

EFFECTIVENESS OF PUBLIC DISTRIBUTION SYSTEM (PDS) ON THE RURAL ECONOMY

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Abstract: The key function in marketing is distribution. It provides a vital link between producers and customers, by making available goods and services. In a country like India, with a majority of the population living in a large number of widely dispersed settlements, distribution has a crucial role in meeting the needs of the masses, by making goods available in every part of the country. The distribution system has been defined as the operation which creates time, place and form utility through the movement of goods and persons from one location to another. It includes the physical facilities for inter city movement, the physical arrangement for storage and the terminal properties necessary to equalize demand and supply with respect to the size of the shipment, rights of way, movement equipment, storage facilities, retail stores and the other terminal properties are also a part of the distribution system. The efficacy of any food security system can be judged only with reference to the distribution system through which it is translated into action. The distribution system undertaken by the Government or any other public agency is called "Public Distribution System"(PDS). PDS is considered as principal instrument in the hands of central and state government to providing safety to the poor against the spiraling rise of price of essential commodities. Ration shops are grass root level functioning of the total public distribution system in India to ensure food security. The programme is running under the control of government to eliminate poverty and to ensure food security and thereof make a balanced economy. But it is not out of criticisms especially in its functioning. To the opinion of most, corruption and malpractices ruin the system.

The key function in marketing is distribution. It provides a vital link between producers and customers, by making available goods and services. In a country like India, with a majority of the population living in a large number of widely dispersed settlements, distribution has a crucial role in meeting the needs of the masses, by making goods available in every part of the country. The distribution system has been defined as the operation which creates time, place and form utility through the movement of goods and persons from one location to another. It includes the physical facilities for inter city movement, the physical arrangement for storage and the terminal properties necessary to equalize demand and supply with respect to the size of the shipment, rights of way, movement equipment, storage facilities, retail stores and the other terminal properties are also a part of the distribution system. The efficacy of any food security system can be judged only with reference to the distribution system through which it is translated into action. The distribution system undertaken by the Government or any other public agency is called "Public Distribution System"(PDS).

The Public Distribution System has a great role in our economy. It was established by Government of India under ministry of consumers' affairs, food and public distribution. It is managed jointly by state and government of central India. Public Distribution System is also known as ration shops. The function of PDS is to distribute subsidized food items and non food items to the poor people. To buy these items through PDS the people must have a ration card. Some of the items distributed under PDS are kerosene and food grains such as rice, wheat, sugar etc... Consumers get food grains at reasonable and fair price i.e. price lower than market price through these ration shops. It is one of the important food security systems in India. This system ensures food security to all people on a reasonable price. It aims to reduce the poverty among poor people and also to make a balanced growth in the economy.

The PDS is a rationing mechanism that entitles households to specified of selected commodities at subsidized prices. Eligible households are given a ration card that entitles them to buy fixed rations (varying with household size and house compositions) or selected commodities. The commodities are made available through a network of fair price shops. An important feature of PDS is that the responsibility for implementation, monitoring and for enforcement of legal provisions relating to public delivery with the State Government. Nowadays, ordinary people in rural area depend heavily on PDS. To certain extent PDS helps to bridge the gap between have and have not.

PDS can be distinguished from the private distribution in terms of control exercised by public authority and the motive predominantly being social welfare in contrast to private gain. Broadly, the system includes all the agencies that are involved from procurement stage to the final delivery of goods to the consumer. The agency that is involved in the process of procurement, transportation, storage and distribution are Food Corporation of India (FCI). At the state level it is the Civil Supply Department or Corporations and the fair price shops, which are the agencies, involved in the PDS. The fair price shops are the last link in this process, which are mostly owned by the private individuals. Hence, the most important aspect that distinguishes PDS is the involvement of government agencies and government control over the entire distribution system.

Types of Ration Cards

Ration card means a document issued under an order or authority of the State Government for the purchase of essential commodities from the fair price shops under the Public Distribution System (PDS)

BPL Ration Card

This type of Ration Card is issued to the families that live below the poverty line defined.

APL Ration Card

APL Ration Card is issued by the State Government to the people who live above the defined Poverty line.

Annapurna Ration Card

This is a special type of ration card issued only to the elderly poor people above 65 years.

Antyodaya Ration Card

This type of Ration Card is issued to the poorest families having no stable income. Old age men, women, unemployed people, and laborers come under this category.

Objectives of the Study

1. To identify the quality of services provided under PDS.
2. To analyse the attitude of consumers towards ration PDS.
3. To evaluate the level of satisfaction of consumers.

Table 1

Occupation wise classification

Occupation	No. of respondents	Percentage
Private employee	10	17
Govt. employee	6	10
Agriculture	32	53
Others	12	20
Total	60	100

Source: Primary Data

Majority (53%) of the respondents are farmers. 20 percent of the respondents are doing other types of jobs like carpenters, contract workers etc. 17 percent of the respondents are private employees. only 10 percent of the respondents are Govt. employees.

Table 2

Ration Card Category wise classification

Category	No. of respondents	Percentage
APL	24	40
BPL	36	60
Antyodaya	0	0
Annapurna	0	0
Total	60	100

Source: Primary Data

Table 2 shows that out of 60 respondents 60 percent are BPL card holders and only 40 percent of the respondents are APL card holders. There are no Antyodaya and Annapurna card holders among the respondents.

Table 3

Mode of availing information

Mode	No. of respondents	Percentage
Announcement	0	0
Notice board	0	0
Friends and relatives	32	53
Others	28	47
Total	60	100

Source: Primary Data

As per the above table 53 percent of the respondents get information about ration shop especially information on time and availability of commodities from friends and relatives. 47 percent get information from other sources including newspaper.

Table 4

Opinion of Customers on PDS

	No. of respondents			Total
	Satisfied	Neutral	Dissatisfied	
Commodity Price	44	4	12	60
Quality of Commodity	31	5	24	60
Infrastructure Facilities	30	8	22	60
Dealings of PDS Owner	43	4	13	60
Availability of Information	28	4	28	60

Source: Primary Data

With regard to the opinion of customers and their satisfaction level, most of them are dissatisfied about the availability of information followed by quality of commodity and infrastructure facilities. Majority are satisfied about commodity price and dealings of PDS owner.

Table 5

Satisfaction level of Digitization of FPS

Opinion	No. of respondents	Percentage
Highly satisfied	6	10
Satisfied	16	27
Dissatisfied	16	27
Highly dissatisfied	22	36
Total	60	100

Source: Primary Data

Table 5 shows that out of 60 respondents 10 percent of the respondents are highly satisfied with the digitization of fair price shop, 16 percent of the respondents are satisfied, another 16 percent of the respondents are dissatisfied and 36 percent of the respondents are highly dissatisfied.

Table 6**Reason for Non Purchase**

Reason	No. of respondents	Percentage
Lack of good quality	28	46.67
Lack of information	31	51.67
Under weightment	1	1.66
Lack of income	0	0
Total	60	100

Source: Primary Data

Lack of information is the main reason for non purchase of items from ration shop by most of the customers (51.67 %). This is followed by lack of good quality items (46.67%).

Table 7**Awareness of the Grievance Redressal Mechanism**

Response	No. of respondents	Percentage
Yes	18	30
No	42	70
Total	60	100

Source: Primary Data

Only 30 percent of the respondents are aware of grievance redressal mechanism and procedure and majority(70%) of the respondents are not aware.

Suggestions

1. The respondents are not very much aware about functioning of PDS, grievance procedure, etc. In order to increase their awareness it is better to conduct meetings related with PDS in regular intervals as it is possible.
2. Respondents are not satisfied with the, infrastructure facilities provided by the shop. It is better to increase the infrastructure facility by providing adequate space for keeping inside the shop, having proper weighting machines, and providing proper storage facility for keeping each item separately.
3. It would be better to conduct training programmes to PDS dealers.
4. It is also better to increase the fair dealings by supplying right quantity of item at right time, maintain quality of items prescribed by civil supply department, providing correct clarification about the doubts of customers, etc...
5. Take steps to reduce the malpractices in PDS by conducting proper auditing, supervision and placing proper complaint boxes.
6. Majority of the respondents get information on the availability or supply of items in the shop mainly through friends and relatives. But most of the time it is not practical. So it is better to ensure information availability by providing newspaper advertisement, placing notice board etc.
7. Most of the respondents dissatisfied with the digitization of FPS. Because of the loopholes behind the technology and some other difficulties. It is better to adopt customer oriented and user friendly technologies.

India is a developing country and second largest population in the world. To ensure food security in India is an important function for the development of the country. PDS in India is one of the largest welfare programmes in the world with the primary aim of improving food and nutrition security of the socially and economically deprived sections in the country. PDS is considered as principal instrument in the hands of central and state government to providing safety to the poor against the spiraling rise of price of essential commodities. Ration shops are grass root level functioning of the total public distribution system in India to ensure food security. The programme is running under the control of government to eliminate poverty and to ensure food security and thereof make a balanced economy. But it is not out of criticisms especially in its functioning. To the opinion of most, corruption and malpractices ruin the system. Also there is a need to increase the quantity of food items given through ration shop and also need to ensure the quality of food grains which supplied to consumers. The strong intervention from the government to ensure adequate full supply to every poor in the society helps to eradicate poverty by attaining food security.

References

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