Chapter -II

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A number of studies have been conducted to evaluate the role and performance of PDS. There are many agencies which undertake the job of PDS. In the following discussion, an attempt has been made to review the studies conducted by different committees, organisations and scholars.

Singh, (1972) stated that the Essential Commodities Act, 1955, empowers the Central Government to regulate or prohibit production, supply and distribution of trade and commerce in essential commodities mentioned under the Act with a view to maintaining or increasing supplies of any essential commodity or for securing their equitable distribution and availability at fair prices. A number of commodities have been mentioned as essential but the Government can add any commodity to the list. It may be pointed out that the Central Government has used these powers and the fixation of price has been challenged in the courts. In same cases the price was upheld while in some other it was struck down. Sometime back the Government of India asked the states to take fresh measures to strengthen the PDS especially aimed at protecting the vulnerable sections of the public. States were requested to open fair price shops in rural and inaccessible areas, where this was not possibles they were asked to release the stocks of grains from Government stocks through the weekly markets. The centre had also suggested to the states to consider the
expansion of the scope of Consumer Co-operative Societies and Super Bazars for supplying grains and other essential commodities at fair prices. State Governments were told to review periodically the requirements of public distribution and increase their coverage of areas.

Shinde,(1973) observed that today the consumer co-operatives are charged with greater responsibilities in the PDS than ever before and they are expected to play a still more effective role in the future. It is necessary to have reliable and socially motivated machinery for distribution of essential commodities and articles of mass consumption. Co-operatives are the most suitable agency to undertake this task so as to safeguard both the interest of producers and consumers. While government would like to involve consumer co-operatives more and more in the PDS, it is essential that Consumer Co-operatives should play their part effectively by raising the standards of efficiency in management and services. With regard to the need for providing expert technical advice and guidance to Consumers Co-operatives in all fields of business and operational activities, the Government of India have assisted the National Co-operative Consumers Federation (NCCF) to set up a Consultancy and Promotional Cell by specialists. He further stated that the training and education of managerial and key personnel as also the training of salesmen needs much greater attention. It must be realised that management of Consumer Co-operative Institutions requires a degree of technical skill which can only be secured through specialised training and job experience.
Das, (1974)\(^3\) inferred in his findings that, citing the example of Assam as giving a lead to the whole of India, we have taken over the rice trade, while eliminating wholesale traders in rice and foodgrain trade. We are distributing rice and other essential commodities through co-operatives. To bring down the prices of essential commodities, he emphasized the need for strengthening the PDS. Procurement and distribution should be done through co-operatives and co-operatives alone and the private traders both at the procurement and distribution points should be eliminated.

The study further pin-points that due to inadequate supply or lack of supply of essential commodities to Assam, the distribution of essential commodities through co-operatives has suffered a setback. Perhaps, there is only one way to do it, all consumer goods industries should be nationalised.

The entire distribution system must be channeled through peoples' co-operatives. Then only we will be able to ensure the supply of essential commodities to the people at reasonable or fair prices. Otherwise, if we leave the production and distribution in the hands of capitalists, this price-rise will go and up and up there will be a variable revolution in the country, which we would not be able to face with all the forces at our command. Therefore, to bring down the prices, we must nationalize all consumer goods industries, particularly of essential commodities and strengthen the distribution system through peoples' co-operatives. The Central Government must ensure the supply of essential commodities and also the distribution of essential commodities.
Rao (1975) viewed that under the Scheme formulated in 1971, distribution of 'People's cloth' was entrusted largely to private traders while co-operatives were allotted some quantities. Following the decision, Co-operatives took over distribution of controlled clothes from 1st November 1972, allowing practically no lag. The infrastructure was soon expanded and by 30th June, 1974, controlled cloth was being distributed through 18,646 retail outlets, out of which 15,393 were rural and 3,253 urban outlets. According to available information by 31st March, 1975, the number of retail outlets, both urban and rural, has increased to 6946 and 21,089 respectively. The rural outlets are reported to have distributed 69.1 percent of the cloth while the urban outlets handed 31.9 percent during the year 1974-75. The State Governments have enforced quantitative and income ceilings to suit the conditions in their respective areas in the matter of sale of controlled cloth to consumers. A few state governments have taken a commendable step to restrict the sale of controlled cloth to people or families having a specific income level. This has a benefit of ensuring that the cloth is available to people for whom it is meant. It is found that there were 28,035 retail outlets for distribution of controlled cloth of which 6,946 were in urban areas and 21,089 in rural areas. The value of controlled cloth distributed in urban areas was Rs. 30.23 crores, while the value of controlled cloth distributed in rural areas was Rs. 81.78 crores during the period from 1.4.1975 to 31.3.1975.

Gupta, (1975) conducted the study on reflections on tribal development and observed that the benefit should be given to the people for whom the plans are meant and care is taken that they are not snatched away by
other powerful sections and secondly, the beneficiaries should not be ultimately deprived of their earnings and other vulnerable sections of the community and the lowest income groups including agricultural labourers are also taken care of. He suggested for taking steps for preventing controlled cloth passing into unauthorised hands.

Bahl, (1976)\(^6\) inferred in his study that the institution of consumer co-operatives is one of the important accepted media to provide a natural and strong remedy against all such exploitation and malpractices. They are expected to sell goods at fair and reasonable prices, maintain purity and quality of goods, correct weighment and set a standard of honest dealing. The Consumer Co-operatives are primarily concerned with the aspect of the Economic Programme, and as such, the Government wants to involve them in PDS effectively. Therefore, what is needed at present is a through research to examine the reasons for their not bring popular among the masses and come up in competition with the private entrepreneurs. After purposeful study, ways and means have to be devised to bring the consumer co-operative movement to the expected status where they can compete with the private traders and create an impact to check the rise in prices. Study further pinpoints that Consumer Co-operatives need to be organised area wise with complete homogeneity in the membership of the respective residents. There should be frequent meetings of general members to know their views about purchases, quality of goods, kinds of services rendered and what further improvements could be made. There should be greater involvement of ladies in the membership of the societies and management too, since they control the family budgets, so far as general
requirements of family are concerned. He further added that co-operative establishments should adopt a uniform pattern all over the city with specific colours, window dressings, decorations, uniformity in articles, prices, etc; so that they could give a look of model shop and may attract the attention of the general public. They should be a symbol of better services, fair dealings and other fair trade practices as expected of a consumer co-operative store.

Jain, (1977)\(^7\) advocated that in India where the population is spread over more than 5 lakh villages, regular supply of essential commodities to masses is not an easy task. The low purchasing power of the people leading to frequent buying and a steep rise in the prices of various commodities, especially the food stuffs, has clearly demonstrated the need for the formulation of a comprehensive PDS. At present, there are many agencies engaged in the distribution of essential commodities viz the Food Corporation of India (FCI), Civil Supplies Corporation, co-operative Institutions and private trade. It is further observed that the co-operatives have lately geared themselves to serve the vast masses of consumers both rural and urban. The network of consumer co-operatives in urban areas comprises more than 20,000 retail outlets with a turnover exceeding Rs. 600 crores.

The sale of consumer goods in rural areas by more than 55000 co-operative societies is estimated at Rs.450 crores. The National Co-operative Consumers' Federation has embarked upon an ambitious project for making available some essential commodities especially 'tea' and 'dals' to the consumers at very reasonable prices. Similarly, the National Agricultural Co-operative
Marketing Federation (NACMF) has also taken the responsibility by providing vegetables and 'dals' to the consumers through fair price shops and other channels.

It is further observed that in PDS the co-operatives can play an exceedingly important role and the Government will be well advised to rely on their potential to reach the consumer in the remotest areas. It is only the co-operatives which can help to build up an effective and permanent distribution system.

Nadwani, (1977) argued that a fertilizer is the kingpin of agriculture and an expensive input. Co-operatives have taken up this challenge by assuring a significant role in the distribution of not only fertilizers, but other agricultural inputs like seeds, pesticides and agricultural machinery. The distribution of fertilizers through co-operatives in different states over the past two decades are the result of many factors. An institutional agency in which the beneficiaries are partners and which is motivated towards service to the farmers rather than towards personal gains, is considered the best agency for distribution of fertilizers. The organisational structure for marketing of fertilisers in the co-operative sector varies from state to state depending upon the co-operative marketing structure that has been created in the state for undertaking not only the distribution of fertilisers but for undertaking other activities like marketing of agricultural produce, procurement of foodgrains, etc. The agricultural structure for marketing of fertilisers by co-operatives in different states is constantly under review with reference to local conditions.
Dantwala,(1977) argued that PDS is being operated through co-operatives, individuals, panchayats and government fair price shops. The overall responsibility of procurement and distribution of commodities is assigned to FCI for wheat, rice and sugar, to the Indian Oil Corporation for the kerosene and the Coal India Ltd for soft coke. The items are being procured by the State Essential Commodities Co-operation (SECC). The range of commodities has been declared at all India level and State Civil Supplies Corporations are free to add more items they consider desirable.

Jukhlet, (IQTS) has conducted a review which states that the Co-Operatives have made significant progress in the distribution of agricultural inputs particularly fertilisers, seeds, pesticides, agricultural implements and machinery etc.

Saxena (1979) revealed that the objecting PDS is to ensure the supply of essential goods to the poor and vulnerable sections of the community, cover the functions of procurement, transportation, storage and distribution of essential articles like cereals, pulses, cooking oils, sugar, standard cloth, soaps, matches, essential drugs, paper etc. This is a scheme with a social objective, which attempts to reduce the overall cost and reaches maximum benefit and satisfaction to the public at large.

He further advocated that PDS in a developing economy should be a permanent structure and not a temporary phase like fire fighting operations in times of necessity. Under new rational co-operative policy resolution, the
services of consumer co-operatives have been extended to the households living in Jhugi Jhompri, slums and residential areas of scheduled castes and areas inhabited by the workers in the un-organised sector through establishing smaller outlets with the assortments of essential commodities of mass consumption. The distribution of essential commodities in rural areas is being carried out through service co-operatives under NCDC Programme.

Singh, (1979) observed that the PDS in India has now become a regular and essential feature of good management. The basic objective is that essential consumer article of daily use would be made available at reasonable price to the public, particularly the vulnerable sections of the society. This social objective can be achieved only if the Central and State Governments ensure availability of essential commodities and articles of mass consumption to the common man at reasonable prices.

Umre (1979) noticed in his study that since the village societies are at grass root level which have to serve the rural population with essential consumer articles, it was considered necessary to strengthen the capital base of these societies and also to help them to equip their retail outlets with necessary furniture and fixtures. It was also considered necessary that the service co-operatives be enabled to receive regular supply of essential articles at wholesale rates from the higher level organization which has more resources and necessary experience in the business techniques. With this object in view, the NCDC formulated a scheme for development of rural consumer programme for providing suitable financial assistance to co-operatives and launched it in
January, 1996. The scheme attempts to organize the rural consumer sector on systematic line. The whole programme has to be implemented on project lines. During 1978, the NCDC suggested to the State Governments to implement the scheme in an integrated manner so that compact areas like the whole district may be covered under this programme so that a package of services could be introduced and impact of the development assessed. The states of Tamil Nadu, Punjab and Rajasthan have welcomed the suggestion and drawn up district-wise programme to cover the entire state. Tamil Nadu Government has gone one step ahead. Their programme includes setting up one village one shop,

Dharia, (1979), advocated in his review that a satisfactory PDS would have to be an integral part of the Government's wages-income-prices policy. It is often experienced that adhoc system of Public distribution merely act as a palliative in times of shortages. These situations emphasize the imperative need for establishment of a permanent production-cum-distribution system where the state plays a dominant role in ensuring availability of selected essential articles to the common man at reasonable price maintaining a fair return to the producer and safeguarding the interest of the consumers. The Central and State Governments have, therefore, after considerable deliberation decided about the new scheme of production-cum-distribution, which is to be operative from 1st July, 1979. Further under the Product-cum Distribution Scheme, the top priority is given to increasing the production of both agricultural commodities and manufactured goods and thereby facilitating the availability of essential articles. In this regard, a commodity approach will be adopted so that factors impending
increased production in farms and factories are examined and a number of short and long term measures are taken to step up production as quickly as possible.

Singh, (1979) advocated that the entire Public-cum-Distribution Scheme will have to be viewed in the context of long term and short term solutions. In the long term, the entire areas whether it is North-west, calls for setting up of consumer industries as an ultimate solution to various problems of the regions. Consumer industries will have to be thoroughly planned and collaborations of various national organizations and State Federations will have to be ensured in large measure. The co-operative must rely on its own production units which would be able to meet the growing requirements of consumer items. Diversification is essential and until and unless the co-operatives have their own industrial units, they will not be in a position to effectively check the mechanization of private trade.

It is further noticed that the whole Crux of the scheme is to benefit both the producer and consumer and eliminate the middlemen who are the real sharks and who thrive on the anti-social practices. The co-operative have to act not only as a shield for the weak but also ensure that by their own performance they create such a climate that poorer sections combine under the banner of co-operatives and thereby make the whole scheme a success. The hilly areas, where the problems are many and varied, should also work wholeheartedly to make the Public Production Cum-Distribution Scheme a success which would not only be in the interest of consumers in these states but also help the growth of co-operative spirit which is a part and parcel of the hilly
Farooq, (1979)\textsuperscript{16} pointed out that the PDS in Rajasthan has followed the national pattern. The basic structure of the PDS in the state comprises fair price shops and consumer co-operative stores to which a new dimension has been added by the rural consumer scheme of the National Co-operative Development Corporation, New Delhi and the recently introduced distribution scheme of Government of India. The promoter of a fair price shop whether an individual or co-operative society has to obtain authorization to start the shop from District Collector's office under the Rajasthan Foodgrains and other Essential Articles Regulation of Distribution Order 1976, and Dealership License for dealing in licensed commodity from the district supply officer under the relevant Licensing Order.

He further opined that in January 1976 National Co-Operative Development Corporation came to buttress the Co-Operative distribution of the consumer goods in rural areas with a scheme known as Rural consumer Scheme. The scheme aims at building up an effective and regular channel of supplies of consumer articles in rural areas. Under the scheme a number of Primary Service Societies or Primary Agricultural Co-Operative Credit Societies (PACS) are taken up on project basis for the development of the rural consumer programme. A project under the scheme consists of 20-25 societies which are linked up with primary marketing society or a District Whole Sale Co-operative Store (DWCS). The societies so linked up are called Link Societies and the Marketing Society or the wholesale store is known as Lead
Society. Lead Societies are responsible for arranging the supply of articles to be distributed through Link Societies.

Mukhopadhyay, (1979)\textsuperscript{17} analysed in his study that the PDS would cover about 50 million people living in the metropolitan cities and big towns. Extension of the Scheme to the drought prone areas and flood affected area is a must. Efforts need to be steadily made for covering the rural areas, increasing the consumer business through marketing societies and also helping the large number of village agriculture service societies to open fair price shops retail outlets. Optimum use of the existing infrastructure both in public and private sectors is another essential pre-condition for success of such a scheme. The existing machinery needs to be geared up strongly. The public sector naturally is expected to take a leadership role. Identification of people to be served, assessment of their total needs, maintaining demand function matched only by the supply function on a regional basis etc. are not an easy tasks. Measures are to be taken for price stabilization, buffer stocking and organising imports. He stressed that the normal channel of distribution has rightly been allowed to co-exist with the expanded PDS. The centre, according to the scheme, has shifted the responsibility to the states as to the procurement of commodities that are to be supplied through this system. It is already found that commodities like kerosene etc. are not supplied as per quotas fixed for the states. Again if the prices that are charged in the open market are simply reflected in fair price shops, the consumers would hardly derive any benefit except for getting the supply in time. If subsidy is called for, this would put further pressure on the States. Power, therefore, needs to be delegated to the
Bhattacharyya (1979) observed that the consumer co-operative societies should make every possible effort to reduce their cost of operation and for this purpose, rationalisation of the structure of the movement is absolutely necessary. Rationalisation should be affected by reducing the number of tiers as far as possible. At the lowest level the small retail units should be merged with wholesale societies; the number of societies should be drastically reduced while the units should become quite large. At the upper level, the activities of the NCCF should be confined exclusively to the promotion and development of the movement while the West Bengal State Federation should pursue the commercial and industrial activities. As a result of rationalisation, ultimately, for all practical purposes, there will be a two tier system of the movement which is likely to make them viable.

Kapoor, (1979) observed that the new controlled cloth scheme has thrown a challenge to the NCCF and to the various State Federation/Co-operatives with the result that our responsibility has increased manifold. With a view to making it a success, NCCF is making all efforts to see that payments are made regularly to the mills and flow of goods is maintained at a steady speed. It is expected that with the Co-operatives NCCF will be able to discharge its responsibilities of distributing controlled cloth to the weaker sections of the population throughout the country efficiently so that the public distribution of controlled cloth scheme becomes a success and the government's objective of supplying cheap and standard cloth to the weaker
sections of the society is fulfilled.

Mathew, (1979)\textsuperscript{20} Observed in his study that the government has encouraged the co-operatives to provide leadership to the consumer movement and also assisted them in procuring consumer goods at competitive rates and provided consultancy services through the NCCF for developing and diversifying their business. He further studied that these steps have been taken because a dependable distribution agency is an essential prerequisite for the success of the P.D.S.

Singh, (1979)\textsuperscript{21} revealed in his study that PDSs should have a local committee to supervise its working. He states that such committees if they have been formed are only on paper. He also found that co-operatives should be entrusted with the responsibility of handling Public Distribution.

Chopra, (1979)\textsuperscript{22} inferred in his study that FCI is actively engaged in supplying the food grains throughout the country to the PDS and again revealed that the PDS has never been allowed to have breakdown and that the FCI has been a key instrument in assuring the availability of foodgrains to the vulnerable sections at reasonable prices all around the country and all around the year.

Uma maheshwara, etal (1980)\textsuperscript{23} advocated that India is a vast country dominated by the agricultural sector. As such, the majority of the population lives in the rural areas and the markets in our country are therefore
The rural consumers have a little purchasing power due to the low investment and meager income generation system prevailing in the rural sector.

The study through this fact realised that there is a need to concentrate on the problems of the rural people and find solutions to uplift them. In this way the need to gear up the distributive machinery, the powerful tool to establish an egalitarian society is the need of the hour. At present, the normal trade channels, the co-operative societies and the PDS are the different agencies for distribution in our country. The objectives of the PDS is the equitable distribution of essential commodities at fair prices to fulfill the time, place and functional utilities. Unlike other systems, it has the social objective of making the commercial activity a productive development activity.

Mehta, (1980) argued that PDS prices regulation and subsidies to serve the right social and economic purpose must be limited to a very small number of really essential items. Priority must be given, in addition, to enlarging the coverage of these few items to vulnerable sections in all the towns and villages rather than to increasing the number of items under it for the benefit of only selectively chosen groups and areas. So far as items of elitist consumption are concerned, they must be left totally free from all price and distribution controls and neither the consumers nor the producers of these items must be allowed to lay claim to subsidy of any kind.

Agarwala, (1980) inferred in his study that the P.D.S. is sure
exercise an extremely deleterious influence on the efficiency of domestic production in the long run, in addition to eroding foreign exchange resources for development. The PDS can play a vital role when essential commodities are short. It is unfortunate that the goods supplied to fair price shops find their way in the black market with the result that they are seldom available at these shops. It is a hard fact that though sugar is allotted for rural areas it never reaches the rural people and is sold at black-market price in urban areas. The problem of bogus ration cards has further complicated matters because it builds artificial demand when supply continues to remain short. Bureaucracy has been found to be so corrupt that it can hardly be treated with the responsibility of distribution of scarce goods through fair price shops. It is true that we have succeeded in setting up a network of fair price shops throughout the country but these have become centers of corruption and give a bad name to the entire PDS on which we are depending to deliver the goods. The PDS can not be strengthened without assured supplies. The respect has been far from satisfactory. It has failed to supply the allotted quotas of levy sugar to the states as a result of which most of them have failed to arrange for its supply through fair price shops.

Kumar and Das, (1980) observed that the Government has fixed certain norms for the quantity to be distributed particularly in case of essential commodities. Certain Studies conducted in rural areas reveal the fact that the ration supplied by PDS was inadequate.
Chattopadhya (1982) revealed that essential commodities like grains and rice supplied through the PDS, in general, provide a contrast in different Quality sold in the market. Most of the times, deterioration in quality occurs during the period in which the grains remaines stored. Secondly deterioration in quality occurs due to infestation. Thirdly, careless handling, exposure and methods used in the course of distribution result into deterioration. In many cases, deterioration also takes place because of inadequate storage facilities, unscientific preservation techniques and reckless application of disinfection of agents like pests and rodents which leads to extensive damage to the grains in various ways.

Singh, (1982) observed that in India, urban areas which account for only 20 percent of population covered 68 percent of off take of foodgrains from PDS leaving only 32 percent for rural areas where 77 percent of the population reside of which about half is stated to be below the poverty line.

Bose (1983) advocated that the declaration of the 20 Point Economic Programme in 1975 aroused some hopes among the people particularly the weaker sections of the community. The first objective of the programme was related to the continuance of the steps to bring down the prices of essential commodities, streamlining production, procurement and distribution of essential commodities. It was envisaged that greater responsibility will be shouldered by the co-operatives which are in a better position to cater to the needs of the rural people.
He further stressed for the expansion of the PDS through more fair price shops including mobile shops in far flung areas and shops to cater to industrial workers, student's hostels and availability of text books and exercise books to students on a priority basis the promotion of a strong consumer protection movement.

Srinivas & Murthy, (1983) opined that a public distribution system is the whole or part of distribution system in principal owned and controlled by public authorities on behalf of the general public or specific group there of. It is not a system of distribution under public ownership as in the case of many socialistic countries, nor it is as independent system of consumer co-operatives of the type found in Scandinavion countries. PDS in India is a retailing system supervised and guided by the State.

Patel, (1983) found in his study that the different agencies have been set up in tribal areas to uplift the agriculture and further found that the tribals get the goods at reasonable prices. He also studied that card holders are satisfied with the prices at which essential commodities like rice, wheat sugar and palmolein oil sold through fair price shops.

Seshaiah et al (1984) highlighted that during the Second World War the severe scarcity of essential commodities like rice, wheat, kerosene and levy sugar etc. created many hardships to the people. Consequently the consumer co-operatives have emerged as an instrument to tackle the problems of price rise and scarcities by undertaking the job of distribution of the essential
commodities. Nevertheless, since the time of the war, shortage of consumer goods has become almost a permanent feature of the Indian market. The experience of the people with co-operative societies has always been far from happy. Inspite of the fact that the number of co-operative societies has doubled and the membership has increased by four-fold during plan era, it is always thought that the real beneficiaries under the Government Control and rationing through co-operatives were the Government officials and the business community. The various efforts have been made by the government including the strengthening of the co-operative movement but the PDS has proved to be ineffective because of the inefficient internal management of the co-operatives and PDS as well as the failure to have a nexus between production, procurement, transportation and distribution. That is, in case of both PDS and co-operatives the production of goods is undertaken by one agency, procurement is done by another and distribution by some other leading to cumulative defects. These defects are from the side of co-operatives and PDS. Further the second and the most important thing is the failure of the Government machinery to effectively control the private trader. The private trader could always circumvent the situation to the best of the advantage by corrupting the body politic and officialdom.

Azad, (1984) inferred that Government is alive to the problems of rural areas as three fourth of our population lives in villages and economic development of rural areas is basic to the development of our country. As many as 17 points of the new 20 point programme of our Prime Minister directly or indirectly are for the betterment of our rural areas.
The study adds that consumer co-operatives in rural areas are welcomed for taking up the work of distribution of consumer articles. But the co-operative shops are not able to satisfy even half of the needs of the consumers in rural areas. The need of the hour is that the consumer co-operatives in rural areas should suitably enlarge their assortments as these co-operatives have to meet a social obligation of providing quality goods at cheaper rates in the villages. This also gives them a sense of competition with the traders in the rural areas to improve their method of working to make their ventures economically sound.

Sharma, (1984)\(^34\) observed that the work of distribution of consumer articles in rural areas is being performed by agricultural/service co-operatives as it is not feasible to open exclusively consumer co-operative stores there due to obvious reasons. However efforts have been made from time to time to strengthen rural distribution system so as to provide consumer articles to rural population at reasonable price and in required quantity and quality.

Patil, (1984)\(^35\) revealed that PDS covers about 70 percent population. But still retailing is dominated by the private trade. One private retail outlet exists for every 45 families whereas one co-operative retail outlet covers 7000 families. Again in rural areas one co-operative outlet has to cover 1000 families.
Shankaraiah and Dass, (1985) concluded that none of the respondents were aware of the National Production-cum-Distribution scheme. A considerable percentage of respondents expressed that the ration was not supplied in time. Ration cards were not distributed in the villages.

The study further reveals that despite operational defects, majority of respondents had faith in PDS and they expressed that PDS will be a success. In the light of suggestions made by the government, government agencies, politicians, traders co-operative sector, consumers and all the other concerned with PDS should make a co-ordinated efforts to improve the performance of PDS in general, and in rural areas in particular. Operational defects in a massive programme of this nature which affects the hope of 7 million of poor masses should be rectified before it is too late.

Lal, (1985) found that the existing PDS is not delivering the goods and there have been many complaints regarding. The availability of essential articles to the people all over the district. It has therefore been decided to streamline the PDS and open well managed viable and well stocked shops of essential supplies at right focal points.

Kanwar, (1985) revealed that the State Government took a major decision and evolved a plan of action which also formed a part of the Sixth Plan of the State. The action plan envisaged an efficient and productive PDS. At the apex level, the State Government proposed to set up a State Civil Supplies corporation so that the procurement and buffer stocking of essential
commodities to be distributed under the PDS could be undertaken in a systematic and sustained manner. The civil supplies corporation would operate through the existing network of co-operative institutions at the intermediate and primary levels. At retail level, the PDS would operate through the existing co-operative societies only. Where, however, no co-operative institutions was available for retail sale, the corporation would set up retail depots. Thus a happy organisational blend of Co-operative and corporate institutions for organising an effective PDS was evolved.

Dogra, (1987)39 pinpointed the shortcoming of PDS and observed that PDS functioned in a very lethargic manner, and the private sector exploited this weakness to their own advantage. This can be checked duly by properly reorganising, monitoring and controlling of the system's functioning.

Mishra (1988)40 advocated that the association of the Co-operative Institutions with the PDS was inevitable, and it becomes clear by remembering the fact that unless the consumer himself is involved in the procurement and distribution of the consumer goods the element of undue profit and malpractices in respect of price, quality and quantity can never be checked.

Dholakia, et. al. (1988) 41 advocated that the need for a centralised national supply management system especially in the case of essential commodities, arises in a developing country like India primarily on account of the failure of the open market system to protect the interest of the low income consumers. The main objectives of the centralised national supply management
system are to maintain overall stability of general price level and ensure simultaneously that adequate supplies of all essential commodities are made available to the masses. It is evident that the distribution system would be crucial element in the national supply management system. It again stated that in a mixed economy like India the overall distribution system consists of two components. The private distribution channels and the public distribution channels. Accordingly, the main system for the operational activities is the PDS which provides specified essential commodities through a nation-wide network or retail outlets.

Shankta, (1989) revealed that Fair Price Shops (FPSs) are functioning in the industrial areas and are also catering to the needs of students hostels and indoor patients in the hospitals. The need of the hour is now, for strengthening and streamlining the existing PDS by way of introducing more and more essential commodities in the system with view to widen the scope of the PDS uniformly in the States and Union Territories, the Central government has taken initiative of identifying 7 basic essential commodities for distribution through the channel of the PDS.

Negi, (1990) revealed that the importance of quality control assumes added importance especially in country like ours, where majority of consumers are illiterate and are not aware of legal protection and residential forms provided for the protection of interest of the consumers.

He further argued that foodgrains under PDS are procured, handled and stored under careful inspection and analysis to determine the quality
with reference to set standards and also to ascertain if they are fit for the intended use or otherwise. The scientific methods and procedure based on National and International practices are adopted for effecting a quality control in respect of indigenous foodgrains procured locally, imported foodgrains that are being stored by the various agencies involved under the PDS in their various godowns.

Guleria, (1990) opined that so far as Himachal Pradesh is concerned, almost all the essential commodities are procured from outside the State either from the government source or from any other source and if some reserve stocks are not maintained in the State itself there appears to be the chance of the breakdown of supplies due to certain bottlenecks in the transportation etc. from one state to another, therefore, storage of essential commodities is the most important aspect of the PDS. As the godowns are not sufficient for the storage all the essential commodities under PDS, therefore, in most of the cases private godowns accommodation has to be hired. In order to avoid/minimise the storage losses, carefulness about hiring suitable godowns is needed.

Koshy (1991) revealed that a significant portion of a critical commodity like rice supplied for the PDS is siphoned off to the open market even in a state like Kerala where the system is considered to be well developed is a matter for concern for policy makers and administrators. It would be beneficial to devise certain measures which would reduce, if not eliminate, such tendencies. Improving and reinforcing the monitoring and control mechanisms
and processes of the PDS is one obvious solution to atleast reduce the extent of malpractice.

He further added that the criteria to judge the performance of the PDS in general as well as that of the supervisory officials in particular should reflect the suggested direction of change in policy. The higher utilization of allotted commodities should no longer be taken as the important measure of performance and fair price shops should not be 'booked' for nut procuring the entire quantum of any commodity allotted to them. Several states in India have, in fact, experimented with a two card system in which the lower income groups are entitled to purchase all the commodities from the PDS and the higher income groups only to select commodities.

Sinha (1991) stressed that the PDS did not satisfy needs of the poor for whom it was intended. PDS should take up the distribution of coarse grains and oils as it formed a major part of the poor man's diet.

Kabra,(1991) referred that the recent developments in the management of good policy and the PDS bring out some disturbing features that run contrary to declared policy objectives. The PDS is one of the more durable features of State intervention in the market for basic wage goods like cereals in India, its main objective is to control inflation and soften the impact of endemic inflation on vulnerable sections of society. The overall price effect of PDS operations is expected to work through a change in the demand supply balance and its effect on market sentiment or price expectations. The "demand supply
balance" is affected in two ways. On the one hand procurement causes a temporary reduction in market availability. On the other, off take from the PDS outlets and open market sales add to market availability on government count. These additions through the PDS to the net availability during a year are at a lower price than that charged by the market. The special temporal and inter cases distribution of these stocks also become policy variables.

Bhatt, (1992)** advocated that the PDS is a joint undertaking of the Centre and the States. The centre has the resources for procurement and for imports, and the States have the agencies to reach down to the grassroots where live the consumers. The Centers is responsible for procuring and supplying wheat, rice, levy sugar imported edible oils and kerosene to the States and Union Territories. The commodities are made available to the states and UTs at fixed issue prices. The latter add a few items to the list of commodities sold from the FPS, like coarse grains, salt, matches, tea, soap and exercise books, commodities differing from state to state while the centre takes the responsibility for the five essential articles.

Sud, (1992)**' pin-pointed that several social-economic as well as geographical features, besides the other local conditions,, decide the shape of the PDS system that is needed in a particular state. The conditions of hill state are entirely different from those in the plains, remote, interior and far-flung areas, as also the hilly tracts may need mobile rather than static outlets for the PDS. The stress now being laid on increasing the number of mobile vans engaged in this area is, therefore, well placed.
He further advocated that in some states the co-operative sector is developed adequately to take on the challenge of distributing essential items. Co-operatives Stores like Super Bazars and Kendria Bhandars, and the States Civil Supplies Corporations are also involved in selling essential commodities at reasonable prices.

Banyal, (1992) observed that the most important thing for the government is to control the inflation and ensuring supply of essential commodities to the people, particularly the vulnerable sections of the society, at reasonable prices. While the Government is grappling with the inflationary trends by liberalizing controls, it is at the same time increasing the reach of the PDS network with a view to reaching more and more people in remote areas covered by Drought Prone Areas Programme, the Integrated Tribal Development Areas, Designated Hill Areas and urban slums.

Gurumoorthy (1992) found that the Food Corporation of India is the apex agency for procuring essential commodities to the central pool at the price fixed by the Government. The difference between the cost and the issue price is known as consumers subsidy. The government supplies six essential commodities through the PDS. They are rice, wheat, levy sugar edible oil, kerosene Oil and soft coke. These commodities are supplied at reasonable prices to the consumers. The PDS helps the consumers to escape from the impact of rising prices of the essential commodities. Compared to the urban areas, the poverty percentage is high in rural areas. So the PDS is expected to concentrate in rural areas.
Siddappa,(1992)\textsuperscript{52} highlighted that the entire population of Karnataka state is covered under the PDS at present. The essential commodities are being distributed under two schemes. One is general saffron card scheme and another is special green card scheme which is meant for weaker sections i.e. small and marginal farmers, agricultural labourers, rural artisans and retail traders. The study examined the working conditions of fair price shops in rural areas and the opinion and attitude of shopkeepers towards the scheme. The study also been examined the impact of ration on level of households income, expenditure and savings of weaker sections. Further the fair price shops in rural areas have been serving saffron as well as a green card holders. As a result the ratio of population to fair price shop has increased significantly. The fair distribution of essential commodities could not be made possible for them. The Government of Karnataka intends to open one shop for every 500 card holders or for every 3 kms of distance as mentioned in its guidelines. The independent building of shops are to be constructed with the participation of local people and with local resources.

Kabra,et al.(1992)\textsuperscript{39} observed that the PDS can be regarded as one important stable element of India's food policy since the early 1950s. Fairly large quantities of cereals, mainly rice and wheat, have been distributed at fixed prices thorough a network of Fair Price Shops, to retain card-holders.

They also pointed out that the fair price shops is the point at which the consumer obtains his PDS Supplies. So an appropriate number of properly located retail outlets is necessary in order to keep the real costs of
obtaining supplies as low as possible. However, opening of FPS by itself cannot ensure the realisation of the objectives of a policy of public distribution. Among many conditions needed to ensure that PDS supplies reach the intended consumers, one important condition is that there should be a certain correlation between the number of FPS and total PDS off take, ensuring that each FPS has a level of turnover capable of meeting the needs of consumers attached to the shop as well as enabling the FPS dealer to earn a reasonable income.

Velluva and Sanathana (1992) found in their study that the PDS was a device to introduce planned distribution of essential commodities in place of unplanned or 'automatic' distribution started in our country during the Second World War. The dawn of Independence led to a greater emphasis on the need for an uninterrupted supply of essential goods everywhere so that none died of hunger. The last few decades witnessed tremendous improvement in the food distribution front, especially in the network operation of fair price shops and coverage of commodities.

The study further highlighted the facts that a distribution system established for the poor people is to be revamped so as to fulfill the enunciated objectives. Unless the relative share of the PDS in the food supply with an assured quality has increased, it is possible to influence the behavior of the open market segment which is responsible for market imperfection. Therefore it is highly desirable to increase the per head quota of rationed items so as to meet at least 80 percent of their requirements.
Ghoshal (1992) stated that the food stocks helped to support the PDS in normal years and came in handy to meet exigencies created by droughts without the need to resort to large scale imports. Since higher production has been mainly associated with new seed fertilizer technology which in turn has called for use of chemical fertilizer, there has been a shift in country's dependence from food import to import of food related inputs like fertilizer and diesel fuel. But the consequence of boosting the national image as also people's faith in scientific agriculture underpins the merit of achieving a self-reliant food economy.

Thomas, (1992) witnessed for launching of the revamped PDS in about 1700 of the most backward blocks of the country. These blocks include the ones covered under the area Development Programmes such as Desert Development Programmes (DDP), Drought Prove Area Programme (DPAP) and certain Designated Hill Area (DHA). These new blocks would cover 1.5 crore people living in these identified areas. The revamped PDS was launched by Prime Minister P V Narasimha Rao at Barmer in Rajasthan on first January, 1992.

It is further observed that the maximum number of blocks have been identified in Madhya Pradesh, followed by Bihar, Uttar Pradesh, Orissa, West Bengal, Andhra Pradesh, Rajasthan, Maharashtra, Karnataka, Gujrat and Tamil Nadu. They have been selected after consultations with representatives of states and Union Territories. About 24 lakh more ration cards would be issued and 11000 more fair price shops to be opened under the new PDS
Initiatives are also being taken to open 1000 more godowns with a total capacity of 330,000 tonnes in these areas.

The study further stresses that the PDS is essentially aimed at equitable distribution of essential commodities at reasonable prices to the poorer sections. In the case of low income consumers, the fair price system ensures a minimum supply at subsidized prices. The sale and distribution of essential commodities through FPS had helped in alleviating the miseries of the poor. At present, the PDS is serving nearly 80 lakh facilities in the country.

Jha, (1992) inferred in his study that the system of rationing introduced by Britishers is said to be the forerunner of the existing PDS. It is an anti-inflationary measure having significant bearing on stabilishing prices and in improving the nutritional standards of the poor. Thus the PDS can play an important role in poverty alleviation.

Roy, (1992) found that the wide variation in the population coverage and the ration quota have led to wide variation in the estimate of the quantitative burden of the PDS. The requirement of PDS varies from 4 percent to 40 percent of production, 81 percent to 735 percent of internal procurement and 40 percent to 385 of public distribution that actually took place in the respective years.

Rangarajan (1992) suggested that physical distribution is important in PDS because the goods involved in distribution are consumable as
well as perishable. Hence inefficient physical distribution may ruin the whole system. Better understanding of physical distribution requires understanding the channels involved in PDS. The efficiency of any physical distribution system depends upon the length of the channel. The effectiveness of physical distribution is measured in terms of sources with which goods are delivered to the customer, meeting out his total requirement at a given time. Effective distribution is, therefore, used as a means of promoting sales. Good distribution affords the opportunity of achieving a high level of customer service, both at home and overseas to the satisfaction of all concerned. New physical distribution techniques and method are constantly being evolved and developed in U.K to ensure that they are making their full contribution in "the process of inter-parition of an order to effect the movement of industrial or consumer goods or agricultural produce from the point of manufacture or production or storage to the customer in accordance with marketing or supply policy."

Geetha et al (1993) pointed out that there should be proper targeting of the PDS, particularly towards the weaker sections and backward regions. He also observed that there have been significant disparities in the state wise PDS quantities, be it with respect to total population or population covered by the PDS. This is largely in conformity with the objectives of the PDS until the Sixth Plan. Thus PDS revamping is not merely a question of targeting but also involves the creation of the necessary infrastructure, like storage facilities and distribution network, particularly in states like Bihar and Orissa. Therefore, PDS revamping is not a solution to the problem of budgetary deficit but a solution to the hardships likely to be imposed on the poor as a cost of the
structural adjustment programme.

Antony, (1994) is opposed to the continuance of a universal PDS and feels that the effluent sections need to be excluded from the scheme. He further advocated that the Govt. should allow sale of rice in the open market by Food Corporation of India as it would have a salutary effect on the price situation and observed the low off take of food grains through revamped PDS in many of the states. He attributed the low off take mainly to two factors.

The low price difference between the PDS food grains and those in the open market and lack of purchasing power in tribal and poor areas.

Mooij, Jos E. (1994) conferred that the impact of PDS as a check on open market foodgrain price and as a safety net for the poorest sections of the population is minimal. If PDS is helpful, it is so for the worthier groups, the private traders and the officials working within the system. If PDS functions as a safety net, it does so for the politicians and policy makers. It enables then to pretend that there is a solution available to overcome the "adverse side effects" of structural adjustment measures, meanwhile continuing these policies. In other words, the frequent reference to PDS hides the fact that in reality, the position of the poor is not taken as a serious priority in policy making.

Ministry of Food, (1994) observed that the PDS, functioning through a net work of fair price / ration shops, aims primarily at supplementing
supply of foodgrains to the consumer, particularly the vulnerable sections of the population, at reasonable prices. During the year 1988, the public distribution of foodgrains was maintained at a high level to meet the reasonable pressure on PDS, the total distribution being 18.58 million tonnes. In 1989 and 1990, the production and availability of foodgrains had improved and the total public distribution stood at 16.43 million tonnes and 16.01 million tonnes respectively, and it was kept at a lower level by rational use of the limited stocks in view of the easy market availability an account of good harvests and for building up buffer stocks. In 1991, the public distribution again came under pressure due to high open market prices and the total distribution rose to a record level of 20.81 million tonnes. In 1992 the total public distribution was maintained at about 19.14 million tonnes. In 1993 the total public distribution has been about 13.54 million tonnes.

Ministry of Informations (1994) 64 concluded that consumer co-operatives play an important role in the distribution trade for supply of quality goods at reasonable rates to the common people. As a matter of policy, the Government of India has been emphasizing the urgent need for strengthening of co-operatives for playing a pivotal role in the PDS and non-exploitative retail distribution of consumer items with the objective of holding price line.

Ministry of Information (1995) 65 in its report, stated that Government has accorded a very high priority to the Consumer Protection Programme. Ministry of Civil Supplies Consumer Affairs and Public Distribution in the Central Government has been designated as the nodal
Ministry to deal with the subject of consumer protection. Since 1986, the ministry has taken a number of measures to promote a strong and broad based consumer movement in the country. Some of such measures include enactment and enforcement of the Consumer Protection Act, 1986, amendment of various legislations such as Prevention of Food Adulteration Act, 1954 etc, to empower the consumer and registered consumer organisations to file complaints in the courts, institution of National Awards for consumer organisations and youth, grant of financial assistance to consumer organisations, preparation of audio visual materials, publishing of printed material and its free distribution etc. The various measures taken by the Government has aroused a lot of expectations amongst the consumers.

Ministry of Civil Supplies, (1996)\(^6\) stated that action against the hoarders, black marketers and those indulging in unfair trade practices have been intensified under the Essential Commodities Act, 1955 and Prevention of Black Marketing and Maintenance of Supplies of Essential commodities Act, 1980, by the state Governments. The state Govts. have been alerted to take stern action against hoarders, black marketers and those indulging in unfair practices.

Parikh, (1996)\(^7\) revealed that PDS became an instrument of subsidising urban consumers and it no longer made sense to give it to all urban consumers. But during the 60s PDS was also a mechanism of selling the foodgrains received as aid by the Government. Since the cost of getting the grain was negligible, the subsidy given to urban consumer did not burden the
Government's budget on the contrary, since the food aid was virtually free, even at the highly subsidised ration prices, the government generated surplus from it, which came handy in financing development expenditure. Thus there was no compulsion to restrict PDS only to the poor.

He further highlighted that only the poor should stand to benefit from PDS and as poverty is reduced the programme should automatically wind down. The Employment Guarantee Scheme (EGS) of Maharashtra is one such scheme. One additional person-day of employment to a poor family can provide as much income support as is provided by PDS at present. Only the poor would come to work and as the economy develops and better employment opportunities open up, fewer and fewer persons would offer themselves for work on EGS.

Kumar, et al. (1996) revealed that Himachal Pradesh is not in favour of the exclusion of any section of population from the PDS and has also argued with the centre to cover all the backward blocks of the state under the revamped PDS also which have been covered under the Employment Assurance Scheme. He further stressed that more blocks be covered under the scheme from 7 to 26 out of the existing 72 blocks in Himachal Pradesh.

Pathania, (1996) observed the job of PDS in Himachal Pradesh is undertaken by the Co-operatives, Civil Supplies Corporation, Individual depot holders and Panchayats etc. In view of the critical topographical conditions the state has opted the three tier system of PDS between the
wholesellers and retailers, an agency of sub whole sellers is functioning which procures supply from the wholesellers and arrange further transportation to various retail shops for making them available to the retail through door delivery. These sub-whole outlets are being run by the co-operatives.

He further stated that the role of fair price shops is highly commendable in providing the essential commodities available at the door steps of poor people. But the FPSs are confronted with the major problems of inefficient funds, share capital subsidy, loan for different purposes, irregular supply, bogus ration cards, inadequate staff, poor, quality under weightment, excessive political as well as departmental intervention, obstructing the functioning of PDS in the state which require immediate attention.

Dev, (1996) observed that the improved food security to the household is important for a developing country like India where millions of poor suffer from persistent hunger and malnutrition and some others are exposed to this risk in future. This study examined the poverty and food security problem with emphasis on PDS and Employment Guarantee System (EGS) in two relatively large states of India namely Maharashtra and West Bengal. In rural Maharashtra, EGS has been in operation since 1972 while there has been no such programme in West Bengal. The poverty ratio shows that as expected the proportion of the poor population in agricultural labour households is the highest in the rural areas of both the States. In Maharashtra, agricultural labour households reported 57.3 percent while in West Bengal, the same households reported a high poverty ratio of 71.2 percent.
He further pinpointed that at the outset, both the programmes differ in their approaches in helping the poor. The Employment Guarantee Schedule (EGS) is income generating programme while PDS is a programme which works only if the price is affordable under given purchasing power. In order to provide food security to all the poor, there is a need for effective implementation of the PDS and other anti-poverty programmes. We need to look at the problems and the ways in which PDS can restructured effectively. However, This type of PDS restructuring would help the poor only marginally because there are several problems associated with the present PDS. Unless these problems are tackled, the PDS objective of helping the poor and vulnerable sections will not be fulfilled.

Service, Tribune News (1996)\textsuperscript{71} stated that the government has decided to continue with the existing system of providing universal access to foodgrains supplied under the PDS. The States have, however, approved the government's move to provide foodgrains at half the PDS price to families living below the poverty line.

It is further emphasized that the restructured PDS would mean that in addition to the burden under the PDS the government would have to provide additional subsidy to the poor sections.

A group of studies undertaken by Sinde (1973), Behl (1976), Jain (1977), Bhattacharya (1979), Ministry of information (1994) and Pathania(1976)
advocated that Consumer Cooperatives are an important accepted media and have a great responsibility in the Public Distribution System to sell goods at fair and reasonable prices. They pin-pointed that, it is the cooperatives only which can help to build up an effective and permanent distribution system. The Consumer Co-operatives Societies should make every possible effort to reduce their cost of operation and for this purpose, rationalisation of the structure of the movement is absolutely necessary. They further highlighted that the Co-operatives, Civil Supplies Corporations, Individual Depot Holders and Panchayat shops etc. are undertaking the job of PDS. There is a three tier system of PDS between the wholesalers and retailers, an agency of Sub-wholesalers is functioning which procures supply from the wholesalers and arrange further transportation to various retail shops for making them available for door delivery. These sub-whole outlets are mainly being run by the co-operatives.

Another set of studies conducted by Rao (1975) and Kapoor (1979) inferred that a new controlled cloth scheme has thrown challenges to the NCCF and to various State Federations / Co-operatives Institutions and resultanty the responsibilities of cooperative organisations have increased manifolds. The cooperative responsibilities are pertain to the distribution of controlled cloth to the weaker sections of the population throughout the country efficiently ans effectively so that the scheme of distributing the controlled cloth becomes a success and the governments objective of supplying cheap and standard cloth to the weaker sections of the society is fulfilled.
Chopra (1979) and Gurumoorthy (1992) advocated that FCI is the apex agency for procuring essential commodities for the central pool and is actively engaged for supplying the foodgrains throughout the country for PDS and hence proved to be key instrument in assuring the availability of foodgrains to the vulnerable sections at reasonable prices.

The Studies undertaken by Saxana (1979), Singh (1979), Singh (1979), Srinivas and Murthy (1983), Batt (1992), Kabra et al (1992) and Vulva (1992) highlighted that PDS is a relating system supervised and guided by the states and the Centeral Government jointly and is considered an important element of India's Food Policy since the early 1950s.

PDS is a regular and essential feature of food management and ensures the supply of essential goods to the poor and vulnerable sections of the society, covers the function of procurement, storage and distribution of essential articles. They further advocated that PDS should have a local committee to supervise its working from time to time effectively and efficiently.

Studies of Singh (1992), Sankta (1989), Kabra et al (1992) and Ministry of Food (1994) inferred that the fair price shops is the point at which the consumer obtains their PDS supplies, particularly the vulnerable section of the population at reasonable prices. They believed that FPSs are functioning in the industrial areas and are also catering to the needs of student hostels and indoor patient in the hospitals.
Another set of studies undertaken by Nadwani (1977) and Ghoshal (1992) observed that fertiliser account for the major portion of the agricultural inputs. The organisational structure for marketing of fertilisers in the co-operative sector varies from state to state depending upon the co-operative marketing structure that has been created in the state for undertaking not only the distribution of fertilizers but for undertaking other activities like marketing of agricultural produce, procurement of foodgrains etc.

Further group of studies such as Bose (1983), Azad(1984), Mukhopadhyay (1979) and Umamaheshwaro, et al (1980) suggested the extension of the PDS scheme to the drought prone area and flood affected area is a must which would help in gearing up the distributive machinery and is considered powerful tool to establish an egalitarian society. They emphasized that in order to expand PDS network, there is need to open more fair price shops including mobile shops in far-flung areas to promote a strong consumer protection movement.

Lal (1985) Sesaiah et al (1984) and Patil (1989) stressed the need to the strengthening of the co-operative movement. They advocated that PDS has proved to be ineffecting because of the inefficient internal management and dominance of private trader in retail business. The studies of Sinha (1991) and Mooij (1994) remarked that the Public Distribution System failed to satisfy needs of the poor for whom it was intended.

Parikh (1996) and Dev (1996) observed that the Employment Guarantee Schemes are income generating programme while PDS is a programme
which works only if the price is affordable under given purchasing power. Das (1974) suggested to emphasize the need for strengthening the PDS. Whereas Gupta (1975) advocated that benefits should be given to the people for whom the plans are meant and they should not be sanctioned away for the powerful section. Jukhlet (1978) revealed that the co-operatives have made significant progress in the distribution of various essential articles for the poor people.

Umre (1979) noticed that it is necessary to strengthen the capital base of the cooperative societies and also to help them to equip their retail outlets with proper furniture and fixtures. Dharia (1979) also opined that there is an imperative need for establishment of a permanent production-cum-distribution system where the state plays a dominant role in ensuring availability of selected essential items to the common man at reasonable price.

Mathew (1979) observed that Government has encouraged the co-operatives to provide leadership to the consumer movement for the success of Public Distribution System. Whereas on the other hand Kumar et al (1990) found that the item supplied under the PDS are inadequate. Chattopadhya (1982) noted wide fluctuations in the distribution of grains and rice through the PDS. Kanwar (1985) suggested an action plan envisaged for an efficient and productive PDS. Dogra (1987) stated the shortcomings of PDS is and observed that functioning of PDS is very lethargic. Dolakia et al (1988) suggested that there is a need for a centralised national supply management system.
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