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Analysis of the New Six Monthly Distribution Strategy for Food Grains: A Study of Public Distribution System of Indian Punjab

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Analysis of the New Six Monthly Distribution Strategy for Food Grains:
A Study of Public Distribution System of Indian Punjab

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Need: The Indian state of Punjab has introduced a new supply chain strategy to manage the inefficiencies of the Public Distribution System (PDS) for food grains called the ‘advance six monthly distribution’. This system has enabled value stream reforms by overhauling the existing method of procurement and distribution of food grains. The stakeholders of the system such as the farmers (producers), government (buyers, logistics), fair price shops (sellers), and beneficiaries (end customers) have been affected differently by the reforms. The goal of this project is to identify the impact of the reforms on the key stakeholders and analyze factors affecting the adoption of new policy among the beneficiaries.

Overview: PDS is the largest food security program of India in which the food grains are provided to less privileged population on a subsidized price on a monthly basis. With the new policy in Punjab, the grain entitlement is distributed on a six monthly basis against the monthly system to the beneficiaries under the direct supervision of food inspectors instead of fair price shops. While the state claims to provide better quality/quantity of grains with significant cost savings, the beneficiaries feel that the logistic cost has been transferred to them. This study presents results from a qualitative analysis of the exploratory research conducted with key stakeholders during field visit to Punjab. Future research would reveal the factors and the extent to which these factors affect the adoption of the new policy among the beneficiaries.

Major Points:
- Introduction to value stream of PDS and its evolution in Indian Punjab
- Discuss the new six monthly distribution policy, describe its need and importance
- Identify the key stakeholders, their interests and impact from the reforms
- Identify and analyze the factors affecting the adoption of new policy among the beneficiaries

Summary: The audience will get an insight into the value stream of PDS for food grains in Indian Punjab, the key stakeholders of the system, and the impact of the new policy on these stakeholders. Furthermore the factors affecting the adoption of the new policy among the beneficiaries will be discussed.