



AN EMPERICAL STUDY ON THE FUNCTIONING OF PUBLIC DISTRIBUTION SYSTEM WITH A SPECIAL REFERENCE TO KURNOOL DISTRICT IN ANDHRA PRADESH

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ABSTRACT

India's Public Distribution System(PDS) seeks to provide a food safety net to poor and vulnerable people living below the poverty line. The coverage and entitlement of food grains in PDS have evolved over time. In 1997, a Targeted Public Distribution System(TPDS) was launched, replacing the nearly universal public distribution system. The TPDS sells major food grains, mainly rice and wheat from Fair Price Shops at significantly lower prices than the market. Different states have adopted different reform measures to strengthen TPDS functioning. Though the TPDS serves more than 65 million of the poor families, it has not been free from criticism. The TPDS has been criticized for poor identification of the targeted beneficiaries and for inefficient delivery and leakages. This Research paper throws enough light on the satisfaction levels of the end users or major stake holders of the TPDS viz., the citizens.

Keywords: Public Distribution System, Targeted Public Distribution System, Stake Holders, Lower Prices, Functioning.

Introduction to Public Distribution System in India

Post-independence Indian agriculture followed the Bengal Famine of 1943 and food scarcity during the Second World War (1939-45). By 1944, an official government report conservatively estimated that one and a half million lives had been lost by the 1943 famine. The consequence had a deep root. In 1943, Churchill ordered the Indians and the thousands of British military in India to live off their own stocks when Japanese conquest of Burma had cut off a main outside source of rice for Bengal and all of India. But, despite all this, the colonial government allowed rice to flow out of Bengal' (Lappe and Collins, 1977, p. 69). Public intervention in Indian agriculture was in fact connected with food scarcity. By 1947, about 54 million people in urban India were covered by statutory rationing and an additional 19 million by other forms of public distribution (Dantwala, 1993, p. 182). During post-independence period, agriculture came to depend first on extension of net sown area and irrigation coverage at least up to the emergence of Green Revolution. Technology came to determine the fate of Indian agriculture after 1980s. Concentrated in a 'few high potential region' the high-technology-led new agricultural strategy paid off. Before the mid-1960s, the food security system in India was in an embryonic stage. Government policies and measures then aimed at solving localized scarcity in the face of crop failure, famine, drought etc., 'Until the mid-sixties access to concessional imports of foodgrains (mainly wheat) was available under US Public Law 480. Further, the domestic price of wheat was considerably higher than the landed cost of imports. It is not surprising that the government as the sole legal importer of foodgrains, used imports as a major source of supply for the public distribution system. Indeed, until the late sixties, imports constituted over 60 per cent of the grains distributed during thirteen of the seventeen years, 1951 to 1967. The situation changed radically with the phenomenal growth in wheat output associated with Green Revolution.

Statement of the Problem

After doing rigorous literature review, it is found that there are many studies on public distribution system (PDS) in India and in A.P., but there are a few studies with special reference to citizen satisfaction under PDS. Hence, an attempt has been made to do an in depth study on various aspects relating to consumer satisfaction under PDS.

Objectives of the Study

- 1) To study the functioning of PDS in Andhra Pradesh.
- 2) To present summary of findings and conclusions.

Significance of the study

The study assumes significance as it deals with the functioning of PDS in India which aims at ensuring food security to the BPL population. The study assumes significance as it creates a kind of awareness among the stakeholders i.e. both BPL beneficiaries and the FPS dealers as the study reminds as to their roles and responsibilities in discharging qualitative services to the targeted BPL population in the country.

The study becomes all the more important because it creates awareness on their rights as consumers to get quality services. The findings and suggestions of the study would be an eye opener for the government machinery as to understand the existing gaps in the delivery system.

The study assumes importance against the fact that production does not guarantee consumption. The mere presence of food in the economy does not entitle a person to consumer. The study cautions the district authorities about the follies in the functioning of FPSs so that apt steps can be initiated to improve the consumer satisfaction by gearing up the service attitude of the ration dealers.

Methodology

The empirical base of the study rests on the data collected from both primary and secondary sources. The primary data was collected from the beneficiaries of PDS, purposefully selected for the study. Well-structured schedule was prepared to study the consumer beneficiaries satisfaction, and they were administered to extract their problems, reactions and attitudes to the system of distribution. Personal visits were made to the selected villages to make on the spot study of various socio-economic conditions of the households/ consumers/ beneficiaries.

Sample Universe

The sample universe for the study consists, households who are eligible to buy rations from public distribution and to whom photo identity household supply cards have been issued and fair price shops. As such in Kurnool district there were ration cards and fair price shops, which constitute the universe. As against them 1100 households were selected representing a sample of percent of universe.

Sample design

For the present study, a three-stage stratified random sampling method was employed in selecting the (i) mandals (2) villages and (3) beneficiary households. There are 54 mandals in Kurnool district, of which only 18 mandals were selected for the purpose of the study. Those sampled mandals account for 33.33 per cent of total mandals. In the first state, there are 3 revenue

divisions, 18 mandals were selected from the district. In the second stage, from each mandal 2 villages and urban areas 2 wards were systematically selected. In the third stage, households were selected. In order to meet the requirements of the study. The 1100 beneficiary/households were selected both from villages and urban. For random sampling purpose, two villages from each mandal and 2 wards from urban areas were selected on population proportion. Thus, in all 36 villages were selected from 18 mandals. A lot of care was taken to identify the villages, wards areas, and respondents to be representative in character as per the convenience sampling method.

Tool used

Based on the objectives of the study to be achieved, appropriate statistical tools were used to classify and tabulate the collected data and information to bring out a systematic analysis.

Review of literature

The problem of scarcity of food, inflation and equitable distribution of essential goods has been receiving the attention of the researchers in recent years. As such, there have been several studies on distribution of essential goods by the Government through the mechanism of fair price shops. These works provide a mine of information and form the ground work for the present work. However, the overview of pertinent literature on the subject reveals the following:

Gregory, T.N (1943) recommended suitable measures for securing, during war, maximum supply, equitable distribution and proper control of prices of food grains. Bhargava, R.N., (1946) highlighted various difficulties of rationing in the socio-economic context of India and emphasized the importance of publicity and propaganda in the success of rationing scheme. Food grains Procurement Committee (1950) observed the absence of a coordinated and consistent distribution system in the earlier years of post-independent era and the existence of contradictions like the prevalence of control over food grain prices and no control over other agricultural commodities. Food grains Enquiry Committee (1957) in its report emphasized the continuation of the fair price shop scheme and suggested the need to build up buffer stocks through compulsory procurement. Arjun Sen Gupta, (1959) examined on rationing of Food grains in Urban Areas and analysed aspects like pressure of demand, problem of procurement and institutional and social pressures.

Table 1.1 Opinion on FPSs owners adhering rules and regulations

Opinion	Category			Total
	White card	AAY card	AP card	
Yes	528 (75.43)	292 (97.33)	44 (44.00)	864 (78.55)
No	172 (24.57)	08 (02.67)	56 (56.00)	236 (21.45)
Total	700 (100)	300 (100)	100 (100)	1100 (100)

Source: Field survey

The opinion of the sample households on their dealers following the rules and regulations in presented in the table 1.1.

It is evident from the above table majority i.e. 78.6 per cent of the respondent– ration beneficiaries expressed satisfaction about the adhering of rules by the FP shop owner. However, 21.45 per cent of them expressed that FP shops did not follow the rules.

Table 1.2 Opinion on whether ration cards returned of the households

Opinion	Category			Total
	White card	AAY card	AP card	
Yes	682 (97.43)	294 (98.00)	94 (94.00)	1070 (97.27)
No	18 (02.57)	06 (02.00)	06 (06.00)	30 (02.72)
Total	700 (100)	300 (100)	100 (100)	1100 (100)

Source: Field survey

Table 1.2 shows the opinion of households on the matter of return of ration card to the households after delivering commodities.97.3 per cent of the sample respondents gave a positive response about their respective dealers in the matter of prompt returning of ration card and the remaining respondents (2.7 per cent) complained about the not-returning of such cards.

Table 1.3: Details of consumer rights to check the samples of FPS dealers

Opinion	Category			Total
	White card	AAY card	AP card	
Yes	407 (58.14)	161 (53.70)	41 (41.00)	609 (55.36)
No	293 (41.85)	139 (46.30)	59 (59.00)	491 (44.63)
Total	700 (100)	300 (100)	100 (100)	1100 (100)

Source: Field survey

The table above 1.3 shows that the opinion of households on the consumer rights to check the samples of FPS dealers. Out of 1100 sample respondents, 609 give positive response about their dealer on the rights for to check of sample by the beneficiary and remaining 491 respondents there is no such checks the sample in their respective ration shops in Kurnool district.

Table 1.4 Opinion of consumer signing the Register after taking commodities

Opinion	Category			Total
	White card	AAY card	AP card	
Yes	623 (89.00)	287 (95.70)	41 (41.00)	951 (86.45)
No	77 (11.00)	13 (04.30)	59 (59.00)	149 (13.54)
Total	700 (100)	300 (100)	100 (100)	1100 (100)

Source: Field survey

It is evident that majority of the ration-shop beneficiaries are asked to sign in the register soon after delivery of the goods. Only 13.5 per cent of them stated that they never either signed

or asked to sign in the delivery registers. This is also because of illiteracy and old age factors. Some are asked to put thumb impressions instead.

Table 1.5 Frequency of visits to general stores by the respondents other than ration shops

Day	Category			Total
	White card	AAY card	AP Card	
Every day	109 (15.60)	50 (16.70)	08 (08.00)	167 (15.18)
Weekly Once	269 (38.40)	170 (56.70)	35 (35.00)	474 (43.09)
10 days	248 (35.40)	40 (13.30)	25 (25.00)	313 (28.45)
20 days	68 (09.70)	35 (11.70)	27 (27.00)	130 (11.81)
Not at all	06 (0.90)	05 (01.70)	05 (05.00)	16 (01.45)
Total	700 (100)	300 (100)	100 (100)	1100 (100)

Source: Field survey

Table 1.5 reveals the frequency of visit of households to general stores other than ration shops in Kurnool district. Almost every respondent in the study visited the general stores for purchase of various items besides availing the services of ration shops. It is evident that 43 per cent of them visit general stores once in a week, 28.5 per cent visit once in 10 days, 11.8 per cent visit once in 20 days where as 15.2 per cent visit general stores everyday and do purchases and also purchase similar items as available to them in regular ration shops. Government can think of providing such other items in the ration shops itself to enhance turnover and accessibility to purchase various other needed items.

Finding of the Study

The functions of the department are procurement, distribution, enforcement and implementation of regulations, order etc. it is need by the commissioner of civil supplies. Andhra Pradesh state essential commodities corporation was established in 1981 and subsequently liquidated and its activates were merged with civil supplies corporation. Buffer stock is being

maintained by the government with a view to establish equilibrium between demand and supply by procuring in a year of high or bumper production, for consumption in a period of low production. It assures an uninterrupted and smooth supply of rations to the PDS. The trend of progress in closing stock of food grain with the central and state government.

In the distribution mechanism mandal level stock points have been set up throughout the state at Mandal level in order to ensure that, stocks are available to FPSS without delay. These MLSPs are operating under the jurisdiction of APSCSC and GCC. Thus there are 443 stock points in the state covering 1104 mandals in the entire state.

PDS has been operationalised through FPSs which constitute the main plans of the existing distribution network as observed in the study the coverage of this network has been expanding steadily during the last ten years or so. The number of FPSs increased over the years.

In the state there is a separate vigilance cell headed by deputy inspector general of police. The functions of the cell are collection of market intelligence enforcement of controls, enquiry, liaison and to conduct raids on the shops to check smuggling of commodities.

Both the central and the state government have been sharing the responsibility to support PDS. A number of central and state agencies are involved in its operation. There is an allotment of ration quota from the central pool which is ultimately handed over to the FPSs all over the state by the state government which lifts the commodities from central godowns. For the purpose of procurement and fixation of price, rice qualities have been classified as common, fine and superfine. The FCI has been procuring rice by adopting the methods like support price operations, levy on mills and traders and open market operations.

Revamped P.D. System has been introduced under which poverty elimination is the base line. Under RPDs consumers in identified areas are supplied food-grains at cheaper rate compared to PDS areas. The object of price differentials between PDS and RPDS is to overcome the problems of purchasing power of the poor. The end consumer prices either in PDS or RPDS for various commodities are relatively low compared to open market prices. To mention the end consumer price of rice is Rs. 2kg, wheat Rs. 3.90 in identified areas and Rs. 4.45 kg. in other areas, sugar Rs. 9.05 kg, palmolein oil Rs. 28 kg, and Kerosene oil between

Conclusion

The study has been concentrated on the public distribution system in Andhra Pradesh with reference to Kurnool district. The study considered PDS as it is organized in the state where every family is entitled to get a ration card to buy provisions and certain weaker sections eligible for rice at highly subsidized price. The study concluded that majority of the beneficiaries are complaint to the higher officials like Tahasildar on their dealers because that the Tahasildar is available and near to their living villages in Kurnool district since the functioning is not to the expected level of the end users or citizens.

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