#### **CONTENTS**

Chapter No.	Title	Page No.
	Preamble	1-3
1	Public Distribution System	4-33
2	Consumer Protection	34-44
3	Price Control Measures	45-48
4	Tamil Nadu Civil Supplies Corporation	49-78
5	Tamil Nadu Warehousing Corporation	79-87
6	Enforcement	88-91
	Conclusion	92

#### **PREAMBLE**

The Government of Tamil Nadu is committed to provide food security to every person. In order to achieve this goal, our State have been implementing a unique Universal Public Distribution System without any discrimination covering all the families. This system has been widely appreciated as an effective tool to provide food security to all.

For better monitoring and providing timely supply of the commodities to the Public Distribution System shops, End to Fnd computerization has been implemented Tamil Nadu and all Fair Price Shops have been provided with Point of Sale device (PoS) to distribute essential commodities to the card holders. This system has helped in eradicating duplicate family cards/units and in streamlining allocation of rice and other commodities under Public Distribution System.

In order to implement the Integrated Management of Public Distribution System (IM-PDS) in the State, Intra-State Portability of family cardholders has been implemented in two Districts i.e. Tirunelveli and Tuticorin with effect from 01.02.2020 on pilot basis.

For effective implementation of NFSA 2013, the State Food Commission has been formed by appointing the Chairperson and five other members with effect from 16.02.2018. The State Food Commission meets at regular intervals to discuss about the functioning of NFSA in the state.

Tamil Nadu Civil Supplies Corporation is taking care of procurement, storage and distribution of essential commodities under the Public Distribution System.

The Tamil Nadu Warehousing Corporation is providing scientific storage facilities to farmers and other trading distributors. This Corporation builds and operates Warehouses to enhance the

storage facilities with a view to reduce the losses of commodities.

Consumer Protection is of paramount importance and this Government ensures consumer protection through an efficient redressal mechanism with sufficient powers to ensure quick redressal of grievance.

The Government of Tamil Nadu have constituted a Price Monitoring Committee in the State which meets periodically to take necessary steps to control increase in prices of essential commodities.

A dedicated enforcement wing has been functioning to curb illegal diversion and hoarding of essential commodities.

Our state is effectively implementing the Universal PDS scheme to achieve the Sustainable Development Goals (SDG) i.e., to end hunger and to ensure food security to all.

#### **Chapter-1**

#### PUBLIC DISTRIBUTION SYSTEM

#### 1.1 Introduction

To vision the raise in nutrition level and the standard of living of people enshrined in the Directive Principles of State Policy of the Indian Constitution, the Government of Tamil Nadu is obligated to ensure total food security to every resident of the State. Universal Public Distribution System (UPDS) is in force for the past 40 years, extending the same to all categories of people without discrimination of income criterion or social status, though the National Food Security Act, 2013 was implemented in the State with effect from 01.11.2016 by following the scale of supply as mandated in the Act, retaining the universal State's Universal character. The Public Distribution System is highly admired by one to effective and successful all. Due and implementation of Universal PDS by the Government of Tamil Nadu bearing heavy subsidy burden, our State is retaining the hunger free status.

Prior to implementation of National Food Security Act, 2013 (NFSA) in the State, the rice cards were supplied at the rate of 4 kg and 2 kg per adult and child per month respectively, subject to a minimum of 12 kg and maximum of 20 kg per month per card. After implementation of NFSA in the State with effect from 01.11.2016 rice is being supplied as mandated under NFSA (5 kg per family member) with protection of erstwhile scale of supply for all rice cardholders, retaining the universal character of the State's Public Distribution System. It is noteworthy that PDS beneficiaries are getting high quantity of rice than prescribed in the NFSA. Rice and wheat (in lieu of rice at specified quantity) are supplied at free of cost in PDS with effect from 01.06.2011 and 02.02.2017 respectively.

Tamil Nadu State Food Commission is functioning from 16.02.2018 with a Chairperson and five members to monitor effective implementation of NFSA in the State.

The State Public Distribution System was fully computerized through `End-to-End computerization' scheme by which sale transactions at fair price shops is automated, the movement and availability of food grains at various points of supply is monitored on real time basis. It brought transparency and easy access of the services rendered by the department to the public. Essential Commodities are supplied to cardholders only through Point of Sale devices by using smart family cards.

Intra state portability of family cardholders has been implemented in two Districts (Tirunelveli and Thoothukudi) with effect from 01.02.2020 on pilot basis. On complete success, the scheme will be extended across the State in the financial year 2020-2021, enabling the cardholders to draw

their entitlements in any fair price shops within the State of Tamil Nadu.

## **1.2 Functions of Civil Supplies and Consumer**Protection Department

Civil Supplies and Consumer Protection Department headed by the Commissioner at State level is playing an indispensable part in the implementation of Public Distribution System related policies of the Government, in executing and closely monitoring Public Distribution System in the State, in enforcing the provisions of Essential Commodities Act, 1955 and Control Orders issued there under and in creation of awareness among public as well as student communities about Consumer rights and legal provisions available under Consumer Protection Act, 2019 through awareness programmes etc., across the State.

# 1.3 Role of Tamil Nadu Civil Supplies Corporation

Tamil Nadu Civil Supplies Corporation (TNCSC) is a State agency procures, stores and distributes the essential commodities such as Rice, Wheat, Sugar, Tur Dal and Palmolein oil to the fair price shops for supply to the PDS beneficiaries of the State. It moves food grains such as rice and wheat from the Food Corporation of India. Tamil Nadu Civil Supplies Corporation is the authorised agent of Food Corporation of India to procure paddy on behalf of Food Corporation of India. It procures sugar from Tamil Nadu Sugar Federation and open market, procures Tur Dal from NAFED and Palmolein Oil from open market through tender. It stores the lifted / procured essential commodities in their storage godowns and distributes them to the respective fair price shops against monthly requirements.

#### 1.4 Fair Price Shops

Fair price shop is the last unit of PDS structure in which essential commodities are and supplied to the stored smart family cardholders every month. Fair price shops are run Co-operative Department through by Co-operative societies, Tamil Nadu Civil Supplies Corporation, Women Self Help Groups and other Co-operatives. The number of fair price shops run by Co-operative Department predominate other agencies. No private individual is allowed to operate fair price shop in the State.

In the fair price shops, all the essential commodities are sold to the family cardholders only through the Point of Sale (PoS) Device, which enables real time monitoring of all transactions in the fair price shops.

Agencywise, the number of fair price shops in the State as on 31.01.2020 are as follows:

SI. No.	Agency	Full Time	Part Time	Total
1	Co-operative Societies (under the Registrar of Co-operative Societies)	23,444	9,439	32,883
2	Other Co-operative Societies	319	164	483
3	Tamil Nadu Civil Supplies Corporation	1,178	277	1,455
4	Women Fair Price Shops run by SHGs	379	44	423
	Total	25,320	9,924	35,244

The State Government have taken efforts to establish fair price shops within a convenient reach of the cardholders, so that they will not have to walk more than 1.5 km from their residence to buy essential commodities. Special attention is given to the remote and inaccessible

far-flung areas, hilly areas or areas that are prone to law and order problems for establishing fair price shops. The Government have taken steps to open new fair price shops wherever necessity arises by relaxing the guidelines prescribed.

#### 1.5 Smart Family Cards

All the essential commodities are supplied to the family cardholders using smart family cards in the fair price shops. As on 31.01.2020, a total number of 2,02,31,394 smart family cards are in circulation.

#### 1.5.1 Type of Smart Family Cards

On the basis of applicant's choice and as per NFSA norms, five types of smart family cards are issued under State's PDS. The details of type of smart family card, commodities entitled and their numbers in circulation as on 31.01.2020 are as follows:

SI. No.	Type of Smart Family Card	Commodities Entitled	No. of Family Cards
1.	Priority House Hold (PHH)*	All Commodities including Rice	78,57,277
2.	Priority House Hold- Antyodaya Anna Yojana (PHH-AAY)	All Commodities including 35 kgs of Rice	18,61,784
3.	Non-Priority House Hold (NPHH)**	All Commodities including Rice	98,88,910
4.	Non-Priority House Hold- Sugar (NPHH-S)	Sugar option cards (All commodities except Rice)	5,73,951
5.	Non-Priority House Hold- No Commodity (NPHH-NC)	No Commodities	49,472
Total Smart Family Cards			2,02,31,394

<sup>\*</sup>Government of India allotment

<sup>\*\*</sup>State Government's Own Fund

#### 1.5.2 AAY Family Cards

Under the Antyodaya Anna Yojana (AAY) Scheme, poorest of the poor families residing in the State are identified as beneficiaries. AAY card is entitled for 35 kgs. of rice per month at free of cost in this State. Besides this, AAY beneficiaries are also supplied other essential commodities under Public Distribution System. Number of AAY beneficiaries allotted to this State by Government of India is 18,64,600. By extending free of cost for rice scheme to this beneficiaries, the Government of Tamil Nadu ensured total food security in the State. The OAP and ANP beneficiaries are being provided with the Smart Cards.

#### 1.5.3 Family Cards for Transgender

The Government is providing smart family cards to the "Transgenders" either single or as family residing in the State and as on 31.01.2020,

2,293 smart family cards have been issued to them.

# 1.5.4 Conversion of Sugar Family Cards to Rice Family Cards

As on 31.10.2019, there were 10,19,491 Sugar option family cards in circulation under the State Public Distribution System. The Government have issued orders for conversion of sugar family cards into rice cards, considering the large number of representations received from the Sugar option family card holders. By this, during the period from 19.11.2019 to 29.11.2019, over all 4,51,614 number of applications have been received and converted into Rice family cards.

# 1.5.5 Issue of Duplicate / Updated Smart Family Cards

The Government have sanctioned a sum of Rs.53,78,970/- for provision of Plastic card printers to Deputy Commissioner (City) North / South and District Supply Offices to print and

issue Duplicate Smart Family Cards / updated Smart Family Cards and Shredder to office of the Commissioner of Civil Supplies and Consumer Protection. Printing machine and pre-printed cards procured and handed over to the offices of the Deputy Commissioner (City) North / South and District Supply Offices. Further, facilities provided in official website of this Department. With this facility the beneficiaries can get the printed Smart Family Cards from their own districts.

# 1.5.6 Family Cards of Police, Prison and Forest Department Personnel

The Government is supplying all essential commodities to the uniformed service personnel of Police, Prison, Forest Department through the fair price shops at normal issue price except Tur Dal, Sugar and Palmolein Oil, which are supplied at half the rate of Public Distribution System issue price i.e., Rs.15.00 per kg for Tur Dal, Rs.12.50 per kg for Sugar and Rs.12.50 per litre for

Palmolein Oil. Departmentwise / Rank-wise, the officials eligible for this subsidy are as follows:-

SI. No.	Name of the Department	Level of Officials eligible for subsidy	
1.	Police	Second grade Constable to Inspector	
2.	Forest	Cavady to Forest Ranger	
3.	Prison	Second grade Warden to Deputy Jailor	

These Uniformed Service Personnel are issued smart cards under the category of Non Priority House Hold (NPHH) but tagged as 'Police cards' in the Point of Sale device provided in the fair price shop for unique identification.

As on 31.01.2020, there are 57,260 beneficiaries under this category.

# 1.5.7 Supply of Rice under Public Distribution System to Annapoorna (ANP) and Old Age Pensioners (OAP) beneficiaries and issue of smart family cards to the OAP and ANP beneficiaries

The Government is providing 10 kg and 5 kg of rice per month without cost under Public Distribution System to 8,997 Annapoorna (ANP) and 4,13,446 Old Age Pension (OAP) beneficiaries (as on 31.01.2020) respectively residing in the State. The Government have decided and ordered to provide smart family cards to the beneficiaries of ANP and OAP at an estimated cost of Rs.48.51 lakh. Action is being taken to collect the photographs of above beneficiaries under PDS. Printing of smart family cards to around 4 lakh beneficiaries for whom photographs are collected and uploaded is in progress and cards for remaining beneficiaries are also to be printed in due course.

#### 1.5.8 Elimination of Duplicate Cards

End to End Computerization and seeding of Aadhaar number in beneficiaries' database has eliminated duplicate cards and ensured distribution of highly subsidized essential commodities to genuine family cardholders.

# 1.6 Scale of Supply of Essential Commodities Under Public Distribution System

Rice, wheat, sugar, kerosene, Tur Dal and Palmolein Oil are the essential commodities being distributed to the family cardholders under Public Distribution System. The scale of supply and issue price of these commodities under Public Distribution System are as follows:-

SI. No.	Commodity	Scale of Supply	Issue Price
1	Rice	Rice cardholder is	Free of Cost
		eligible for 5 kg of rice	
		per person (including a	

SI. No.	Commodity	Scale of Supply	Issue Price
		child) per month or erstwhile entitlement (prior to NFSA) whichever is higher. All AAY cards are supplied with 35 Kg per month.	
2	Wheat	Out of the rice entitlement of a family card, 10 kgs per month in Chennai City and district headquarters and 5 kgs per month in other areas issued in lieu of rice, subject to the availability of wheat.	Free of Cost
3	Sugar	500 grams per head per month subject to a maximum of 2 kgs per month per card. In the	per Kg for AAY cards

SI. No.	Commodity	Scale of Supply	Issue Price
		case of sugar option cardholders, 500 grams per head per month plus an additional quantity of 3 Kg of sugar subject to a maximum of 5 kg per month.	
4	Kerosene	Ranges from 3-15 litres per family card depending upon the possession of LPG connection and place of residence of the family cardholders.	from Rs.13.60 to Rs.14.20 per
5	Tur dal	1 kg per month per card	Rs.30/- per kg
6	Palmolein oil	1 litre per month per card	Rs.25/- per litre

#### 1.6.1 Rice

Rice is the staple food of the people of Tamil Nadu. It is drawn from central pool allotment under the Public Distribution System through Food Corporation of India. Government of India's current monthly allotment of rice and their issue price are as follows:-

SI. No.	Category	Government of India Monthly Allotment (in MT)	Issue Price per kg
1.	AAY	57,437	Rs.3.00
2.	PHH	1,35,784	Rs.3.00
3.	Tide Over	99,773	Rs.8.30
	Total	2,92,994	

The average monthly off-take of rice for the past three months is 3.30 lakh MT.

#### 1.6.2 Sugar

Government of India, on abolition of levy sugar system from June 2013, had advised the States to make alternative arrangement to procure sugar for Public Distribution System. But it assured to provide subsidy by means of reimbursement at Rs.18.50 per kg for those states which continue to have the retail selling price of Rs.13.50 per kg at fair price shops. This subsidy was made available for a limited quantity of 10,820 MT per month.

However, from 01.06.2017, this quantity of 10,820 MT per month was also reduced further by Government of India and the subsidy amount of Rs.18.50 per kg was allowed only to AAY families, i.e., 1,864 MT only. This increased the subsidy burden of the State Government. In order to bring down the subsidy burden to some extent, the State Government revised the selling price of sugar and issuing at the rate of Rs.25/- per kg for

all other cards except AAY family cards from 01.11.2017.

#### 1.6.3 Wheat

The Government of India's monthly allocation of wheat to this State is 13,485 MT. Wheat is supplied at free of cost to the cardholders in lieu of rice, with effect from February 2, 2017. Out of the rice entitlement of family card, the cardholders may, at their own will, get 10 kg of wheat in Chennai city and District Head Quarters and 5 kg in other areas in lieu of rice at free of cost, subject to availability at the fair price shop.

#### 1.7 Kerosene Allotment to the State

Government of India has gradually reduced the State's kerosene allotment, at present kerosene allotment accounts to 30% of the State's requirement (i.e.) 10,764 KL from July 2019 onwards. But, the kerosene

requirement per month to all the kerosene eligible cardholders is 36,047 KL (as on 31.01.2020). The been continuously State Government have requesting the Government of India to restore the kerosene allotment to satisfy the requirement of eligible family cardholders, as per existing scale of supply. The State Government has also registered through against protest various modes unprecedented increase in ex-storage price of by Rs.18.62/- per (upto kerosene litre 31.01.2020) by the Government of India from 01.07.2016 and requested for the complete withdrawal of price hike. PDS kerosene is being distributed to the 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 Special Public Distribution System (SPDS)

To control the price of pulses and edible oils in the open market, the Government is

distributing 1 kg of Tur Dal and 1 litre pouch of Palmolein oil to all the card holders at subsidized rate under Special Public Distribution System. Every month around 20,000 MTs of Tur dal and 1,50,00,000 litres (pouches) of Palmolein oil are being distributed to all the cardholders. This scheme is extended with supply of Tur Dal/Canadian Yellow Lentil and Palmolein oil upto February 2021.

#### 1.9 Supply of Rice to Muslims during Ramzan

During "Ramzan" month, the Government gives special allotment of raw rice to mosques for preparing 'Nonbu Kanji'. For the year 2019, 5,450.384 MT of raw rice was distributed to nearly about 2,927 mosques for Ramzan at the rate of Rs.1/- per kg across the State that cost Rs.15.52 Crore to Government exchequer.

# 1.10 Distribution of Pongal Gift Hamper with Cash Support for Celebrating Pongal Festival

The Government have issued Special Pongal Gift hamper comprising 1 kg of Raw rice, 1 Kg of Sugar, 2 feet of sugarcane, 20 gm of Cashewnut, 20 gm of Dry grapes (kismis), 5 gm of Cardamom and cash support of Rs.1000/- per card for rice family cardholders including Srilankan Tamilians residing in camps to celebrate the Pongal Festival 2020. A total number of 1,98,41,149 Special Pongal gift hamper with cash assistance of Rs.1,000/-were distributed to PDS beneficiaries through the fair price shops. For this, the Government have sanctioned a total amount of Rs.2363.13 Crore.

# 1.11 Implementation of National Food Security Act, 2013

National Food Security Act, 2013 has been implemented in the State with effect from

01.11.2016. As per the Act, entitlement of rice is 5 kg per member to the PHH cards. However, while taking a decision to implement the Act, it was ensured that all rice option cardholders get erstwhile entitlement or entitlement of 5 kg per member, whichever is higher at free of cost. Thus, the universal character of Public Distribution System is retained.

Though, the scale of supply is same for all, irrespective of Priority or Non Priority Households, Priority Households (PHH) had been identified in order to fulfill the requirement of the NFSA. Accordingly, guidelines were issued by the Government on 27.10.2016, to identify PHHs and NPHHs in accordance with the percentage for urban (37.79%) and rural areas (62.55%) as determined by the Government of India. The final beneficiaries list of PHHs and NPHHs were hosted on the website www.tnpds.gov.in. Special

arrangements have been made for aged and physically challenged persons to draw their entitlement through authorized nominees. Thus, food security to aged persons is also ensured.

As envisaged in the National Food Security Act, 2013 Vigilance Committees, Grievance Redressal Mechanism, State Food Commission were formed and are detailed below.

#### 1.11.1 Vigilance Committees

Vigilance Committees were formed at the levels of fair price shop, Taluk / Zone, District and State to ensure benefits under Public Distribution System reaching the right persons under Tamil Nadu Food Security Rules, 2017. The Vigilance Committees at the State / District level shall meet at least once in a quarter and Taluk / Zone level and Shop level at least once in a month.

#### 1.11.2 Grievance Redressal Mechanism

District Revenue Officers have heen appointed as District Grievance Redressal Officers (DGROs) to redress any grievances of public related to the distribution of the essential commodities. In Chennai city, the Deputy Commissioner (city) North / South act as District Grievance Redressal Officers. The contact details of DGROs are made available in web portal and in concerned offices. A sound and robust grievance redressal system that includes dedicated toll free numbers 1967 and 1800 425 5901 for the use of cardholders and online facility has been put in place.

#### 1.11.3 State Food Commission

Tamil Nadu State Food Commission is an independent, statutory body functioning with a Chairperson and 5 members to monitor proper implementation of National Food Security Act, 2013 in the state with effect from 16.02.2018. It

is an Appellate Authority and hear appeals challenging the orders of the District Grievance Redressal Officers. The meeting held at regular intervals.

## 1.12 End to End computerization in Public Distribution System

The Government of Tamil Nadu had fully computerized the State Public Distribution System through "End to End Computerization" project. As a part of end to end computerization of PDS, smart family cards are being issued from 01.04.2017 onwards to those families that have linked Aadhaar numbers to their cards.

This system has facilitated / enabled

- digitization of family cards/beneficiary databases;
- computerization of supply-chain management;
- setting up of transparency portal;
- setting up of effective grievance redressal mechanisms;

- online allocation of commodities for Public Distribution System;
- real time monitoring of movement of commodities at godowns and fair price shops and ensures distribution of commodities to cardholders as per entitlement;
- the public to apply online for new family cards, mutations in family cards and know about the status of applications etc.,
- the cardholders to view the availability of commodities in the fair price shop to which their card is attached.
- prevented bogus billing in fair price shop as transaction details are communicated through SMS to registered mobile numbers to every cardholder.

Bio-metric Authentication of smart family cardholders will be implemented during the financial year 2020-2021.

## 1.13 Integrated Management of Public Distribution System (IM-PDS)

The Government have issued orders to implement Integrated Management of Public Distribution System (IM-PDS) in the State. Intra State Portability of all family cardholders in the State of Tamil Nadu will be implemented in the financial year 2020-2021. The family cardholders shall draw essential commodities entitled to them from any fair price shops within the State of Tamil Nadu. On pilot basis, Intra-State Portability implemented in two Districts (erstwhile is Tuticorin) with effect Tirunelveli, from 01.02.2020. On complete success, the scheme will be extended across the State.

#### 1.14 Food Subsidy

The Government of Tamil Nadu is following Universal Public Distribution System ensuring and realizing the goal of food security to all residents of the State and have retained the status of hunger free State. The State bears huae expenditure towards subsidy for procurement & supply of essential commodities under both Public Distribution System (especially food grains such as rice and wheat are supplied free of cost) as well as Special Public Distribution System to the family cardholders. In the Budget Estimate 2020-2021, the Government have allotted a sum of Rs.6,500 Crore to meet the Food Subsidy for effective implementation of the Public Distribution System in the State.

# Chapter-2 CONSUMER PROTECTION

#### 2.1 Introduction

Tamil Nadu is a state with an amazing range of consumers, ranging from highly educated and wealthy to totally illiterate and impoverished. In view of increasing size and complexity of markets, fast changing technology and expanding range of products, the task of reaching out to each of these segments is so daunting a task that needs to be addressed through suitable information, education and communication strategies. To objective, various realize this consumer awareness programmes and activities are being carried out by the Government through Voluntary Consumer Organizations and Students of schools and colleges functioning across the State for cultivation and dissemination of knowledge of Consumer Protection Act, 2019 and thus, making aware of the general public their rights, responsibilities and grievances redressal available to them as a consumer. The Government of Tamil Nadu have established the judicial bodies such as State Consumer Disputes Redressal Commission at Chennai, District Consumer Disputes Redressal Fora at districts and also alternate grievance redressal mechanisms such as Mediation Advisory Centre at State level and State Consumer Help Line for speedy redressal to the affected consumers.

#### 2.2 Legal Redressal of Consumer grievances

Under the Consumer Protection Act 1986, a three tier quasi-judicial machinery at the National, State and District levels have been established as follows:-

- National Consumer Disputes Redressal Commission
- State Consumer Disputes Redressal Commission and
- 3. District Consumer Disputes Redressal Fora

## 2.2.1 National Consumer Disputes Redressal Commission

The National Commission is the Apex quasi-judicial body functioning in New Delhi. It has original jurisdiction of cases dealing with monetary value of over Rs. 1 Crore. The National Commission is also having Appellate jurisdiction and Revisional jurisdiction over the State Consumer Disputes Redressal Commission.

## 2.2.2 State Consumer Disputes Redressal Commission

Any consumer can file a complaint before the State Commission provided the cost of

goods/services or the sum of compensation sought for is more than Rs.20 lakh but less than Rs.1 Crore. The State 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, the Head of Department for dealing with the administrative matters of the State Commission and 32-District Fora. Considering the welfare of the consumers in the southern Districts, a Circuit Bench of State Madurai is constituted and Commission at functioning w.e.f. 11.08.2012, like that of Hon'ble Madurai Bench of Madras High Court.

The State Commission, Chennai and Circuit Bench of State Commission, Madurai are having the Appellate and Revisional jurisdiction for the respective District Fora in their jurisdiction. Since inception 30,274 cases have been filed and out of which 25,918 cases have been disposed of upto January-2020 which works out to 85.61%. The details of cases filed and disposed of by the State Commission and circuit bench of State Commission, Madurai from January 2019 to January 2020 are as follows:-

	AP	PEA	L PET	ITIO	NS	CONSUMER COMPLAINTS					
Months	Pending at the beginning	No. of Cases Filed	Total	No. of Cases disposed	Balance at the end of the month	Pending	No. of Cases Filed	Total	No. of Cases disposed	Balance at the end of the month	
Jan.'19	2292	15	2307	45	2262	1793	16	1809	10	1799	
Feb.'19	2262	43	2305	38	2267	1799	27	1826	10	1816	
March`19	2267	58	2325	29	2296	1816	13	1829	12	1817	
April '19	2296	63	2359	41	2318	1817	18	1835	9	1826	
May '19	2318	15	2333	1	2332	1826	9	1835	1	1834	
June '19	2332	38	2370	27	2343	1834	14	1848	10	1838	
July `19	2343	56	2399	49	2350	1838	21	1859	5	1854	
Aug. `19	2350	68	2418	38	2380	1854	19	1873	16	1857	
Sep. `19	2380	43	2423	45	2378	1857	22	1879	7	1872	
Oct. \19	2378	31	2409	31	2378	1872	8	1880	6	1874	
Nov. `19	2378	45	2423	19	2404	1874	10	1884	5	1879	
Dec.'19	2404	46	2450	30	2420	1879	6	1885	3	1882	
Jan. '20	2420	31	2451	54	2397	1882	5	1887	5	1882	

## 2.2.3 District Consumer Disputes Redressal Fora

As per Consumer Protection Act, 1986, every Revenue District should have a District Consumer Disputes Redressal Forum. At present 32 District Consumer Disputes Redressal Fora quasi-judicial bodies are functioning in the State where a consumer can file a complaint before the District Forum in his/her district, provided the cost of goods or compensation sought for does not exceed Rs.20 lakhs. Each District Forum consists of a President – who is a retired District Judge – with two members, one of whom is a female member. Since inception 1,24,003 cases have been filed and out of which 1,14,681 cases have been disposed of up to January 2020 which works out to 92.48%. The details of cases filed and disposed off by the District Consumer dispute redressal fora in the State from January 2019 to January 2020 are as follows:-

Months	Pending at the beginning of the month	No. of cases filed	Total	Cases disposed of	No. of cases pending
Jan. 2019	9120	227	9347	269	9078
Feb. 2019	9078	246	9324	284	9040
Mar. 2019	9040	249	9289	242	9047
April 2019	9047	271	9318	260	9058
May 2019	9058	221	9279	237	9042
June 2019	9042	226	9268	197	9071
July 2019	9071	321	9392	263	9129
Aug. 2019	9129	202	9331	220	9111
Sep. 2019	9111	230	9341	201	9140
Oct. 2019	9140	194	9334	157	9177
Nov. 2019	9177	243	9420	206	9214
Dec.2019	9214	232	9446	185	9261
Jan. 2020	9261	208	9469	147	9322

#### 2.3 Mediation Advisory Centre

Mediation Advisory Centre, one of the modes of Alternate Disputes Resolution in the form of facilitated negotiation in which a trained, neutral third party called the mediator, assists the opposing parties to reach a mutually satisfactory settlement to their disputes without following any rigid procedure and at no cost was established as a pilot project and started functioning from 15.12.2011.

Now, the Government of Tamil Nadu has taken over the operation of Mediation Advisory Centre for further continuation at State Level.

#### 2.4 Future Plan

At present, State Commission and 11 District Fora are functioning in own building. Steps are being taken to get land at free of cost from the concerned District Collectors and Principal District Judges for the construction of own building for the remaining 21 District Fora.

In future, all the District Forum will be functioning in their own building.

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

"Tamil Nadu State Society for Consumer Protection and Empowerment" is a State Level Umbrella Organization carrying on various consumer welfare activities across the State, with the Commissioner of Civil Supplies and Consumer Protection as President and Members from both Government and non-Government sector. It runs State Consumer Helpline, publishes "Nugarvor Kavasam", a monthly journal and conducts training programs and workshops on consumer welfare activities.

#### 2.6 State Consumer Help Line

The Government of Tamil Nadu have established a State Consumer Help Line and is functioning in the office of the Commissioner of

Civil Supplies and Consumer Protection. It act as an alternate grievances redressal mechanism for consumers. It register grievances consumers, who contact this Helpline. It will provide clarification & quidance to consumers on issues relating to Consumer Protection Act and also redress the grievances. Help Line may be contacted in telephonic line 044-28592828 (or) electronic mailing either consumer@tn.gov.in to schtamilnadu@gmail.com (or) registering on-line complaint in www.consumer.tn.gov.in (or) sending SMS to Mobile Number either 8680018002 or 8680028003.

# 2.7 Tamil Nadu Nugarvor Kavasam – a monthly magazine on consumer awareness

"Tamil Nadu Nugarvor Kavasam" is a monthly magazine being published by the Civil Supplies and Consumer Protection Department to create consumer awareness among the public. It is registered with the Registrar of Newspapers of India. Support price for a magazine is Rs.10/-. It is distributed to public, Government Offices, Voluntary Consumer Organizations and Public Libraries in the State. At present, there are 7,000 subscribers. It provides wide vision of consumer activities and awareness and also knowledge on general issues to the readers.

#### **Chapter 3**

#### PRICE CONTROL MEASURES

#### 3.1 Introduction

The Government is constantly monitoring the price trend of food commodities in the market, which are essential to monitor affordable prices for the people of the State. During price hike of essential commodities, it has taken several measures to stabilize the prices of essential commodities in the market by its food policy or by direct intervention in the market.

#### 3.2 Price Monitoring Cell

Price Monitoring Cell is functioning in the Civil Supplies and Consumer Protection Department under the direct control of the Commissioner. Its main functions involve

a) monitoring the prevailing retail and wholesale prices of 23 selected food

commodities like rice, wheat, pulses, sugar, edible oils and vegetables etc., in the open market, on daily basis; and

b) analysing the price situation and giving advance feedback to Government for taking preventive measures at appropriate time, in case of any discrepancies in prices of food commodities.

Its timely advice had facilitated the Government in taking appropriate steps during price hike of some food commodities, especially onion and pulses.

## 3.3 Measures taken by the Government of Tamil Nadu

The Government constituted Price Monitoring Committee with Hon'ble Minister for Food and Civil Supplies as chairman is monitoring the price trends in the open market. It's meeting held periodically or, if any adverse situation arises in price trend.

- Fund and allocated Rs.100 Crore as corpus fund to manage any situation arising in price hike of essential commodities. There are 72 Amma Amudham Departmental Stores established with a corpus fund of Rs.20 Crore from Price Stabilization Fund as one time grant with a view to curb the price rise of any essential commodities in the open market. Further action is being taken to construct 28 Departmental stores.
- The Consumer Co-operative Stores and Tamil Nadu Civil Supplies Corporation procures fresh vegetables directly from farms and sell them through their 79 Farm fresh consumer retail outlets including 3 Mobile shops to control increase in prices of vegetables in the open market.
- As a food policy measure, the Government of Tamil Nadu is supplying food grains such

as rice and wheat at free of cost under Public Distribution System to rice cardholders, as well as extending to AAY, ANP and OAP beneficiaries. This decision has made the State, hunger free.

To protect the vulnerable sections from increasing price trend of pulses and vegetable oils in the open market, the Government is supplying Tur Dal and Palmolein oil at subsidized rate of Rs.30/-per kg and Rs.25/- per litre respectively under the Special Public Distribution System to all cardholders. This scheme is extended upto February 2021.

Due to these precautionary and remedial measures taken by the Government of Tamil Nadu, the prices of essential commodities have been kept under control in the State.

#### **Chapter 4**

#### **Tamil Nadu Civil Supplies Corporation**

#### 4.1 Introduction

Tamil Nadu Civil Supplies Corporation was incorporated in the year 1972. Later, the Corporation was registered on 1st April 2010 under Section 25 of the Companies Act, 1956 (Section 8 of Companies Act 2013) in the name "TAMIL NADU CIVIL SUPPLIES CORPORATION". The Corporation is entrusted with the responsibilities of procurement, storage and distribution of essential commodities under the Public Distribution System (PDS), Special Public Distribution System and Puratchi Thalaivar MGR Noon Meal Programme.

#### 4.2 Organisational Set up

Tamil Nadu Civil Supplies Corporation is headed by the Hon'ble Minister for Food & Civil Supplies as the Chairman of the Board of

Directors. The Board of Tamil Nadu Civil Supplies Corporation consists of 11 Directors.

The Corporation has 33 Regions, one in each revenue district and two in Chennai city headed by Senior Regional Managers/ Regional Managers. A total of 7,620 permanent employees, 3,844 seasonal employees are working in the Head office, Regional offices, Godowns, Modern rice Mills, Fair price shops and Amudham Departmental stores spread throughout the state. In addition, 5,537 Loadmen and 14,420 Seasonal loadmen are working in the godowns and modern rice mills of the corporation.

#### 4.3 Activities and Services

The prime objective of Tamil Nadu Civil Supplies Corporation is to procure, store and distribute rice, sugar, wheat, tur dal / Canadian yellow lentil, palmolein oil, kerosene etc., at the rates fixed by the State Government to facilitate

Public Distribution Systems and Special Public Distribution Systems. To manage the storage and distribution activities, the Corporation operates,

- a) 289 godowns with storage capacity of 12.88 lakh MT.
- b) 1,455 fair price shops (fulltime shops 1,178 and part time shops 277)
- c) 21 Modern Rice Mills
- d) 72 Amma Amudham Departmental Stores in 30 Districts
- e) 22 Amudham Departmental Stores in Chennai and Cuddalore Districts
- f) 3 Petrol / Diesel Bunks
- g) 36 Kerosene Bunks
- h) 5 LPG distribution points
- i) Direct Purchase Centres (Current year up to 26.02.2020, 1861).

#### 4.4 Supply of essential commodities to Public Distribution System

#### 4.4.1 Rice

Tamil Nadu Civil Supplies Corporation procures rice partially from central pool allotment under NFSA (National Food Security Act, 2013) through Food Corporation of India and partially through custom milled rice hulled from Modern Rice Mills for supply under Public Distribution System. The prevailing issue price by the Food Corporation of India for various category of rice are as follows:-

SI. No.	Category	Monthly allotment (in MTs)	Price (Rupees per Kg.)		
1.	Antyodaya Anna Yojana (AAY)	57,437.202	3.00		
2.	Priority cards	1,35,783.900	3.00		
3.	Tide over	99,773.138	8.30		
	Total	2,92,994.240			

monthly off-take of rice for Public Distribution System and other welfare schemes is around 3.40 LMT. The Government of Tamil Nadu is fully utilizing the monthly allotment of 2.93 LMT allotted by Government of India made under AAY, Priority and Tide-over Quota. As the current monthly off-take of rice under the Public Distribution System is about 3.30 LMT, the gap between the Government of India's quantum of allotment and the monthly off-take under Public Distribution System is met by purchasing the shortfall quantity of rice from Government of India under the Open Market Sales Scheme and from other State Government Civil Supplies Corporations.

## Liftment of Rice for Public Distribution system

The Corporation utilizes the hulled rice along with the rice lifted from Food Corporation of India (FCI) for Public Distribution System against the monthly entitlement of the state. A buffer

stock of 13.80 LMT of rice is maintained in 57 godowns of Food Corporation of India and godowns of Tamil Nadu Civil Supplies Corporation as on 26.02.2020. Apart from this paddy procured equivalent to 6.00 LMT of rice is maintained.

#### 4.4.2 Sugar

Sugar is also being distributed to the family holders of Tamil Nadu card under public distribution system. Approximately, a quantity of 30,000 MT of Sugar is consumed by the family card holders per month under Public Distribution System. The subsidized selling price of sugar other than AAY cards is Rs.25/- per Kg and the selling price for AAY cards is Rs.13.50/- per Kg. The difference between the average market price at which the Government procure sugar and subsidized price is met by the State Government. The additional expenditure of Rs.443.52 Crore per annum for the supply of sugar to family card holders in Public Distribution System is met under state food subsidy.

#### 4.4.3 Wheat

The Government of India is allocating a quantity of 13,485 MT of Wheat per month to Tamil Nadu under National Food Security Act, 2013 from November 2016. Accordingly, Wheat is being supplied free of cost to all the willing rice cardholders who have opted for wheat in lieu of rice subject to availability at the fair price shops.

#### 4.5 Special Public Distribution System

Government has introduced the Special Public Distribution System for the distribution of pulses and fortified palmolein oil pouches to the family cardholders to control the rise in price of pulses and edible oil in the open market.

Every month 20,000 MT of Canadian Yellow Lentil /Tur dal and 1,53,00,000 litre (pouches) of fortified Palmolein Oil are being purchased and supplied to the family cardholders at highly subsidized price. The Government of Tamil Nadu bears the entire subsidy for these commodities under Special Public Distribution System.

The selling price for Canadian Yellow Lentil /
Tur dal and Palmolein oil are as follows:-

Commodity	Monthly allotted quantity (in Mt)	Quantity issued per card holder	Selling price (dal) per Kg. oil per Litre)		
Canadian Yellow Lentil / Tur dal	20,000	1 Kg	Rs.30/-		
Palmolein Oil	1,53,00,000 (Litre Pouches)	1 litre (910 gms)	Rs.25/-		

## 4.6 Movement of Commodities to the Fair Price Shops

In order to keep continuous availability of stocks in Fair Price Shops, 60% of the monthly allotment of all commodities is moved before  $30^{th}$  of the preceding month. The balance 40% is

moved by 20<sup>th</sup> of current month. Permission has also been given to commence the advance movement for the succeeding month as soon as the regular movement for the current month is completed, which will ensure timely completion of Public Distribution System movement from the Godowns to Fair Price shops.

#### 4.7 Procurement of Paddy from Farmers

Under the decentralised procurement scheme Tamil Nadu Civil Supplies Corporation has been authorised by the Government of India to procure paddy on behalf of Food Corporation of Kharif Marketing India, since Season (KMS) 2002-2003. The Government have also authorized the Co-operatives and National Co-operative Consumer Federation (NCCF) to procure paddy in non-delta districts. Minimum Support Price (MSP) per quintal of paddy fixed by the Government of India and the incentive

announced by the Government of Tamil Nadu for KMS 2019-2020 are as follows:-

Paddy Variety	GOI's MSP (per quintal) Rs.	Incentive by Govt. of Tamil Nadu (per quintal) Rs.	Price paid to Farmers (per quintal) Rs.
Grade 'A'	1,835/-	70/-	1,905/-
Common	1,815/-	50/-	1,865/-

#### Paddy Procurement details for KMS 2019-2020

		Grade A (Qty. in MTs)	Common (Qty. in MTs)	Total Paddy Procured (Qty. in MTs)	Total Rate per quintal				Beneficiaries	8)			
KMS					(Qty. in N	Grade A	(Rs.)	Common	(Rs.)	No. of Benefi	(Farmers)		
2019-20 (as on 26.02.2020)	1,861	7,5	3,798	4,2	8,295	11,8	32,093	1,	905	1,	865	2,1!	5,867

Payment released by ECS during KMS 2019-2020 is Rs.2234.76 Crore.

#### Procurement Details (KMS 2019-20) (in MTs)

TNCSC : 11,27,431

NCCF : 47,750

Co-operatives : 6,912

**Total Paddy Procurement: 11,82,093** 

Rs.74,18,10,000/- has been provided as incentive to the farmers.

#### 4.7.1 Custom Milled Rice

The paddy procured from the farmers is processed for conversion into rice through 21 Modern Rice Mills owned by the Corporation and 351 private hulling agents enrolled with Tamil Nadu Civil Supplies Corporation. The Corporation utilizes the hulled rice along with the rice lifted from Food Corporation of India (FCI) for Public Distribution System against the monthly

requirement of the State. The Government of India releases subsidy for the Custom Milled Rice based on the economic cost fixed by them.

## 4.8 Infrastructure and Assets owned by Tamil Nadu Civil Supplies Corporation

#### 4.8.1 Storage Capacity

Tamil Nadu Civil Supplies Corporation operates 289 Godowns out of which 246 Godowns are owned by it with a storage and handling capacity of 11.37 lakh MT and the remaining 43 Godowns having 1.52 lakh MT capacity are hired from Tamil Nadu Warehousing Corporation, Co-operatives and other private operators for storage. The Government gives top priority to strengthen the storage facilities to ensure safe storage of the commodities meant for the Public Distribution System.

The Government have sanctioned for construction of Godowns at 342 locations for a

total capacity of 8.05 lakh MT at an estimated cost of Rs.998.97 Crore with NABARD line of credit in the last nine years out of which, 240 Godowns with storage capacity of 6.29 lakh MT have been constructed at a total cost of Rs.657.36 Crore.

#### 4.8.2 SILO for Paddy storage

The SILO constructed for paddy storage at Erukkur Village in Nagapattinam District at a total estimated cost of Rs.64.27 Crore with a total capacity of 50,000 MT was inaugurated by the Hon'ble Chief Minister on 02.07.2018 and running into operation.

#### 4.8.3 Construction of Fair Price Shops

Tamil Nadu Civil Supplies Corporation operates 1,455 Fair Price Shops in 26 regions out of the total 35,244 Fair Price Shops in Tamil Nadu. TNCSC operates 124 Fair Price Shops in own buildings, 1,114 Fair Price Shops in rental

buildings and 216 Fair Price Shops in rent-free buildings. Construction of own buildings for 125 Fair Price Shops have been taken up out of which, 90 Fair Price Shops have been completed.

## **4.8.4 Construction of Direct Purchase Centres**

Tamil Nadu Civil Supplies Corporation opens Direct Purchase Centres to procure paddy directly from the farmers. Normally Direct Purchase Centre has an area of about 33 cents with storage facility of minimum 100 MT and is equipped with facilities such as Drying platform, Winnowing machine, electronic weighing scale and moisture meter etc., Direct Purchase Centres are opened every year throughout the State on the basis of requests from the farmers.

The Government is committed to provide permanent infrastructure to the Direct Purchase Centres as they play a crucial role in the farmer's welfare. Accordingly, measures for creating

permanent infrastructure for Direct purchase Centres have been taken up in a phased manner. 273 Direct Purchase Centres are already functioning in own buildings. Further, the Government have announced to construct 385 DPCs during the period 2011-2012 to 2019-2020. Out of which, 258 DPCs have been completed at a cost of Rs.79.95 Crore.

#### 4.8.5 Facilitation of Paddy Drying Platforms

The Government have constructed Paddy Drying Platforms in the Delta Districts of Thanjavur, Thiruvarur and Nagapattinam in order to avoid the losses occurring in drying the paddy to the moisture level specified by the Government and for cleaning and grading of paddy. The Government have announced to Construct 535 Paddy Drying Platforms during the period from 2011-2012 to 2019-2020 out of which, 335 Paddy Drying Platforms constructed at a cost of Rs.26.91 Crore.

#### 4.8.6 Modern Rice Mills (MRM)

Tamil Nadu Civil Supplies Corporation consist of 21 Modern Rice Mills (MRMs) with a monthly hulling capacity of 52,500 MT. Boiled Rice is produced in 15 MRMs and Raw Rice is produced in 6 MRMs. In order to improve hulling capacity and quality of rice, these MRMs are being modernized in a phased manner. In Ist phase, 7 MRMs were modernised at a cost of Rs.26.27 Crore, in the II<sup>nd</sup> phase, 7 other MRMs have been modernised at a cost of Rs.32.60 Crore and in III<sup>rd</sup> phase, Modernization of the remaining 7 MRMs has also been commenced at a cost of Rs.36 Crore in the year 2015-2016.

#### 4.8.7 Automation facility to TNCSC Godowns

Tamil Nadu Civil Supplies Corporation operates in 246 own Godowns having 11.37 lakh MT of storage capacity. In the Godowns loading/ unloading, conveying and

stacking of Distribution Public System commodities are being carried out manually by the loadmen to the required height. Besides Public Distribution system, the loadmen have to handle other commodities like cement and they have to both receipt as well as issue attend of commodities, weighment and stitching of commodity bags. Therefore, to avoid delay in handling of public Distribution system commodities and to minimize the difficulties due to shortage of loadmen and for improving the efficiency of handling system, it becomes quite necessary to mechanise the Godowns. Therefore, the TNCSC godowns are being provided with conveyor system for loading, unloading and stacker arrangements along with Generator, Generator shed, wiring panel arrangements etc.,

Accordingly, during the year 2018-19 Government have announced to provide Automation facilities to TNCSC Godowns at a total cost of Rs.40.00 Crore under financial assistance of NABARD.

# 4.8.8 Special repairs maintenance improvements and infrastructure works to the existing godown and MRM of TNCSC

The Government have made an announcement for providing basic amenities to the existing Godowns and Amutham Departmental Stores (in Chennai city). Basic amenities such as maintenance work for old Godowns & Modern Rice Mills, improvement and infrastructure facilities by constructing compound walls, roads, gangmensheds, water supply and drainage etc.,

During the period from 2011-2012 to 2019-2020 an amount of Rs.215.94 Crore has

been allocated by the Government and works are taken upon priority basis.

## 4.8.9 Construction of new Regional Office buildings of TNCSC at Ariyalur and Thiruvallur Districts

The Hon'ble Food Minister has made an announcement during the year 2016-17 to construct New Regional Office Buildings of TNCSC at Ariyalur and Thiruvallur Districts at a total cost of Rs.2.00 Crore. The Ariyalur Regional Office building work completed and inaugurated by the Hon'ble Chief Minister on 27.02.2019.

### 4.8.10 Construction of additional building at TNCSC Head Office

The Hon'ble Food Minister has made an announcement on the Legislative Assembly during the year 2014-15 for construction of additional building at TNCSC, Head Office. Based on the announcement, Government have ordered to

construct additional building at an estimated cost of Rs.4.07 Crore. Accordingly, additional building work completed and inaugurated by the Hon'ble Chief Minister on 27.02.2019.

#### 4.8.11 Construction of Combined Office Building at ADGP (Civil Supplies, CID) office, Nandanam

The Hon'ble Chief Minister of Tamil Nadu during the Collectors Conference held on 11.12.2013 & 12.12.2013 has made an announcement that 'Office Building will he sanctioned for the Civil Supplies CID'. Based on the announcement building work completed and inaugurated by the Hon'ble Chief Minister on 27.02.2019.

# 4.8.12 To modify the TNCSC Godown roof AC sheet into Scientific method of Galvalume sheet

The Hon'ble Chief Minister has made an announcement under rule 110 during the year

2018-19 to replace the roof pattern of 100 Godowns which are in continuous operations by installing scientific method of Galvalume sheet instead of AC sheet at a total cost of Rs.45 Crore by availing financial assistance from NABARD.

## **4.9 Other services provided by TNCSC 4.9.1 Amudham Departmental Stores**

Tamil Nadu Civil Supplies Corporation operates 22 Amudham Department Stores, out of which 19 stores are in Chennai city and 3 stores are running in Cuddalore district with the prime objective to market commodities such as rice, sugar, pulses, cereals and fast moving consumer goods (FMCG) at reasonable rates and thereby control the price rise in the open market effectively. The total business done during the period from April 2019 to January 2020 is Rs.28.20 Crore.

#### **4.9.2 Amma Amudham Departmental Stores**

Apart from the Amudham Departmental Stores, TNCSC is running 72 Amma Amudham Departmental Stores in 30 Districts for the benefit of Public in all the Districts. The total business done during the period from April 2019 to January 2020 is Rs.6.21 Crore.

#### 4.9.3 Petrol / Diesel Bunks

Petrol / Diesel bunks are also operated by the Tamil Nadu Civil Supplies Corporation in Neyveli, Thiruppathur and Pattukottai. The Net Profit for the year April 2019 to January 2020 is Rs.50.10 Crore.

#### 4.9.4 LPG Distribution Points

The Tamil Nadu Civil Supplies Corporation has been doing agency work of LPG distribution in Tiruchirapalli, Tiruvannamalai, Ooty, Ramanathapuram and Mandapam. The Net

Profit for the year April 2019 to January 2020 is Rs.1.17 Crore.

#### 4.9.5 Kerosene Bunks

The Tamil Nadu Civil Supplies Corporation has 36 Kerosene bunks in 14 regions out of which 27 are retail bunks, 8 are both retail & wholesale bunks and one exclusive wholesale bunk.

#### 4.9.6 Farm Fresh Vegetable Shops

Government launched scheme of farm fresh consumer outlets on 20<sup>th</sup> June 2013 as a market intervention to sell fresh vegetables at a reasonable price. Tamil Nadu Civil Supplies Corporation operates 14 farm fresh vegetable shops out of which 7 shops are permanent and 7 shops are temporarily operated in Chennai. The total business done during the period from April 2019 to January 2020 is Rs.11.46 lakh.

# 4.9.7 Issue of Commodities to Amma Unavagam

implemented "AMMA" Government UNAVAGAM" scheme from 19.02.2013 to cater the need of hygienic food in nominal rate for the wage workers/downtrodden dailv persons. Tamil Nadu Civil Supplies Corporation is supplying Rice for all Amma Unavagams functioning in all Districts and Rice and Wheat in Chennai at subsidized. A quantity of 6387.638 MT of Rice and 1003.950 MT of wheat have been issued to Amma Unavagam for the period from April 2019 to January 2020.

### **4.10 Other Support Services**

### 4.10.1 Amma Cement Supply Scheme

Under this scheme 50 Kg cement bags are being sold at Rs.190/- per bag (including Taxes) to the low and middle income people. The beneficiaries will be eligible to get cement bags

for construction and repair works based on the following criteria.

Proof of document	Approved plan or an authorization 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	Upto 500 Sq.Ft – 250 bags
Construction- Allowed upto a	501 – 1000 Sq.Ft – 500 bags
maximum Size of 1500 Sq.Ft., @ 50 bags per 100 Sq.Ft.	1001 - 1500 Sq.Ft - 750 bags

Tamil Nadu Cements Corporation (TANCEM) is the nodal agency to make cement available to the Tamil Nadu Civil Supplies Corporation, which in turn distributes to public.

### Details of Receipt, Issues and Closing Balance of Amma Cement

### Period from April 2019 to January 2020

Opening Balance (Bags)	Receipt (bags)	Total (bags)	Total Issues (bags)	Closing Balance	Total cost (Rs.3.50) Total Bags issued (in Rs.)
43,269	62,84,176	63,27,445	62,53,400	74,045	2,18,86,900.00

#### 4.10.2 Sale of Amma Salt

Three Varieties of salt namely Refined Free Flow Iodised Salt, Doubled Fortified Salt and Low Sodium Salt supplied by Tamil Nadu Salt Corporation are being sold in Tamil Nadu Civil Supplies Corporation owned Amudham Retail Shops, Amudham Departmental Stores and Amma Amudham Departmental Stores for the benefit of common people with a view to eradicate Iodine Deficiency Disorder. On an average 105.768 MT. of salt is being sold per month through these outlets.

### 4.10.3 Sale of Ooty Tea and TANTEA

As ordered by Government, Tamil Nadu Civil Supplies Corporation sells Ooty tea through PDS shops run by the Corporation and Amudham Departmental Stores, at Rs.19/- per packet (100grams). In addition to this TANTEA is also made available at Rs.21/- per packet (100grams).

### 4.11 IT Initiatives

#### 4.11.1 e-Governance initiative

End to End Computerisation of Public Distribution System was implemented to monitor all activities right from the procurement of commodities to distribution at Fair Price Shops to the cardholders on real time basis. The entire supply chain and management of cards was simplified under this project. The quantities commodities dispatched from of TNCSC are captured in the G2G aodowns "http://g2g.tnpds.gov.in" and the quantities received at the shops are acknowledged in the

Point of Sale (POS) machine provided at all Fair Price Shops. Stock position of Godown and Fair price shops are monitored in the MIS portal "http://mis.tnpds.gov.in". The entire operation of Public Distribution System is available in the public portal www.tnpds.gov.in.

#### 4.11.2 e-Procurement

eDPC is implemented to purchase paddy at Direct Purchase Centers in Delta and Non Delta regions through TAB and payment to farmers are paid through Electronic clearing Services (**ECS**). Daily procurement data are shared to GOI portal <a href="https://nfpp.nic.in">https://nfpp.nic.in</a>.

### 4.11.3 e-Monitoring System

Steps were initiated to monitor the movement of vehicles transporting public distribution commodities and godowns by installation of 3,000 Nos. of GPS devices in the trucks and providing 2,869 Nos. of CCTV cameras in 260 godowns with two centralized control

rooms. The existing godown Application software is enhanced to a web based Application software.

### **4.12 Quality Control System**

Tamil Nadu Civil Supplies Corporation has a well established Quality monitoring and Quality control mechanisms through which the quality of commodities such as rice, wheat, sugar, pulses, oil etc., procured and stored in godowns is assessed constantly. Samples are drawn and tested regularly; Space Management is done on scientific basis. Disinfestation and other preventive measures are taken to ensure the integrity of the commodities on regular basis and to prevent storage losses.

The moisture meters, lab kits for analysis, black polythene covers for fumigation purpose, dunnage materials for stacking, ultra violet light traps and foot sprayers for infestation control have been supplied to each godown to ensure 100% quality of commodities. Similar quality

measures have also been put in place at modern rice mills and departmental stores.

### 4.13 Financial Status

The Corporation has an authorised share capital of Rs.100.00 Crore and paid up share capital of Rs.71.73 Crore. The turnover of the Corporation from 2014–2015 to 2018-2019 are as follows:-

Year	Rs.in Crore	
2014 - 2015	Rs.8,422.55 Crore	
2015 - 2016	Rs.10,153.42 Crore	
2016 - 2017	Rs.9,739.99 Crore	
2017 - 2018	Rs.7,853.84 Crore	
2018 - 2019	Rs.11,085.50 Crore (provisional)	

For the financial year 2020-2021, Government have provided and released a sum of Rs.6500.00 Crore towards food subsidy.

### **Chapter 5**

# TAMIL NADU WAREHOUSING CORPORATION 5.1 Introduction

Tamil Nadu Warehousing Corporation was established to provide scientific storage facilities to farmers and other trading institutions to ensure proper storage of agricultural and other products under Agricultural Produce (Development and Warehousing) Corporation Act, 1956 and commenced its activities from 2<sup>nd</sup>May 1958.

### 5.2 Activities

Corporation builds and operates warehouses to enhance the storage capacity with a view to reduce storage losses of commodities. Based on market survey, these storage facilities are created throughout the state to ensure that farmers and traders in every part of the state can utilise these godowns for storing their produce. Presently, TNWC has 270 godowns at 60 locations.

### 5.3 Organisational set-up

Nadu Warehousing Corporation Tamil functions through 7 regional offices located at Cuddalore, Dindigul, Kancheepuram, Mettupalayam, Salem, Tiruchirappalli and Tirunelveli. These regional offices are managed by Senior Regional Manager / Regional Manager and Godowns are managed by Warehouse the Manager. The overall management and monitoring is done by a Board of Directors with 11 members. The Chairman and 5 Directors are nominated by Government of Tamil Nadu and 5 Directors are nominated by Central Warehousing Corporation.

### **5.4** Storage Capacity

The total Storage Capacity available with TNWC is 7.62 lakh MT, of which 7.60 lakh MT is in

its own warehouses and 0.02 lakh MT is in hired premises.

### 5.5 Utilisation

The storage space available in the warehouses of the Corporation is primarily utilised by Food Corporation of India, Tamil Nadu Civil Supplies Corporation, Tamil Nadu Text Book and Education Services Corporation, Aavin, Tamil Nadu State Marketing Corporation, Sugar Mills, Fertilizer Companies, TANFED, ITC, TNPL, NAFED, private traders and farmers.

The Tamil Nadu Warehousing Corporation maintained an approximate average of 73% occupancy. During the Financial Year 2019-2020 the occupancy position as on 31.01.2020 is 80%.

## 5.6 Warehouse Users and Rebates in Storage Charges

Tamil Nadu Warehousing Corporation extends the following rebates to Government

departments, Public Sector Undertakings and farmers on the standard tariff:

SI. No.	Warehouse User	Commodity	Rebate in percentage
1	Farmers	Food grains	30
2	Tamil Nadu Civil Supplies Corporation	Food grains	30
3	Tamil Nadu Text Book and Education Services Corporation	Note books & Text books	25
4	Revenue Department	Electronic Voting Machines	20
5	Co-operative Sugar Mills	Sugar	20
6	Aavin	Dairy products	20
7	Public Sector Fertilizer manufacturing companies like MFL, IFFCO, FACT and KRIBHCO	Fertilizer	10

8	Co-optex/ Co-operative Societies/TANFED/ NAFED etc.,	Dhoties / Sarees & Agricultural commodities like copra, maize etc.,	10
9	TASMAC	IMFL	10
10	TNPL	Paper products	30
11	Food Corporation of India	Storage charges fixed by the Central Government are adopted	

# 5.7 Action Taken to improve the Storage Capacity

The following new godown was constructed during the year 2019–2020 by Tamil Nadu Warehousing Corporation from its own fund.

SI. No.	Name of the Location	No. of Godowns	Capacity (in mts)	Estimated cost (in Rs.)
1	Chinnathambipalayam Village, Thiruchengodu Taluk Namakal District.	1 (New)	3500	5.27

### 5.8 Initiatives to improve storage conditions:

### 5.8.1 Pest control activities

- (a) In order to maintain the stocks in scientific manner and also in pest free condition, prophylactic treatment were given by spraying and also by fumigation of stocks.
- The Corporation is providing (b) control services (including anti termite control for pre construction and post construction of buildings) to Government Departments, Government Undertaking Corporations and Co-operative Banks etc., During the year 2019-2020, it is expected that the Corporation is expected to earn revenue of Rs 80.00 lakh from such activities.

### **5.8.2 Training to staff**

Every year the field staffs have been given suitable training at Indian Grain Storage Management & Research Institute (IGMRI), Hyderabad on the usage of Chemicals and application of different methods of quality control in order to avoid storage loss on agricultural products.

#### 5.9 Financial Performance

The Financial performance of the Corporation for the last 3 years is given below:

Description	2017-2018	2018-2019	2019-2020 (Tentative)	
	(Rs.in Crore)			
Paid up Share capital (50% each of State Govt. and CWC)	7.61	7.61	7.61	
Gross income	69.55	69.38	73.20	
Expenditure	46.58	45.42	48.73	
Profit before Tax	22.97	23.96	24.47	

#### 5.10 Dividend

Tamil Nadu Warehousing Corporation has Paid 30% Dividend on Net Profit of Rs.17.52 Crore amounting to Rs.5.25 Crore to the shareholders on 22-01-2020 for the year 2018-2019.

# **5.1 Credit Facilities through Negotiable Warehouse Receipts**

Tamil Nadu Warehousing Corporation has taken action to register all the Warehouses under "Warehousing Development and Regulation Act, 2007". Now action is being taken to issue Negotiable Warehouse receipt in electronic form through on-line. The Warehouse user can easily pledge or transfer the goods as per their needs. They can easily avail Bank loan by pledging this e-negotiable warehouse receipts. They can sell by this facility. their stocks on-line The farmers/depositors are availing Bank loan of 60% to 80% on the value of stock deposited at the Warehouses of Tamil Nadu Warehousing Corporation, from the Nationalised and Scheduled Banks by pledging Negotiable Warehouse Receipts (NWR). In the year 2019-2020, 99 Negotiable Warehouse Receipts were issued and a loan to the tune of Rs 1.46 Crore was availed.

### 5.12 Corporate Social Responsibilities (CSR) Activities

In Order to undertake the CSR activities during the year 2019-2020, a sum of Rs.25.00 lakh was allocated from the profit, one beneficiary was identified (Viz., Human Uplifts Trust, Perambalur) and a sum of Rs.9.00 lakh was sanctioned to the Trust. The identification of other beneficiaries are under process and it will be completed very soon.

### Chapter - 6

#### **ENFORCEMENT**

### 6.1 Introduction

The Civil Supplies CID enforces the two Acts, viz. (i) The Essential Commodities Act, 1955 (EC Act) and (ii) The Prevention of Black Marketing and Maintenance of Supplies of Essential Commodities Act, 1980 (PBM Act) and various control orders issued by the Government of India and Government of Tamil Nadu under the above Act. The EC Act deals with arrest, seizure, confiscation, trial etc. and in short, it deals with the investigation and trial process. The PBM Act deals with the preventive detention of notorious smugglers booked under the EC act, for a period of 6 months.

### 6.2 Civil Supplies CID, Organisational Setup and Functions

The Civil Supplies CID is functioning under the head of Director General of Police, two Superintendents of Police, one each at Chennai and Madurai Region and four Deputy Superintendents of Police at Chennai, Coimbatore, Trichy and Madurai Sub-division for supervising over 33 Civil Supplies CID Units. 22 Units are headed by Inspectors of Police and 11 units by Sub-Inspectors of Police. In addition, 2 Inspectors of Police are functioning at the headquarters to handle the Administration Intelligence and sections. In addition to these, five Special Patrol Teams for the border districts i.e. Kanniyakumari, Coimbatore, Tirunelveli, Krishnagiri and Vellore districts are functioning.

### 6.3 Achievements of the Civil Supplies CID during 2019

During the year 2019 and upto January 31, 2020 6,947 cases were registered by the Civil Supplies CID. The following essential commodities have been seized by Civil Supplies CID.

- 1) 17,640 Quintals of PDS Rice worth Rs.4,95,67,163.60.
- 2) 13,233 Litres of PDS Kerosene worth Rs.1,98,495.
- 3) 661 LPG Cylinder worth Rs. 5,94,900.

The total seizure value of the commodities is Rs. 5,34,16,925.60 and 4,870 accused were arrested. 1,339 vehicles were seized.

All top-notch smugglers of Tamil Nadu and Southern States have been totally put out of action.

## **6.4 Detention Under Prevention of Black Marketing ACT**

During the year 2019 and upto January 31, 2020, 29 notorious smugglers were detained under the Prevention of Black Marketing and Maintenance of Supplies of Essential Commodities Act, 1980 (PBM Act) and lodged in the prison.

### **6.5 Social Network Analysis**

Social Network Analysis (SNA) is the process of investigating social structures through the use of networks and graph theory. In law enforcement it characterizes the analysis of phone numbers used by the criminals and their family, place of residence/hideouts, accomplices, gang members and their contacts, vehicles used by criminals/ accomplices, maintaining a record and updating it from time to time.

### **CONCLUSION**

The Food and Consumer Protection Department continuously strives to ensure food security to all in Tamil Nadu. The Government have taken steps to streamline the delivery system to ensure timely delivery of essential food items. The extensive network of PDS shops are functioning to ensure that interests of poor and downtrodden are safeguarded. Government will continue to take necessary steps to ensure food security to all and to keep prices of essential commodities under check.

The Government recognizes the importance of protection of consumer rights. Besides creation of a robust infrastructure for consumer grievance redressal, steps have been taken to make people aware of their rights and duties as consumers.

R. KAMARAJ

Minister for Food and

Civil Supplies