CHAPTER ONE

INTRODUCTION AND RESEARCH DESIGN

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1.1 Introduction:

"It was a matter of grave concern that eventhough the Public Distribution System has been in operation for many decades, yet no systematic national policy has been evolved".¹

A number of defects have eclipsed the working of Public Distribution System (P.D.S.) in India. Supply of poor quality foodgrains through Fair Price Shops (F.P.S.) adulterated foodgrains, diversion of foodgrains to open market, unethical and unscrupulous practices at F.P.S. are some of the defects which are attached to the P.D.S. like barnacles to the hull of a ship. What is more, the P.D.S. is draining the exchequer due to high subsidy of rationed articles.

The P.D.S. in India has become one of the important economic and social aspects of a democratic government. There have been regular discussions both at the State Houses and Parliament regarding prices, quality, adulteration, coverage and misuse of ration cards etc. The ministers-in charge of Food and Civil Supplies who are often changed, were grilled by the members of both the Ruling and Opposition Parties for improper distribution of essential commodities and lapses in providing ration cards to the poor people. It was also alleged that the taluka officials, instead of identifying the really poor, issued Green Cards to those who bribed them.²
In the nineties, the P.D.S. has come into sharper focus than ever before, since the governments at the central and state levels made it one of their topmost priorities for bringing more and more people into its fold.

Similarly, the politicians also lose no time in making promises that the P.D.S. would be strengthened in order to combat inflation. They do not hesitate to proclaim their faith in the P.D.S. at the first sign of an inflationary spiral. ³

As against these promises, the Opposition Parties also keep on whipping the Government whenever serious inefficiency and ineffectiveness are observed in the working of ration shops as the poor and even the middle income group are the worst sufferers of such imperfect monitoring of the P.D.S. in the country.

Since a majority of the population, not only the poor and weaker sections but also the middle income group, is dependent on the P.D.S. and the supplies made through it, any changes affecting the P.D.S. are seriously gauged, as is evident from the following -

a) When Government proposed to withdraw ration cards from those whose monthly income exceeded Rs.3000/-, an opinion published through the columns of a daily was "If they are deprived of ration facility, only God could save them from the clutches of black marketeers and hoarders". ⁴
b) Another opinion warns of the consequences of withdrawal of ration cards and says "If the anti-people policies of Government continue, the days are not far off when all the essential commodities will have to be purchased only in the black markets".5

c) A study made by the World Bank concludes that "P.D.S. is concentrated in urban areas and as estimated 40 per cent off-take goes to the richer 40 per cent of the population".6

These opinions explain the fact that there is an excessive dependence on P.D.S. by the poor as well as the middle income group. Their plea is that denying of rationed quota is an anti-people scheme.

Therefore, the Governments have been enhancing the operations of P.D.S. and there is an enormous increase in the amount of quantity distributed i.e. from 8.00 mn. tonnes in 1950-51 to nearly 16.00 mn. tonnes in 1989-90.7 The amount of subsidy has touched the sizeable figures of over Rs.3500 crores.8

The Other side of the Coin:

Inspite of the best Government efforts of the Government to weed out the defects associated with P.D.S. in India in order to tone up the system, still several inefficiencies are found to persist in it.
The Government promises to protect the poor and weaker section against the price rise, whereas there has been a continuous rise in the P.D.S. prices. Owing to this, a majority of the poor remain without drawing their quota as their income does not permit them to purchase things at such high prices. This calls for better targeting of P.D.S. The same opinion is expressed by a journalist through his editorial "A system can be visualised where the non-poor section of the population are not issued with ration cards at all".  

Any amount of subsidy borne by Government would be in vain if it is blindly spent without looking into the mode of functioning of P.D.S.

Often the charges are levelled against the dealers who substitute the good items meant for P.D.S. with the adulterated materials and indulge in malpractices to cover up monthly MAMOOLS (i.e. BRIBE MONEY) paid by them.

Black marketing and diversion of P.D.S. quota to open markets have vitiated the system. The press news of lorries carrying P.D.S. quota to open market and their seizure have become news on the front pages of the Dailies. Such practices are very systematically adopted by the F.P. Shopkeepers in connivance with the wholesale nominees. The number of such cases is increasing. Upto 30th November, 1991, the number of persons arrested on charges of malpractices stood at 4463,
but increased to 4639 during December, 1992.\textsuperscript{11} The number of persons who escaped arrest by foul means is anybody's guess.

Hence, Abraham Koshy opines that "The low economic viability of fair price operations is as much a compulsion to resort to unfair means to generate profits as the administrative and legal framework within which the shops operate".\textsuperscript{12}

The quite interesting matter is that only the press news of seizure of trucks, P.D.S. quota etc. are given but the final result and punishment to the individuals involved in such offences are not at all published. Perhaps they do not bring much credit to the police or prosecuting authorities.

Another evil is that the existence of bogus ration cards has become a problem to the Government. This deprives the real poor from their genuine quota and the benefits of P.D.S. go to the non-poor. As per the reports, as many as 11 lakh bogus cards seem to have existed in the Green Card schemes in Karnataka alone.\textsuperscript{13}

Similarly, the card-holders face greater difficulties and problems too. The shopkeepers do not maintain scheduled timings. The shop-owners keep their shops open for only a few days, misguide the card-holders about prices, quantity, etc,
collect unauthorised charges, demand deposits, declare 'not in stock', adulteration etc.

Above all, the corruption at all the stages of P.D.S. is a serious problem. Often a fact which results in the ration being not purchased by the card-holders is the supply of impure foodgrains to card-holders. "It is noticed that 49 per cent of impurities are permitted officially and should not at all be a surprise if another 20 to 25 per cent are added by unscrupulous elements taking the total impurity to 70 to 75 per cent. Thus the poor are made to suffer in the name of P.D.S as the price difference between P.D.S and open market is very marginal". 14

In view of these, a three member committee-consisting of three Ministers of Food and Civil Supplies, was constituted in March, 1993 and it submitted its report in July, 1993, recommending the National Development Council (N.D.C.) to exclude the creamy layer - comprising of income tax and sales tax assesses, doctors, lawyers, chartered accountants, architects, engineers, shopkeepers and traders from the perview of P.D.S. 15

It is in the light of the above situation that the present study is undertaken to assess whether the position in the taluka under study differs or is one among the thousands of talukas experiencing the malfunctioning of P.D.S.
A micro study would provide such details which might help in devising a more viable system of distribution to the public at large. But let me add—no system can work efficiently unless the government servants supervising the system have a sense of integrity.

1.2 Need for P.D.S.:

The main causes for the emergence of the P.D.S. in India are as follows.

A. Food Problem:

"Every four persons out of ten in the world are hungry, and one of them is an Indian. Roughly, ten per cent of our people are under nourished and therefore, hungry".\textsuperscript{16} This statement of Dr. P.V. Sukhatme makes every Indian think about the miserable conditions that our people live in.

'The Food Security' as the Ford Foundation Team-1959 says, "is a basic necessity for improving human welfare and achieving social justice". The team opined that without food enough India's hopes for improving human welfare, achievement of social justice and securing of democracy will become almost impossible of attainment".\textsuperscript{17}

Therefore, it has been the experience of all the countries of the third world that they are confronted with the problem of acute shortage of food, a fact which led
to an unprecedented rise in the prices of essential commodities.

Independent India, too, inherited from the Britishers the legacy of hunger, poverty and shortage of foodgrains. With the best intentions and efforts of our planners, 50% of the Indian populace is still living below the vicious poverty line. Indeed it is still a big problem. This has been brought out succinctly in the following words:

"In the midst of grandiose plans for restructuring the economy, we can ill afford to have sizeable population of the country. Well over 350 million of the population live below the poverty line, for whom the so called fiscal and monetary policy have little meaning."\(^{18}\)

The Expert Group on Estimation on Proportion and Number of Poor (July 1993) found the following surprising figures relating to the people living below poverty line.\(^{19}\)

**TABLE I.1**

PERCENTAGE OF PEOPLE LIVING BELOW POVERTY LINE  
(1973-74 to 1987-88)

<table>
<thead>
<tr>
<th>Years</th>
<th>1973-74</th>
<th>1977-78</th>
<th>1983-84</th>
<th>1987-88</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rural</td>
<td>56.4</td>
<td>53.1</td>
<td>45.6</td>
<td>39.1</td>
</tr>
<tr>
<td>Urban</td>
<td>49.2</td>
<td>47.4</td>
<td>42.2</td>
<td>40.1</td>
</tr>
<tr>
<td>Overall</td>
<td>54.9</td>
<td>51.8</td>
<td>44.8</td>
<td>39.3</td>
</tr>
</tbody>
</table>
It may be noticed from the table that the overall population living below poverty line has been gradually declining and has dropped from 54.9 per cent in 1973-74 to 39.3 per cent in 1987-88. But in terms of the absolute number of the poor, this declining trend is misleading. Because, during the same period (1973-74 to 1987-88) the population of the country rose by 35 per cent. Therefore, the absolute number of the poor has been increasing rather than decreasing. In this sense, a vast group is yet starving and living in sub-human conditions.

Thus the three factors, viz. availability of foodgrains, size of the population and poverty are interlinked with one another. Despite rapid industrialisation, notable increase in agricultural production, improvement in international trade and attitudinal changes in the service sector, it is tragic to note that a majority of the population is living in poverty.

B. Rising Prices:

"The inflationary trend in the consumer price index has been one of the bugbears of the Indian economy for a long time". 

The country suffers from very acute problems of unemployment, poverty, illiteracy, foreign debt, scarcity of food and inflation. But a double digit inflation rate always
threatens the policy makers and the administrators. It arrests progress and alarms the Government into concentrating all its efforts in fighting the inflationary pressure.

The Food Index at All India Level stood at 199 and the General Index at 193 in 1990-91, as against the base year 1981-82 as 100. The indices have shown a cent per cent increase in a decade under reference i.e. 1980-81 to 1990-91.21

Consequently the annual rate of inflation in terms of Wholesale Price Index during 1990-91 at 12 per cent is much higher than the annual inflation of 9.1 per cent during 1989-90. As a result, the people, especially the poor and the middle income group have been the worst sufferers. Such a high rate of inflation coupled with population explosion has adversely affected the financial capacity of the poorer section of the community.

C. Protection of the Vulnerable Section:

"The failure of open market system to protect the interest of low income consumers and to maintain the overall stability of general price level necessitated a centralised Public Distribution System (P.D.S.) in India".22

The poor and vulnerable sections of the population are at a disadvantage and are seriously affected by the rising prices of essential items. Such of people have to be protected.
D. Domination of Private Traders:

The private traders, whose aim always is maximum profit, indulge in activities which really affect the poor class. Artificial shortage, monopoly behaviour, untimely supply, supply of poor quality commodities, adulteration, indignant behaviour, black marketing, hoarding etc. are very common amongst them.

Therefore, in order to protect the poor people from the exploitation of private traders, the P.D.S. is a must.

A satisfactory, effective and efficient system must come into force in order to ensure timely and adequate supply of essential commodities. The result is the introduction of the Public Distribution System.

The P.D.S. is a system under which Government procures a sufficient amount of foodstuffs and other things from producers, farmers and traders through levy. These commodities are sold through fair price shops. The licenced F.P.S. may be co-operative societies, private traders or the Government’s own retail outlets.

In the beginning, Government had tried to control the activities of private traders by imposing certain restrictions as regards the prices, quantity holding etc. As the years rolled by, Government itself started procuring the commodities
from the farmers and making them available at the Ration Shops at prices slightly lower than the open market prices. These practices at the Government level underwent many changes imposing severe restrictions at one time and completely liberalising the terms another time.

Since the experiences of liberalised practices were bitter, the Government preferred the controlled distribution of essential commodities. The P.D.S. has been developed in such a way that it would remain as a permanent system in the economy of the country for a longer time to come. It (P.D.S.) has become a vital part of the programmes of Government with the immediate idea of making available the essential commodities to the weaker sections in particular and to the whole community in general. The system has become increasingly indispensable.

1.3 Review of Literature:

As a preliminary to the present study a review of relevant literature was necessary so as to have a broader understanding of the myriad facets of the P.D.S.

A study of Santhanan Velluva examined the effectiveness of the role played by Fair Price Shops as an integral part of P.D.S., as a catalyst in supplying essential commodities and the extent of success in meeting the requirements of the rural population. The major focus of the study was only on the
responses of ration card-holders of one particular village. The limitations of the study are (i) it is the study of only one village (ii) urban card-holders are not taken into consideration, and (iii) it does not cover F.P.Shops. Hence its generalisation cannot be considered valid.

In her study, Smt. K. Baby Sarojini\textsuperscript{24} dealt with the estimation of the share of P.D.S. in the purchases made by households of a particular town and green card-holders of a slum area. The study had also attempted to estimate the benefits from P.D.S. particularly to the green card-holders. The study was also limited in terms of selection. However, the functional aspects and the problems of the F.P.Shop dealers have remained untouched.

Jos E. Mooij\textsuperscript{25} has discussed the various aspects relating to the working of P.D.S., the economic viability, the real recipients of benefits of the P.D.S. and the extent of the benefits of the P.D.S. A serious limitation of this study is that it studies the various aspects on the basis of secondary and published data available. It lacks the grassroots approach. The author has attempted to impress the non-viability and the non-reaching of benefits of P.D.S. to the real needy of the two states viz., Karnataka and Kerala.

'Deliverance from Hunger-P.D.S. in India' is one more study made by K.R. Venugopal—an I.A.S. officer.\textsuperscript{26} It
concentrates on hunger in rural poor households, its effects, financial constraints in rural wage employment programme, re-orientation of P.D.S. to save only the poor and the involvement of community in food management. All these aspects have been studied with the published data available at the All India and State Level. This study also fails in specific approach and in depth operational aspects of intermediaries of P.D.S. But it highlights the severity of hunger and poverty and the benefits received under poverty alleviation programmes.

A. Bijapurkar's thesis entitled "Effectiveness of Public Distribution Channel - The Case of Controlled Cloth Distribution" mainly concentrated on the evaluation of the distribution of controlled cloth through P.D.S., disregarding the other commodities. In fact, it was a micro-study.

An empirical analysis of the malfunctioning of P.D.S. by Abraham Koshy has been done on selecting the sample card-holders representing the rural and urban areas of all the districts of Kerala State and its major concern was on the extent of stock diversion to the open market. The major finding of the study was that a significant portion of rice supplied for P.D.S. was siphoned off to the open market even in a state like Kerala where the system is considered to be well developed. This is really a matter of great concern for
policy makers and administrators.

Dr. Prasoon Kumar Roy has examined in general the working of P.D.S. in India. He analysed the aims of P.D.S., the agencies involved and pointed out certain limitations and bottlenecks like low procurement price, inefficient transportation and inadequate storage. The study was based on secondary data.

K.B.Srivastava in his study about the management of P.D.S. in India discussed the operational requirements, arrangements, procurement aspects, fixation of prices, administration of F.P.S., consumer protection and suggestions for their improvement. This is also based on secondary (published) data.

"Public Distribution System for Rural Poor" is another study made by Kamal Narayan Kabra. This work covers all the theoretical aspects of working of the system. He discusses the policy issues, the requisites of an effective delivery system and also makes suggestions for improving the situation. But this was a paper prepared for presentation at a workshop on supply management of the P.D.S. Almost all the aspects covered in this paper were general but not based on applied study.

G. Suryanarayan's study on Public Distribution in India traces particularly the various causes for evolving of
fair price scheme, the evolution and measurement of economic benefits received by the cardholders. It also attempts to give estimates of food requirements for the state of Andhra Pradesh upto 1990. The greater stress is laid on the economic aspects like consumption patterns, impact on incomes and income elasticities in respect of food items.

Recently, Dr. B. Siddappa has made an applied study in the field of Public Distribution System in Karnataka. He has restricted his study mainly on the evaluation of benefits enjoyed by the poor from the Green card scheme introduced by the Government of Karnataka in the year 1985. This study exclusively covers the Green card-holders and economic benefits derived under it but the saffron card-holders are kept outside the scope of this study. Further, the working conditions and constraints of fair price shop owners remain untouched by the author.

A study relating to P.D.S. in Tamil Nadu has been done by A. Aramugam who evaluated the effectiveness of working of fair price shops and attempted to find out the consumers attitude towards fair price shops and their participation in management of consumer councils etc.

1.4 Need for the Study:

There has been no attempt to study the activities of any fair price shop through the eyes of Green and Saffron card-
holders so far. There is no doubt that the success of any fair
price shop depends largely on card-holders' perception,
awareness and attitude towards the fair price shop and their
participation in its activities. These are dependent on the
image of F.P.Shops in the minds of card-holders and the image
of Fair Price Shop is dependent on the card-holders' perception, awareness and attitude. An enquiry into the
validity of this observation with empirical support is an
unexplored field in the public distribution system, especially
at the grassroot level. The present study seeks to fill the
void in this field by focussing its attention on the profile of
Fair Price Shops and its image from the viewpoints of card-
holders. The study also looks into the awareness, opinions and
attitudes of card-holders, about the functional aspect of
grassroot level of fair price shops.

1.5 The Universe of the Study :

The State of Karnataka has 20 districts, considering
the Bangalore City and the Bangalore Rural as separate
districts. It has an area of 1,91,791 square kilometres and
a population of 44,806,468 according to 1991 census, of
which 48 per cent are literate - 39 per cent in rural and 63
per cent in urban areas.35

The Belgaum District is one of the second largest
districts in terms of population, while it stands fifth on area
basis. The literacy rate in the districts is very near to the state average of 44 per cent. It varies from 38 per cent in rural to 62 per cent in urban areas. The district has ten talukas. These talukas have been divided into three subdivisions viz. Belgaum, Bailhongal and Chikodi. The taluka under study i.e. Athani is in Chikodi sub-division. It ranks fourth in population and literacy rate in Belgaum District.

The taluka has a total population of 3,80,806, of which 3,48,770 are in the rural and 32,036 in urban areas. Thirty nine per cent of population is literate - 38 per cent in rural and 58 per cent in urban areas.

The total area of the taluka is 1995.7 sq. kilometres. It is situated in northern part of the Belgaum district and lies between 16.5°-17° north latitude and between 75°-75.5° north longitude.

The taluka is surrounded by Maharashtra State on the north. Jamakhandi and Raibag talukas and Bijapur taluka of Karnataka respectively on south and east side and Shirol taluka of Maharashtra State on the west.

The taluka has a total of 88 villages and another 27 majire (i.e. not identified as separate) villages. All these villages have been divided into four revenue circles (Hoblis) as Athani Rural, Kagvad Circle, Anathpur Circle and Telsang Circle.
Out of ten talukas, four talukas viz. Athani, Gokak, Ramdurg and Savadatti are declared as Drought Prone Area Programme (D.P.A.P) Talukas and the remaining six viz. Belgaum, Bailhongal, Chikodi, Hukkeri, Khanapur and Raibag, as the Non-D.P.A.P. Talukas.

Again, Athani taluka is the biggest taluka of the four D.P.A.P. talukas in terms of number of the Green Card-holders.

1.6 Reasons for the Selection of the Particular Area for Study:

The area under study i.e. Athani taluka, has been selected on observation of certain unique factors in the taluka.

The main profession of the people is agriculture and they are not getting regular income like salaried employees. This irregularity of income makes the people powerless to draw their quota from the fair price shops. Though the P.D.S. is basically designed for meeting the needs of the poor and the weaker sections of the community, in reality it is the middle income people who enjoy its benefits most.

Further, the reasons which inspired me to select this particular area for study are -
a) general comments and complaints from and among the people about the improper distribution of commodities at the Fair Price Shops.

b) the recognisation of Athani Talukas as the biggest D.P.A.P. taluka both in terms of Green Card-holders and quantity allotted.

c) a great desire to findout the causes for the silence of card-holders over the inefficient and improper working of the P.D.S.

d) convenience from the point of view of contacting the card-holders, fair price shop-owners, wholesale depots and other licenced government and semi-goverment offices, and

e) the taluka has the representation of both urban and rural areas. The rural areas consisting of four circles, facilitate inter circle comparision.

1.7 Coverage of the Study:

The official permit statements and records at the Tahasildar's office show that there are 121 F.P. Shops working in the taluka, of which 108 are functioning in rural areas and 13 at the Athani urban area. These shops cover a population of 3,80,800 and meet the needs of 62,808 card-holders. Of the 62,808 card-holders, 6571 belong to urban area and 56,237 to the four rural circles.
Though there are 108 F.P. Shops on record, those actually functioning are only 103, as 5 F.P. Shops have been either merged and/or attached to other villages. Whereas 12 F.P. Shops are actively engaged in the service since one of the shops stands transferred to the other F.P. Shop. Therefore, out of the total 115 effective F.P. Shops, only 100 fair price shop owners (i.e. 88 Rural and 12 Urban) could be contacted to elicit the primary data.

Hence the field study relates only to 100 fair price shops.

This study on P.D.S. is designed to evaluate the actual working of F.P. Shops and co-operative societies licensed to supply the rationed items in Athani taluka of Belgaum district.

However, the hostels, students' boarding, charitable institutions have not been included in the survey as they are permitted to enjoy the special quota by the authorities.

In order to counter check the responses offered by F.P. Shop dealers, it was thought fit and justifiable to interview and collect the opinions of the card-holders attached to each F.P. Shop. Therefore, eight classes of people viz. agriculturists, businessmen, professionals, salary earners,
daily wage earners, street sellers, SC/ST and others, relating to each of the above selected 100 F.P. Shops have been interviewed. The opinion survey relates in all to 800 card-holders.

1.8 Sampling Design:

The information collected from the officer in charge of the P.D.S. at the taluka level, disclosed that the taluka had 121 fair price shops consisting of 13 in urban area and 108 in rural areas. Since the attitudes of F.P.S. Owners could vary in several respects, it was decided to interview all of them, but in the case of interviewing the ration card-holders, eight card-holders for each fair price shop were selected on random basis. Due care was taken while selecting eight card-holders per fair price shop. The selection represented different consumer classes as agriculturists, businessmen, professionals, salary earners, daily wage earners, street sellers, SC/STs and others. A fair representation was provided by the selection of four each from Saffron and Green Card-holders. Apart from this, the sample also covers the card-holders right from the illiterates to educated persons.

1.9 Data Base:

The main data required for this study were collected from the primary data through interview schedule. The interview
schedules for both the cardholders and the F.P. Shop-owners were prepared by the researcher himself on step by step tests and pilot study.

The different aspects, areas and variables to be covered were studied through preliminary tests conducted on some of the card-holders and the F.P. Shop dealers. The relevant variables forming problem areas were transformed into questions. The interview schedules so drafted were circulated among the experts, researchers and research guide for reshufflement of questions, arrangement of questions in order and format.

Such schedules were again put to sample tests so as to make the schedules complete and perfect in all ways. Certain changes were incorporated when felt necessary and as evidenced by the pre-tests.

1.10 Methodology:

The present study, being empirical in nature, is based on the survey technique and the methodology adopted includes the following -

a) Interview schedule for the F.P. Shop-owners,
b) Interview schedule for the ration card-holders,
c) Personal discussion with the F.P. Shop-owners and card-holders,
d) Personal discussion with the officers in the Revenue office, General Manager - K.F. & C.S.C. and wholesale dealers of Kerosene in Athani Taluka and

e) Major observations and interpretations based on interview schedules were recorded separately.

1.11 Sources of Information:

The secondary data were collected from the office of the Tahasildar (Revenue) Athani, who is the authority to supervise and control the P.D.S. functions at the taluka level under the control and supervision of the Deputy Commissioner, Belgaum.

Searches through the office records and files proved considerably more profitable. Correspondence, Purchase order, Permits, Cost statements, Circulars, Bill Books and Registers and similar forms of written communication were examined. They provided the opportunity to examine the control procedure, price fixation and changes, the responsible persons etc.

The data required for presenting the emergence, trends, progress and growth of the P.D.S. were obtained from the Directorate of Economics and Statistics, K.F. & C.S.C., N.S.S.O of the Central Government and District Statistical Office.
The relevant extracts were also made from noted dailies, journals, articles, books, seminar papers etc. for highlighting the critical aspects of the P.D.S.

By all odds, the most rewarding phase of the research, however, was the personal interviews with the F.P. Shop-dealers as well as the card-holders.

The opinions and conclusions stated in the study lean heavily upon these face-to-face interviews.

1.12 Tools for the Interpretation of Data:

A very preliminary statistical technique is used in the study for the analysis. The simple averages, percentages and growth rates are used wherever necessary.

The bar diagrams, histograms, simple and pie charts are used while presenting the growth and coverage of the P.D.S./

The Cost Accounting Technique viz. B.E.P. technique has been applied for assessing the economic viability of F.P. Shops. They are also presented in graphs.

For analysis and interpretation of data collected through primary survey, the frequency tables, single and multidimensional tables have also been used.
1.13 Experiences in the Collection of Data and Conducting of Survey:

It is worth mentioning that the people of this area are courteous and co-operative. The environment is conducive for any kind of research like the present one. Both the F.P. Shop-owners and card-holders (barring a few) extended all the possible help and supplied the relevant information and answered the questions. They deserve special appreciation in this respect. Though they were hesitant to answer some of the confidential questions, the researcher's assurance of keeping any such information confidential was assurance enough for them to furnish that also.

However, a few difficulties were encountered while collecting field data. They relate to:

a) Some of the F.P. Shop owners were too busy to spare a few minutes to answer the questions of interview schedule. Prior appointment of such owners was taken and they were interviewed satisfactorily.

b) Some of the F.P. Shop-owners, though prior appointment was taken, cared little to keep up their commitments.

c) Convincing and contacting some of the card-holders posed hurdles to some extent, as they were found busy in their day-to-day activities.
d) A few shop-owners and a good number of card-holders were found to be suspicious about the researcher and the purpose of collection of such information. Their guess was that showing of ration cards and records would create some problem in future. It did not go without the notice of the researcher that some of the respondents were giving evasive and deliberately incorrect answers to hide real facts. They even avoided showing ration cards by offering excuses like misplacement, loss, mutilation or defacement of ration cards.

On getting firmly convinced about the purpose of such surveys by the educated card-holders of their own wards, the other card-holders voluntarily came forward and offered their statements and suggestions. This made some of the beneficiaries express freely many of the age-old problems of the P.D.S.

e) The schedule was originally prepared in English. Most of the card-holders and F.P. Shop-owners could not however, follow the schedules clearly in English. In such a field situation, the schedule was rendered into Kannada, which is the regional language of this area. It was ensured that the whole questionnaire, barring a few, was completed in a single sitting.
The researcher did not have any strong opinion or prejudice or expectation about the respondents' views. Therefore, there was no scope for interview bias.

It deserves to be mentioned here that the co-operation, guidance and suggestions offered by the officials in the Department of Revenue, Food and Civil Supplies and the wholesale nominee of K.F. & C.S.C. in collecting the required information relating to both urban and rural areas of Taluka, are paramount.

1.14 Field Work:

The field work was undertaken by the researcher himself for a period of six months from July 1993 to December, 1993. The researcher did visit all the 100 F.P. shops out of 121 and the eight card-holders of each of such F.P. Shops, making a total of 800 card-holders spread over urban and rural areas.

1.15 Objectives:

The following are the objectives of the study.
1. To trace the growth of P.D.S. in general and Karnataka State in particular.
2. To present the scheme of procurement and distribution of commodities under P.D.S. in Karnataka State.
3. To appraise the role of P.D.S. in total consumption of essential commodities in Karnataka State vis-a-vis All India Level.

4. To evaluate the functioning of F.P.S. and the profile of F.P.S. dealers in Athani Taluka.

5. To analyse the opinions of card-holders towards the working of F.P.S.

6. To examine the economic viability of F.P.Shops by applying cost accounting techniques.

7. To make recommendations and suggestions to overcome the constraints in the effective implementation of the P.D.S.

1.16 Limitations of the Study:

The following are the limitations of the study.

a) The area covered for the present research is confined to Athani Taluka of Belgaum District of Karnataka.

b) The study is related to the Licensed Fair Price shops leaving the Government Hostels, Boardings and Charitable institutions.

c) The main thrust is to assess the working of F.P.S. and opinion of ration card-holders.

d) The research does not deal with price fixation policies and procurement operations of the Government.
1.17 Chapter Layout:

This work entitled "An Appraisal of the Working of Government Fair Price Shops (P.D.S.) in Karnataka State - With Special Reference to Athani Taluka of Belgaum District" comprises of the following seven chapters.

CHAPTER ONE - provides the introductory aspects of the research viz. methodology, design, objectives, need, limitations etc.

CHAPTER TWO - titled "Evolution, Trends and Role of P.D.S." gives a brief sketch of emergence of P.D.S., evolution, trends and assesses its role in supply of essential commodities to the card-holders.

CHAPTER THREE - With the headline 'Procurement and Distribution Aspects' deals with the procedure for licencing, lifting by shop-owners, prices charged etc. in Karnataka.

CHAPTER FOUR - is one of the key chapters of the present study. It covers the various facets of working of F.P.Shops based on interview schedule.

CHAPTER FIVE - is another key chapter that throws light on the opinions expressed by the card-holders regarding the functioning of F.P.Shops

CHAPTER SIX - identified as 'F.P.Shops - Their Economic Viability and B.E.P.' examines the requirement of number of
ration cards to attain B.E.P. and classification of F.P. Shops working above and/or below B.E.P.

CHAPTER SEVEN - is on the findings and suggestions for the improvement of the Public Distribution System.
REFERENCES


5. Ibid.


19. Ibid - p.16.


36. Ibid. p. 63.

37. Ibid. p. 71.
