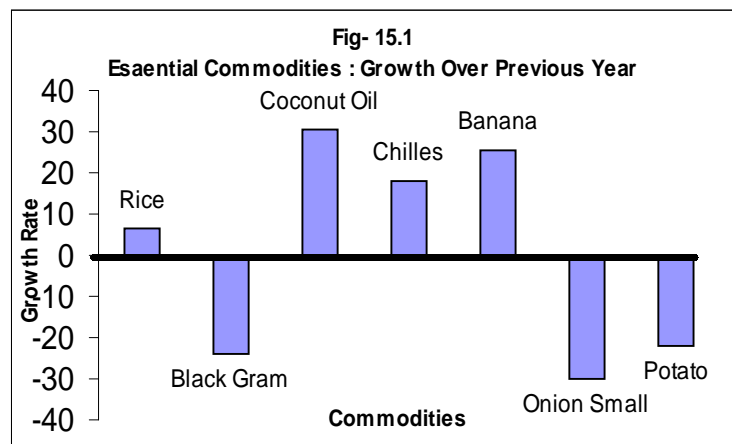
under pulses group – greengram, blackgram and dhal – recorded negative growths of 4.5 per cent, 23.8 per cent and 2.4 per cent respectively. Price of oil & oilseeds group witnessed heavy spurt. Price of refined oil shot up by 38.6 per cent. Coconut and coconut oil also recorded heavy increases in their prices, by 28.5 per cent and 30.7 per cent respectively. When the prices of spices & condiments and tubers witnessed a mixed trend, price of banana under fruits and vegetables group increased steeply by 25.3 per cent. The month-wise movements of retail prices of essential commodities are given in Appendix-15.2. The prices of greengram, blackgram split, redgram and tamarind at the end of September 2003 came to a level lower than that in January 2003. Price of milk remained steady throughout the period between January and September. Price of coconut shot up by 7.9 per cent (Rs. 45.18), from Rs. 573.21 for 100 nos in January to Rs. 618.39 in September. Other commodities witnessed erratic trend in their prices within a moderate range.

**Consumption Expenditure**

15.3. The share of monthly consumption expenditure on different consumption items by various levels of family expenditure class in the State is given in the Table 15.3. In all levels of expenditure classes, food items entail a major share of the total consumption expenditure. It is followed by the share of expenditure on miscellaneous items and housing. Shares of expenditure on food and fuel are high in lower expenditure classes and they decline with the rise in the level of expenditure classes. Trend is just reverse in the case of housing and miscellaneous items. Share of expenditure on these items increases with the upward rise in level of expenditure classes. Average monthly expenditure (in rupees) under different groups by various levels of family expenditure class is shown in Table 15.4.

**Wholesale Price Index**

15.4. In 2002 (the latest year for which data are available), despite the fall in



**Table 15.3**  
**Percentage Distribution of Monthly Expenditure under Different Groups by Family Expenditure Class (per cent)**

1998-99						(per cent)
CLASSES	FOOD	FUEL	HOUSING	CLOTHING	MISC.	TOTAL
Up to 1000	67.96	6.21	9.59	6.34	9.91	100.00
1001-2000	65.60	7.42	9.12	4.97	12.89	100.00
2001-3000	63.07	7.40	9.70	5.16	14.67	100.00
3001-4000	57.07	7.71	10.73	4.75	19.74	100.00
4001-5000	54.74	7.33	12.26	5.26	20.42	100.00
5001-6000	52.01	6.75	14.35	5.00	21.88	100.00
6001-7000	50.32	6.18	14.67	5.24	23.59	100.00
7001-8000	47.74	6.02	17.69	5.36	23.19	100.00
8001-9000	45.21	5.53	21.93	5.43	21.89	100.00
9001-10000	45.02	5.52	21.50	5.26	22.69	100.00
Above 10000	42.64	4.49	23.19	5.75	23.93	100.00
<b>Total</b>	<b>50.84</b>	<b>6.36</b>	<b>15.90</b>	<b>5.24</b>	<b>21.65</b>	<b>100.00</b>

Source : Report on Family Budget Survey, 1998-99 (Directorate of Economics and Statistics)

**Table 15.4**  
**Average Monthly Expenditure Under Different Groups by Family Expenditure Class 1998-99 (Rupees)**

CLASSES	FOOD	FUEL	HOUSING	CLOTHING	MISC.	TOTAL
Up to 1000	679.32	62.10	95.83	63.33	99.04	999.63
1001-2000	989.84	111.91	137.63	75.02	194.45	1508.84
2001-3000	1629.26	191.10	250.57	133.25	378.90	2583.08
3001-4000	2020.37	273.10	380.06	168.01	698.93	3540.47
4001-5000	2445.04	327.39	547.50	235.07	912.05	4467.05
5001-6000	2850.73	370.16	786.44	276.70	1199.11	5483.14
6001-7000	3252.24	399.61	947.93	338.36	1524.68	6462.83
7001-8000	3578.14	451.15	1325.79	401.83	1737.80	7994.70
8001-9000	3820.70	467.77	1853.66	458.94	1850.34	8451.41
9001-10000	4215.26	517.02	2013.35	492.49	2124.39	9362.61
Above 10000	5022.20	529.06	2730.86	677.62	2817.91	11777.64
<b>ALL GROUPS</b>	<b>2738.34</b>	<b>342.67</b>	<b>856.47</b>	<b>282.44</b>	<b>1165.76</b>	<b>5385.68</b>

Source: Report on Family Budget Survey 1998-99 (Directorate of Economics and Statistics)

price index of rice by 473 points, the wholesale price index of agricultural commodities recorded an increase of 74 points (3.56 per cent) from 2077 points in 2001 to 2151 points in 2002, as against a decrease of 335 points (13.90 per cent) in 2001, from 2412 points in 2000 to 2077 points in 2001 (Table 15.5). This was primarily contributed by the variations in the index of oilseeds, under non-food crops. Index of oilseeds which has a weight of 25.5 per cent in wholesale price computation shot up by 827 points (41.4 per cent) from 1996 points in 2001 to 2823 point in 2002. Condiments & spices and fruits & vegetables also witnessed uptrend in their indices by 325 points (15.3 per cent) and 240 points (7.9 per cent) respectively. Molasses (4.9 per cent) and plantation crops (2.4 per cent) recorded down trend in their indices. The month-wise movements of indices are shown in Appendix-15.3. The index of rice, after remaining steady at 1693.60 points from January to March declined to 1548.99 points in April and thereafter remained steady throughout the year. Indices of all other commodities witnessed fluctuations, without being steady in any two consecutive months.

#### Parity Index

15.5. Parity Index reflects the price situation of the farming community in the State. It is a relative measure of prices received by farmers and prices paid by the farmers. In 2002 (data are available only upto 2002), the parity index rose by one point from 48 points in 2001 to 49 points in 2002, as against a decline of 18 points in 2001 from 66 points in 2000 to 48 points in 2001. (Table-15.6). In 2000 also, the index declined by 16 points. Though an uptrend is seen in 2002, it cannot be taken as a clear indication of the trend

of the years to come, as it is evident from the Table that the indices have been generally on downtrend since 1997, with a negative growth rate of 5.6 percent. This implies that the price situation in the State has not been generally favourable to the farming community over the years, barring slight improvement in 2002. During the period 1993-2002, when the prices received by farmers increased by a growth rate of 2.5 per cent, the prices paid by farmers increased by a higher growth rate of 9.4 per cent. During the same period farm cultivation cost grew at a rate of 11.2 per cent and domestic expenditure grew at a rate of 7.7 per cent.

#### Wages

15.6. The average daily wage rates of skilled and unskilled workers in agricultural sector during the period from 1992-93 to 2001-02 are presented in Tables-15.7 and 15.8 respectively. In 2001-02, wages of carpenter increased by Rs. 6.27 (3.56 per cent) and those of mason increased by Rs. 6.21 (3.57 per cent) compared to

**Table-15.6**  
**Index of Prices Received and Price Paid by Farmers 1993-2002**  
Base:1952-53=100

Year	Prices received by farmers	Farm cultivation cost	Domestic expenditure	Price paid by farmers	Parity as col. 2 to 5
1	2	3	4	5	6
1993	1496	2579	1303	1834	82
1994	1582	2891	1464	2057	77
1995	1802	3312	1641	2331	77
1996	2079	3928	1810	2666	78
1997	2486	4571	1979	3007	83
1998	2447	4895	2107	3212	76
1999	2907	5556	2246	3532	82
2000	2492	6173	2384	3836	66
2001	1927	6584	2489	4048	48
2002	1999	6684	2542	4122	49

Source: Department of Economics and Statistics

**Table 12.5**  
**Wholesale Price Index of Agricultural Commodities - 1997-2002**

		(Base 1952-53=100)											
Crops	Weight	Whole Sale Price Index							%change over previous year				
		1997	1998	1999	2000	2001	2002	1998	1999	2000	2001	2002	
1	2	3	4	5	6	7	8	9	10	11	12	13	
A	Food Crops	63.5	1806	1840	2599	2610	2232	2022	1.87	41.28	0.43	-14.48	-9.41
	Rice	40.4	1162	1162	1888	2330	2058	1585	0.00	62.46	23.44	-11.69	-22.96
	Condiments & Spices	10.4	2784	2872	4768	3161	2123	2448	3.19	66.00	-33.71	-32.83	15.31
	Fruits and Vegetables	10.7	3185	3336	3326	3293	3041	3281	4.75	-0.32	-0.97	-7.67	7.89
	Molasses	2.0	2338	2130	1847	1763	1988	1891	-8.90	-13.29	-4.56	12.78	-4.88
B	Non Food Crops	36.5	2734	2453	2849	2068	1807	2375	-10.28	16.16	-27.41	-12.63	31.44
	Oil Seeds	25.5	3237	2713	3295	2331	1996	2823	-16.19	21.43	-29.25	-14.36	41.40
	Plantation Crops	11.0	1570	1851	1819	1461	1370	1337	17.94	-1.75	-19.69	-6.26	-2.35
C	All Crops	100.0	2145	2064	2690	2412	2077	2151	-3.78	30.36	-10.33	-13.90	3.56

Source: Department of Economics and Statistics  
Economic Review 2003

the previous year. Corresponding increases in 2000-01 were Rs. 10.80 (6.53 per cent) for carpenter and Rs. 9.15 (5.56 per cent) for mason. This shows that the wage rate increase was lower in 2001-02, compared to 2000-01. Wages of paddy workers also showed similar trend. The gap between wages of male paddy worker and female paddy worker is on the increase. The gap, which was 40.7 percent in 1980-81 went up to 69.45 percent in 1990-91 and then came down to 43.33 per cent in 2000-02, higher by 2.63 per cent compared to the level in 1980-81.

15.7 Tables-15.9 and 15.10 represent the average daily wage of skilled and unskilled workers in construction sector in the State. Wage of carpenter and mason, both in rural and urban areas, witnessed uniform increase of Rs.3 in 2001-02 over 2000-01. Wage of unskilled male worker in rural area increased by Rs.5 and that in urban area by Rs.3 in 2001-02. Wage of unskilled female worker, both in rural and urban areas, increased by Rs.3 during the same period.

### Public Distribution System (PDS)

15.8. Public Distribution System (PDS) is the key element of the food security system in India particularly for the poor. It is an instrument for ensuring availability of certain essential commodities at affordable prices. The Government, through the Food Corporation of India (FCI) procures and

**Table 15.7**  
**Average Daily Wage Rates of Skilled Workers in Agricultural Sector 1992-93 to 2001-02**

Year	Average daily Wage rates		Percentage changes over Previous year	
	Carpenter	Mason	Carpenter	Mason
1992-93	68.28	67.63	15.73	15.51
1993-94	76.49	76.57	12.02	13.22
1994-95	87.44	87.04	14.32	13.62
1995-96	107.20	105.96	22.60	21.74
1996-97	128.54	127.81	19.91	20.62
1997-98	145.94	144.04	13.54	12.70
1998-99	155.42	154.80	6.50	7.47
1999-2000	165.35	164.70	6.39	6.40
2000-01	176.15	173.85	6.53	5.56
2001-02	182.42	180.06	3.56	3.57

Source: Department of Economics and Statistics

**Table 15.8**  
**Average Daily Wage Rates of Unskilled Workers in the Agricultural Sector, 1992-93 to 2001-02**  
(Rupees.)

Year	Average daily wage rates Of paddy field workers		% change over Previous year	
	Male	Female	Male	Female
1992-93	48.40	32.31	16.97	23.70
1993-94	54.26	35.49	12.11	9.84
1994-95	63.53	41.92	17.08	18.12
1995-96	77.17	51.17	21.47	22.10
1996-97	92.18	60.52	19.45	18.27
1997-98	103.72	69.35	12.52	14.59
1998-99	111.76	71.42	7.75	2.98
1999-00	118.90	78.80	6.39	10.33
2000-01	123.15	82.38	3.57	4.54
2001-02	127.21	88.75	3.30	7.73

Source: Department of Economics and Statistics

**Table - 15.9**  
**Average Daily Wage Rates of Skilled Workers in the Construction Sector 1992-93 to 2001-02**

Year	Carpenter		Mason	
	Rural	Urban	Rural	Urban
1992-93	68.89	70.92	68.07	70.23
1993-94	73.57	76.50	72.75	75.98
1994-95	87.03	91.47	86.49	90.55
1995-96	109.45	113.85	107.59	112.83
1996-97	129.57	134.87	129.20	134.07
1997-98	147.00	150.00	146	149
1998-99	158.09	159.17	156.71	157.88
1999-2000	171.09	172.21	168.77	171.94
00-01	182	184	181	183
01-02	185	187	184	186

Source: Department of Economics and Statistics

**Table - 15.10**  
**Average Daily Wage Rates of Unskilled Workers in the Construction Sector 1992-93 to 2001-02**

YEAR	MEN		WOMEN	
	Rural	Urban	Rural	Urban
1992-93	46.34	48.66	37.23	39.38
1993-94	50.36	52.58	40.89	42.80
1994-95	60.08	63.63	49.94	52.00
1995-96	76.59	79.15	62.80	65.34
1996-97	88.47	90.76	73.73	75.76
1997-98	101	104	85.00	87.00
1998-99	111.18	112.43	93.44	94.06
1999-2000	125.45	126.54	102.59	105.27
2000-01	130	133	108	111
01-02	135	136	111	114

Source: Department of Economics and Statistics

stocks foodgrains which are released every month for distribution through the Public Distribution System network across the country. Foodgrains mainly rice, wheat and kerosene are distributed to the public through a network of PDS outlets.

15.9. The Public Distribution System, till recently, was a general entitlement scheme to all consumers without any targeting. Since the system failed to translate the macro level self sufficiency in foodgrains achieved by the country into household level food security for the poor, the Government of India decided to introduce Targeted Public Distribution System w.e.f. 1st June 1997 in which allocation of foodgrains out of the Central pool was made to the states at two sets of prices, a highly subsidized price for the poor and near open market price for the non-poor.

15.10. The recent shift in policy in the allocation and pricing of foodgrains, announced by the Central Government through its budget proposals for 2000-01, constitutes a major departure with regard to food security policy in the country. On the one hand, it has sought to restrict the coverage of the subsidized Public Distribu-

tion System to the poor. On the other, it has increased the price of the foodgrains. One of the hard-hit states of this policy shift is the food grains deficit state of Kerala. In the process, its Public Distribution System, assiduously built up over a long period of time and hailed as a model one, is now facing survival problems.

15.11. Kerala has a long history of public distribution system dating back to the beginning of second world war. Universal and Statutory rationing was introduced on 24-10-1965. At present the state has also switched over to the National pattern i.e. Targeted Public Distribution System from 1-6-1997. Accordingly families under Above Poverty Line (APL) and Below Poverty Line (BPL) categories have been identified, distinctive ration cards under each category issued and food grains are distributed to the families at different prices. In Kerala, even though the Government of India have approved 15.54 lakh people (i.e. 25.43% of the states' population) as BPL families, the State Government has identified the number of BPL families as 20.19 lakh (i.e. 42 % of the population). The subsidised rice is

**Table 15. 11**  
**Public Distribution System in Kerala -A profile (1999-2003)**

Sl. No	Items	Unit	1999	2000	2001	2002	2003
1	Ration cards and permits						
	a) No. of Ration cards for families	No.	6162484	6262074	6344119	6383322	6268411
	b) Ration Permits for institutions	No.	17663	17528	17127	16769	41860
2	No. of FCI Sub Depots as on 1st April-2003	"	20	23	22	23	23
3	No. of Wholesale Shops as on 1st April-2003	"					
	a) co-operative Sector.	"	41	42	39	35	41
	b) Others	"	329	303	305	286	270
	TOTAL	"	370	345	344	321	311
4	No. of ration shops as on April 2003	"					
	a) co-operative Sector	"	1025	966	953	953	828
	b) Others	"	13241	13266	13217	13217	13246
	TOTAL	"	14266	14232	14170	14170	14074
5	Sugar	MT	15382	152437	72766	45465	34022*
6	Kerosene Oil	KL	387511	361610	359437	314663	220136*

\*-upto September 2003

Source: Directorate of Civil Supplies.

distributed to this additional 4.65 lakh families by meeting the subsidy portion from the State exchequer. Out of the total 63,50,978 ration card holders (as on 30<sup>th</sup> September 2003) in the state, 43,31,956 families are under APL and 20,19,022 families are under BPL category.

15.12. In Kerala, the coverage of ration population is nearly hundred percent. Now Ration Cards are issued to all families including those who do not have house numbers. The total number of ration cards in the state has slightly decreased from 63.83 lakh in 1<sup>st</sup> April 2002 to 62.68 lakh by 1<sup>st</sup> April 2003. At the same time the number of ration permits for institutions has gone up from 16769 in 2002 to 41860 in 2003. There are 14074

PDS outlets. This includes 828 shops in Co-operative Sector. Table 15.11 gives the details of Public Distribution System in Kerala.

15.13 Retail price of commodities issued through ration shops during 2003 are shown below in Table 15.12

15.14 Details of retail price of ration commodities from 1997 to 2003 are given in Appendix 15.4

15.15 After introduction of TPDS, it is seen that APL families are not buyers on PDS shops for foodgrains. This is evident from the Tables: 15.13 & 15.14.

**Table 15.12**

**Retail Price of Commodities issued through ration shops**

Items	Price on April 2003 Rs./Kg.
APL rice	8.90
Anthyodaya Annayojana Scheme	3.00
BPL Rice	6.20
Wheat	6.70
Sugar	13.50
Kerosene/Litre	9.50 to 9.70
Annapoorna rice	Free of cost

Source: Directorate of Civil supplies.

**Distribution of Rice and Wheat**

15.16 Distribution of rice and wheat through Public Distribution System in Kerala reveals a declining trend since 1998. Whereas in 1998 the off take of rice through Public Distribution System was 16.39 lakh tonnes and wheat 4.58 lakh tonnes, it declined to 4.23 lakh tonnes of rice and 1.40 lakh tonnes of wheat during 2002. It came down further to 3.72 lakh tonnes of rice and 1.12 lakh tonnes of wheat in 2003 (upto September). Table 15.15 illustrates this. Distribution of Rice and Wheat through PDS during the last seven years is detailed in the Appendices 15.5 & 15.6

**Table 15.13**

**Foodgrain Distribution under PDS as on September 2003 (Qty in M.T.)**

Sl. No	District	BPL Scheme					APL Scheme				
		Wheat	Rice			Wheat			Rice		
			Lifting	As % of Allocation	Off take	Lifting	As % of Allocation	Off take	Lifting	As % of Allocation	Off take
1	2	3	4	5	6	7	8	9	10	11	12
1	Trivandrum	No Wheat is Allotted under BPL Scheme	2857	64.98	4016	0	0	1451	24	0.18	14
2	Kollam		1264	25.25	2241	1260	42.28	1206	5	0.06	5
3	Pathanamthitta		1124	47.79	1178	360	24.32	274	0	0	8
4	Alappuzha		2739	59	3035	765	31.35	1101	0	0	6
5	Kottayam		4030	99.88	3753	0	0	1169	0	0	7
6	Idukky		2927	100	2564	400	28.57	740	0	0	2
7	Eranakulam		3220	99.41	3629	1266	36.48	2138	5	0.04	6
8	Thrissur		5688	99.48	5237	1140	32.76	1639	25	0.23	17
9	Palakad		4103	100	3689	877	29.83	780	45	0.47	11
10	Malappuram		5417	100	5857	650	17.62	912	0	0	11
11	Kozhikode		4434	100	4718	1256	41.45	1759	10	0.1	28
12	Wayanad		1886	100	2143	130	16.67	128	25	1	26
13	Kannur		4081	100	4030	730	27.24	634	41	0.54	32
14	Kasargod		2024	92.26	2137	170	13.71	143	20	0.57	20

Source: Directorate of Civil Supplies

**Table:15.14**  
**Foodgrain Distribution under PDS for the year 2003(upto September)**

Sl. No	Month	BPL Scheme					APL Scheme				
		Wheat	Rice			Wheat			Rice		
			Lifting	As % of Allocation	Off take	Lifting	As % of Allocation	Off take	Lifting	As % of Allocation	Off take
1	2	3	4	5	6	7	8	9	10	11	12
1	Jan-03	No Wheat is Allotted under BPL Scheme	43992	80.89	40795	6163	16.61	17071	188	0.17	271
2	Feb-03		34671	63.75	39841	13289	35.6	11296	167	0.15	191
3	Mar-03		35444	65.17	38654	14485	38.81	15577	144	0.13	249
4	Apr-03		42879	78.84	35519	12206	32.7	8979	669	0.59	506
5	May-03		29658	54.53	38734	9714	26.03	12403	201	0.18	278
6	Jun-03		43032	79.13	36483	13344	35.75	13022	183	0.16	197
7	Jul-03		40447	74.37	41476	8622	23.1	9123	420	0.37	527
8	Aug-03		48647	89.45	49387	14436	38.68	11405	607	0.54	540
9	Sep-03		45744	84.11	48227	9004	24.12	14074	200	0.18	194

Source: Directorate of Civil supplies.

**Table- 15.15**  
**Quantity of Rice and Wheat distributed through Public Distribution System in Kerala**

YEAR	RICE	WHEAT
1998	16.39	4.58
1999	13.58	2.71
2000	6.56	0.64
2001	4.61	0.78
2002	4.23	1.40
2003 (upto 9/03)	3.72	1.12

Source: Directorate of Civil supplies.

### Central Allotment of Sugar and Kerosene

15.17 Central allotment of Sugar and Kerosene to Kerala has shown a decreasing trend during the last two years. The allotment of sugar during 2001 was 0.73 lakh tonnes. It was 0.45 lakh tonnes in 2002. Similarly the allotment of Kerosene to the state was 359437 Kilo Litres in 2001, and it came down to 314663 Kilo Litres in 2002.

### Food Security

15.18 According to a study by Prof. K.P.Kannan of CDS entitled "Food Security in a Regional Perspective", the important component of the Social Security Programme in Kerala is Food Security. There are 3 major components to the food security system in Kerala. One is the Public Distribution System. The needs of the poor are taken into account in this system by giving a higher level of subsidy. Apart from food, the system also meets almost the entire requirement of Kerosene, which is a basic need for cooking, and/or

lighting in poorer households. The second is the supplementary nutrition programme targeted on children, one on pre-school children with some health care elements and the other noon meal for school going children up to 12 years of age. The third is the old age and other disability pensions for the poor. This could be treated as food security as they are targeted only on the poor. CDS study has attempted an estimation of the coverage of these food security schemes for 1991 and it is presented in Table-15.16. It is interesting to note that the major programmes such as PDS, supplementary nutrition and pension for agricultural workers cover more than the estimated poor below the poverty line. In fact, 92 percent of the population are covered under PDS, 44 percent of pre-school children are covered under the supplementary nutrition programme, 70 percent of the children between 5 & 12 years are covered by the free noon meal scheme and more than the main agricultural labourers above 60 years are covered by the old age pension scheme.

15.19 Even then the PDS is able to cover only two thirds of the requirements of rice of the poorer households, the calories provided for children cover only one-fourth of their daily requirements and the real value of old age and other pensions has steadily declined over the years as to hardly cover one meal a day.

### Special Schemes

#### (1) Antyodaya Anna Yojana Scheme

15.20 This scheme which was implemented in the State with effect from 25.2.01 provides 35 kgs of foodgrains to the poorest of the poor families per month @ Rs.3 per kg. Eventhough the Central Government have fixed

the target of beneficiaries in the state as 2,38,200 , Government of Kerala have enhanced the number of families to 2,74,109 by including all the tribal families in the State.

## (2) Annapoorna Scheme

15.21 As per the Scheme 44980 destitutes above the age of 65 years who are not receiving National old age pension are eligible for 10 kgs of rice per month free of cost. The scheme has been implemented in the state with effect from 14.2.01. As decided by the State Government, all tribals who are unable to work have also been included under the scheme.

## Kerala State Civil Supplies Corporation

15.22. The Kerala State Civil Supplies Corporation's main objective is to engage, promote, improve, develop, counsel and finance production, purchase, storage, processing, movement, transport, distribution and sale of food grains, foodstuffs and any other commodity which the Government may consider as essential. The mission of the Corporation is "food security for Kerala"

15.23 The Corporation has an authorized share capital of Rs.15 crore of which Rs. 8.56 crore is paid up. Government of Kerala have advanced an amount of Rs.132.6 crore as loan and Rs.293 crore as grant upto 31<sup>st</sup> March 2003 to the Corporation. During the current financial year, the Corporation has received Rs.10 crore as grant. The Corporation has a credit facility of Rs.15 crore from a consortium of four commercial banks and a food credit limit of Rs. 5 crore.

15.24 The Corporation acts as a second line of public distribution system in the state by distributing essential commodities like Green Gram, Toordhal, Peasdhall, Lobia, Blackgram washed & split Bengalgram Chillies, Coriander, Mustard, Cumminseed and Methy through Maveli Stores/ Labham markets at subsidized price. The Corporation operates 833 Maveli stores, 21 Mobile Maveli Stores, 96 labham markets, 10 super markets, 35 medical stores, 10 petrol bunks, 4 LPG outlets and 1 Kerosene Depot. Of these, profit making ventures are Super markets, petrol bunks, LPG outlets and maveli medical stores. The sales turnover

**Table 15.16**  
**Selected Food Security Cover for the Poor in Kerala (Nos. in 000s)**

Total Population			Estimated Poor	Beneficiaries	(5) as % of (4)	(5) as % of (3)
1	2	3	4	5	6	7
Male	Female	Total	Public Distribution			
14289	14810	29099	9602	26696	278	92
Children (0-4)			Supplementary Nutrition			
Boys	Girls	Total	911	1201	132	44
1410	1349	2759				
Children (5-12)			Free Noon Meals			
Boys	Girls	Total	1142	2410	211	70
1760	1701	3461				
Old aged (60+)			Old age Pensions			
Male	Female	Total	845	505.3	60	20
1689	1371	2560				
Widows			Widows Pension			
Male	Female	Total	474	129.3	27	9
137	1298	1435				
Total Agricultural labourers (60+) Main Workers (Total cultivators + AL 60+ Main Workers)			Pension for Agricultural Labourers			
Male	Female	Total	87	344.3	396	233
108	40	148	(151)		(228)	(96)
(298)	(55)	(353)				
Divorced/Deserted/Widowed			Pension			
Male	Female	Total	537	51.76	10	3
167	1461	1628				
Physically Disabled			Pension			
Male	Female	Total	48	8.35	17	6
NA	NA	145				

of the Super markets during 2002-03 was Rs.22.53 crore. Turnover of non-maveli items during 2002-03 went upto Rs. 90.90 crore from Rs.65.56 crore in 2001-02.

15.25 During 2002-03,s the Corporation organised 15 Onam fairs and 63 Onam markets in the state and the total turnover was Rs.3.47 crore. The Corporation conducts a hotel at Sannidhanam during Sabarimala season.

15.26 The Corporation is the sole distributor of levysugar for the entire state and it runs 10 sub depots for PDS items in seven districts. Under the mid day

meal programme the Corporation supplied 46478 M.T of rice and 9514 M.T of pulses to 23.4 lakh school children in 11265 schools in 2002-03.

15.27 The Corporation was running at a loss of Rs.43.29 crore during 2000-01. The loss has gone up to Rs.52.67 crore in 2001-02. The accumulated loss of the Corporation up to 2001-02 was Rs.348.25 crore. Since the inception of the Corporation in 1974-75, the Government of Kerala had provided an amount of Rs.239.77 crore as grant and the Corporation availed a loan of Rs.132.60 crore from commercial banks. The accumulated interest liability is Rs.327.90 crore up to 2001-02.

