

Executive Summary

An Empirical Study of Public Distribution System and Problems of FPS owners in Gondia District (2007-2012)

Chapter I

Chapter I covers all basic information about PDS in India. It covers historical background and reasons behind the implantation of the PDS in India and changes made by the government in the implementation of the PDS. Chapter also includes objective of the study, objective and proper research methodology. The concept of food security has been evolving over the last few decades with academicians, policy makers and NGO activists contributing substantially to the debates on what constitutes food security, determinants of food security and how it can be ensured (assessed) at Global, National, State, Regional, Household and Individual levels. In other words we can define food insecurity, as the lack of access to enough food for a healthy, active life style or generally food security is equated with the absence of hunger. It is now increasingly appreciated that food security is primarily a matter of ensuring effective demand rather than a problem relating to food supply. It is, therefore, important that every household should either have capacity to produce adequate food for all the members or have purchasing power to acquire it. It has to be appreciated that a country may be food surplus but all its citizens may not be enjoying food security, as some may have no purchasing power.

The history behind introduction of the PDS in India is rooted in famines and food scarcities during the entire period of British colonial rule in India. The Public Distribution System in India is 68 years old as rationing was first introduced in 1939 in Bombay by the British Government as a measure to ensure equitable distribution of food grains to the urban consumers in the face of rising prices and later extended it to six cities and regions. The government initiated, in consultation with the State Governments and the Union Territory (UT) administrations, steps to revamp the PDS to improve its reach based on the area approach (GOI, 1991-92, part II, P. 53). In this respect the Essential Supplies Programme gave way to Revamped Public Distribution

System (RPDS) in June 1992. The Targeted Public Distribution System (TPDS) was introduced w.e.f. June 1, 1997. This also coincided with the celebration of completion of fifty years of India's independence. The importance of an effective mechanism that ensures availability of food at affordable prices at household level for the poor can hardly be over emphasised.

Chapter II

Chapter II is Review of Literature and it covers some important and related studies on the topic.

Chapter III

This chapter covers basic and important information, basic infrastructural facilities available in Gondia district.

Chapter IV

Present chapter is based on the secondary data it covers the discussion about the performance of Public Distribution System in India, Maharashtra and different Tahsils of Gondia district.

Chapter V

This important chapter is based on field study of Gondia district. For the purpose of the present study a sample of 390 ration card holders registered with 39 FPSs from 8 different tahsils were selected by using the random sampling technique. Two villages from each tahsil of the district were selected. 3 cardholders from Below Poverty Line (BPL), 3 from Above Poverty Line (APL), 2 from Antyodaya Anna Yojana (AAY) and 2 from Annapurna were selected. Interviews were conducted by using pre-structured schedule. The present chapter deals with the functioning of Public Distribution System in Gondia District and explains the functioning of PDS from the angle of consumers on PDS and its impact on consumers' welfare. Problems of FPS owners are also discussed in this chapter. This chapter is divided in to two sections. The family details of the cardholders are presented in Section I and section II is devoted to assess the viability of the FPSs.

Chapter VI

Last, VI Chapter gives the major findings, suggestions and policy implications based on the study. Present study is restricted to Gondia district only. Total 390 samples of beneficiaries from the different areas of the district are collected through pre-structured scheduled. On the basis of the collected primary data some important findings are given below

There is a gap between average requirement of food-grains of households and distributed food-grain items from FPS in the district. All the households have higher requirement, per month for all items i.e. rice, wheat, sugar and kerosene. Requirement of the households were doubled in the district. The present research work has clearly indicated that the off-take of sugar from the FPS has completely stopped. All the respondents have showed different interest in purchasing items from FPS. Only Rice, wheat and kerosene have been purchased regularly but as per the respondents requirement sugar is not supplied to them.

There are many reasons for non-regular purchase of rice and wheat. Some of them are - i) non- distribution or irregular distribution, ii) poor quality of items, iii) non-availability of information, iv) lack of purchasing power at a point of time, v) shop remain closed, vi) non-allotment of PDS items to APL households etc. These reasons showed poor functioning of PDS network for wheat and rice in the district.

Wrong distribution of PDS cards is also found a major problem in the district. Many income poor families have not been distributed cards. Some Below Poverty Line families have yellow cards, which are meant for Above Poverty Line families. Non-poor families have white cards, which are meant for those people who are not able to get any subsidies food from FPS.

Households in the sample were not aware of PDS working. The households even in the urban areas have not confirmed the actual price of rice and wheat.

It is also found that most of the households are not aware about this information. Most of the FPS owners have displayed only one board in the Fair Price Shop mentioning name and registration number.

Most of the households have expressed satisfaction for FPS owners. Some of the respondents told that the FPS owners follow scheduled time only in operating the

shops rather than distributing the food-grains and other commodities. Most of the FPS owners have expressed satisfaction with the cardholders. There are minor differences relating to satisfaction about the working of FPSs according to time period. Some of the FPS owners agreed that they have been allotted less quotas. Hence, it is very difficult for them to distribute full quota to the cardholders. FPS owners are getting less commission from the distribution of limited quotas. So it is very difficult for them to manage direct and indirect costs of operating the Fair Price Shop.

Most of the PDS cardholders are from Labour class. It is very difficult for them to purchase ration from PDS. Therefore, there is a need to universalize the entire PDS system. So the cardholder be allowed to purchase their PDS quota from Fair Price Shop as per their convenient time.



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