



FOOD AND CONSUMER PROTECTION
(COOPERATION, FOOD AND CONSUMER
PROTECTION DEPARTMENT)

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and Charitable Endowments**

GOVERNMENT OF TAMIL NADU
2015

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PREAMBLE

Tamil Nadu is committed to provide food security to all. In order to achieve this goal, Government have been implementing Universal Public Distribution System. This system has been functioning effectively and has been widely appreciated as an effective tool to provide food safety net to all.

2. Government of India is advocating Targeted Public Distribution System (TPDS) throughout the country. The Central Government have also enacted the National Food Security Act (NFSA), 2013 under which only 50.55% of State's population gets covered under the Public Distribution System. The State Government has therefore expressed its serious reservations regarding various provisions of the Act.

3. Rising prices, particularly of essential commodities, is a great concern to this Government. A Price Stabilisation Fund has therefore been established for market intervention with a corpus of Rs.100 crores. At times, when the prices of certain essential commodities fluctuate widely, this fund is utilized for procurement of essential commodities and supply to the public at cost price.

Besides, to control the prices of essential commodities like pulses, oil, etc., Special Public Distribution System is implemented to supply Tur dal, Urad dal and Palmolein oil at subsidised rate to family cardholders through Public Distribution System. The entire subsidy towards Special Public Distribution System is borne by the State Government.

PUBLIC DISTRIBUTION SYSTEM

1.1 Introduction

Public Distribution System in Tamil Nadu is universal as it is not based on the income of the people and it covers all families without any exclusion. Providing food security to all, particularly to poor and vulnerable groups is the prime objective of Public Distribution System in Tamil Nadu. Government of Tamil Nadu has been implementing Universal Public Distribution System in the State for the past four decades instead of Targeted Public Distribution System advocated by Government of India.

Civil Supplies and Consumer Protection Department implements various policies of the Government. Regulating Public Distribution System, enforcing the provisions of Essential Commodities Act, 1955 and Control Orders issued there under are the main functions of this Department.

1.2 Fair Price Shops

Fair price shops are run mostly by the Cooperatives and a limited number of shops are run by Tamil Nadu Civil Supplies Corporation. In addition to these two agencies, women Self Help Groups and other agencies, are also running a few fair price shops. In Tamil Nadu, no Public Distribution System shop is run by any private individual or agency.

As on 31.3.2015, the State has 34,214 Public Distribution System outlets of which 25,446 are full time and 8,768 are part time as indicated below:

Agency	Full Time	Part Time	Total
Tamil Nadu Civil Supplies Corporation	1,291	137	1,428
Cooperatives	23,639	8,582	32,221
Women Fair Price Shops, including SHGs	485	47	532
Mobile Fair Price Shops run by Cooperatives	31	2	33
Total	25,446	8,768	34,214

1.3 Family Cards

1.3.1 Family Card Options

Families in Tamil Nadu are given the option of choosing the type of family card based on their needs and preference. Various types of family cards as on 31.03.2015 are as follows:

Type of Card	Commodities entitled	No. of Cards
Green Card (Rice Option Card)	All Commodities	1,87,96,375
White Card (Sugar Option Card)	All Commodities except rice	10,72,326
Khaki Card (Police Card)	All Commodities	64,751
No Commodity Card (White Card)	No Commodity	63,962
Total		1,99,97,414

Government have taken efforts to establish fair price shops in close proximity to the residence of the cardholders, so that they do not have to walk more than 1.5 km from their residence to buy essential commodities.

Government have also permitted District Collectors to open new fair price shops in remote and inaccessible far-flung areas, hilly areas and areas which are prone to law and order problems, by relaxing the guidelines prescribed.

1.3.2 Antyodaya Anna Yojana (AAY) Family Card

Poorest of poor (Antyodaya) families have been identified and Antyodaya Anna Yojana (AAY) stampings have been made in family cards issued to these families to implement the orders of the Supreme Court. Number of families covered under Antyodaya Anna Yojana Scheme have been expanded periodically as per the guidelines of the Government of India by selecting deserving poorest of the poor families amongst BPL families. Total number of Antyodaya Anna Yojana cardholders allotted to Tamil Nadu is 19,01,971.

Periodic exercises have been conducted by District Collectors, to eliminate ineligible families from Antyodaya Anna Yojana scheme and the vacancies caused due to elimination of ineligible beneficiaries are identified and filled up from fresh list of poorest of the poor.

1.3.3 Family Cards for Transgender Persons

As on 31.03.2015, 1,803 family cards have been issued to transgender persons in the State. Transgender persons living in a house as a group are being treated as a family and family cards are issued to them.

1.4 Scale of Supply of Commodities

Essential commodities distributed to cardholders through Public Distribution System are rice, wheat, sugar and kerosene. In order to provide a better nutritional basket, the State also distributes Tur dal, Urad dal and fortified Palmolein oil to the cardholders under Special Public Distribution System. This is fully funded by the State Government. Details of commodities supplied, their prices and scale of supply are as follows:

Name of the Commodity	Price	Scale of Supply
Rice	Free of Cost (as per Hon'ble Chief Minister's Announcement w.e.f. 01.06.2011)	➤ 4 kgs per adult and 2 kgs per child per month, subject to a minimum of 12 kgs and maximum of 20 kgs per month per card except in 'The Nilgris' district, where a minimum of 16 kgs and maximum of 24 kgs per card is supplied. ➤ 35kgs per family per month for AAY cards
Sugar	Rs.13.50 per kg	500 grams per head per month, subject to a maximum of 2 kgs per month. Additional 3 kgs per month to sugar option cardholders in lieu of rice
Wheat	Rs.7.50 per kg	10 kgs per card per month in Chennai City and district headquarters and 5 kgs per card per month in other areas
Kerosene	Rs.13.60 to Rs.14.20 per litre	Ranges from 3-15 litres per card per month depending upon the location and possession of LPG cylinders
Tur dal*	Rs.30/- per kg	1 kg per card
Urad dal	Rs.30/- per kg	1 kg per card
Palmolein oil	Rs.25/- per litre	1 litre per card
* Canadian yellow lentil dal is being supplied as substitute for Tur dal.		

1.5 Supply of Rice

Rice is the staple food of Tamil Nadu. It is drawn from central pool allotment under the Targeted Public Distribution System through Food Corporation of India. Tamil Nadu Civil Supplies Corporation is procuring rice from Food Corporation of India for distribution under Public Distribution System. Present monthly allotment of rice is indicated below:

Sl. No.	Category	Monthly allotment (in MT)
1.	Antyodaya Anna Yojana	65,262
2.	Below Poverty Line	1,04,936
3.	Above Poverty Line	1,26,255
	Total	2,96,453

Monthly requirement of rice under Public Distribution System as per entitlement including Antyodaya Anna Yojana is about 3.90 lakh MT per month. Present monthly average offtake of rice under Public Distribution System, including AAY, is about 3.25 lakh MT.

Government of Tamil Nadu is fully utilizing allotments made under APL, BPL and AAY quota. Rice obtained from custom milling of paddy, procured in Tamil Nadu under decentralized procurement system by Tamil Nadu Civil Supplies Corporation on behalf of the Government of India, is also adjusted against the central pool allotment and utilized under Public Distribution System. Due to increase in open market price of rice, offtake of rice under Public Distribution System is also on the increase. The shortfall between Government of India allotment of rice and monthly Public Distribution System offtake i.e. 28,000 MT, is met from the adhoc allotment from Government of India.

Supply of Rice during Ramzan

Government provides special allotment of rice to mosques for preparing "Nonbu Kanji" during the month of Ramzan.

1.6 Supply of Wheat

Government of India have allocated 13,783 MT of wheat per month to Tamil Nadu under Targeted Public Distribution System for the year 2014-15 to the Antyodaya Anna Yojana/BPL and

APL families. Government of India have been requested to increase the existing allocation to 20,000 MT in view of increasing demand for wheat from the public.

1.7 Supply of Sugar

Monthly requirement of sugar for Public Distribution System is 37,163 MT. Earlier, Government of India had given levy sugar allotment of 10,820 MT every month, but levy sugar obligation to sugar factories was scrapped by Government of India with effect from 01.06.2013. However, the Government of India have continued the current level of subsidy at Rs.18.50 per kg for the existing level of allocation of sugar only i.e. 10,820 MT per month. Additional expenditure on supply of sugar under Public Distribution System is fully met by the State Government.

Tamil Nadu Civil Supplies Corporation procures sugar at open market price through Tamil Nadu Cooperative Sugar Federation. Government is determined to continue distribution of sugar to the family cardholders without any change in the selling price, even though the same is procured at open market rate.

1.8 Supply of Kerosene

1.8.1 Requirement and allotment

Kerosene is being supplied to family cardholders under Public Distribution System for cooking and lighting purposes. Monthly requirement of kerosene under Public Distribution System is 65,140 KL. Government of India have drastically reduced the kerosene allotment to the State from 52,806 KL in May 2011 to 28,476 KL per month in April 2015. This quantity accounts for only 44% of the State's requirement i.e., 65,140 KL per month. State Government is continuously requesting the Government of India to enhance the PDS kerosene allotment to 65,140 KL or at least 52,806 KL as was in May 2011 to satisfy the requirement of family cardholders.

1.8.2 Retail Selling Price of Kerosene

Kerosene under Public Distribution System is being supplied to eligible family cardholders at retail selling price ranging from Rs.13.60 to Rs.14.20 per litre with effect from 01.08.2011.

1.8.3 Installation of Kerosene Bunks

To streamline distribution of kerosene, kerosene retail bunks are established for supplying kerosene to family cardholders. A kerosene bunk normally serves about 5,000 to 15,000 family cards. Distribution through bunks ensures assured availability of the stock, besides ensuring supply of kerosene to family cardholders in correct measure. At present, there are 298 kerosene bunks, of which 261 bunks are operated by Cooperatives and 37 by Tamil Nadu Civil Supplies Corporation. All the kerosene bunks are provided with hand held billing machines.

1.9 Special Public Distribution System

Tur dal, Urad dal and Palmolein oil are supplied to the cardholders under Special Public Distribution System. Every month, around 13,450 MT of Tur dal, 7,000 MT of Urad dal and 15,000 KL of fortified Palmolein oil are being supplied to cardholders at subsidised price.

Presently Canadian yellow lentil dal is supplied as a substitute for Tur dal.

1.10 Grievances Redressal Cell

To monitor, review and to speed up the disposal of complaints relating to Public Distribution System, Government of Tamil Nadu have established a dedicated Grievances Redressal Cell along with the State Consumer Helpline (SCH). The Grievances Redressal Cell of SCH receives SMS and speeds up redressal of grievances. Public may contact/call this Cell for making enquiries and getting information. Grievances Redressal Cell is functioning with the following telephone numbers:

Sl. No	Mobile Number to send SMS
1	72 9999 8002
2	86 8001 8002
3.	86 8002 8003

1.11 Citizen Consumer Clubs

Formation of citizen Consumer Clubs is actively encouraged in all schools, colleges and polytechnics to create awareness among the students

about various issues related to consumer affairs. In total, 2,000 Citizen Consumer Clubs have been established in 1,500 schools and in 500 colleges in the State with a financial assistance of Rs.2.75 crores.

1.12 Smart Card

Smart family cards will be issued in the place of existing family cards for which it has been decided to utilize de-duplicated bio-metric data of residents. Director of Census Operations under National Population Register is capturing bio-metrics of 10 fingers, iris image and photograph of residents to issue unique identification number. After completion of this process of bio-metric capture, it has been proposed to adopt the data for issue of smart family cards. The advantage is that since the data will be subjected to de-duplication, and thus bogus cards and duplication of members will be eliminated.

1.13 End to End Computerisation in Public Distribution System

A scheme of end-to-end computerisation for Public Distribution System has been evolved along with renewal and re-issue of existing family cards based on National Population

Register Resident data which will eliminate bogus cards, bogus billing and such other malpractices. Besides, this system will make the process of issue of new cards and carrying out changes therein, easier and people friendly so as to ensure effective and efficient service delivery. It will also help in tracking movement of stock and distribution of commodities on a real time basis. The project will be implemented through a System Integrator who has been selected through a tender process. Initially, the project will be introduced in one or two districts and will be extended throughout the State in a phased manner.

1.14 Elimination of Bogus Cards

In past four years, 3,70,538 bogus cards have been eliminated and the task of the elimination of bogus cards is being carried out diligently.

1.15 Food Subsidy

A provision of Rs.5,300 crores has been made in the Budget Estimates 2015-16 towards food subsidy incurred by the Government for supplying essential commodities under Public Distribution System and Special PDS.

PRICE CONTROL MEASURES

2.1 Any increase in the price of essential commodities impacts the life of people specially, the poor and the downtrodden. In order to protect the poor and vulnerable people from increasing prices of essential commodities, necessary measures are being taken by the Government of Tamil Nadu.

2.2 In order to keep a check on the prices of essential commodities, Government have increased the Price Stabilisation Fund from Rs.50 crores to Rs.100 crores. Besides, with a view to closely monitor the movement of prices and to take necessary steps to contain the prices, Government have constituted a **Price Monitoring Committee** in the State under the Chairmanship of the Minister for Food. The Committee meets as often as necessary, to monitor price trend and suggest corrective measures to contain prices, particularly of rice, pulses and oilseeds.

2.3 State Government also purchased 1 lakh MT of rice under the **Open Market Sales Scheme (OMSS)** and sold to the public at Rs.20/- per kg as a measure to control the prices of rice.

2.4 Besides, to control the prices of vegetables, Government have opened 58 Farm Fresh Consumer Outlets which are run by Consumer Cooperative Stores and Amudham Departmental Stores (TNCSC) in different parts of the State including Chennai. These outlets have been given a revolving fund of Rs.10 lakh per shop from Price Stabilisation Fund. To curtail abnormal rise in prices of tamarind, Government have allotted Rs.3.30 crores from the **Price Stabilisation Fund** for sale of tamarind through the retail outlets run by Cooperatives/Tamil Nadu Civil Supplies Corporation at Rs.60/- per kg.

2.5 To control the prices, Government have also sanctioned Rs.6 crores interest free working capital assistance to Tamil Nadu Consumer Cooperative Federation for purchase of 1,000 MT of Tur dal, 1,000 MT of Urad dal, 25 MT of round Chillies, 10 MT of long Chillies, 50 MT of Tamarind and 24,000 litre of Gingelly oil.

2.6 Moreover, Government have notified stock holding limits for Onion and Potato under the Essential Commodities Act, 1955 thereby controlling hoarding activities in Tamil Nadu.

CONSUMER PROTECTION

3.1 Introduction

Consumer protection remains the topmost priority of the department. Tamil Nadu is a State with an amazing range of consumers, ranging from highly educated and wealthy to the economically and educationally poor. The task of reaching out to each of these segments is a daunting one. This can be addressed only through suitable Information, Education, Communication strategies alongside suitable redressal mechanism. The main focus of consumer protection policy of the State, is to ensure that the goods and services are available to consumers at prices and quality as per laws of the land. Government is determined to ensure that the consumers get real value for their money. This is sought to be achieved through a two pronged strategy; i.e. by creating awareness among consumers about their rights and responsibilities and on the methods of redressal available, and by setting up efficient redressal mechanism with sufficient powers to ensure quick redressal of grievances.

3.2 Redressal of Consumer Grievances

A three tier quasi-judicial structure has been set up at the National, State and District level under the Consumer Protection Act, 1986.

- National Consumer Disputes Redressal Commission, New Delhi at National level,
- State Consumer Disputes Redressal Commission at the State level, and
- District Consumer Disputes Redressal Fora at district level.

3.2.1 National Consumer Disputes Redressal Commission

The National Commission is the Apex quasi-judicial body having original jurisdiction in cases dealing with monetary value of Rs.1 crore and above. It is functioning at New Delhi. The Commission is also the Appellate Authority and has revisional jurisdiction over the orders passed by the State Consumer Disputes Redressal Commissions in the country.

3.2.2 State Consumer Disputes Redressal Commission

State Consumer Disputes Redressal Commission deals with disputes involving cost of goods or compensation of more than Rs.20 lakh but less than Rs.1 crore. State Consumer Disputes Redressal Commission is headed by a retired High Court Judge as the President with two Judicial Members and two Non-Judicial Members, one of whom is a Female Member. On the administrative side, there is a Registrar, in the cadre of District Judge, for dealing with the administrative matters of the State Commission as well as that of all District Fora. The State Commission is the appellate authority and revisional authority for all the District Fora in the State. Since inception of the State Commission, 26,230 cases have been filed of which 23,921 cases have been disposed upto March 2015, amounting to 91.20% clearance.

3.2.3 District Consumer Disputes Redressal Fora

District Consumer Disputes Redressal Forum deals with disputes upto a value of Rs.20 lakh. As per Consumer Protection Act, 1986, every

Revenue District should have a District Consumer Disputes Redressal Forum. District Consumer Disputes Redressal Forum is a quasi-judicial body, functioning in thirty districts in the State. A consumer can file a complaint before District Forum in the respective district, provided the cost of goods or compensation demanded does not exceed Rs.20 lakh. Each District Forum consists of a Presiding Officer in the rank of a retired District Judge with two Members, one of whom must be a Female Member. Since inception of the District Fora, 1,10,042 cases have been filed of which 1,02,068 cases have been disposed up to March 2015, amounting to 92.75% clearance.

3.2.4 Strengthening of Consumer Redressal Fora

Government have been taking all steps to strengthen the Consumer Redressal Fora. At present, 25 independent District Fora and 5 combined District Fora viz., Villupuram, Ramanathapuram, Tuticorin, Pudukkottai, and Thiruvannamalai, are functioning in the State. Steps are being taken to establish independent District Fora in the above 5 Districts as well as at Tiruppur, Ariyalur and Dharmapuri. Moreover, steps

are being taken to dispose the consumer complaints within a period of 3 months as envisaged in the Consumer Protection Act, 1986.

3.3 Tamil Nadu State Society for Consumer Protection and Empowerment (TANSSCOPE)

Realising the need for creation of a State level umbrella organisation to take up various consumer welfare activities, **Tamil Nadu State Society for Consumer Protection and Empowerment (TANSSCOPE)** has been set up which is functioning in the Office of Commissioner of Civil Supplies and Consumer Protection with the Commissioner of Civil Supplies and Consumer Protection as its ex-officio President alongside members from both Government and Non-Government sector. The Society has been given the mandate to raise funds from State Government, Government of India and National and International Agencies for undertaking consumer protection and awareness generation activities. Currently it is engaged in running the State Consumer Helpline (SCH), conducting training programs and workshops. It also publishes the monthly journal "Nugarvor Kavasam".

3.4 State Consumer Help Line

The State Government have established a State Consumer Helpline in the Office of Commissioner of Civil Supplies and Consumer Protection. For this purpose Government of India have provided grant-in-aid of Rs.1,11,63,964/- in last four years.

This helpline is an alternate grievances redressal mechanism where a consumer can make complaints/seek clarifications and the helpline will endeavour to give clarification and/or resolve the complaint by contacting the seller. This service is available both in Tamil and English at the following phone number and e-mail:

Telephone No:	E-Mail address	Online Registration
044- 285928 28	consumer@nic.in	www.consumer.tn.gov.in

3.5 Publicity and Propaganda

Special steps have been taken towards propagation of consumer awareness among common public, especially among those living in rural

areas, through electronic and print media like television, radio, newspapers, magazines, sign boards, posters, etc. Campaign is also being made through short video films containing messages on consumer awareness that are produced and telecast through Doordarshan's Tamil Regional Service.

3.5.1 Consumer Protection & Awareness Campaign

Consumer awareness messages were spread through trained Self Help Group members among rural masses at grass root level in around 900 villages. This Programme has been very successful in creating awareness.

Information Boards carrying telephone numbers of National Consumer Helpline, State Consumer Helpline, District Consumer Disputes Redressal Forum etc., have been displayed in each Fair Price Shop. This helps consumers to approach various redressal fora with their grievances. A 52 week programme has been launched through All India Radio with the participation of Voluntary Consumer Organisations, members of Citizen Consumer Clubs and eminent personalities to create awareness among general public regarding sustainable

consumption, avoidance of wastage of food products, creating awareness about false and misleading advertisements and also about Consumer Protection Act and other laws. This programme is being broadcast on All India Radio, every Thursday from 7.30 P.M. to 8.00 P.M. since 18.12.2014.

3.6 Tamil Nadu State Consumer Welfare Fund

Government have constituted the Tamil Nadu State Consumer Welfare Fund with contributions from State and Centre as seed money @ Rs.50 lakh each. Fines and fees collected by State Consumer Disputes Redressal Commission and District Consumer Fora are also being credited to this fund. The proceeds of this fund are being utilized to promote consumer education and research. To strengthen this fund, Government of India have proposed to set up a corpus of Rs.10 crores with Central and State contribution in the ratio of 75:25. State Government have sanctioned Rs.2.50 crores as State share and Government of India have also released its share of Rs.7.50 crores towards this fund.

3.7 Tamil Nadu Nugarvor Kavasam - a Monthly Magazine on Consumer Awareness

To educate consumers about their rights and about Laws, Standards, Rules and Codes in each sector through print media, a well designed monthly magazine "Tamil Nadu Nugarvor Kavasam" is being published and distributed to Government Offices, Voluntary Consumer Organisations and Public Libraries in the State. It has been registered with Registrar of Newspapers of India and is priced at Rs.10/- per copy. At present, it has a subscriber base of 8,500.

3.8 Website

An exclusive website www.consumer.tn.gov.in containing valuable information for consumers like definitions, duties and responsibilities of consumers is being maintained. This website contains details of various programmes on consumer protection/awareness and publications of the department. It also has the provision for receiving complaints from the consumers. The website also provides information relating to the services provided by Civil Supplies and Consumer Protection Department.

TAMIL NADU CIVIL SUPPLIES CORPORATION

4.1 Organisational Set-up

Tamil Nadu Civil Supplies Corporation is a State owned Public Sector Company registered under the Companies Act, 1956. It looks after procurement, storage and distribution of essential commodities for Public Distribution System and other welfare schemes. The Corporation also operates Amudham Departmental Stores as a market intervention measure to control prices of essential commodities in open market. The Corporation is also the Nodal Agency for procurement and supply of Fan, Mixie and Grinder, for the flagship programme of the Government.

There are 12 Directors in the Board of the Corporation including Chairman. Minister for Food, Hindu Religious and Charitable Endowments is the Chairman of the Board of Directors of Tamil Nadu Civil Supplies Corporation.

The Corporation has 33 Regions, one in each Revenue District and two in Chennai City, headed by Senior Regional Manager/ Regional Manager in the cadre of District Revenue Officer/Deputy Collector. There are 8,430 permanent employees besides, 6,814 loadmen working in the godowns and Modern Rice Mills of the Corporation.

4.2 Functions

Tamil Nadu Civil Supplies Corporation procures, stores and supplies essential commodities such as rice, sugar, wheat, dal, RBD palmolein oil and kerosene for Public Distribution System. To support these activities, the Corporation operates;

- (a) 302 godowns with a total storage capacity of 11.37 lakh MT.
- (b) 1,428 Fair Price Shops.
- (c) 21 Modern Rice Mills.
- (d) 23 Amudham Departmental Stores.
- (e) 3 Petrol/Diesel Bunks.
- (f) 5 LPG distribution points.
- (g) 37 Kerosene Bunks.
- (h) Direct Purchase Centres as per necessity.

4.2.1 Godowns

Tamil Nadu Civil Supplies Corporation operates 302 godowns with a capacity of 11.37 lakh MT, of which 219 godowns with a capacity of 8.27 lakh MT are owned by the Corporation and remaining godowns are hired from Tamil Nadu Warehousing Corporation, Central Warehousing Corporation and private owners. Government gives utmost priority to strengthening of the storage facility for PDS. Construction of godowns has been taken up in 88 locations for a capacity of 5.68 lakh MT at an estimated cost of Rs.687.57 crores with NABARD line of credit.

Construction of Silo type of godowns with a total capacity of 50,000 MT has been taken up at Erukkur in Nagapattinam district at an estimated cost of Rs.58.48 crores. NABCONS (NABARD Consultancy Service) has been engaged as technical consultant for this purpose.

4.2.2 Fair Price Shops

Tamil Nadu Civil Supplies Corporation operates 1,428 shops in 27 regions, with a total card strength of 12,96,410. Daily stock position of commodities is monitored through SMS alert. Construction of own building for these shops is being taken up in a phased manner.

4.2.3 Modern Rice Mills

Tamil Nadu Civil Supplies Corporation has 21* Modern Rice Mills with a monthly hulling capacity of 47,000 MT. Boiled Rice is produced in 15 mills and raw rice in other 6 mills. To improve hulling capacity and quality of rice, these mills are being modernised in a phased manner. 7 Modern Rice Mills were modernised in first phase at a cost of Rs.26.27 crores and another 7 mills have been taken up for modernisation at a cost of Rs.32.60 crores in second phase and work is in progress. Modernisation of the remaining Modern Rice Mills is being taken up in third phase at a cost of Rs.36 crores.

** Phase-I and Phase II MRMs at Cheyyar and Pollachi, have been considered as single unit.*

4.2.4 Amudham Departmental Stores

Tamil Nadu Civil Supplies Corporation runs 20 Amudham Departmental Stores in Chennai district and 3 in Cuddalore district. These departmental stores market essential commodities such as pulses and cereals, Fast Moving Consumer Goods and milk products at a price less than the MRP and thus effectively check price rise in the open market.

Amudham Departmental Stores have shown continuous growth in turnover as detailed below:

Sl. No.	Year	Turnover (Rs. in crores)
1	2011-12	35.48
2	2012-13	36.23
3	2013-14	51.59
4	2014-15	54.71

Government is keen to upscale the coverage by opening more Amma Amudham Departmental Stores across the State for benefit of the common people.

4.2.5 Petrol/Diesel Bunks

Tamil Nadu Civil Supplies Corporation also operates petrol/diesel bunks in Neyveli, Thirupathur and Pattukottai.

4.2.6 LPG Distribution Points

Tamil Nadu Civil Supplies Corporation has been doing agency work of LPG distribution in Tiruchirapalli, Tiruvannamalai, Ooty, Ramanathapuram and Mandapam. These units have a consumer base of 41,470.

4.2.7 Kerosene Bunks

Tamil Nadu Civil Supplies Corporation has 37 kerosene bunks in 14 regions of which 29 are retail bunks, 7 are both retail and wholesale bunks, while one is an exclusive wholesale bunk.

4.2.8 Direct Purchase Centres

Direct Purchase Centres are opened to procure paddy from the farmers. Normally a Direct Purchase Centre will have an area of about

33 cents and storage facility of 100 MT, drying platform, winnowing machine, electronic weighing scale and moisture meter. Direct Purchase Centres are opened every year, generally throughout the State and in the delta districts in particular, depending upon extent of paddy cultivation. During Kharif Marketing Season (KMS) 2014-15, 1,676 Direct Purchase Centres have been opened. Government is committed to provide permanent infrastructure to the Direct Purchase Centres as they play a crucial role in procurement. Therefore, construction of own buildings for Direct Purchase Centres is being taken up in a phased manner. 311 Direct Purchase Centres are already functioning in own buildings and construction of buildings for 225 DPCs is in progress.

4.3 Activities

4.3.1 Procurement of Paddy

Tamil Nadu Civil Supplies Corporation has been authorised by the Government of India to procure paddy under the Decentralised Procurement Scheme since KMS 2002-03. Government have also authorised Cooperatives and National Cooperative Consumer Federation (NCCF) to procure

paddy in Non Delta districts. Minimum Support Price fixed by the Government of India and the incentive announced by the Government of Tamil Nadu for the KMS 2014-15 are as follows:

Variety	MSP (Rs./ Quintal)	Incentive by Govt. of Tamil Nadu (Rs./ Quintal)	Total (Rs./ Quintal)
Paddy Grade A	1,400/-	70/-	1,470/-
Paddy Common	1,360/-	50/-	1,410/-

4.3.2 Custom Milled Rice and Liftment of Rice from Food Corporation of India

Paddy procured from the farmers is hulled into rice through the Modern Rice Mills owned by the Corporation and 436 rice mills of private hulling agents, appointed by Tamil Nadu Civil Supplies Corporation. The Corporation utilizes the hulled rice for Public Distribution System along with the rice lifted from Food Corporation of India (FCI) against the monthly entitlement of the State. Government of India releases subsidy for the Custom Milled Rice based on the economic cost fixed by them.

4.3.3 Liftment of Rice for Public Distribution System

Tamil Nadu Civil Supplies Corporation lifts 2.96 lakh MT of rice per month from the FCI depots in Tamil Nadu against the average offtake of about 3.25 lakh MT. The difference is met through adhoc allotments.

4.3.4 Movement of Commodities to Fair Price Shops

Generally, 60% of the monthly allotment of various commodities is moved to the PDS shops from 25th of the preceding month to 5th of the current month. The balance 40% is moved by the 20th of current month. If there is any leftover quantity, it is moved to concerned shops after getting prior permission of the concerned authorities.

4.3.5 Rs.20/- per Kg Rice Scheme

Government have ordered for sale of rice in the open market at the rate of Rs.20/- per kg as a market intervention measure. Single Boiled cum Sortexed rice is sold under the scheme through Amudam Departmental Stores, Cooperative Wholesale Stores and

dedicated outlets. A quantity of 9,283 MT of rice has been sold as on 31.03.2015.

4.3.6 Farm Fresh Consumer Outlets

The scheme of Farm Fresh Consumer Outlets, to sell fresh vegetables at a reasonable price to the public was launched on 20.06.2013. Tamil Nadu Civil Supplies Corporation operates 9 outlets in Chennai and has sold vegetables to the tune of Rs.1.60 crores as on 31.03.2015.

4.3.7 Sale of Tamarind in Open Market

To check rise in price of tamarind and to make it available in open market at a reasonable price, Government have ordered to procure tamarind from the wholesale markets at Salem, Dharmapuri and Krishnagiri and to sell through retail outlets run by Cooperatives/ Tamil Nadu Civil Supplies Corporation. As on 31.03.2015 Tamil Nadu Civil Supplies Corporation has sold 99.75 MT of tamarind at the rate of Rs.60/- per kg.

4.3.8 Sale of Ooty Tea

Government have ordered for sale of Ooty tea to general public through Public Distribution System outlets. Purchase and selling price of Ooty tea are as follows:

Sl. No.	Unit	Purchase price (in Rs.)	Selling price (in Rs.)
1	100 grams	13.00	15.00
2	250 grams	31.50	36.00

Tamil Nadu Civil Supplies Corporation sells Ooty tea through PDS shops run by the Corporation and Amudham departmental stores.

4.3.9 Sale of Amma Salt

Government have launched the sale of "Amma Salt" on 11.06.2014. Three varieties of salt, namely Refined Free Flow Iodised Salt, Double Fortified Salt and Low Sodium Salt, supplied by Tamil Nadu Salt Corporation, are being sold in open market for the benefit of common people with a view to eradicate Iodine Deficiency Disorder.

As on 31.03.2015, 71.43 MT of Amma Salt has been sold to general public through Amudham Departmental Stores and PDS retail outlets run by the TNCSC.

4.3.10 Special Public Distribution System

With a view to control rise in prices of pulses and edible oil in the open market, Government have introduced the scheme of Special Public Distribution System. Under the scheme Canadian yellow lentil dal, Urad dal and Palmolein oil are supplied to cardholders at the following subsidised rates:

Sl. No.	Commodity	Selling Price (in Rs.)
1	Canadian yellow lentil dal (per kg)	30.00
2	Urad dal (per kg)	30.00
3	Palmolein oil (per litre)	25.00

Entire subsidy for supply of Special PDS commodities is borne by the Government of Tamil Nadu.

4.3.11 Amma Cement Supply Scheme

With a view to make cement available at affordable price to the poor and middle class families, Government have launched the scheme of Amma cement from 05.01.2015. Under the scheme cement is sold at the rate of Rs.190/- per bag of 50 kg.

Criteria for issue of cement are as follows:

Proof of document	Approved plan or an authorisation letter from Village Administrative Officer/ Revenue Inspector/Overseer/ Road Inspector of Rural Development and Panchayat Raj Department.
Repair of building	Minimum 10 bags – Maximum 100 bags
House construction – Allowed up to a maximum size of 1,500 Sq.ft., @ 50 bags per 100 Sq.ft.	Upto 500 Sq.ft– 250 bags
	501–1,000 Sq.ft. – 500 bags
	1,001–1,500 Sq.ft. – 750 bags

Tamil Nadu Cement Corporation (TANCEM) makes company-wise allotment to the Tamil Nadu Civil

Supplies Corporation godowns from where the cement is sold to the public.

4.3.12 Scheme for Distribution of Electric Fans, Mixies and Grinders

With the aim to relieve the women from domestic drudgery and to improve the quality of their lives, Government have been implementing the flagship scheme of supply of one electric table fan, one mixer and one grinder to the women beneficiaries at no cost. Induction stove is issued to the beneficiaries in 'The Nilgiris' district and Kodaikanal taluk of Dindigul district in lieu of electric table fan. Government have ordered Tamil Nadu Civil Supplies Corporation to procure 90 lakh sets of Fan, Mixie and Grinder covering the years, 2014-15 and 2015-16 for distribution under the scheme. Supply of these appliances is in progress.

4.4 Monitoring

Tamil Nadu Civil Supplies Corporation has taken up several measures for effective monitoring of Public Distribution System, which include,

- a) Computerisation of godown activities.
- b) Global Positioning System based lorry tracking system to monitor movement of rice/wheat from Food Corporation of India Depots to Tamil Nadu Civil Supplies Corporation godowns and from there to Fair Price Shops in Krishnagiri and Thiruvallur districts.
- c) Setting up of control room in Tamil Nadu Civil Supplies Corporation Head Office to monitor the field point activities through online monitoring system.
- d) SMS alert on the stock position of commodities in the Fair Price Shops on daily basis.

4.5 Financial Status

Tamil Nadu Civil Supplies Corporation has an authorised share capital of Rs.70 crores and paid up share capital of Rs.59.86 crores. The turnover (tentative) of the Corporation during 2014-15 was Rs.8,917.45 crores.

During 2015-16, a sum of Rs.5,300 crores has been provided in the Budget Estimate towards food subsidy.

TAMIL NADU WAREHOUSING CORPORATION

5.1 Introduction

Tamil Nadu Warehousing Corporation, established under the Agricultural Produce (Development and Warehousing) Corporation Act, 1956, commenced its activities with effect from 2nd May 1958. Tamil Nadu Warehousing Corporation has been functioning with 7 Regions, each under the control of Senior Regional Manager/Regional Manager, at Cuddalore, Dindigul, Kancheepuram, Mettupalayam, Salem, Tiruchirappalli and Tirunelveli.

5.2 Activities

The Corporation has warehouses at 55 places throughout the State. The main activity of the Corporation is to provide scientific storage facilities to farmers and the trading community with a view to reduce storage loss. The Corporation acquires land and builds warehouses on scientific method at potential places after conducting market survey. It also

provides Negotiable Warehouse Receipts to the producers, dealers and others to get credit facilities from the banks. Besides, the Corporation carries out disinfections/pest control services in their own godowns as well as in various Government and private buildings as part of its commercial activities.

5.3 Organisational Set-up

General superintendence and management of the affairs of the Corporation is vested with the Board of Directors, comprising eleven Directors including Chairman. Five Directors each are nominated by the Government of Tamil Nadu and Central Warehousing Corporation. Chairman of the Board of Directors is nominated by the Government of Tamil Nadu.

The Board acts on sound business principles having regard to public interest and is guided by the policies of the Government.

5.4 Storage Capacity

Total storage capacity of Tamil Nadu Warehousing Corporation warehouses is 6.71 lakh MT of which

6.48 lakh MT is in its own warehouses and 0.23 lakh MT is in hired godowns.

5.4.1 Utilisation

The storage space available in the warehouses of the Corporation is utilised by Government agencies; such as Food Corporation of India, Tamil Nadu Civil Supplies Corporation, Tamil Nadu Text Book and Education Services Corporation, Tamil Nadu State Marketing Corporation, Sugar Mills, Fertilizer Companies, and NAFED; Private Traders and Farmers.

Tamil Nadu Warehousing Corporation has achieved **96%** occupancy as on 31.07.2015.

5.5 Warehouse Users and Rebates in Storage Charges

Tamil Nadu Warehousing Corporation is extending rebate to Government departments, Public Sector Undertakings and farmers on the storage charge tariff as follows:

Sl. No.	Warehouse User	Commodity	Rebate in percentage
1.	Farmers	Food grain	30
2.	Tamil Nadu Civil Supplies Corporation	Food grain	30
3.	Tamil Nadu Text Book and Education Services Corporation	Note books & Text books	25
4	Revenue Department	Fans, Mixies and Grinders	20
5	Revenue Department	EVMs & Ballot boxes	20
6	Cooperative Sugar Mills	Sugar	20
7	Aavin	Dairy products	20
8	Public Sector Fertilizer Manufacturing Companies like MFL, IFFCO, FACT and KRIBHCO	Fertilizer	10
9	Co-optex / Cooperative Societies / TANFED / NAFED, etc.	Dhoties/ Sarees and agricultural commodities like copra, maize, etc.	10
10	TASMAC	IMFL	10
11	Food Corporation of India	Storage charges fixed by the Central Government are adopted.	

5.6 On-going Projects

The Corporation has taken up various projects to improve the storage capacity.

Sl. No.	Place	No. of Godowns	Total Capacity in MT	Estimated Cost (Rs. in crores)
1.	Pattinamkathan Village, Ramanathapuram District	3	15,000	17.72
2.	Karaikudi Warehouse Complex, Sivagangai District	1	5,000	4.25
3.	Theni Warehouse Complex, Theni District	2	10,000	9.08
4.	Muthur Village, Thirunelveli District	5	25,000	24.15
5.	Ranipet Warehouse Complex, Vellore District	2	10,000	8.91
	Total	13	65,000	64.11

5.7 Training

During 2014-15, 23 employees were deputed for various training programmes in Institutions like Indian Grain Management Research Institute, Hyderabad and Central Warehousing Corporation, New Delhi.

Tamil Nadu Warehousing Corporation has also proposed to impart training on the **“Methods of Scientific Storage and Quality Control for Agricultural Produce”** to field staff of the Corporation at a cost of Rs.15 lakh and to 1,550 farmers at a cost of Rs.50 lakh.

5.8 Financial Performance

(Rs. in crores)

Description	2011-12	2012-13	2013-14	2014-15 (provi- sional)
Paid up Share Capital (50% each of State Govt. and CWC)	7.61	7.61	7.61	7.61
Gross income	40.62	40.50	49.35	53.74
Expenditure	25.70	31.42	26.13	31.22
Profit before Tax	15.11	9.06	23.22	22.78

5.8.1 Dividend

Tamil Nadu Warehousing Corporation has paid dividend at 30% of paid up share capital, amounting to Rs.2.28 crores to the shareholders for the year 2013-14. Net profit of this Corporation for 2013-14 was Rs.15.04 crores.

5.9 Corporate Social Responsibility

As a responsible corporate, Tamil Nadu Warehousing Corporation has taken up various activities, such as providing financial assistance for livelihood activities to differently abled persons, under Corporate Social Responsibility (CSR) scheme. As per CSR policy of the Corporation, an amount equivalent to 2% of annual profit has been earmarked for CSR activities. During the year 2013-14 and 2014-15, the Corporation has allocated Rs.43.98 lakh for undertaking various activities under Corporate Social Responsibility.

5.10 Credit Facilities through Negotiable Warehouse Receipts

Tamil Nadu Warehousing Corporation has registered 36 Warehouses under Warehousing Development and Regulation Act, 2007.

Warehousing Development and Regulatory Authority (WDRA) have supplied Negotiable Warehouse Receipt books for issuing to private depositors/ farmers those who have utilized storage facilities for availing bank loan. The details are as follows:

Year	No. of Negotiable Warehouse Receipts issued	Bank loan availed (Rs. in crores)
2011-12	3,529	191.00
2012-13	1,479	93.00
2013-14	2,575	184.00
2014-15	2,251	105.00
Total	9,834	573.00

Tamil Nadu Warehousing Corporation has created awareness among the farmers about the benefits

under the WDRA Act in availing of “Commodity Loan” facilities by pledging Negotiable Warehouse Receipts in Nationalized and Scheduled Banks.

5.11 Awards by Warehousing Development and Regulatory Authority

Good performance of the Corporation has been appreciated at National level. For the year 2013-14, the Warehousing Development and Regulatory Authority selected following **three Warehouses** of Tamil Nadu Warehousing Corporation for awarding Prizes.

- 1st Prize - Arani Warehouse**
- 2nd Prize - Avinashi Warehouse**
- 3rd Prize - Rajapalayam Warehouse**

These prizes were awarded by Hon’ble Union Minister, Consumer Affairs, Food and Public Distribution, Government of India at New Delhi during Foundation Day Function of the Warehousing Development and Regulatory Authority on 20.11.2014.

ENFORCEMENT

6.1 Introduction

Rice is distributed at no cost while other essential commodities are supplied under Public Distribution System at subsidised prices. Anti-social elements tend to divert these commodities to black market. State Government have been taking various measures to curb this menace.

6.2 Implementation

For effective enforcement, an Executive Civil Supplies CID wing headed by an Additional Director General of Police and assisted by one Inspector General of Police has been set up. 33 Civil Supplies CID Units have also been created covering the entire State to ensure effective enforcement under Essential Commodities Act, 1955. Besides, five Special Patrol Teams for the border districts i.e. Kanniyakumari, Coimbatore, Triunelveli, Krishnagiri and Vellore districts, are also functioning. Periodical inspections and raids are being carried out to curb illegal diversion of essential commodities. Severe action

against culprits and anti-social elements indulging in smuggling of Public Distribution System Commodities and other essential commodities is taken. During 2014-15, 6,702 cases were booked, 6,704 persons arrested and 1,470 vehicles seized by Civil Supplies CID. In view of the strict enforcement activities approximately 797.70 MT of PDS rice has been saved. Further, 133 notorious smugglers were detained during 2014-15, under the Prevention of Black Marketing and Maintenance of Supplies of Essential Commodities Act, 1980. Tamil Nadu Civil Supplies Corporation also has a Vigilance Officer with a team of officials working under the control of the Managing Director to check diversion while moving commodities from Food Corporation of India godowns to Tamil Nadu Civil Supplies Corporation godowns and to the fair price shops.

6.3 Enforcement Activities by the Commissioner of Civil Supplies and Consumer Protection Department

To strengthen the monitoring mechanism, **Advisory Committees** on the Public Distribution System have been constituted in Districts and Revenue

Divisions in which peoples' representatives and representatives of Voluntary Consumer Organisations are members. Flying Squads functioning under the District Collectors have been made more effective by providing them with new vehicles. All Flying Squad Tahsildars have been provided with mobile phones with monthly ceiling of Rs.800/- for collecting intelligence and to organise raids. In Chennai, the Deputy Commissioners of Civil Supplies, North and South coordinate the enforcement activities.

6.4 Additional Measures Taken

- A Reward scheme with cash award of Rs.1,000/- for each information leading to seizure of essential commodities and Rs.250/- for detection of each bogus card is being implemented.
- Action is taken for cancellation of vehicle permit and driving license of offenders and drivers involved in smuggling of PDS commodities.
- Special raids are organised to curb black-marketing of subsidised domestic LPG cylinders.

- License of Tamil Nadu Civil Supplies Corporation hulling agents indulging in recycling of PDS rice are cancelled provisionally.

6.5 Performance

Enforcement work carried out by the Civil Supplies CID from 16.05.2011 to 31.07.2015 is as follows:

Sl. No.	Particulars	From 16.05.2011 to 31.07.2015			
1.	Total Cases Detected	35,438			
2.	Commodities Seized	No. of Cases	Quantity in MT/KL	Value (in Rs.)	
	a) PDS Rice	19,095	5,223.20	2,95,11,080	
	b) PDS Kerosene	4,313	259.954	38,99,310	
	c) LPG Cylinder (Nos.)	11,240	16,282	1,46,53,800	
	d) Others (Value only)	790		5,57,46,362	
	Total Value (in Rs.)	10,38,10,552			
3.	No. of Persons Arrested	25,505			
4.	No. of Vehicles Seized	2W	3W	4W	Total
		3,750	343	1,575	5,668
5.	No. of Persons Detained	736			

Effective performance of the State in enforcement has been appreciated in the Conference of Food Ministers held in New Delhi on 04.07.2014.

Conclusion

It is the endeavour of the Food and Consumer Protection Department to ensure food security to all and to safeguard the interests of the consumers. The department has taken several steps in this regard and is committed to take further necessary steps to ensure the same.

R. KAMARAJ

Minister for Food, Hindu Religious
and Charitable Endowments