CHAPTER NO. 12.

THE STUDY OF A CRITICAL SURVEY OF THE UTILITY OF FAIR PRICE SHOPS.

Public Distribution System has became an integral part of Government's Policy to reach essential consumer goods to people at reasonable prices. As a parallel channel (to the existing private trade), it is supposed to protect the interest of the weaker sections of the society with regards to the items of basin need. the existence of large buffer stock of foodgrain, the commitment of the Government to elleviate poverty, an the existance power of a large mass of the poor with very low purchasing power makes a strong case for providing direct subsidy to these sections of the society in the form of cheaper foodgrains and other essential commodities.

India is a sovereign, independent, secular, democratic, socialist state. India has adpoted new policy to erdicide its poverty, backwardness and weakness. India has adpoted Five Year Plan to bring about development and properity in different spheres. White revolution, green revolution, Industrial and technological revolution are meant to attain decided goals. India is a socialist state and therefore it decided to established socialistic pattern of society. India is a welfare state too and therefore to eradicate poverty and backwardness of its citizens, it has implemented many welfare schemes. One of it is Public Distribution System. Public Distribution System deals with supply of foodgrains and
clothing under welfare scheme for the benefit of the lowest and lower strata of Indian Society.

I) **In Service of the Poor:**

Government of India has defined 'Poor' as follows:

"A citizen who consumes less than 2,400 calories per day in rural areas and a person who consumes 2,100 calories per day in urban areas is termed poor".

Out of India's total population 46.9% population lives below poverty line.

In Akola District 14,72,870 people in rural area and 6,21,240 people in Urban area totalling to 20,94,110 people utilise the welfare services of Public Distribution System through 1,197 Fair Price Shops located in different areas of the district. Every person is counted as a unit, per unit per month supply of essential commodity through Fair Price Shop is as follows:

Wheat - 1 Kg., Rice - 2 Kg., Jowar - 2 Kg., Levy Sugar 425 Gms., & Edible Oil - 500 Gms. Approximately every person consumes 6 Kgs. of foodgrain per month. Through Fair Price Shop 5 Kgs. of foodgrain sold at controlled rate, every month. Therefore he has to buy either 1 Kg. of wheat or Jowar from open market. Thus his expenses are cut down by the subsidies granted by the government. This welfare system provides to the member of lower strata of society to meet his expenses within his income. Since independance. The Government of India, has been serving poor Indians through Public Distribution System to meet
his essential needs. Thus the government rendered help and card for the lower strata Indians through its welfare services.

II) Control over Private Distribution System :-

Public Distribution System is independent and therefore traders and businessmen, tried to get maximum profit from their business. Their attitude to gain maximum profit from their sale is directly related to the exploitation of customers. This exploitation of Indians is to be restricted or curtailed by Government to give justice to customers.

Welfare policy of Government regarding the control on Private Distribution System is implemented by the related agencies. Public Distribution System is another welfare agency which checks and controls private distribution system indirectly.

Public Distribution System is service-oriented and it serves the people by providing them essential commodities at lower and fixed rate throughout the year. Public Distribution System influences the effect on Public Distribution System private by distribution system by controlling the prices of essential commodity in open market.
Private Distribution System is demand and supply or supply and demand based. Therefore the prices fluctuate as per situation of the commodities available. Whereas commodities sold through Fair Price Shops are static in prices even then there is a great fluctuating in supply demand and demand supply phenomenon. This phenomenon has benefited the customers of the Public Distribution System and it has reduced the fluctuation of price of essential commodities in open market.

III) **Tools of Welfare State:**

Theory of Welfare state is popular throughout the world. Every state, old or new, has accepted this theory and become welfare state. But this definition of welfare state differs as per the situation and requirement of the people.

India is a Welfare State. Its policy of welfare state is linked with secularism and socialist pattern of society. Equality is accepted as a fundamental right. To implement above three principles in reality is hard. Government has implemented many schemes plans and programmes to realise it.

Public Distribution system is one of the programmes adopted since independence. Public Distribution System is used as a tool by Government to serve the poor people of India.
India being a developing state it has to face many problems while increasing, agricultural production. Through green revolution, India could produce wheat & rice sufficient for the consumption need of citizens. But negligence in cultivation of pulses and oil seeds has created a problem. Thus government is importing edible oil & making an arrangement to serve poor people through Fair Price Shops. This is done as a tool of welfare state and to overcome the scarcity felt by the citizens throughout India.

Sugar, Vanaspti Ghee, Rava & Maidha are made available during festivals. This service is rendered to add happiness in the lives of the down-trodden because Government thinks that it is its duty to do so. For this the Government makes use of Fair Price Shops as a tool of welfare state.

IV) **Circulation of the levyed items in society :-**

Government of Maharashtra purchases some percentage of Jowar - agricultural produce from the cultivators directly. Every Jowar producer had to sell the percentage of produced Jowar to the Government as per the Government rules related to levy and at the cost determined by the Government. Akola District being Jowar producing area and staple food of the poor of this region being Jowar, has gained importance in levyed items.
Government policy of fixing the prices and stabilizing the prices at a fixed price is acquired through purchases of levied Jowar and selling it through Fair Price Shops to the lower strata of the society at a fixed rate. Likewise all the sugar producing factories are to sell the fixed quantity of sugar as per the percentage decided by the Government. The sugar purchased by the Government is termed as a levied sugar. This sugar is sold to the ration card-holders as per the quota through Fair Price Shops at a fixed rate. Public Distribution system serves through Fair Price Shops, thus it is beneficial to the control shop card holders.

The circulation of levied Jowar and sugar in the Akola District through Public Distribution System - Fair Price Shops has maintained the supply of required calories to the down-trodden of the society.

V) **Scarcity of Goods :-**

Non-availability of goods in the Fair Price Shops is due to many reasons, some of the important reasons are as follows :-

1) Draught or floods.
2) Low agricultural produce.
3) Hoarding and sale of goods in open market.
4) Irregularity in supply from Food Corporation of India.

Cultivation in Akola District depends upon rain. In case of no rain or very little rain the cultivators
have to face drought situation. This draught reduces the Kharip crops as well as Rabbi crops. Thus the need of Fair Price Shop cannot be fulfilled and in turn it affects the distribution of reduced essential commodities to the ration card-holders.

In case of more rain or heavy rain, flood situation occurs and it submerges the crop under water and the agricultural produce is reduced to the minimum. Drought and flood are the natural phenomena creating scarcity of the essential goods. Particularly in above cases the most affected commodity is Jowar. Due to very less Production of Jowar in the fields, Leveid Jowar cannot be collected by the district administrative authority. This phenomenon creates the scarcity of Jowar in the Fair Price Shops, of Akola District.

Green revolution has boosted the production of Wheat, Rice, and Cash crops because more hectors of cultivated land is used for sowing them. This, in turn reduced the sowing area of edible oil seeds and pulses, thereby reducing the production of edible oil seed and pulses. This reduction in production had its effect on supply of edible oil to the Fair Price Shops. This is due to negligence in sowing oil seeds to earn more profit by sowing cash crops seeds or wheat and rice.

Many a time Food Corporation of India, godowns delay the supply the Fair Price Shops owners. Transportation of goods from Food Corporation of India
godown to Fair Price Shops owners and customers takes more time than needed, thus creating temporary "Scarcity of goods in Fair Price Shop". This does happen during festival period.

Some of the Fair Price Shop owners hoard or sell the goods in open market to earn more profit. In stated of selling those goods to the ration card holders, they give lame excuses to them for non-availability of goods. This hoarding or black marketing by the owners of Fair Price Shop creates the problem of scarcity of essential commodities for the ration card-holders.

The utility of Fair price Shops in the service of citizens is to be measured by the services it renders to the citizens under welfare scheme. The control of Public Distribution System over Private Distribution System maintains the continuous supply of foodgrains and other essential commodities, to the citizens at a fixed rate. Fluctuation of cost in essential commodities is hazardous to the members of low income group. A member of low income group, is to be saved and secured under welfare scheme. Thus he should be able to fulfil his obligation of maintaining family standards. Fixed rate of essential commodities throughout the year gives an opportunity to the poor citizens of India to maintain his standard of living and develop his personality to serve India better.