CHAPTER- 5
CONCLUSIONS AND SUGGESTIONS

This chapter is designed to highlight some of the most significant conclusions of the study and suggestions to improve the working of the PDS.

The chapter has three parts, 1. Conclusions, 2. Testing of Hypotheses and 3. Suggestions. The main findings/conclusions of the study are as under:

5.1 Conclusions

The present study, as described before, is objected to study the operation of TPDS in the State of Haryana. And the Rohtak district of Haryana has been selected for primary investigation. The beneficiaries of the scheme, dealers of FPSs, Inspectors/Sub-Inspectors of Food and Supply and even DFSC of the district are the respondents, from whom the data/information, about the working of TPDS in the district, have been collected by the researcher. And on the base of analysis of this data (collected from respondents) and the data collected from secondary sources, the following main conclusions have been pointed out:

1. At present, the TPDS is serving about 6.52 crore BPL families (including 2.5 crore AAY families), in all over India, through its large network of about 4.89 lakh FPSs. Foodgrains and other essential commodities are being distributed to this targeted section of society at very reasonable and subsidized prices. The APL families are also being covered, but prices of PDS items for APL families, are high in comparison of BPL and AAY families. The government bears a huge subsidy burden of about 25,000 crore per annum to make these PDS items available to this targeted section of the society.

2. In Haryana, at present, the TPDS benefiting about 8.30 lakh BPL families among which 3 lakh families are AAY families. The TPDS in the State is operating through a network of 9533 FPSs (6857 in rural and 2676 in urban areas). Foodgrains and other PDS items are being distributed to the targeted
beneficiaries in accordance with the directions and guidelines of the Centre government.

3. In the study area (district Rohtak) the TPDS is serving 230923 families in total among which 188506 are APL, 29722 are BPL and 12695 families are AAY families. PDS services are being provided to these poor families through a network of 277 fair price shops. Wheat, sugar and kerosene oil are the items, which are being distributed to consumers in this area. The prices and scales of these items are fixed by the State government according to the guidelines of the Central government.

4. Education level of beneficiaries, in the study area, is fairly high. The analysis has indicated that more than 70 percent respondents are literate. Apart from this it is also notable that urban respondents are more educated than the rural respondents. (Table 5.1.1).

5. It is also found out that about 90 percent of respondents are from labourer class in one or other sense. So, it can be said that the scheme is benefiting the poor section of the society. (Table 5.1.2).

6. Middle aged respondents i.e. between the age of 30-50 years, do constitute more than 50 percent of total respondents. So, it is clear that middle aged consumers are in majority in the study area. (Table 5.1.3).

7. About 75 percent respondents are from low income group. They hardly earn Rs. 5000 or less in a month, among which 42.5 percent consumers earn less than Rs. 3000 only, in a month. It is clear that a majority of consumers have low income. (Table 5.1.4).

8. About 90 percent respondents are of BPL category (including AAY families). It is clear that mostly the BPL families are the consumers of TPDS in the study area. (Table 5.1.5).

9. The overall perception of the PDS of both the rural and the urban respondents is not same. They differ in their opinion on several counts.
10. About 65 percent respondents of both rural and urban areas are aware of the objectives of the TPDS. It is notable that urban consumers are more aware than the rural. (Table 5.2.1).

11. About 50 percent respondents are not aware about the prices and scales of PDS items distributed to them through FPSs. (Table 5.2.2).

12. According to majority of respondents (57.4 percent) PDS items are not available on time in both the rural and urban areas. The consumers have to go, more than once, to FPSs to get these items. It is stated that timely supply is not there. (Table 5.2.3).

13. Only 60 percent consumers draw their quota of PDS items regularly. The rest is either takes it occasionally or never gets it. The implication is that the quota, unutilized by this category of consumers, is diverted by the dealers in open market for higher gains. (Table 5.2.4).

14. About 58 percent consumers have said that the quality of PDS items is of an average quality. It is clear that average quality of PDS items is being distributed. (Table 5.2.5).

15. A majority of consumers (nearly 55 percent) is dissatisfied with the weighing and measuring process of PDS items at FPSs. And according to these dissatisfied respondents, weighing methods of dealers and use of faulty weights and measures are the main reasons behind this. (Table 5.2.6).

16. According to about 87 percent customers the quantity of foodgrains and other PDS items, is sufficient for a period of a month. (Table 5.2.7).

17. More than 95 percent consumers have said that they travel less than 1.5 kms. to get their PDS entitlements from FPSs. It is clear that the distance between the residence of consumers and FPSs is as per provisions of the government of Haryana, regarding the PDS. (Table 5.2.8).

18. Working hours of FPSs are not convenient to 57 percent consumers. They said that these shops are not following the provisions of the government
regarding the opening and closing of these shops. So, it is clear that majority of respondents is not satisfied with the working hours of FPSs (Table 5.2.9).

19. PDS information is not being displayed on notice boards of the FPSs. According to 35 percent consumers no information is displayed and it is partial which is displayed (according to 58 percent consumers). The dealers of FPSs (nearly 60 percent) themselves accepted this. It is also observed by the researcher himself, during field work that only opening/closing time of FPSs and holidays etc. are being displayed on notice boards of FPSs (Tables 5.2.10 and 5.3.7).

20. More than 50 percent customers are not satisfied with the working of FPSs of their area. The rural consumers (more than 50 percent) are more dissatisfied in this regard in comparison of urban consumers (46 percent). The reasons are, working hours of FPSs, non-availability of items on time, weighing/measuring instruments/methods of the dealers etc. and many more. (Table 5.2.11).

21. Though a majority of consumers is not satisfied with the working of FPSs, surprising 76 percent consumers have never made any complaint to any authority in this regard. It shows that the consumers are either afraid of doing so or are not aware of it. (Table 5.2.12).

22. More than half consumers (57 percent) is not satisfied with the working of Vigilance Committee of their locality. It shows that these VCs don’t play their role of controlling the distribution at FPSs level, effectively. But, when the researcher put the same question to the dealers of FPSs, they said that VCs are working well and more than 70 percent dealers favoured this view. The officials, dealing with PDS, when interviewed, proved the consumers true by saying that definitely the VCs are not working impressively. The views of consumers regarding the working of FPSs and several irregularities at FPSs level show it clearly that VCs are not working well, otherwise PDS did not face so much problems/complaints which are coming to us. It is proved that VCs at FPSs are not working effectively and by saying so that
VCs are working well, the dealers are just saving themselves. (Table 5.2.13 and 5.3.8)

23. About 52 percent consumers have said that the PDS is not serving effectively the targeted section of the society. Inclusion of non-targeted families in BPL/AAAY, Bogus ration cards, black-marketing of PDS items and many more, are the reasons behind this. So, it is concluded that the TPDS/PDS is not fully able to serve the targeted and the needy section of the society. Even a large number of dealers (about 45 percent) has been agree with this view and accepted the inclusion of non-targeted people in BPL families. (Table 5.2.14, 5.3.5 and 5.3.6)

24. The objectives of the dealers in running FPSs is to earn profit only and they have no relation with consumers satisfaction or social service. Almost all the dealers have said so in one or another sense. (Table 5.3.1).

25. About 60 percent dealers are not satisfied with the margins/commissions provided to them for selling PDS goods. As mentioned before, the dealers earn a definite margin for selling PDS items, which is fixed by the Govt. But it is clear that the dealers are not satisfied with these margins. (Table 5.3.2).

26. A large number of dealers have said that average quality of PDS items is being distributed to consumers. But there are 44 percent dealers also, who said that they supply the same, which is distributed/supplied to them. Besides, the officials when interviewed in this regard, said that a fair average quality of food and other items is being supplied to FPSs, which is properly checked and verified by the committee, constituted for this purpose. So, again the response of dealers that as supplied to us, generate doubts and shows that there are some irregularities regarding this at dealers level. (Table 5.3.3)

27. As proved, timely distribution of PDS items is not there. Dealer’s views are again doubtful when they say that whenever these items are supplied to them, they distribute these to consumers. But the authority/official has said that the supply to FPS is made on time or as per provisions of the government. However they accepted that sometimes it is late due to some administrative
reasons. So the dealers not the authority is responsible for so called regular delays in distribution. It is clear that regular delays are due to dealers of FPSs mainly. They are irresponsible enough and hiding facts by making such doubtful responses. (table 5.3.4)

28. The dealers of FPSs again make a doubtful response when they were asked about the working days of FPSs. They said that they open the shops till the stock remains. But they don’t make it clear by displaying information regarding distribution made and stock in balance. So again the dealers are proved false and irresponsible. Because it has been proved from the views of consumers and from the dealers views also that full PDS information is not displayed. (Table 5.3.9)

29. The authority, dealing with PDs operation, is not cooperative with the dealers of FPSs. And this is the response of more than forty percent dealers (table 5.3.10). It shows the non-cooperativeness of the authority clearly.

30. It is concluded from the views of officials of PDS operation in the district, that the authority tries its best to run the PDS effectively. But due to some irregularities, generally, by the dealers of FPSs and sometimes even by the officials, the PDS operation is facing problems. According to the officials of PDS, there should be cooperation among dealers, consumers and the authority to make the PDS a success.

From the study it has emerged that the TPDS is facing many problems/irregularities in the study area. However more than 80 percent respondents are from BPL families. But the benefits of PDS are not reaching to them in proper manners. There are many problems, such as, lack of timely supply, working hours of FPSs, irregularities regarding weights/measures, bogus ration cards, inclusion of non-targeted and exclusion of targeted families from BPL families, profit motto of dealers, involvement of dealers/officials in corrupt practices, effectivenessness of VCs, and local administrative bodies etc. and many more, which are disturbing the PDS operations. Moreover, lack of cooperation form consumers side, made it difficult for administration to control and maintain the PDS in proper way. So, cooperation is the need for the success of TPDS.
5.2 Testing of Hypotheses

The hypotheses of the study are tested in this section on the basis of the above conclusions.

1. On the basis of conclusion no. 16 above, it can be said that 1st hypothesis of the study viz, “The quantity of foodgrains/PDS items is insufficient” stands disproved.

2. From conclusion no. 2 and 27, it is clear that 2nd hypothesis viz. “Timely supply is not there” stands proved. Because a large number of consumers has said that they have to go to FPSs again and again to get their entitlement and even the officials has been accepted this that sometimes it is late.

3. It is confirmed from conclusion no. 14 and 26, that the 3rd hypothesis of the study viz. “The quality of foograin is sometimes poor” stand disproved. Because a majority of consumers, FPSs dealers and even official has stated that an average quality of foograin and other PDS items is being distributed.

4. 4th hypothesis of the study viz. “Menace of bogus ration cards is there and an improper identification of BPL families” stands proved from conclusion no. 23. it has also been proved from several news in newspapers and in other studies related with this. According to a latest news more than 1 crore bogus ration cards (both APL and BPL category) have been seized during 2006-09 in the country. Due to which a large number of eligible or the needy families could not be given this facility. As per the news, about 18 percent of BPL families not have BPL ration cards (Dainik Bhaskar, Panipat (Haryana), February 23,2009, P.8.).

5. On the basis of conclusion no. 24 and 25 above, it can be said that 5th hypothesis of the study viz. “Dearlers of FPSs have a profit motto and are dissatisfied with margins, given to them” stands proved.

6. It is clear from conclusion no. 12, 15, 18, 19 20 and 28 that the dealers are not fulfilling their duties and responsibilities. So, on the base of conclusions above, it can be said that 6th hypothesis of the study viz. “FPSs dealers are not fulfilling their duties and responsibilities” stands proved.
7. On the base of conclusion no. 29, it is clear that 7th hypothesis of the study viz. “Lack of cooperation from the side of PDS authority to FPSs dealers” stands proved. Though the officials have said that they are ready to help the dealers, but the dealers are not satisfied with the behaviour of the authority.

8. It is clear from conclusion no. 22, that VCs are not working affectively. So, it can be said that 8th hypothesis viz. “Vigilance committees are not working well” stands proved.

9. It is clear from the conclusions of the study that 9th hypothesis of the study viz. “Arrangements made by the State government for the implementation of TPDS are not foolproof” is not fully stands proved or disproved. Because some conclusions of the study show that the system is working as per provisions of the government, like, FPSs are working within a distance less than 1.5 kms., the quantity of PDS items is sufficient, VCs have been constituted at FPSs level etc. But some conclusions also show that the PDS is not operating well. Here are some examples;

- government’s strategy of constituting VCs at FPSs level has failed, because these are playing their role only on papers,
- Menace of bogus ration cards and an improper identification of BPL families have also played a role in failing the government to implement the PDS successfully,
- Corruption in the distribution and diversion of PDS items to open market etc.

So, it can be said that however some arrangements of the State government are foolproof, but the government has failed to run the PDS in an effective way.

10. On the base of several examples, from newspapers, governmental reports and studies conducted in this regard, it is clear that the 10th hypothesis of the study viz. “The problem of black-marketing is there and due to which distribution system becomes faulty” stands proved. This is the main problem of PDS, which is spoiling the distribution system very badly.
6.3 Suggestions

The following measures may prove helpful in making the implementation of the scheme more purposeful and realistic.

1. The consumers of TPDS should be made aware about the benefits of the scheme, prices and scales of PDS items and all other provisions of the PDS clearly. In this regard the government should organize, consumer awareness camps and conferences/seminars etc. the government should constitute some special committees/boards/agencies to aware the consumers specially in rural areas. However, the government of Haryana is doing much in this regard, but it needs more and more attention of the government.

2. The government should run a consumer awareness movement/campaign/mission. The Public Relation Department, media and several governmental and non-governmental organizations should come forward in this regard.

3. Quality of foodgrains and other items should be improved, because due to poor quality of these items, people are less interested in buying these items. In other words, the government should ensure good quality of foodgrains/PDS items to the consumers on time.

4. Weights and measures, used by depot holders, should be checked on regular basis by the authority. Because during the study the beneficiaries have pointed out the need of this and said that there are irregularities at this point.

5. There should be a proper and regular check on FPSs. The authority should raid the FPSs even at the time of distribution.

6. As, it is clear that VCs are not working well, the reason behind this is that even the members of these committees are not well aware of PDS and its provisions. So, it is suggested that members of these committers should be given proper training in this regard so that they can help the system to control the irregularities at FPSs. For this purpose, training camps/programmes for these member should be organized by the
government on regular basis; the VCs can play an important role in PDS operations, so special attention should be given to these committees.

7. There is also a problem of bogus ration cards, which is also a main reason of diversion of PDS items to black market. It should be controlled properly. The government should make some special rules or regulation in this regard. For example, the bogus card holders should be penalized with heavy fines along with a person concerned who has attested the application form besides a complaint against the card holder in a court of law.

8. To benefit the poor consumers with highly subsidized PDS items, the non-eligible people should be excluded from the targeted list of beneficiaries (The BPL families), Only the real needy and the poor people should be issued the BPL ration cards. It is suggested that identification of BPL families should be done by a non-partial agency of other State or any Central agency. The State government should initiate in this regard.

9. Licences of FPSs should be given to a right person, who has a good moral character and of responsible nature. The Local Administrative Bodies can play and they must play an important role in this regard. These bodies should recommend a right person for this job.

10. Almost all the dealers are not satisfied with the margins given to them to run PDS shops. It is suggested that these margins should be enhanced according to the need of time, so that the dealers can earn a minimum profit of Rs. 3000-4000 per month.

11. The FPSs should be supplied the PDS items, as far as possible, on the time or as per schedule so that these may be distributed to consumers on time. The authority should be cooperative the dealers of FPSs in this regard.

12. The dealers of FPSs must open their shops regularly and at fixed time as per norms of the Department of Food and Supply.

13. The dealers must display invariably all the necessary information, as provisioned. In this regard VCs may also play compel the dealers to display
all information prominently. The enforcement staff should also ensure compliance in this regard according to the rules of the government.

14. There should be a complaint box at each FPS, through which the common consumers can make complaints about the irregularities at distribution level, to the authority. And the authority should entertain these complaints on monthly or half-monthly basis and should take appropriate action on finding any irregularity.

15. It is suggested that more items should be included in PDS, like, tea, salt, edible oil, washing/bathing soaps and pulses etc. Moreover, the dealers should be allowed to sell some additional items of their choice along with items covered by PDS so that their viability can be improved substantially. This facility of keeping other non-ration items will attract many talented persons to the PDS and it will also lead to economic viability of the FPSs.

16. The success of a fair price shop should be determined on the basis of total number of goods and their quantity supplied to the consumers during a particular period of time for this some financial incentives may be given to the dealers. If this is done, it will promote the interest of the dealers in improving the efficiency of PDS operation.

17. To check the evil of misappropriation and diversion of PDS items to open market, the government should make some special arrangements like, number of raids to FPSs by officials should be increased and VCs and PRIs, which are working effectively in this regard, should be given some financial incentives or other rewards so that these can work more efficiently. Moreover, the government should also formulate a special policy to control corrupt practices in PDS and under which provisions should be made to punish a person/dealer/official/agency involved in such type of corrupt practices.

18. There should be perfect coordination between Central and State governments and a number of other agencies involved in arranging procurement, storage,
movement and distribution of different commodities, for the success of the 
PDS. The role of each should be clearly demarcated and there should be 
proper interaction between various agencies formalized for easy monitoring 
and effective coordination.

19. The Central government should initiate to formulate some national level 
arrangements to control the diversion of PDS item to the open market, like, 
issuing of ‘food stamps’ or ‘smart cards’ to the consumers etc. Apart form 
this, a special policy should be formulated to introduce a coordinated and 
integrated control mechanism for the PDS.

20. At last but not least, it is suggested that ‘people participation’ should be there 
in PDS operation. The government may ensure it by awaring the people 
through organizing several training camps, conferences/seminars and 
consumer awareness mission/campaign etc. It is understood that without 
people participation not any policy or arrangements of the government can 
be implemented successfully. So, which is most needed is people 
participation to run the PDS in a smooth and transparent way.

The study has highlighted several weak spots and loop-holes in present 
system of Public Distribution which need to be strengthened and plugged at the 
earliest. We are of the firm belief if Haryana government takes stock of the situation 
in the light of suggestions made above then TPDS would take a new shape and this 
economically advanced State can emerge as a pioneer State in managing the PDS 
more effectively and efficiently.

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