FAIR PRICE SHOPS IN AGASTEESWARAM BLOCK, KANYAKUMARI DISTRICT

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Abstract: The Scheme of Public Distribution System was started in India in the year 1975 with the aim of providing food security to its citizens especially the down-trodden with the aid of the ultimate outlets called Fair Price Shops. With a network of more than 400,000 Fair Price Shops, the Public Distribution System in India is considered as the largest distribution machinery. However, these shops have not performed their services and functions up to the mark in the sense that 44.66 per cent of the cardholders disagreed with the services and functions of the FPS. In addition, the cardholders were forced to wait for more hours to buy the essential commodities and they are under the clutch of favouritism and rude behaviour of the personnel in the FPS. If the services and functions of the FPS are improved on the one hand and delay in the issue of commodities, favouritism and rudeness of the personnel are given up on the other, the goals and implementation of the PDS can be achieved successfully.

IndexTerms – **Public Distribution System, Fair Price Shops, Family cards**

1. Introduction

The Public Distribution System (PDS) was started in 1975 in India. Price stabilisation and distribution of food to the poor at affordable price are the main aim of this system. In 1997 This system was changed as Targeted Public Distribution System (TPDS), providing food grains to the poor families. The objective of the TPDS is to provide food cheaper to the poor. This will lead to eradicate poverty among the poorer families. The reduction in poverty through increased calorie intake depends on two things, first is 'the timely availability of subsidized food grain through PDS' and second is 'sustained purchasing capacity of poorer households'. This depends on availability of enough opportunity of work to get sufficient income in terms of cash. The TPDS is crucial for landless poor, poor with small and marginal holdings. The nature of poverty and status of rural economy come in this regard.

In 2013, The National Food Security Act (NFSA) was enacted. This relies largely on the existing TPDS to deliver food grains to nearly two-thirds of the population. Under the existing TPDS, the centre and states share their responsibilities. The state government is to deliver the allocated food grains to each Fair Price Shop (FPS), which is the end point at which beneficiaries buy their food grains entitlement. Corruption, inefficiencies, and limited scope are preventing the public distribution system from reaching its goal of food security. The Public Distribution System in India is the largest distribution machinery of its type in the world.

The objectives of the PDS have been (i) maintaining price stability, (ii) raising the welfare of the poor (by providing access to basic foods at reasonable prices to the vulnerable population) and (iii) rationing during situations of scarcity

2. Aims and objectives of Fair Price Shops

The prices of basic and essential commodities are ever-increasing in the open market. Poor people are not able to buy these commodities for their daily needs and under the clutch of half-starvation. The prices of certain essential commodities like pulses, oil etc are controlled by the PDS and implemented through FPSs. Special public distribution system is implemented to distribute toordhall, uriddhall and palmoelin at subsidized price. The State Government opens fair price shops wherever necessary within the laid down norms. A maximum of 1,000 cards per FPS is prescribed for urban areas and a minimum of 800 cards and in rural areas. The fair price shops must be located within 2 km for getting essential commodities. For marginalised people the rule has been relaxed in the sense that a part time fair price shop can be opened in a place where there are 150 families. The distance between the existing fair price shop and the residential place must be within 1.5 km.

3. Essential of FPS

In Fair Price Shops, prices of foodgrains as well as other commodities like sugar are lower compared to the price prevailing in open market. Therefore, people use their family cads to buy commodities from FPS at reasonable and affordable price. Hence price is considered as the single most important factor that determines the utility value of the FPS. Cardholders judge the access and utility of Fair Price Shop on the basis of prices of food grains and other commodities from FPS. It is important to note that the FPS has the monopoly power in the case of Kerosene because it is sold only on Fair Price Shops.

4. Fair Price Shops in Kanyakumari district

The essential commodities under public distribution system are distributed to different card holders through fair price shops. Co-operative sector and TNCSC sector are the major sectors through which the fair price shops are functioning. These shops are functioning on full time basis as well as part time basis. The number of fair price shops which are functioning in Kanyakumari district for a period of 10 years from 2007-2008 to 2016-2017 is furnished in Table 1. The compound growth rate of fair price shops in this district has been calculated with the aid of the formula as mentioned in the aspects of methodology. The compound annual growth rate of the fair price shops is also given in the same Table.

Table 1: Fair Price Shops in Kanyakumari district (2008-09 to 2017-18)

| Year | Fair Price Shops | | | | | | Total |
| | Co-operative | | TNCSC | | Private | | |
	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	
2008-09	95	430	24	100	30	36	715
2009-10	95	431	25	101	31	36	719
2010-11	96	432	26	102	31	37	724
2011-12	96	434	26	102	32	37	727
2012-13	100	438	28	102	34	39	741
2013-14	102	440	31	102	33	40	748
2014-15	108	445	31	102	32	39	757
2015-16	111	445	31	102	31	39	759
2016-17	116	447	31	102	32	40	768
2017-18	117	449	31	102	32	40	771
CAGR	0.02	0.004	0.03	0.002	0.007	0.01	0.008

Source: District Civil Supply Corporation, 2018, Nagercoil.

Table 1 exhibits that the number of fair price shops goes on increasing over the reference period. The CAGR (0.03) for the part time fair price shops under TNCSC is found higher, indicating the importance of opening part time fair price shops. Under the Co-operative sector it is 0.02. The CAGR for the full time fair price shops under private sector is 0.01. For all the remaining categories, the CAGR is found to be meager. It is understood that, in Kanyakumari district, opening up of part time shops in both Cooperative sector and TNCSC sector and full time shops in the private sector are given primary importance.

5. Fair Price Shops in Agasteeswaram block

Agasteeswaram block consists of 10 town panchayats and 12 village panchayats, In this block, there are 118 fair price shops, comprising of 82 full time shops and 36 part time shops as found in the following Table.

As seen in Table 2, among the 10 town panchayats in Agasteeswaram block, Anjugramam town panchayat has the highest number of six full time fair price shops and three part time shops. Out of the 12 village panchayats in the same block, Leepuram village panchayat possesses 4 full time fair price shops and one part time shop.[1]

Table 2: Panchayat-wise Fair Price Shops in Agasteeswaram Block on March 2018

| Town Panchayat | | | Village Panchayat | | | Total | |
Name of the Panchayat	Full time	Part time	Name of the Panchayat	Full time	Part time	Full time	Part time
Agasteeswaram	4	3	Kovalam	3	1	7	4
Anjugramam	6	3	Kulasekarapuram	3	-	9	3
Azhahappapuram	5	2	Karumpattur	3	1	8	3
Kanyakumari	4	3	Eraviputhur	3	-	7	3
Kottaram	5	3	North Thamaraikulam	3	1	8	4
Marunkoor	4	2	Nallur	3	1	7	3
Mylaudy	5	3	Ramapuram	3	1	8	4
South Thamaraikulam	5	3	Maharajapuram	3	1	8	4
Suchindrum	5	3	Leepuram	4	1	9	4
Theroor	3	2	Panchalinhapuram	3	1	6	3
			Swamythoppu	3	1	3	1
			Theraekalputhur	2	-	2	-
Total	46	27		36	9	82	36

Source: District Civil Supply Office,2018, Nagercoil

6. Panchayat-wise and Category-wise Family Cards in Agasteeswaram Block

The fair price shops in each Town and Village panchayat have a good number of family cards. Following Table conveys number of family cards at the aggregate level.

Table 3: Family cards in Agasteeswaram block at the aggregate level

Name of the panchayat	Number of family cards	Percentage	Category				
			BPL	APL	AAY	Police	NoC
Town panchayat	58670	69.49	57088	619	670	248	44
Village panchayat	25758	30.51	25064	272	294	109	20
Total	84428	100.00	82152	891	964	357	64

Source: District Civil Supply Office, 2018, Nagercoil

Table 3 connotes that Agasteeswaram block possesses a total of 84,428 family cards, of which Town panchayat bears 58,670 (69.49 per cent) family cards and Village panchayat holds the remaining 25,758 (30.51 per cent) cards. The family cards in the Town panchayat are found to be more than two times higher than the family cards in the Village panchayat. Among the category of cards, the BPL families had a lion's share of 82,152 family cards out of the total 84,428 cards. It is inferred that the Town panchayat outnumbered the Village panchayat with respect to family cards and a very vast number of family cards belongs to BPL families.

7. Objectives of the study

The study has the main objective which focuses attention on evaluating the functioning of fair price shops in the selected panchayats of Agasteeswaram block. The specific objectives are: (i) to discuss about the services and functions of the fair price shops in the selected panchayats and (ii) to identify the important problems faced by the cardholders in the fair price shops.

8. Methodology

The study consists of 96 sample cardholders (60 from Anjugramam town panchayat and 36 from Leepuram village panchayat). The sample cardholders were duly selected by following simple random sampling technique. The panchayats were stratified into wards. Anjugramam town panchayat consisted of 10 wards and Leepuram village panchayat possessed 6 wards. Then, the number of cardholders from each ward was identified. Six card holders from each ward were selected purposively. A total of 96 cardholders constitute the material for the study. Both primary and secondary data were used. Primary data were collected from the sample cardholders by employing a well-prepared structured interview schedule during the field visits. Secondary data were collected from different journals and the Records maintained in the Office of TNCSC, Nagercoil. The growth rate of fair price shops in Agasteeswaram block was determined using the compound annual growth rate (CAGR) calculation. The CAGR is a useful measure of growth over multiple time periods. Compound annual growth rate is an average growth rate over a period of several years. It gives the geometric average of annual growth rates as mentioned below

$$CAGR(t_o, t_n) = \left(\frac{V(t_n)}{V(t_o)}\right)^{\frac{1}{t_n - t_o}} - 1$$

Where, V (t_0) represents the value of the first year, V (t_n) represents the value of the last year in the reference period and (t_n-t_o) represents the number of years. The services and functions of the FPS was assessed on the basis of the opinion given by the sample cardholders. The most important problems confronting the cardholders in the fair price shops were identified with the aid of Garrett Ranking Technique. Under this technique, the percent position is needed. The per cent position has been obtained by employing the following formula.

$$G = \frac{100(R_{ij} - 0.5)}{N_j}$$

where,   G = Percent position   i = factor   j = individual

9. Results and discussion

9.1 Services and functions of the FPS (Opinion Survey)

The investigator felt it essential to make opinion survey to collect information from the sample cardholders regarding the services and functions of the FPS. The opinion of the sample cardholders has been made on the basis of five-point scale technique as found in Table 4.

Table 4 connotes that, on the average, 44.66 percent of the cardholders disagreed the services and functions of FPS, 23.05 percent of the cardholders reported no opinion, 17.97 percent of the cardholders agreed, 14.58 percent of the cardholders highly disagreed and only 2.53 percent cardholders highly agreed. It is interesting to note that no cardholder disagreed with the aspect of 'selling through black market' and in the aspect of 'no bad smell' nobody highly agreed. It is understood from the above discussion that majority of the cardholders disagreed the services and functions of the FPS in the study area.

Table 4: Opinion of the cardholders about the services and functions of FPS

Factors	HDA	DA	N	A	HA	Total
Adequate quota	1 (1.04)	35 (36.47)	2 (2.08)	56 (58.33)	2 (2.08)	96 (100.00)
Correct weight and measure	14 (14.59.)	62 (64.58)	18 (18.75)	1 (1.04)	1 (1.04)	96 (100.00)
No favoritism and nepotism	20 (20.83)	45 (46.88)	26 (27.08)	4 (4.17)	1 (1.04)	96 (100.00)
No manipulation	23 (23.96)	47 (48.96)	24 (25.00)	1 (1.04)	1 (1.04)	96 (100.00)
Availability of commodity in proper time	18 (18.75)	53 (55.21)	21 (21.88)	2 (2.08)	2 (2.08)	96 (100.00)
Regular distribution of commodities	12 (12.50)	52 (54.17)	29 (30.21)	2 (2.08)	1 (1.04)	96 (100.00)
No bad smell	10 (10.42)	24 (25.00)	56 (58.33)	6 (6.25)	- -	96 (100.00)
Selling through black market	- -	25 (26.04)	1 (1.04)	61 (63.54)	9 (9.38)	96 (100.00)
Average percentage	14.58	44.66	23.05	17.97	2.53	

Source: Primary data (Opinion survey)

Note: HDA – Highly disagreed   DA – Disagreed   N – No opinion   A – Agreed   HA – Highly agreed

9.2 Problems faced by the cardholders in the FPS (Opinion survey)

From the opinion survey it was found that cardholders faced few problems in the FPS. The problems the cardholders faced were: i) favouritism, ii) more time to be spent to buy, iii) compulsion to buy additional commodities, iv) rude behaviour of the personnel and v) malpractice in bill clearance. The order of rank of the problems was found by employing Garrett Ranking Technique. For this, a consolidation table bearing rank of the factors and the corresponding cardholders was needed. The consolidation of factors and rank given by the cardholders at the aggregate level is furnished in Table 5.

Table 5: Consolidated table of factors and rank and the corresponding cardholders

Rank	Factors					Total
	Favouritism	More time to be spent to buy	Compulsion to buy additional commodities	Rude behaviour of the personnel	Malpractice in bill clearance	
I	31	29	1	25	10	96
II	19	26	22	25	4	96
III	12	15	22	25	22	96
IV	13	13	31	16	23	96
V	21	13	20	5	37	96
Total	96	96	96	96	96	

Source: Primary data (opinion survey)

On the basis of the data found in Table 5, percent position and the corresponding Garrett scores were obtained as noted in Table 4. Garrett score is essential to determine the order of the rank of the factor. The Garrett Scores obtained are 75,60,50,40 and 25

9.3 Order of the rank of the problems on the basis of Garrett Mean Score

The Garrett score and the corresponding mean score calculated and rank on the basis of the percent position are furnished in Table 6.

Table 6: Order of the rank of the problems

Problems	Garrett score	Mean score	Rank
Favouritism	5110	53.23	III
More time to be spent to buy	5330	55.52	II
Compulsion to buy additional commodities	4235	44.11	IV
Rude behaviour of the FPS personnel	5390	56.15	I
Malpractice in bill clearance	3935	40.99	V

Table 6 indicates that 'Rude behaviour of the FPS personnel' is the most important problem obtaining first rank with the highest Garrett mean score (56.15). 'More time to be spent to buy' is the second important problem with the mean score of 55.52. ''Favouritism is the third important problem with the means score 53.23. 'Compulsion to buy additional commodities' is the fourth one with mean score of 44.11 and 'malpractice in bill clearance' ranks fifth with mean score of 40.99. It is deduced that 'Rude behaviour of the personnel', 'More time to be spent to buy' and 'Favouritism' were the most important problems faced by the cardholders in the FPS with the mean scores above 53 in the study area.

10. Conclusion

Fair Price Shops are the important outlets to implement the public distribution system and fulfill the objective of this system. However, these shops have not performed their services and functions up to the mark in the sense that 44.66 per cent of the cardholders disagreed with the services and functions of the FPS. In addition, the cardholders were forced to wait for more time to buy the essential commodities and they are under the clutch of favouritism and rude behaviour of the personnel in the FPS. If the services and functions of the FPS are improved on the one hand and delay in the issue of commodities, favouritism and rudeness of the personnel are given up on the other, the goal of PDS can be achieved successfully.

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